



Ordinary Meeting of Council

13 July 2022

**UNDER SEPARATE COVER
ATTACHMENTS**

ITEMS 9.11 TO 9.13

**QUEANBEYAN-PALERANG REGIONAL COUNCIL
ORDINARY MEETING OF COUNCIL**

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QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

13 JULY 2022

ITEM 9.11 RENEWAL OF LEASE FOR 66 OLD MINES ROAD, CAPTAINS
FLAT WITH AMPLITEL PTY

ATTACHMENT 1 CAPTAINS FLAT, NSW - TERM 1 LEASE



LAND LEASE

(New South Wales)

**Property: 66 Old Mines Road, Captains Flat
NSW 2623**

Queanbeyan-Palerang Regional Council
ABN 95 933 070 982

Amplitel Pty Limited
ACN 648 133 073

REFERENCE SCHEDULE

Item 1	Lessor:	Name: Queanbeyan-Palerang Regional Council ACN: N/A ABN: 95 933 070 982 Address: 256 Crawford St, Queanbeyan NSW 2620 PO Box 90, Queanbeyan, NSW, 2620 Tel: 1300 735 025 / 0499 325 106 Email: council@qprc.nsw.gov.au
Item 2	Lessee:	Name: Amplitel Pty Limited as trustee for the Towers Business Operating Trust ACN: 648 133 073 ABN: 75 357 171 746 Address: c/- JLL 242 Exhibition Street MELBOURNE VIC 3000 Email: Telstra.Notices@ap.jll.com and F0901953@team.telstra.com
Item 3	Premises:	That part of the Land hatched on the plan and labelled "Works Area" attached to this Lease and situated at 66 Old Mines Road, Captains Flat NSW 2623. (For Lessee reference purposes only: JDE: 31664600 Tenure ID: 58272 Node Manager Address ID: 106850 RFNSA Number:)
Item 4	Land:	Folio Identifier 1/222274
Item 5	Term:	5 years, commencing on the Commencement Date
Item 6	Commencement Date:	4 February 2023
Item 7	Terminating Date:	3 February 2028
Item 8	Rent:	\$8,500.00 per annum (exclusive of GST), subject to review under clause 3.1
Item 9	Payment of Rent:	Yearly in advance by way of electronic funds transfer commencing on the Rent Commencement Date and thereafter on each anniversary of the Commencement Date.
Item 10	Permitted Use:	Use, inspection, construction, installation, replacement, operation, maintenance, alteration, repair, upgrade, access to and from and removal of the Facility for telecommunications, communications and any other lawful purposes on the Premises and the Land in accordance with this Lease.
Item 11	Review of Rent:	The Rent is to be increased on each Review Date by 3.00% during the Term.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following words have these meaning in this Lease unless the contrary intention is shown:

Act means the Telecommunications Act 1997 (Cth).

Business Day means a day that is not a Saturday, Sunday or public holiday in the State.

Carrier has the same meaning as is contained in the Act and includes a party acting in reliance upon a nominated carrier declaration made under Part 3 of the Act.

Commencement Date means the date specified in Item 6.

Consumer Price Index means the All Groups CPI: Australia Consumer Price Index as currently published by the Australian Bureau of Statistics.

Current CPI means the Consumer Price Index number for the quarter ending immediately before the relevant Review Date.

Emergency means circumstances where access must be provided without delay to protect the Facility, the health or safety of persons, the environment, property or maintenance of an adequate level of service.

Facility means any equipment, equipment housing, tower/pole/mast (or similar), antennas, associated ancillary equipment and/or any other fixtures, fittings, structures and cabling as altered or upgraded in accordance with the terms of this Lease belonging to or brought onto the Premises by the Lessee, any Related Body Corporate of the Lessee and any subtenant or licensee of the Lessee (as the case may be).

Financial Year means the 12 months period ending on 30 June in each year.

Item means an item in the Reference Schedule.

Land means the Land described in Item 4.

Lease means this lease and any equitable lease or common law tenancy evidenced by this lease.

Lessee means the party named in Item 2.

Lessor means the party named in Item 1.

Liability Cap means:

- (a) for the Financial Year ending 30 June 2022, \$20 million; and
- (b) for each subsequent Financial Year in the Term, the amount of the Liability Cap for the previous Financial Year multiplied by the Current CPI and divided by the Previous CPI.

Network means the passive infrastructure of the Lessee (or any Related Body Corporate of the Lessee) for use in connection with a communications network.

Permitted Mortgage means a mortgage of the Land granted to an authorised deposit-taking institution within the meaning of the *Banking Act 1959* (Cth).

Permitted Mortgagee means the mortgagee from time to time under a Permitted Mortgage.

Permitted Use means the use specified in Item 10.

Premises means the premises leased to the Lessee as described in Item 3.

Previous CPI means the Consumer Price Index number for the quarter ending immediately before the last Review Date (or, if there has not been one, the Commencement Date).

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Reference Schedule means the Reference Schedule to this Lease.

Related Body Corporate means a related body corporate or a body corporate of which the Lessee is either an associated entity or a related body corporate of an associated entity, as each of those terms are defined in the *Corporations Act 2001* (Cth).

Rent means the amount specified in Item 8, as varied on any Review Date under this Lease.

Rent Commencement Date means the earlier of:

- (a) the date the Lessee substantially commences initial installation of the Facility on the Premises;
- (b) the date the Lessee identifies in a notice to the Lessor of the Lessee's intention to commence initial installation of the Facility on the Premises; or
- (c) the fifth anniversary of the Commencement Date.

Requirements means applicable legislation, by-laws, policies, industry standards or codes, community obligations and technical requirements.

Review Date means each anniversary of the Commencement Date during the Term.

Security Interest means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation or that gives a creditor priority over unsecured creditors in relation to any property.

Subsequent Lease means any lease between the Lessor and the Lessee of the Premises for a period of time commencing after the Terminating Date.

State means the State or Territory of Australia in which the Premises is situated.

Term means the term of this Lease as specified in Item 5 which begins on the Commencement Date and ends on the Terminating Date.

Terminating Date means the date specified in Item 7, except where this Lease is terminated early in which case the date of earlier termination is the Terminating Date.

1.2 Rules for interpreting this Lease

Unless the context otherwise requires:

- (a) A singular word includes the plural, and vice versa.
- (b) If a word is defined, another part of speech using contextual variations of that word has a corresponding meaning.

- (c) Words of inclusion or example are not words of limitation.
- (d) Headings are for convenience only, and do not affect interpretation.
- (e) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Lease.
- (f) If anything in this Lease is unenforceable, illegal or void then it is severed and the rest of this Lease remains in force.
- (g) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes an executor, an administrator, a permitted substitute or a permitted assign of that party and where the party is a corporation, includes the corporation, its successors and assigns;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (h) Unless the context otherwise requires, the terms installation and maintenance where they are used in this Lease have the same meanings and include the same activities as are provided under the Act.
- (i) Where a party consists of two or more persons or a term is used in this Lease to refer to more than one party an obligation of those persons is joint and several and a right of those persons is held by each of them severally.
- (j) Any right given to the Lessor or the Lessee (as the case may be) may where the context so permits be exercised by that party's employees, agents, contractors, subtenants, licensees or others authorised (expressly or implicitly) by that party.
- (k) Any obligation on the Lessor or the Lessee (as the case may be) will where the context so permits extend to the actions of that party or that party's authorised employees, agents, contractors, subtenants, licensees, invitees or others claiming under or through that party.
- (l) Unless this Lease expressly states otherwise, any party responding to a request for consent or approval must not unreasonably withhold or delay its response or impose any conditions inconsistent with the terms of this Lease. If withholding consent or approval, the responding party must give written reasons with its response.
- (m) Sections 84, 84A and 85 of the *Conveyancing Act 1919* (NSW) do not apply to this Lease.

2. TERM OF LEASE

2.1 Term

The Lessor leases the Premises to the Lessee for the Term and for the Permitted Use.

2.2 Holding Over

If the Lessee occupies the Premises after the Terminating Date without demand for possession by the Lessor, then the Lessee occupies the Premises under a yearly tenancy on the same terms as this Lease, so far as they can be applied to a yearly tenancy. Either party may terminate the yearly tenancy by giving no less than 1 year's notice to the other party.

3. PAYMENTS

3.1 Rent and Rent Review

- (a) The Lessee must pay the Rent in accordance with Item 9 to an account in Australia nominated by the Lessor. The Lessor may nominate another account in Australia into which the Rent must be paid upon giving at least 20 Business Days' notice to the Lessee.
- (b) The Rent is to be reviewed on each Review Date in accordance with Item 11.
- (c) Despite any other provision in the Lease, the Lessee is not obliged to pay Rent from the Commencement Date to the Rent Commencement Date. If the Rent Commencement Date is not the Commencement Date or an anniversary of the Commencement Date, the Lessee is only required to pay the first instalment of Rent on a pro rata basis calculated from the Rent Commencement Date to the next anniversary of the Commencement Date.

3.2 Rates and taxes

The Rent is a gross amount and the Lessee is not required to pay any rates, taxes or outgoings which are charged to, assessed against or relate to the Land (including the Premises), subject to charges (if any) which this Lease expressly requires the Lessee to pay. The Lessor must pay all rates, taxes and outgoings on or before the payment date which are charged to, assessed against or relate to the Land (including the Premises).

3.3 Costs of Lease

Each party must bear their own legal fees and disbursements for the preparation, negotiation and execution of this Lease. If stamp duty or registration fees are payable on this Lease, the Lessee will pay the applicable stamp duty or registration fees.

4. EQUIPMENT

- (a) The Lessor grants a licence to the Lessee, its subtenants and licensees to install, maintain, repair, renew and use cabling on the Land to and from the Facility as is necessary for the Permitted Use.
- (b) Subject to the express terms of this Lease, the Facility remains at all times the property of the Lessee, its subtenants and licensees (as the case may be), even if it becomes attached to the Land.

5. USE

5.1 Use of Premises and Land

- (a) The Lessee may only use the Premises for the Permitted Use.
- (b) The Lessor grants a licence to the Lessee, its subtenants and licensees to use so much of the Land adjacent to or adjoining the Facility as is reasonably required for the Permitted Use. After using the adjacent or adjoining Land, the Lessee must restore the surface to that part of the Land used to as near as practicably possible its state prior to use by the Lessee, its subtenants and licensees.

- (c) The Lessee is not required to carry out any capital or structural works to the Land unless such works are required by the Lessee for the installation or maintenance of the Facility or the works are as a result of the Lessee's negligence or a breach of this Lease.
- (d) The Lessee, its subtenants and licensees may install signage around the Premises and the Facility for the purposes of complying with applicable laws.
- (e) The Lessor grants to the Lessee, its subtenants and licensees the right to use so much of the adjoining or adjacent land as is reasonably required for the purpose of installing and maintaining guy anchors (if needed) to support the Lessee's structure on the Premises and running guy wires from those guy anchors on the adjoining or adjacent land to the Lessee's structure on the Premises. The Lessor must not use or interfere with the Lessee's guy anchors or guy wires. The provisions of clause 9.3 apply to the exercise by the Lessee of its rights under this clause.

5.2 Condition of Premises

Subject to clause 5.1(c), the Lessee will keep the Premises in good repair and condition (having regard to the condition of the Premises as at the Commencement Date) excluding fair wear and tear and any damage caused by fire, flood, lightning, storm, war or act of God.

5.3 Permits and Approvals

The Lessor:

- (a) authorises the Lessee, at the Lessee's cost, to make applications to any relevant government authority or agency for any necessary permits, consents and approvals for the development, construction and use of the Facility and to exercise and procure (in the Lessee's discretion) every right of appeal arising from a determination or failure to determine such application; and
- (b) must sign all documentation and provide all assistance reasonably required by the Lessee or any person nominated by the Lessee to obtain the permits, consents and approvals referred to in clause 5.3(a).

6. ELECTRICITY AND OTHER SERVICES

- (a) The Lessor must permit the Lessee, at the Lessee's cost, to install electricity and other services on the Land to and from the Facility. The Lessee may use, install, repair, maintain, replace and remove any services to the Facility at any time.
- (b) The supply of electricity must be made through a dedicated usage meter (either by separate meter or check meter), installed by the Lessee at its own cost, so that the Lessee is directly accountable for any electricity that it uses on the Premises.
- (c) Where the Lessee installs separate electricity metering, the Lessee must pay to the supplier all charges for the separately metered electricity used by the Lessee. Where the Lessee installs a check meter, the Lessee will reimburse the Lessor the actual cost of the electricity it uses on the Premises as recorded by the check meter within 30 Business Days of receipt of a tax invoice from the Lessor.
- (d) The Lessor agrees that the Lessee may transfer ownership of some or all of the electricity cables to a third party electricity supplier for the supply of electricity to the Facility.
- (e) Where reasonably requested by the Lessee, the Lessor must grant an easement for electricity purposes over part of the Land on the easement terms that may be required by the electricity supplier.

- (f) The Lessor agrees that the electricity supplier may enter the Land from the Commencement Date for the purposes of installing, repairing, maintaining, upgrading, replacing and removing any electricity infrastructure.

7. ACCESS

7.1 Access

The Lessor grants a licence to the Lessee, its subtenants and licensees over the Land to have access to and from the Premises (including the Facility) at all times.

7.2 Security

- (a) Subject to clause 7.2(b), the Lessee will comply with reasonable security arrangements and access protocols as previously notified to it by the Lessor. The Lessor will notify the Lessee of the Lessor's contact person for security purposes (including name, postal address, email address and phone number).
- (b) Where the Lessee does not have direct access to the Land, Premises and the Facility and there is an Emergency, the Lessor must arrange for the Lessee, its subtenants and licensees to have access to the Land, Premises and the Facility within 2 hours of notification by the Lessee to the Lessor or the Lessor's contact person nominated under clause 7.2(a). The Lessee may give this notice in person or by telephone.
- (c) The Lessee will reimburse to the Lessor the reasonable security expenses incurred by the Lessor in providing access during an Emergency within 20 Business Days of receipt of a tax invoice from the Lessor.

7.3 Access track and/or power connection

If the Lessee installs at its cost any access track or power connection, then any other person (except the Lessor) who wishes to utilise the access track or power connection must share in the cost of any upgrade and maintenance of the access track or power connection as apportioned by the Lessee (and in consultation with the Lessor acting reasonably), taking into account the extent of the use of the access track or the power connection by other users.

8. ASSIGNMENT AND SUBLETTING

- (a) The Lessee must not assign this Lease or sublet the whole of the Premises without the consent of the Lessor, except to:
 - (i) a Related Body Corporate of the Lessee;
 - (ii) a Carrier; or
 - (iii) any entity (or a Related Body Corporate of that entity) that is acquiring the Network,in which case the consent of the Lessor is not required to the assignment or sublease.
- (b) The Lessee may grant a sublease of part of the Premises or a licence of the whole Premises or any part of the Premises to any person at any time.
- (c) In the event of an assignment of this Lease by the Lessee, the Lessee and the Lessor release each other from all obligations and liabilities under this Lease from the date of assignment of this Lease, but without prejudice to any prior claim or remedy which either party may have against the other party.
- (d) For the avoidance of doubt, and for the purposes of this clause 8, a reference to:

- (i) this 'Lease' includes any licence rights granted to the Lessee in this Lease and any rights which are appurtenant or ancillary to this Lease; and
- (ii) the 'Premises' includes any areas over which the Lessee holds licence, appurtenant or ancillary rights.

9. INSURANCE AND INDEMNITY

9.1 Property Insurance

The Lessee agrees to maintain all risks property insurance with a reputable insurer at all times in relation to the Premises.

9.2 Public Liability Insurance

- (a) The Lessee agrees to maintain public liability insurance with a reputable insurer for at least \$20 million at all times in relation to the Premises and the Lessee will include the Lessor as an insured to the extent of the Lessee's liability under this Lease.
- (b) If requested in writing by the Lessor (no more than once in a twelve month period), the Lessee will provide the Lessor with a letter confirming the Lessee's insurance as specified in this clause 9.2.

9.3 Indemnity and liability

- (a) The Lessee will indemnify the Lessor for any liability, loss, damage, cost or expense incurred or suffered by the Lessor which is caused or contributed (to the extent of the contribution) by the Lessee's negligence or breach of this Lease.
- (b) The liability of the Lessee under this Lease (including under the indemnity provided by the Lessee under clause 9.3(a)) will not exceed the Liability Cap in any Financial Year.
- (c) The liability of the Lessee under this clause 9.3 must be reduced proportionately to the extent that the Lessor's negligence or breach of this Lease caused or contributed to the liability.
- (d) In defending or responding to any claim under this clause 9.3, the Lessor must act reasonably and consult in good faith with the Lessee.
- (e) The Lessor must not settle any claim under this clause 9.3 without obtaining the prior consent of the Lessee. The Lessor must take reasonable steps to mitigate any liability, loss, damage, cost or expense including taking reasonable court action to defend any claim, action or demand made against the Lessor.

10. LESSOR'S COVENANTS

10.1 Quiet Enjoyment

The Lessee is entitled to quiet enjoyment of the Premises and to undertake the Permitted Use on the Land without any interruption by the Lessor or any person lawfully claiming through the Lessor or in any other manner.

10.2 Condition of Land

The Lessor must repair, maintain and keep in good and substantial repair the Land (including all fixtures and fittings of the Lessor, if any), subject always to the obligations of the Lessee under this Lease.

10.3 No Damage

The Lessor must not damage, tamper with or interfere with the Facility or its operation.

10.4 Safety and Security Procedures

The Lessor must comply with the Lessee's safety and security procedures and signage in respect of the Premises and the Facility.

10.5 Other Occupiers

- (a) Where the Lessor proposes to grant rights of occupancy on the Land to other occupiers and those rights include the right to operate radio communications and/or telecommunications equipment on the Land, then the Lessor must first promptly give notice and obtain the Lessee's consent to the proposal (such consent not to be unreasonably withheld).
- (b) If the Lessee establishes that changes to other occupiers' facilities after the initial installation of the facility by the other occupier has caused interference with the Facility, the Lessor must, immediately upon receipt of notice from the Lessee, arrange for the other occupier to modify its facility so that it no longer interferes with the Facility.

10.6 Consents

If the Land is subject to a mortgage, the Lessor must obtain consent to this Lease from the mortgagee and the Lessee must pay the mortgagee's reasonable consent costs.

10.7 Contamination

The Lessor warrants to the best of its knowledge that, as at the Commencement Date, the Premises do not contain contamination or substances hazardous to health or safety.

10.8 Events Affecting Land

- (a) The Lessor must promptly notify the Lessee if:
 - (i) the Lessor sells or otherwise disposes of its interest in the Land;
 - (ii) the Lessor is aware of a proposal for development occurring on adjoining land;
 - (iii) the Lessor changes its address for notices;
 - (iv) a Permitted Mortgage becomes enforceable; or
 - (v) a Permitted Mortgagee becomes:
 - A entitled to the receipt of Rent and other payments under this Lease;
 - B entitled to exercise any of the rights of the Lessor under this Lease; or
 - C obliged to perform any of the obligations of the Lessor under this Lease.
- (b) The Lessor must not:
 - (i) grant a lease over the whole or any part of the Premises which is intended to run concurrently with this Lease or any Subsequent Lease;

- (ii) issue a direction to the Lessee to pay the whole or any part of the Rent or other payments under this Lease (other than for charges which this Lease expressly requires the Lessee to pay or for electricity under clause 6) to a person other than the Lessor;
- (iii) assign, transfer or grant any interest in this Lease or the Lessor's rights under this Lease, other than by way of a Permitted Mortgage;
- (iv) appoint a person:
 - A other than an employee or officer of the Lessor, under power of attorney, as an authorised representative or attorney (other than pursuant to a Permitted Mortgage);
 - B other than a licensed real estate agent, as agent of the Lessor; or
 - C other than a professional adviser, such as an accountant or legal adviser,to exercise any rights of the Lessor under this Lease or to negotiate on behalf of the Lessor the terms of any lease, licence or other occupancy arrangement of the Premises to the Lessee to commence after the Terminating Date or the terminating date of any Subsequent Lease; or
- (v) create or allow a Security Interest, other than a Permitted Mortgage, in the Land, this Lease or the Lessor's rights under this Lease,

without the prior written consent of the Lessee (which may be granted or refused by the Lessee in its absolute discretion).

- (c) If the Lessor breaches clause 10.8(b), then:
 - (i) the Lessee will be entitled to a reduction in the Rent of 50% from the date of the Lessor's breach until the Terminating Date and during the term of any Subsequent Lease and the parties agree to promptly execute a variation of this Lease and any Subsequent Lease to reflect the reduced Rent in registrable form. The Lessee must at the Lessor's cost attend to the preparation and registration of the variation of this Lease and any Subsequent Lease and the Lessor must immediately produce the certificate of title for the Land to enable the variation of this Lease and any Subsequent Lease to be registered (if applicable);
 - (ii) the Lessor must compensate the Lessee for any loss, damage or disadvantage which the Lessee may suffer or incur as a result of the Lessor's failure or delay in seeking the consent of the Lessee; and/or
 - (iii) at any time within 2 years after becoming aware of the breach, the Lessee may terminate this Lease by giving to the Lessor not less than 6 months' notice to the Lessor at any time.
- (d) The Lessor acknowledges and agrees that:
 - (i) the Lessee will suffer loss and damages if the Lessor fails to obtain the Lessee's prior consent under clause 10.8(b); and
 - (ii) the reduction in the Rent under clause 10.8(c)(i) represents the amount reasonably required to protect the Lessee's legitimate business interests should the Lessor fail to obtain the Lessee's prior consent under clause 10.8(b).

11. DEFAULT AND TERMINATION

11.1 Default and Re-entry

- (a) If the Lessee fails to perform its obligations under this Lease and the Lessee does not, within 20 Business Days in the case of non-payment of Rent and 40 Business Days in the case of all other breaches from the date of receipt of notice from the Lessor, either remedy the default or if the default cannot be remedied, pay reasonable compensation to the Lessor for the loss or damage suffered by the Lessor as a consequence of the default, then the Lessor may re-enter upon the Premises.
- (b) This Lease determines on the Lessor's re-entry but without prejudice to any prior claim or remedy which either party may have against the other party.

11.2 Early surrender

- (a) Before the Facility is initially installed, the Lessee may surrender this Lease by giving the Lessor no less than 20 Business Days' notice where the Lessee or its subtenants or licensees are unable to comply with or satisfy any Requirements.
- (b) Despite any other provision of this Lease, if the Permitted Use is compromised (including physical or radio interference), the Premises are no longer required, the communications network of any of the Lessee's subtenants or licensees ceases to operate or the Lessee's subtenants or licensees vacate then the Lessee may surrender this Lease on giving to the Lessor no less than 6 months' notice at any time.
- (c) If the Lessee exercises its right to surrender this Lease under clauses 11.2(a) or 11.2(b), the Lessee must, at its cost, reinstate the Premises in accordance with clause 11.4 and the surrender of this Lease is without prejudice to any prior claim or remedy which either party may have against the other.
- (d) If this Lease is surrendered by the Lessee prior to the Terminating Date pursuant to this clause 11.2, the Lessor must, within 20 Business Days of the date of surrender, refund to the Lessee any Rent paid in advance for that portion of the Term after the date of surrender.

11.3 Subsequent Leases

- (a) The Lessee may surrender a Subsequent Lease for any reason by giving the Lessor written notice at least 1 month before the Terminating Date. The Subsequent Lease terminates on the date specified in the Lessee's notice or, failing any specified date, on the Terminating Date.
- (b) If this Lease is surrendered (other than by the effluxion of time), any Subsequent Lease is also surrendered at the same time as this Lease.
- (c) Where this Lease or any Subsequent Lease is surrendered under this clause 11.3, the parties agree to promptly execute a surrender of this Lease and a surrender of any Subsequent Lease in registrable form. The Lessee must at its cost attend to the preparation, stamping and registration of the surrenders of this Lease and any Subsequent Lease. If this Lease or any Subsequent Lease has been registered, the Lessor must immediately produce the certificate of title for the Land to enable the surrender of this Lease and any Subsequent Lease to be registered (if applicable).
- (d) The surrender of this Lease or any Subsequent Lease is without prejudice to any prior claim or remedy which either party may have against the other under this Lease or any Subsequent Lease.

11.4 Reinstatement and Make Good

- (a) Within 4 months after the Terminating Date, the Lessee will remove that part of the Facility located above ground level and make good at its cost any damage to the Land or Premises caused by that removal. The Lessee will continue to pay Rent to the Lessor during this 4 month period (or any lesser period of time as the Lessee requires to meet its obligations under this clause 11.4) at the same rate of Rent (on a pro-rata basis) payable immediately before the Terminating Date.
- (b) This clause does not apply if the Lessee is to occupy the Premises under a Subsequent Lease.

12. GST

12.1 Recovery of GST

If one party (**supplying party**) makes a taxable supply and the consideration for that supply does not expressly include GST, the party that is liable to provide the GST-exclusive consideration (**receiving party**) must also pay an amount (**GST amount**) equal to the GST payable in respect of that supply.

12.2 Time for payment of GST amount

Subject to first receiving a tax invoice or adjustment note as appropriate, the receiving party must pay the GST amount when it is liable to provide the GST-exclusive consideration or the first part of the GST-exclusive consideration for the supply (as the case may be).

12.3 Indemnity and reimbursement payments

If one party must indemnify or reimburse another party (**payee**) for any loss or expense incurred by the payee, the required payment does not include any amount which the payee (or an entity that is in the same GST group as the payee) is entitled to claim as an input tax credit or would have been entitled to claim as an input tax credit had the other party registered for GST in the event that it was required or entitled to do so, but will be increased under clause 12.1 if the payment is consideration for a taxable supply.

12.4 Adjustment events

If an adjustment event arises in respect of a taxable supply made by a supplying party, the GST amount payable by the receiving party under clause 12.1 will be recalculated to reflect the adjustment event and a payment will be made by the receiving party to the supplying party, or by the supplying party to the receiving party, as the case requires.

12.5 Lease to be a tax invoice

The parties agree that this Lease is intended to be a tax invoice which satisfies the requirements of section 29-70(1) of the GST Act.

12.6 Change in the GST law

If the GST law changes (including without limitation as a result of a change in the GST rate) after the date of this Lease, any consideration that expressly includes GST must be adjusted to reflect the change in the GST law.

12.7 When RCTI clauses apply

Clause 12.8 shall only become effective upon notice being provided by the Lessee, in its absolute discretion, to the Lessor.

12.8 RCTI

For the purpose of satisfying the requirements of the GST legislation and any additional requirements as determined by the Commissioner of Taxation from time to time, the Lessor and the Lessee agree that:

- (a) the Lessee can issue recipient created tax invoices (and adjustment notes) in respect of the supply by the Lessor of the Lease of the Premises to the Lessee;
- (b) the Lessor must not issue a tax invoice (or adjustment notes) in respect of any supply by the Lessor to the Lessee under this Lease unless the Lessee notifies the Lessor that the Lessee will not be issuing a recipient created tax invoice for that supply;
- (c) the Lessee is registered for GST purposes. The Lessee must notify the Lessor if the Lessee ceases to be registered for GST purposes or ceases to satisfy the requirements for issuing recipient created tax invoices as set out in the GST legislation or as determined by the Commissioner of Taxation from time to time;
- (d) the Lessor is registered for GST purposes and has notified the Lessee of its ABN. The Lessor must notify the Lessee if the Lessor ceases to be registered for GST purposes or if it intends selling its business or otherwise ceases to be entitled to enter into a recipient created tax invoice arrangement; and
- (e) the Lessee must issue the recipient created tax invoice to the Lessor and must retain a copy. The Lessee must issue the recipient created tax invoice within 28 days from the date the value of the relevant supply is determined.

12.9 When RCTI clauses cease to apply

Clause 12.8 shall be effective from the date on which the Lessee issues a notice to the Lessor under clause 12.7 and continues until terminated by either party at any time by giving not less than 30 days' prior written notice to the other party.

12.10 GST definitions

In this Lease:

- (a) terms used that are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**GST Act**) have the meaning given in that Act, unless the context makes it clear that a different meaning is intended;
- (b) consideration includes non-monetary consideration, in respect of which the parties must agree on a market value, acting reasonably;
- (c) in addition to the meaning given in the GST Act, the term "GST" includes a notional liability for GST; and
- (d) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

13. WARRANTIES

13.1 Lessee as trustee

- (a) The parties acknowledge and agree that:
 - (i) where the Lessee is a responsible entity or trustee of a trust, the Lessee enters into this Lease in that capacity and is bound by this Lease only in that capacity and in no other capacity;

- (ii) the recourse of the Lessor to the Lessee in respect of any obligations and liabilities of the Lessee under or in connection with this Lease (whether that liability arises under a specific provision of this Lease, for breach of contract, tort (including negligence) or otherwise) is limited to the extent to which the liability can be satisfied out of the assets of the trust out of which the Lessee is actually indemnified in respect of such obligations and liabilities;
 - (iii) the parties may not sue the Lessee in any capacity other than as responsible entity or trustee of the trust, including seeking the appointment of a receiver (except in relation to property of the Lessee), a liquidator, an administrator or any similar person to the Lessee or prove in any liquidation, administration or arrangement of or affecting the Lessee (except in relation to property of the Lessee); and
 - (iv) the provisions of this clause 13.1(a) do not apply to any obligation or liability of the Lessee in its capacity as trustee of the trust to the extent that it is not satisfied because under the trust deed of the trust or by operation of law there is a reduction in the extent of the Lessee's indemnification out of the assets of the trust as a result of fraud, negligence or breach of trust on the part of the Lessee.
- (b) As at the Commencement Date, the Lessee warrants to the Lessor that:
- (i) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
 - (ii) it is the only responsible entity or trustee of the relevant trust;
 - (iii) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
 - (iv) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
 - (v) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

13.2 Lessor as trustee

If the Lessor enters into this Lease as a responsible entity or trustee of a trust, as at the Commencement Date, the Lessor warrants to the Lessee that:

- (a) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
- (b) it is the only responsible entity or trustee of the relevant trust;
- (c) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
- (d) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
- (e) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

14. MISCELLANEOUS

14.1 Application of Laws

- (a) Nothing in this Lease affects, restricts, limits or derogates from the rights, powers and immunities under and by virtue of the Act or any other applicable legislation and/or regulations of the Commonwealth.
- (b) The Lessor agrees that it does not require written notice under clause 17(1) Division 5 Part 1 of Schedule 3 of the Act from the Lessee or any subtenant or licensee of the Lessee for access to the Facility and any activities related to the Permitted Use.
- (c) The Lessee must comply with all applicable laws in respect of the Lessee's use of the Premises and any requirements, notices or orders of a government authority or agency having jurisdiction in respect of the Lessee's use of the Premises.
- (d) The Lessor must comply with all applicable laws in relation to the Land and the Lessor's property on the Land.

14.2 Notices

- (a) Subject to clause 14.2(b), a notice, consent or other communication (**Notice**) under this Lease is only valid if it is in writing and addressed to the recipient (as per the address in the Reference Schedule, or as notified to the other party in writing from time to time) and either delivered by hand or sent by pre-paid mail (by airmail, if the recipient is overseas) to the recipient's address or sent by email to the recipient's email address or email addresses. Where more than one email address is specified, the Notice must be sent to all specified email addresses.
- (b) Notice may be given orally where expressly permitted by this Lease. A Notice given orally is deemed to be received at the time it is given.
- (c) A Notice is deemed received by email if delivered:
 - (i) *by 5.00 pm on a Business Day* - at the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email; or
 - (ii) *after 5.00 pm on a Business Day or on a day that is not a Business Day* - on the next Business Day after the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email.
- (d) Any Notice sent by mail is deemed to have been received within 7 Business Days after posting to a location within Australia or 10 Business Days after posting to a location outside Australia.
- (e) Any Notice delivered by hand is deemed to have been received at the time it is given.

15. RIGHT OF FIRST REFUSAL

15.1 Lessor cannot sell or transfer Land

During the Term (including any holding over period), the Lessor must not sell or transfer its interest in the Land to any other person unless the Lessor complies with this clause 15.

15.2 Lessor's Offer

If the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to give the Lessee:

- (a) a notice specifying the Lessor's intention to sell or transfer and the price (exclusive of GST) that the Lessor is prepared to sell or transfer the Land and offering to sell or transfer the Land to the Lessee on those terms; and
- (b) a contract of sale for the Land (2 copies) which must be in the standard form of contract for the State, with particulars of sale completed (including the description of the Land, the purchase price, the deposit (being not greater than 10% of the purchase price) and the settlement date) and any other disclosure documents required by law in the State,

(Lessor's Offer).

15.3 Acceptance of Lessor's Offer

- (a) If the Lessee wants to accept the Lessor's Offer, the Lessee must, within 20 Business Days after it receives the notice and documents under clause 15.2, sign the contract and return the signed contract of sale and a cheque for the deposit to the Lessor.
- (b) If the Lessee complies with clause 15.3(a), the parties will have entered into a binding contract for the sale or transfer of the Land.
- (c) The Lessor must sign and return one copy of the contract of sale to the Lessee within 10 Business Days after receiving the contract of sale under clause 15.3(a).

15.4 If Lessee does not accept Lessor's Offer

If the Lessee does not accept the Lessor's Offer, the Lessor may sell or transfer the Land to any other person provided that any sale or transfer cannot be:

- (a) for a purchase price less than the price specified in the Lessor's Offer; or
- (b) on more favourable terms than those specified in the Lessor's Offer.

15.5 Period to sell

If the Lessor has not entered into a binding contract of sale for the Land within 12 months after the Lessor's Offer is given to the Lessee and the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to comply again with this clause 15 before selling or transferring its interest in the Land.

15.6 Public auction

Despite anything to the contrary in this clause 15, the Lessor may seek to sell the Land by way of a public auction if:

- (a) the Lessor advertises the auction in newspapers and other publications in the locality of the Land; and
- (b) the Lessor gives at least 20 Business Days prior notice of the auction to the Lessee.

15.7 Right binds successors

This clause 15 binds the successors in title and the assigns of the Lessor and the Lessee.

EXECUTED AS A DEED this day of 20

EXECUTED BY THE LESSEE

Certified correct for the purposes of the *Real Property Act* 1900 and executed on behalf of **AMPLITEL PTY LIMITED** under Power of Attorney registered Book 4789 No. 977 by the party's Attorney who states that no notice of revocation of the Power of Attorney has been received in the presence of:

Signature of witness Signature of Attorney

Name of witness Name of Attorney

Address of witness

EXECUTED BY THE LESSOR

Signed by the Authorised Officer of the
Queanbeyan-Palerang Regional Council
in the presence of:

Signature of Witness

Signature of Authorised Officer

Name of Witness

Name of Authorised Officer

Address of Witness

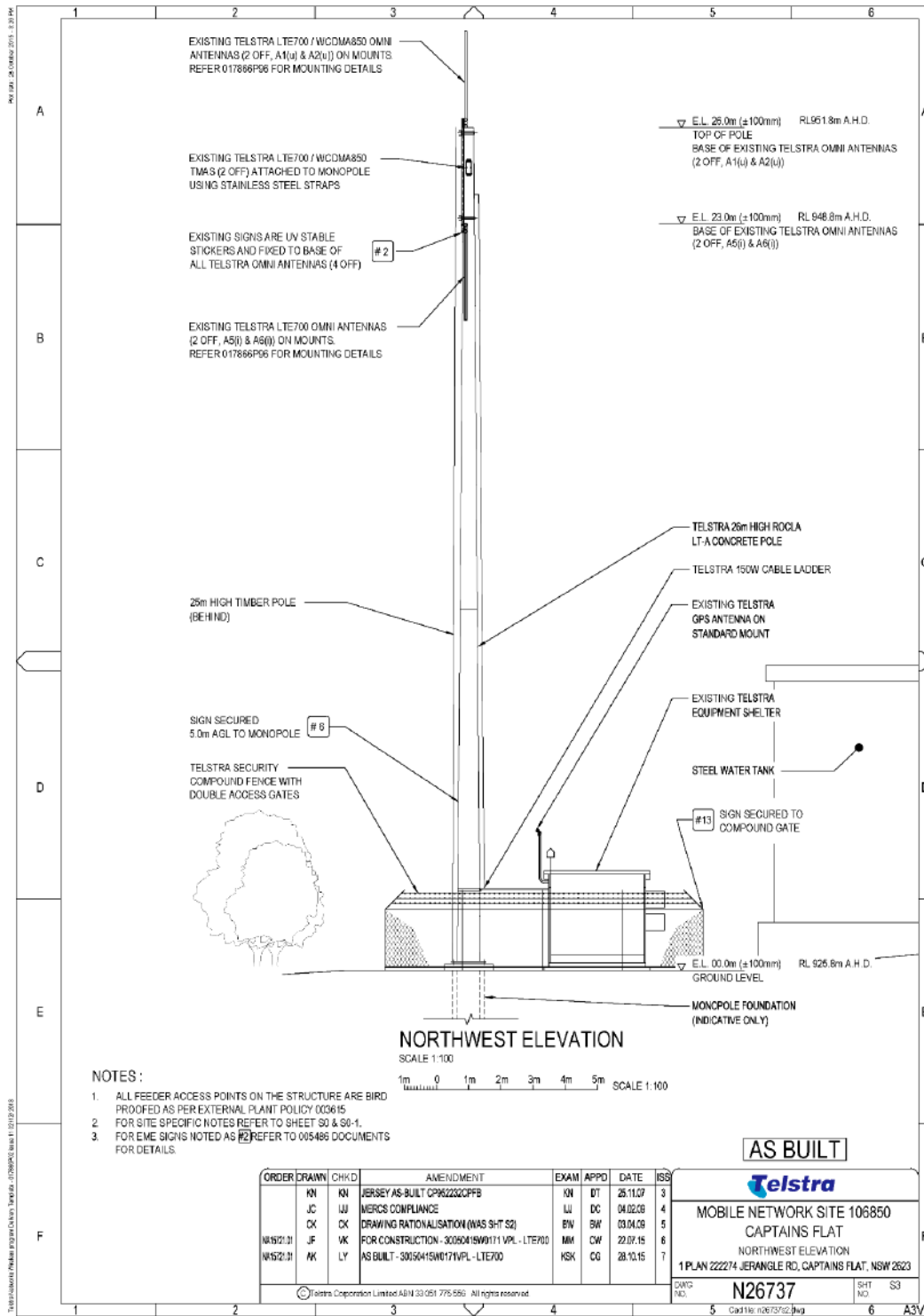
Office Held

ANNEXURE A

SITE ELEVATION DRAWING

This is Annexure "A" referred to in the Lease between Queanbeyan-Palerang Regional Council and Amplitel Pty Limited.

Site Elevation Drawing



ANNEXURE B – NOT APPLICABLE

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

13 JULY 2022

ITEM 9.11 RENEWAL OF LEASE FOR 66 OLD MINES ROAD, CAPTAINS
FLAT WITH AMPLITEL PTY

ATTACHMENT 2 CAPTAINS FLAT, NSW - TERM 2 LEASE



LAND LEASE

(New South Wales)

**Property: 66 Old Mines Road, Captains Flat
NSW 2623**

Queanbeyan-Palerang Regional Council
ABN 95 933 070 982

Amplitel Pty Limited
ACN 648 133 073

REFERENCE SCHEDULE

Item 1	Lessor:	Name: Queanbeyan-Palerang Regional Council ACN: N/A ABN: 95 933 070 982 Address: 256 Crawford St, Queanbeyan NSW 2620 PO Box 90, Queanbeyan, NSW, 2620 Tel: 1300 735 025 / 0499 325 106 Email: council@qprc.nsw.gov.au
Item 2	Lessee:	Name: Amplitel Pty Limited as trustee for the Towers Business Operating Trust ACN: 648 133 073 ABN: 75 357 171 746 Address: c/- JLL 242 Exhibition Street MELBOURNE VIC 3000 Email: Telstra.Notices@ap.jll.com and F0901953@team.telstra.com
Item 3	Premises:	That part of the Land hatched on the plan and labelled "Works Area" attached to this Lease and situated at 66 Old Mines Road, Captains Flat NSW 2623. (For Lessee reference purposes only: JDE: 31664600 Tenure ID: 58272 Node Manager Address ID: 106850 RFNSA Number:)
Item 4	Land:	Folio Identifier 1/222274
Item 5	Term:	5 years, commencing on the Commencement Date
Item 6	Commencement Date:	4 February 2028
Item 7	Terminating Date:	3 February 2033
Item 8	Rent:	\$9,853.83 per annum (exclusive of GST), subject to review under clause 3.1
Item 9	Payment of Rent:	Yearly in advance by way of electronic funds transfer from the Commencement Date.
Item 10	Permitted Use:	Use, inspection, construction, installation, replacement, operation, maintenance, alteration, repair, upgrade, access to and from and removal of the Facility for telecommunications, communications and any other lawful purposes on the Premises and the Land in accordance with this Lease.
Item 11	Review of Rent:	The Rent is to be increased on each Review Date by 3.00% during the Term.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following words have these meaning in this Lease unless the contrary intention is shown:

Act means the Telecommunications Act 1997 (Cth).

Business Day means a day that is not a Saturday, Sunday or public holiday in the State.

Carrier has the same meaning as is contained in the Act and includes a party acting in reliance upon a nominated carrier declaration made under Part 3 of the Act.

Commencement Date means the date specified in Item 6.

Consumer Price Index means the All Groups CPI: Australia Consumer Price Index as currently published by the Australian Bureau of Statistics.

Current CPI means the Consumer Price Index number for the quarter ending immediately before the relevant Review Date.

Emergency means circumstances where access must be provided without delay to protect the Facility, the health or safety of persons, the environment, property or maintenance of an adequate level of service.

Facility means any equipment, equipment housing, tower/pole/mast (or similar), antennas, associated ancillary equipment and/or any other fixtures, fittings, structures and cabling as altered or upgraded in accordance with the terms of this Lease belonging to or brought onto the Premises by the Lessee, any Related Body Corporate of the Lessee and any subtenant or licensee of the Lessee (as the case may be).

Financial Year means the 12 months period ending on 30 June in each year.

Item means an item in the Reference Schedule.

Land means the Land described in Item 4.

Lease means this lease and any equitable lease or common law tenancy evidenced by this lease.

Lessee means the party named in Item 2.

Lessor means the party named in Item 1.

Liability Cap means:

- (a) for the Financial Year ending 30 June 2022, \$20 million; and
- (b) for each subsequent Financial Year in the Term, the amount of the Liability Cap for the previous Financial Year multiplied by the Current CPI and divided by the Previous CPI.

Network means the passive infrastructure of the Lessee (or any Related Body Corporate of the Lessee) for use in connection with a communications network.

Permitted Mortgage means a mortgage of the Land granted to an authorised deposit-taking institution within the meaning of the *Banking Act 1959* (Cth).

Permitted Mortgagee means the mortgagee from time to time under a Permitted Mortgage.

Permitted Use means the use specified in Item 10.

Premises means the premises leased to the Lessee as described in Item 3.

Previous CPI means the Consumer Price Index number for the quarter ending immediately before the last Review Date (or, if there has not been one, the Commencement Date).

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Reference Schedule means the Reference Schedule to this Lease.

Related Body Corporate means a related body corporate or a body corporate of which the Lessee is either an associated entity or a related body corporate of an associated entity, as each of those terms are defined in the *Corporations Act 2001* (Cth).

Rent means the amount specified in Item 8, as varied on any Review Date under this Lease.

Requirements means applicable legislation, by-laws, policies, industry standards or codes, community obligations and technical requirements.

Review Date means each anniversary of the Commencement Date during the Term.

Security Interest means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation or that gives a creditor priority over unsecured creditors in relation to any property.

Subsequent Lease means any lease between the Lessor and the Lessee of the Premises for a period of time commencing after the Terminating Date.

State means the State or Territory of Australia in which the Premises is situated.

Term means the term of this Lease as specified in Item 5 which begins on the Commencement Date and ends on the Terminating Date.

Terminating Date means the date specified in Item 7, except where this Lease is terminated early in which case the date of earlier termination is the Terminating Date.

1.2 Rules for interpreting this Lease

Unless the context otherwise requires:

- (a) A singular word includes the plural, and vice versa.
- (b) If a word is defined, another part of speech using contextual variations of that word has a corresponding meaning.
- (c) Words of inclusion or example are not words of limitation.
- (d) Headings are for convenience only, and do not affect interpretation.
- (e) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Lease.
- (f) If anything in this Lease is unenforceable, illegal or void then it is severed and the rest of this Lease remains in force.

- (g) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes an executor, an administrator, a permitted substitute or a permitted assign of that party and where the party is a corporation, includes the corporation, its successors and assigns;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (h) Unless the context otherwise requires, the terms installation and maintenance where they are used in this Lease have the same meanings and include the same activities as are provided under the Act.
- (i) Where a party consists of two or more persons or a term is used in this Lease to refer to more than one party an obligation of those persons is joint and several and a right of those persons is held by each of them severally.
- (j) Any right given to the Lessor or the Lessee (as the case may be) may where the context so permits be exercised by that party's employees, agents, contractors, subtenants, licensees or others authorised (expressly or implicitly) by that party.
- (k) Any obligation on the Lessor or the Lessee (as the case may be) will where the context so permits extend to the actions of that party or that party's authorised employees, agents, contractors, subtenants, licensees, invitees or others claiming under or through that party.
- (l) Unless this Lease expressly states otherwise, any party responding to a request for consent or approval must not unreasonably withhold or delay its response or impose any conditions inconsistent with the terms of this Lease. If withholding consent or approval, the responding party must give written reasons with its response.
- (m) Sections 84, 84A and 85 of the *Conveyancing Act 1919* (NSW) do not apply to this Lease.

2. TERM OF LEASE

2.1 Term

The Lessor leases the Premises to the Lessee for the Term and for the Permitted Use.

2.2 Holding Over

If the Lessee occupies the Premises after the Terminating Date without demand for possession by the Lessor, then the Lessee occupies the Premises under a yearly tenancy on the same terms as this Lease, so far as they can be applied to a yearly tenancy. Either party may terminate the yearly tenancy by giving no less than 1 year's notice to the other party.

3. PAYMENTS

3.1 Rent and Rent Review

- (a) The Lessee must pay the Rent in accordance with Item 9 to an account in Australia nominated by the Lessor. The Lessor may nominate another account in Australia into which the Rent must be paid upon giving at least 20 Business Days' notice to the Lessee.
- (b) The Rent is to be reviewed on each Review Date in accordance with Item 11.

3.2 Rates and taxes

The Rent is a gross amount and the Lessee is not required to pay any rates, taxes or outgoings which are charged to, assessed against or relate to the Land (including the Premises), subject to charges (if any) which this Lease expressly requires the Lessee to pay. The Lessor must pay all rates, taxes and outgoings on or before the payment date which are charged to, assessed against or relate to the Land (including the Premises).

3.3 Costs of Lease

Each party must bear their own legal fees and disbursements for the preparation, negotiation and execution of this Lease. If stamp duty or registration fees are payable on this Lease, the Lessee will pay the applicable stamp duty or registration fees.

4. EQUIPMENT

- (a) The Lessor grants a licence to the Lessee, its subtenants and licensees to install, maintain, repair, renew and use cabling on the Land to and from the Facility as is necessary for the Permitted Use.
- (b) Subject to the express terms of this Lease, the Facility remains at all times the property of the Lessee, its subtenants and licensees (as the case may be), even if it becomes attached to the Land.

5. USE

5.1 Use of Premises and Land

- (a) The Lessee may only use the Premises for the Permitted Use.
- (b) The Lessor grants a licence to the Lessee, its subtenants and licensees to use so much of the Land adjacent to or adjoining the Facility as is reasonably required for the Permitted Use. After using the adjacent or adjoining Land, the Lessee must restore the surface to that part of the Land used to as near as practicably possible its state prior to use by the Lessee, its subtenants and licensees.
- (c) The Lessee is not required to carry out any capital or structural works to the Land unless such works are required by the Lessee for the installation or maintenance of the Facility or the works are as a result of the Lessee's negligence or a breach of this Lease.
- (d) The Lessee, its subtenants and licensees may install signage around the Premises and the Facility for the purposes of complying with applicable laws.
- (e) The Lessor grants to the Lessee, its subtenants and licensees the right to use so much of the adjoining or adjacent land as is reasonably required for the purpose of installing and maintaining guy anchors (if needed) to support the Lessee's structure on the Premises and running guy wires from those guy anchors on the adjoining or adjacent land to the Lessee's structure on the Premises. The Lessor must not use or interfere with the Lessee's guy anchors or guy wires. The

provisions of clause 9.3 apply to the exercise by the Lessee of its rights under this clause.

5.2 Condition of Premises

Subject to clause 5.1(c), the Lessee will keep the Premises in good repair and condition (having regard to the condition of the Premises as at the Commencement Date) excluding fair wear and tear and any damage caused by fire, flood, lightning, storm, war or act of God.

5.3 Permits and Approvals

The Lessor:

- (a) authorises the Lessee, at the Lessee's cost, to make applications to any relevant government authority or agency for any necessary permits, consents and approvals for the development, construction and use of the Facility and to exercise and procure (in the Lessee's discretion) every right of appeal arising from a determination or failure to determine such application; and
- (b) must sign all documentation and provide all assistance reasonably required by the Lessee or any person nominated by the Lessee to obtain the permits, consents and approvals referred to in clause 5.3(a).

6. ELECTRICITY AND OTHER SERVICES

- (a) The Lessor must permit the Lessee, at the Lessee's cost, to install electricity and other services on the Land to and from the Facility. The Lessee may use, install, repair, maintain, replace and remove any services to the Facility at any time.
- (b) The supply of electricity must be made through a dedicated usage meter (either by separate meter or check meter), installed by the Lessee at its own cost, so that the Lessee is directly accountable for any electricity that it uses on the Premises.
- (c) Where the Lessee installs separate electricity metering, the Lessee must pay to the supplier all charges for the separately metered electricity used by the Lessee. Where the Lessee installs a check meter, the Lessee will reimburse the Lessor the actual cost of the electricity it uses on the Premises as recorded by the check meter within 30 Business Days of receipt of a tax invoice from the Lessor.
- (d) The Lessor agrees that the Lessee may transfer ownership of some or all of the electricity cables to a third party electricity supplier for the supply of electricity to the Facility.
- (e) Where reasonably requested by the Lessee, the Lessor must grant an easement for electricity purposes over part of the Land on the easement terms that may be required by the electricity supplier.
- (f) The Lessor agrees that the electricity supplier may enter the Land from the Commencement Date for the purposes of installing, repairing, maintaining, upgrading, replacing and removing any electricity infrastructure.

7. ACCESS

7.1 Access

The Lessor grants a licence to the Lessee, its subtenants and licensees over the Land to have access to and from the Premises (including the Facility) at all times.

7.2 Security

- (a) Subject to clause 7.2(b), the Lessee will comply with reasonable security arrangements and access protocols as previously notified to it by the Lessor. The

Lessor will notify the Lessee of the Lessor's contact person for security purposes (including name, postal address, email address and phone number).

- (b) Where the Lessee does not have direct access to the Land, Premises and the Facility and there is an Emergency, the Lessor must arrange for the Lessee, its subtenants and licensees to have access to the Land, Premises and the Facility within 2 hours of notification by the Lessee to the Lessor or the Lessor's contact person nominated under clause 7.2(a). The Lessee may give this notice in person or by telephone.
- (c) The Lessee will reimburse to the Lessor the reasonable security expenses incurred by the Lessor in providing access during an Emergency within 20 Business Days of receipt of a tax invoice from the Lessor.

7.3 Access track and/or power connection

If the Lessee installs at its cost any access track or power connection, then any other person (except the Lessor) who wishes to utilise the access track or power connection must share in the cost of any upgrade and maintenance of the access track or power connection as apportioned by the Lessee (and in consultation with the Lessor acting reasonably), taking into account the extent of the use of the access track or the power connection by other users.

8. ASSIGNMENT AND SUBLETTING

- (a) The Lessee must not assign this Lease or sublet the whole of the Premises without the consent of the Lessor, except to:
 - (i) a Related Body Corporate of the Lessee;
 - (ii) a Carrier; or
 - (iii) any entity (or a Related Body Corporate of that entity) that is acquiring the Network,in which case the consent of the Lessor is not required to the assignment or sublease.
- (b) The Lessee may grant a sublease of part of the Premises or a licence of the whole Premises or any part of the Premises to any person at any time.
- (c) In the event of an assignment of this Lease by the Lessee, the Lessee and the Lessor release each other from all obligations and liabilities under this Lease from the date of assignment of this Lease, but without prejudice to any prior claim or remedy which either party may have against the other party.
- (d) For the avoidance of doubt, and for the purposes of this clause 8, a reference to:
 - (i) this 'Lease' includes any licence rights granted to the Lessee in this Lease and any rights which are appurtenant or ancillary to this Lease; and
 - (ii) the 'Premises' includes any areas over which the Lessee holds licence, appurtenant or ancillary rights.

9. INSURANCE AND INDEMNITY

9.1 Property Insurance

The Lessee agrees to maintain all risks property insurance with a reputable insurer at all times in relation to the Premises.

9.2 Public Liability Insurance

- (a) The Lessee agrees to maintain public liability insurance with a reputable insurer for at least \$20 million at all times in relation to the Premises and the Lessee will include the Lessor as an insured to the extent of the Lessee's liability under this Lease.
- (b) If requested in writing by the Lessor (no more than once in a twelve month period), the Lessee will provide the Lessor with a letter confirming the Lessee's insurance as specified in this clause 9.2.

9.3 Indemnity and liability

- (a) The Lessee will indemnify the Lessor for any liability, loss, damage, cost or expense incurred or suffered by the Lessor which is caused or contributed (to the extent of the contribution) by the Lessee's negligence or breach of this Lease.
- (b) The liability of the Lessee under this Lease (including under the indemnity provided by the Lessee under clause 9.3(a)) will not exceed the Liability Cap in any Financial Year.
- (c) The liability of the Lessee under this clause 9.3 must be reduced proportionately to the extent that the Lessor's negligence or breach of this Lease caused or contributed to the liability.
- (d) In defending or responding to any claim under this clause 9.3, the Lessor must act reasonably and consult in good faith with the Lessee.
- (e) The Lessor must not settle any claim under this clause 9.3 without obtaining the prior consent of the Lessee. The Lessor must take reasonable steps to mitigate any liability, loss, damage, cost or expense including taking reasonable court action to defend any claim, action or demand made against the Lessor.

10. LESSOR'S COVENANTS

10.1 Quiet Enjoyment

The Lessee is entitled to quiet enjoyment of the Premises and to undertake the Permitted Use on the Land without any interruption by the Lessor or any person lawfully claiming through the Lessor or in any other manner.

10.2 Condition of Land

The Lessor must repair, maintain and keep in good and substantial repair the Land (including all fixtures and fittings of the Lessor, if any), subject always to the obligations of the Lessee under this Lease.

10.3 No Damage

The Lessor must not damage, tamper with or interfere with the Facility or its operation.

10.4 Safety and Security Procedures

The Lessor must comply with the Lessee's safety and security procedures and signage in respect of the Premises and the Facility.

10.5 Other Occupiers

- (a) Where the Lessor proposes to grant rights of occupancy on the Land to other occupiers and those rights include the right to operate radio communications and/or telecommunications equipment on the Land, then the Lessor must first

promptly give notice and obtain the Lessee's consent to the proposal (such consent not to be unreasonably withheld).

- (b) If the Lessee establishes that changes to other occupiers' facilities after the initial installation of the facility by the other occupier has caused interference with the Facility, the Lessor must, immediately upon receipt of notice from the Lessee, arrange for the other occupier to modify its facility so that it no longer interferes with the Facility.

10.6 Consents

If the Land is subject to a mortgage, the Lessor must obtain consent to this Lease from the mortgagee and the Lessee must pay the mortgagee's reasonable consent costs.

10.7 Contamination

The Lessor warrants to the best of its knowledge that, as at the Commencement Date, the Premises do not contain contamination or substances hazardous to health or safety.

10.8 Events Affecting Land

- (a) The Lessor must promptly notify the Lessee if:
- (i) the Lessor sells or otherwise disposes of its interest in the Land;
 - (ii) the Lessor is aware of a proposal for development occurring on adjoining land;
 - (iii) the Lessor changes its address for notices;
 - (iv) a Permitted Mortgage becomes enforceable; or
 - (v) a Permitted Mortgagee becomes:
 - A entitled to the receipt of Rent and other payments under this Lease;
 - B entitled to exercise any of the rights of the Lessor under this Lease; or
 - C obliged to perform any of the obligations of the Lessor under this Lease.
- (b) The Lessor must not:
- (i) grant a lease over the whole or any part of the Premises which is intended to run concurrently with this Lease or any Subsequent Lease;
 - (ii) issue a direction to the Lessee to pay the whole or any part of the Rent or other payments under this Lease (other than for charges which this Lease expressly requires the Lessee to pay or for electricity under clause 6) to a person other than the Lessor;
 - (iii) assign, transfer or grant any interest in this Lease or the Lessor's rights under this Lease, other than by way of a Permitted Mortgage;
 - (iv) appoint a person:

- A other than an employee or officer of the Lessor, under power of attorney, as an authorised representative or attorney (other than pursuant to a Permitted Mortgage);
- B other than a licensed real estate agent, as agent of the Lessor; or
- C other than a professional adviser, such as an accountant or legal adviser,

to exercise any rights of the Lessor under this Lease or to negotiate on behalf of the Lessor the terms of any lease, licence or other occupancy arrangement of the Premises to the Lessee to commence after the Terminating Date or the terminating date of any Subsequent Lease; or

- (v) create or allow a Security Interest, other than a Permitted Mortgage, in the Land, this Lease or the Lessor's rights under this Lease,

without the prior written consent of the Lessee (which may be granted or refused by the Lessee in its absolute discretion).

- (c) If the Lessor breaches clause 10.8(b), then:
 - (i) the Lessee will be entitled to a reduction in the Rent of 50% from the date of the Lessor's breach until the Terminating Date and during the term of any Subsequent Lease and the parties agree to promptly execute a variation of this Lease and any Subsequent Lease to reflect the reduced Rent in registrable form. The Lessee must at the Lessor's cost attend to the preparation and registration of the variation of this Lease and any Subsequent Lease and the Lessor must immediately produce the certificate of title for the Land to enable the variation of this Lease and any Subsequent Lease to be registered (if applicable);
 - (ii) the Lessor must compensate the Lessee for any loss, damage or disadvantage which the Lessee may suffer or incur as a result of the Lessor's failure or delay in seeking the consent of the Lessee; and/or
 - (iii) at any time within 2 years after becoming aware of the breach, the Lessee may terminate this Lease by giving to the Lessor not less than 6 months' notice to the Lessor at any time.
- (d) The Lessor acknowledges and agrees that:
 - (i) the Lessee will suffer loss and damages if the Lessor fails to obtain the Lessee's prior consent under clause 10.8(b); and
 - (ii) the reduction in the Rent under clause 10.8(c)(i) represents the amount reasonably required to protect the Lessee's legitimate business interests should the Lessor fail to obtain the Lessee's prior consent under clause 10.8(b).

11. DEFAULT AND TERMINATION

11.1 Default and Re-entry

- (a) If the Lessee fails to perform its obligations under this Lease and the Lessee does not, within 20 Business Days in the case of non-payment of Rent and 40 Business Days in the case of all other breaches from the date of receipt of notice from the Lessor, either remedy the default or if the default cannot be remedied, pay reasonable compensation to the Lessor for the loss or damage suffered by the

Lessor as a consequence of the default, then the Lessor may re-enter upon the Premises.

- (b) This Lease determines on the Lessor's re-entry but without prejudice to any prior claim or remedy which either party may have against the other party.

11.2 Early surrender

- (a) Before the Facility is initially installed, the Lessee may surrender this Lease by giving the Lessor no less than 20 Business Days' notice where the Lessee or its subtenants or licensees are unable to comply with or satisfy any Requirements.
- (b) Despite any other provision of this Lease, if the Permitted Use is compromised (including physical or radio interference), the Premises are no longer required, the communications network of any of the Lessee's subtenants or licensees ceases to operate or the Lessee's subtenants or licensees vacate then the Lessee may surrender this Lease on giving to the Lessor no less than 6 months' notice at any time.
- (c) If the Lessee exercises its right to surrender this Lease under clauses 11.2(a) or 11.2(b), the Lessee must, at its cost, reinstate the Premises in accordance with clause 11.4 and the surrender of this Lease is without prejudice to any prior claim or remedy which either party may have against the other.
- (d) If this Lease is surrendered by the Lessee prior to the Terminating Date pursuant to this clause 11.2, the Lessor must, within 20 Business Days of the date of surrender, refund to the Lessee any Rent paid in advance for that portion of the Term after the date of surrender.

11.3 Subsequent Leases

- (a) The Lessee may surrender a Subsequent Lease for any reason by giving the Lessor written notice at least 1 month before the Terminating Date. The Subsequent Lease terminates on the date specified in the Lessee's notice or, failing any specified date, on the Terminating Date.
- (b) If this Lease is surrendered (other than by the effluxion of time), any Subsequent Lease is also surrendered at the same time as this Lease.
- (c) Where this Lease or any Subsequent Lease is surrendered under this clause 11.3, the parties agree to promptly execute a surrender of this Lease and a surrender of any Subsequent Lease in registrable form. The Lessee must at its cost attend to the preparation, stamping and registration of the surrenders of this Lease and any Subsequent Lease. If this Lease or any Subsequent Lease has been registered, the Lessor must immediately produce the certificate of title for the Land to enable the surrender of this Lease and any Subsequent Lease to be registered (if applicable).
- (d) The surrender of this Lease or any Subsequent Lease is without prejudice to any prior claim or remedy which either party may have against the other under this Lease or any Subsequent Lease.

11.4 Reinstatement and Make Good

- (a) Within 4 months after the Terminating Date, the Lessee will remove that part of the Facility located above ground level and make good at its cost any damage to the Land or Premises caused by that removal. The Lessee will continue to pay Rent to the Lessor during this 4 month period (or any lesser period of time as the Lessee requires to meet its obligations under this clause 11.4) at the same rate of Rent (on a pro-rata basis) payable immediately before the Terminating Date.

- (b) This clause does not apply if the Lessee is to occupy the Premises under a Subsequent Lease.

12. GST

12.1 Recovery of GST

If one party (**supplying party**) makes a taxable supply and the consideration for that supply does not expressly include GST, the party that is liable to provide the GST-exclusive consideration (**receiving party**) must also pay an amount (**GST amount**) equal to the GST payable in respect of that supply.

12.2 Time for payment of GST amount

Subject to first receiving a tax invoice or adjustment note as appropriate, the receiving party must pay the GST amount when it is liable to provide the GST-exclusive consideration or the first part of the GST-exclusive consideration for the supply (as the case may be).

12.3 Indemnity and reimbursement payments

If one party must indemnify or reimburse another party (**payee**) for any loss or expense incurred by the payee, the required payment does not include any amount which the payee (or an entity that is in the same GST group as the payee) is entitled to claim as an input tax credit or would have been entitled to claim as an input tax credit had the other party registered for GST in the event that it was required or entitled to do so, but will be increased under clause 12.1 if the payment is consideration for a taxable supply.

12.4 Adjustment events

If an adjustment event arises in respect of a taxable supply made by a supplying party, the GST amount payable by the receiving party under clause 12.1 will be recalculated to reflect the adjustment event and a payment will be made by the receiving party to the supplying party, or by the supplying party to the receiving party, as the case requires.

12.5 Lease to be a tax invoice

The parties agree that this Lease is intended to be a tax invoice which satisfies the requirements of section 29-70(1) of the GST Act.

12.6 Change in the GST law

If the GST law changes (including without limitation as a result of a change in the GST rate) after the date of this Lease, any consideration that expressly includes GST must be adjusted to reflect the change in the GST law.

12.7 When RCTI clauses apply

Clause 12.8 shall only become effective upon notice being provided by the Lessee, in its absolute discretion, to the Lessor.

12.8 RCTI

For the purpose of satisfying the requirements of the GST legislation and any additional requirements as determined by the Commissioner of Taxation from time to time, the Lessor and the Lessee agree that:

- (a) the Lessee can issue recipient created tax invoices (and adjustment notes) in respect of the supply by the Lessor of the Lease of the Premises to the Lessee;
- (b) the Lessor must not issue a tax invoice (or adjustment notes) in respect of any supply by the Lessor to the Lessee under this Lease unless the Lessee notifies the

Lessor that the Lessee will not be issuing a recipient created tax invoice for that supply;

- (c) the Lessee is registered for GST purposes. The Lessee must notify the Lessor if the Lessee ceases to be registered for GST purposes or ceases to satisfy the requirements for issuing recipient created tax invoices as set out in the GST legislation or as determined by the Commissioner of Taxation from time to time;
- (d) the Lessor is registered for GST purposes and has notified the Lessee of its ABN. The Lessor must notify the Lessee if the Lessor ceases to be registered for GST purposes or if it intends selling its business or otherwise ceases to be entitled to enter into a recipient created tax invoice arrangement; and
- (e) the Lessee must issue the recipient created tax invoice to the Lessor and must retain a copy. The Lessee must issue the recipient created tax invoice within 28 days from the date the value of the relevant supply is determined.

12.9 When RCTI clauses cease to apply

Clause 12.8 shall be effective from the date on which the Lessee issues a notice to the Lessor under clause 12.7 and continues until terminated by either party at any time by giving not less than 30 days' prior written notice to the other party.

12.10 GST definitions

In this Lease:

- (a) terms used that are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**GST Act**) have the meaning given in that Act, unless the context makes it clear that a different meaning is intended;
- (b) consideration includes non-monetary consideration, in respect of which the parties must agree on a market value, acting reasonably;
- (c) in addition to the meaning given in the GST Act, the term "GST" includes a notional liability for GST; and
- (d) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

13. WARRANTIES

13.1 Lessee as trustee

- (a) The parties acknowledge and agree that:
 - (i) where the Lessee is a responsible entity or trustee of a trust, the Lessee enters into this Lease in that capacity and is bound by this Lease only in that capacity and in no other capacity;
 - (ii) the recourse of the Lessor to the Lessee in respect of any obligations and liabilities of the Lessee under or in connection with this Lease (whether that liability arises under a specific provision of this Lease, for breach of contract, tort (including negligence) or otherwise) is limited to the extent to which the liability can be satisfied out of the assets of the trust out of which the Lessee is actually indemnified in respect of such obligations and liabilities;
 - (iii) the parties may not sue the Lessee in any capacity other than as responsible entity or trustee of the trust, including seeking the appointment of a receiver (except in relation to property of the Lessee), a liquidator, an administrator or any similar person to the Lessee or prove

in any liquidation, administration or arrangement of or affecting the Lessee (except in relation to property of the Lessee); and

- (iv) the provisions of this clause 13.1(a) do not apply to any obligation or liability of the Lessee in its capacity as trustee of the trust to the extent that it is not satisfied because under the trust deed of the trust or by operation of law there is a reduction in the extent of the Lessee's indemnification out of the assets of the trust as a result of fraud, negligence or breach of trust on the part of the Lessee.
- (b) As at the Commencement Date, the Lessee warrants to the Lessor that:
- (i) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
 - (ii) it is the only responsible entity or trustee of the relevant trust;
 - (iii) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
 - (iv) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
 - (v) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

13.2 Lessor as trustee

If the Lessor enters into this Lease as a responsible entity or trustee of a trust, as at the Commencement Date, the Lessor warrants to the Lessee that:

- (a) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
- (b) it is the only responsible entity or trustee of the relevant trust;
- (c) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
- (d) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
- (e) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

14. MISCELLANEOUS

14.1 Application of Laws

- (a) Nothing in this Lease affects, restricts, limits or derogates from the rights, powers and immunities under and by virtue of the Act or any other applicable legislation and/or regulations of the Commonwealth.
- (b) The Lessor agrees that it does not require written notice under clause 17(1) Division 5 Part 1 of Schedule 3 of the Act from the Lessee or any subtenant or licensee of the Lessee for access to the Facility and any activities related to the Permitted Use.

- (c) The Lessee must comply with all applicable laws in respect of the Lessee's use of the Premises and any requirements, notices or orders of a government authority or agency having jurisdiction in respect of the Lessee's use of the Premises.
- (d) The Lessor must comply with all applicable laws in relation to the Land and the Lessor's property on the Land.

14.2 Notices

- (a) Subject to clause 14.2(b), a notice, consent or other communication (**Notice**) under this Lease is only valid if it is in writing and addressed to the recipient (as per the address in the Reference Schedule, or as notified to the other party in writing from time to time) and either delivered by hand or sent by pre-paid mail (by airmail, if the recipient is overseas) to the recipient's address or sent by email to the recipient's email address or email addresses. Where more than one email address is specified, the Notice must be sent to all specified email addresses.
- (b) Notice may be given orally where expressly permitted by this Lease. A Notice given orally is deemed to be received at the time it is given.
- (c) A Notice is deemed received by email if delivered:
 - (i) *by 5.00 pm on a Business Day* - at the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email; or
 - (ii) *after 5.00 pm on a Business Day or on a day that is not a Business Day* - on the next Business Day after the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email.
- (d) Any Notice sent by mail is deemed to have been received within 7 Business Days after posting to a location within Australia or 10 Business Days after posting to a location outside Australia.
- (e) Any Notice delivered by hand is deemed to have been received at the time it is given.

15. RIGHT OF FIRST REFUSAL

15.1 Lessor cannot sell or transfer Land

During the Term (including any holding over period), the Lessor must not sell or transfer its interest in the Land to any other person unless the Lessor complies with this clause 15.

15.2 Lessor's Offer

If the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to give the Lessee:

- (a) a notice specifying the Lessor's intention to sell or transfer and the price (exclusive of GST) that the Lessor is prepared to sell or transfer the Land and offering to sell or transfer the Land to the Lessee on those terms; and
- (b) a contract of sale for the Land (2 copies) which must be in the standard form of contract for the State, with particulars of sale completed (including the description of the Land, the purchase price, the deposit (being not greater than 10% of the purchase price) and the settlement date) and any other disclosure documents required by law in the State,

(**Lessor's Offer**).

15.3 Acceptance of Lessor's Offer

- (a) If the Lessee wants to accept the Lessor's Offer, the Lessee must, within 20 Business Days after it receives the notice and documents under clause 15.2, sign the contract and return the signed contract of sale and a cheque for the deposit to the Lessor.
- (b) If the Lessee complies with clause 15.3(a), the parties will have entered into a binding contract for the sale or transfer of the Land.
- (c) The Lessor must sign and return one copy of the contract of sale to the Lessee within 10 Business Days after receiving the contract of sale under clause 15.3(a).

15.4 If Lessee does not accept Lessor's Offer

If the Lessee does not accept the Lessor's Offer, the Lessor may sell or transfer the Land to any other person provided that any sale or transfer cannot be:

- (a) for a purchase price less than the price specified in the Lessor's Offer; or
- (b) on more favourable terms than those specified in the Lessor's Offer.

15.5 Period to sell

If the Lessor has not entered into a binding contract of sale for the Land within 12 months after the Lessor's Offer is given to the Lessee and the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to comply again with this clause 15 before selling or transferring its interest in the Land.

15.6 Public auction

Despite anything to the contrary in this clause 15, the Lessor may seek to sell the Land by way of a public auction if:

- (a) the Lessor advertises the auction in newspapers and other publications in the locality of the Land; and
- (b) the Lessor gives at least 20 Business Days prior notice of the auction to the Lessee.

15.7 Right binds successors

This clause 15 binds the successors in title and the assigns of the Lessor and the Lessee.

EXECUTED AS A DEED this day of 20

EXECUTED BY THE LESSEE

Certified correct for the purposes of the *Real Property Act* 1900 and executed on behalf of **AMPLITEL PTY LIMITED** under Power of Attorney registered Book 4789 No. 977 by the party's Attorney who states that no notice of revocation of the Power of Attorney has been received in the presence of:

Signature of witness

Signature of Attorney

Name of witness

Name of Attorney

Address of witness

EXECUTED BY THE LESSOR

Signed by the Authorised Officer of the
Queanbeyan-Palerang Regional Council
in the presence of:

Signature of Witness

Signature of Authorised Officer

Name of Witness

Name of Authorised Officer

Address of Witness

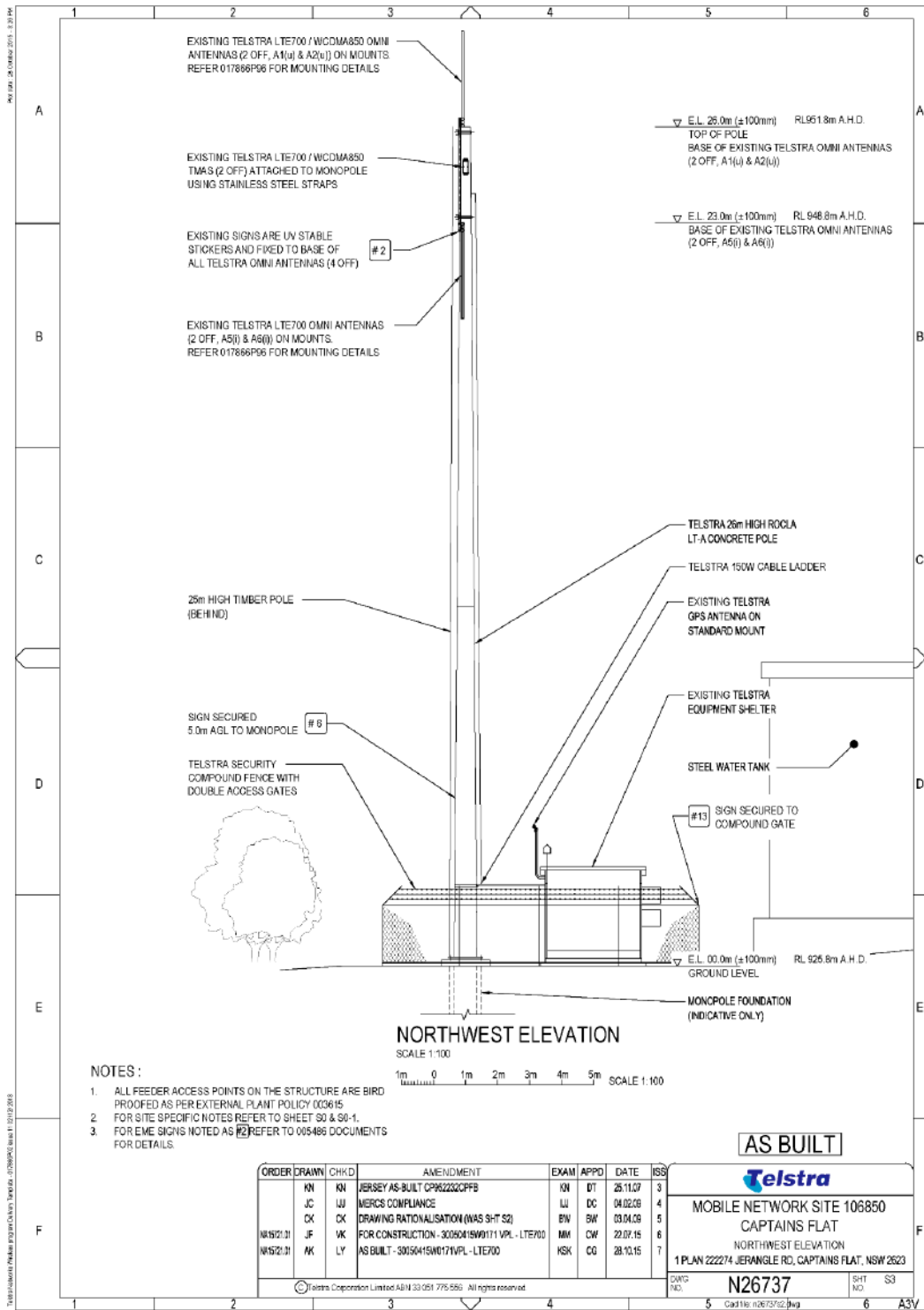
Office Held

ANNEXURE A

SITE ELEVATION DRAWING

This is Annexure "A" referred to in the Lease between Queanbeyan-Palerang Regional Council and Amplitel Pty Limited.

Site Elevation Drawing



ANNEXURE B – NOT APPLICABLE

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

13 JULY 2022

ITEM 9.11 RENEWAL OF LEASE FOR 66 OLD MINES ROAD, CAPTAINS
FLAT WITH AMPLITEL PTY

ATTACHMENT 3 CAPTAINS FLAT, NSW - TERM 3 LEASE



LAND LEASE

(New South Wales)

**Property: 66 Old Mines Road, Captains Flat
NSW 2623**

Queanbeyan-Palerang Regional Council
ABN 95 933 070 982

Amplitel Pty Limited
ACN 648 133 073

REFERENCE SCHEDULE

Item 1	Lessor:	Name: Queanbeyan-Palerang Regional Council ACN: N/A ABN: 95 933 070 982 Address: 256 Crawford St, Queanbeyan NSW 2620 PO Box 90, Queanbeyan, NSW, 2620 Tel: 1300 735 025 / 0499 325 106 Email: council@qprc.nsw.gov.au
Item 2	Lessee:	Name: Amplitel Pty Limited as trustee for the Towers Business Operating Trust ACN: 648 133 073 ABN: 75 357 171 746 Address: c/- JLL 242 Exhibition Street MELBOURNE VIC 3000 Email: Telstra.Notices@ap.jll.com and F0901953@team.telstra.com
Item 3	Premises:	That part of the Land hatched on the plan and labelled "Works Area" attached to this Lease and situated at 66 Old Mines Road, Captains Flat NSW 2623. (For Lessee reference purposes only: JDE: 31664600 Tenure ID: 58272 Node Manager Address ID: 106850 RFNSA Number:)
Item 4	Land:	Folio Identifier 1/222274
Item 5	Term:	5 years, commencing on the Commencement Date
Item 6	Commencement Date:	4 February 2033
Item 7	Terminating Date:	3 February 2038
Item 8	Rent:	\$11,423.29 per annum (exclusive of GST), subject to review under clause 3.1
Item 9	Payment of Rent:	Yearly in advance by way of electronic funds transfer from the Commencement Date.
Item 10	Permitted Use:	Use, inspection, construction, installation, replacement, operation, maintenance, alteration, repair, upgrade, access to and from and removal of the Facility for telecommunications, communications and any other lawful purposes on the Premises and the Land in accordance with this Lease.
Item 11	Review of Rent:	The Rent is to be increased on each Review Date by 3.00% during the Term.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following words have these meaning in this Lease unless the contrary intention is shown:

Act means the Telecommunications Act 1997 (Cth).

Business Day means a day that is not a Saturday, Sunday or public holiday in the State.

Carrier has the same meaning as is contained in the Act and includes a party acting in reliance upon a nominated carrier declaration made under Part 3 of the Act.

Commencement Date means the date specified in Item 6.

Consumer Price Index means the All Groups CPI: Australia Consumer Price Index as currently published by the Australian Bureau of Statistics.

Current CPI means the Consumer Price Index number for the quarter ending immediately before the relevant Review Date.

Emergency means circumstances where access must be provided without delay to protect the Facility, the health or safety of persons, the environment, property or maintenance of an adequate level of service.

Facility means any equipment, equipment housing, tower/pole/mast (or similar), antennas, associated ancillary equipment and/or any other fixtures, fittings, structures and cabling as altered or upgraded in accordance with the terms of this Lease belonging to or brought onto the Premises by the Lessee, any Related Body Corporate of the Lessee and any subtenant or licensee of the Lessee (as the case may be).

Financial Year means the 12 months period ending on 30 June in each year.

Item means an item in the Reference Schedule.

Land means the Land described in Item 4.

Lease means this lease and any equitable lease or common law tenancy evidenced by this lease.

Lessee means the party named in Item 2.

Lessor means the party named in Item 1.

Liability Cap means:

- (a) for the Financial Year ending 30 June 2022, \$20 million; and
- (b) for each subsequent Financial Year in the Term, the amount of the Liability Cap for the previous Financial Year multiplied by the Current CPI and divided by the Previous CPI.

Network means the passive infrastructure of the Lessee (or any Related Body Corporate of the Lessee) for use in connection with a communications network.

Permitted Mortgage means a mortgage of the Land granted to an authorised deposit-taking institution within the meaning of the *Banking Act 1959* (Cth).

Permitted Mortgagee means the mortgagee from time to time under a Permitted Mortgage.

Permitted Use means the use specified in Item 10.

Premises means the premises leased to the Lessee as described in Item 3.

Previous CPI means the Consumer Price Index number for the quarter ending immediately before the last Review Date (or, if there has not been one, the Commencement Date).

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Reference Schedule means the Reference Schedule to this Lease.

Related Body Corporate means a related body corporate or a body corporate of which the Lessee is either an associated entity or a related body corporate of an associated entity, as each of those terms are defined in the *Corporations Act 2001* (Cth).

Rent means the amount specified in Item 8, as varied on any Review Date under this Lease.

Requirements means applicable legislation, by-laws, policies, industry standards or codes, community obligations and technical requirements.

Review Date means each anniversary of the Commencement Date during the Term.

Security Interest means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation or that gives a creditor priority over unsecured creditors in relation to any property.

Subsequent Lease means any lease between the Lessor and the Lessee of the Premises for a period of time commencing after the Terminating Date.

State means the State or Territory of Australia in which the Premises is situated.

Term means the term of this Lease as specified in Item 5 which begins on the Commencement Date and ends on the Terminating Date.

Terminating Date means the date specified in Item 7, except where this Lease is terminated early in which case the date of earlier termination is the Terminating Date.

1.2 Rules for interpreting this Lease

Unless the context otherwise requires:

- (a) A singular word includes the plural, and vice versa.
- (b) If a word is defined, another part of speech using contextual variations of that word has a corresponding meaning.
- (c) Words of inclusion or example are not words of limitation.
- (d) Headings are for convenience only, and do not affect interpretation.
- (e) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Lease.
- (f) If anything in this Lease is unenforceable, illegal or void then it is severed and the rest of this Lease remains in force.

- (g) A reference to:
- (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes an executor, an administrator, a permitted substitute or a permitted assign of that party and where the party is a corporation, includes the corporation, its successors and assigns;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (h) Unless the context otherwise requires, the terms installation and maintenance where they are used in this Lease have the same meanings and include the same activities as are provided under the Act.
- (i) Where a party consists of two or more persons or a term is used in this Lease to refer to more than one party an obligation of those persons is joint and several and a right of those persons is held by each of them severally.
- (j) Any right given to the Lessor or the Lessee (as the case may be) may where the context so permits be exercised by that party's employees, agents, contractors, subtenants, licensees or others authorised (expressly or implicitly) by that party.
- (k) Any obligation on the Lessor or the Lessee (as the case may be) will where the context so permits extend to the actions of that party or that party's authorised employees, agents, contractors, subtenants, licensees, invitees or others claiming under or through that party.
- (l) Unless this Lease expressly states otherwise, any party responding to a request for consent or approval must not unreasonably withhold or delay its response or impose any conditions inconsistent with the terms of this Lease. If withholding consent or approval, the responding party must give written reasons with its response.
- (m) Sections 84, 84A and 85 of the *Conveyancing Act 1919* (NSW) do not apply to this Lease.

2. TERM OF LEASE

2.1 Term

The Lessor leases the Premises to the Lessee for the Term and for the Permitted Use.

2.2 Holding Over

If the Lessee occupies the Premises after the Terminating Date without demand for possession by the Lessor, then the Lessee occupies the Premises under a yearly tenancy on the same terms as this Lease, so far as they can be applied to a yearly tenancy. Either party may terminate the yearly tenancy by giving no less than 1 year's notice to the other party.

3. PAYMENTS

3.1 Rent and Rent Review

- (a) The Lessee must pay the Rent in accordance with Item 9 to an account in Australia nominated by the Lessor. The Lessor may nominate another account in Australia into which the Rent must be paid upon giving at least 20 Business Days' notice to the Lessee.
- (b) The Rent is to be reviewed on each Review Date in accordance with Item 11.

3.2 Rates and taxes

The Rent is a gross amount and the Lessee is not required to pay any rates, taxes or outgoings which are charged to, assessed against or relate to the Land (including the Premises), subject to charges (if any) which this Lease expressly requires the Lessee to pay. The Lessor must pay all rates, taxes and outgoings on or before the payment date which are charged to, assessed against or relate to the Land (including the Premises).

3.3 Costs of Lease

Each party must bear their own legal fees and disbursements for the preparation, negotiation and execution of this Lease. If stamp duty or registration fees are payable on this Lease, the Lessee will pay the applicable stamp duty or registration fees.

4. EQUIPMENT

- (a) The Lessor grants a licence to the Lessee, its subtenants and licensees to install, maintain, repair, renew and use cabling on the Land to and from the Facility as is necessary for the Permitted Use.
- (b) Subject to the express terms of this Lease, the Facility remains at all times the property of the Lessee, its subtenants and licensees (as the case may be), even if it becomes attached to the Land.

5. USE

5.1 Use of Premises and Land

- (a) The Lessee may only use the Premises for the Permitted Use.
- (b) The Lessor grants a licence to the Lessee, its subtenants and licensees to use so much of the Land adjacent to or adjoining the Facility as is reasonably required for the Permitted Use. After using the adjacent or adjoining Land, the Lessee must restore the surface to that part of the Land used to as near as practicably possible its state prior to use by the Lessee, its subtenants and licensees.
- (c) The Lessee is not required to carry out any capital or structural works to the Land unless such works are required by the Lessee for the installation or maintenance of the Facility or the works are as a result of the Lessee's negligence or a breach of this Lease.
- (d) The Lessee, its subtenants and licensees may install signage around the Premises and the Facility for the purposes of complying with applicable laws.
- (e) The Lessor grants to the Lessee, its subtenants and licensees the right to use so much of the adjoining or adjacent land as is reasonably required for the purpose of installing and maintaining guy anchors (if needed) to support the Lessee's structure on the Premises and running guy wires from those guy anchors on the adjoining or adjacent land to the Lessee's structure on the Premises. The Lessor must not use or interfere with the Lessee's guy anchors or guy wires. The

provisions of clause 9.3 apply to the exercise by the Lessee of its rights under this clause.

5.2 Condition of Premises

Subject to clause 5.1(c), the Lessee will keep the Premises in good repair and condition (having regard to the condition of the Premises as at the Commencement Date) excluding fair wear and tear and any damage caused by fire, flood, lightning, storm, war or act of God.

5.3 Permits and Approvals

The Lessor:

- (a) authorises the Lessee, at the Lessee's cost, to make applications to any relevant government authority or agency for any necessary permits, consents and approvals for the development, construction and use of the Facility and to exercise and procure (in the Lessee's discretion) every right of appeal arising from a determination or failure to determine such application; and
- (b) must sign all documentation and provide all assistance reasonably required by the Lessee or any person nominated by the Lessee to obtain the permits, consents and approvals referred to in clause 5.3(a).

6. ELECTRICITY AND OTHER SERVICES

- (a) The Lessor must permit the Lessee, at the Lessee's cost, to install electricity and other services on the Land to and from the Facility. The Lessee may use, install, repair, maintain, replace and remove any services to the Facility at any time.
- (b) The supply of electricity must be made through a dedicated usage meter (either by separate meter or check meter), installed by the Lessee at its own cost, so that the Lessee is directly accountable for any electricity that it uses on the Premises.
- (c) Where the Lessee installs separate electricity metering, the Lessee must pay to the supplier all charges for the separately metered electricity used by the Lessee. Where the Lessee installs a check meter, the Lessee will reimburse the Lessor the actual cost of the electricity it uses on the Premises as recorded by the check meter within 30 Business Days of receipt of a tax invoice from the Lessor.
- (d) The Lessor agrees that the Lessee may transfer ownership of some or all of the electricity cables to a third party electricity supplier for the supply of electricity to the Facility.
- (e) Where reasonably requested by the Lessee, the Lessor must grant an easement for electricity purposes over part of the Land on the easement terms that may be required by the electricity supplier.
- (f) The Lessor agrees that the electricity supplier may enter the Land from the Commencement Date for the purposes of installing, repairing, maintaining, upgrading, replacing and removing any electricity infrastructure.

7. ACCESS

7.1 Access

The Lessor grants a licence to the Lessee, its subtenants and licensees over the Land to have access to and from the Premises (including the Facility) at all times.

7.2 Security

- (a) Subject to clause 7.2(b), the Lessee will comply with reasonable security arrangements and access protocols as previously notified to it by the Lessor. The

Lessor will notify the Lessee of the Lessor's contact person for security purposes (including name, postal address, email address and phone number).

- (b) Where the Lessee does not have direct access to the Land, Premises and the Facility and there is an Emergency, the Lessor must arrange for the Lessee, its subtenants and licensees to have access to the Land, Premises and the Facility within 2 hours of notification by the Lessee to the Lessor or the Lessor's contact person nominated under clause 7.2(a). The Lessee may give this notice in person or by telephone.
- (c) The Lessee will reimburse to the Lessor the reasonable security expenses incurred by the Lessor in providing access during an Emergency within 20 Business Days of receipt of a tax invoice from the Lessor.

7.3 Access track and/or power connection

If the Lessee installs at its cost any access track or power connection, then any other person (except the Lessor) who wishes to utilise the access track or power connection must share in the cost of any upgrade and maintenance of the access track or power connection as apportioned by the Lessee (and in consultation with the Lessor acting reasonably), taking into account the extent of the use of the access track or the power connection by other users.

8. ASSIGNMENT AND SUBLETTING

- (a) The Lessee must not assign this Lease or sublet the whole of the Premises without the consent of the Lessor, except to:
 - (i) a Related Body Corporate of the Lessee;
 - (ii) a Carrier; or
 - (iii) any entity (or a Related Body Corporate of that entity) that is acquiring the Network,in which case the consent of the Lessor is not required to the assignment or sublease.
- (b) The Lessee may grant a sublease of part of the Premises or a licence of the whole Premises or any part of the Premises to any person at any time.
- (c) In the event of an assignment of this Lease by the Lessee, the Lessee and the Lessor release each other from all obligations and liabilities under this Lease from the date of assignment of this Lease, but without prejudice to any prior claim or remedy which either party may have against the other party.
- (d) For the avoidance of doubt, and for the purposes of this clause 8, a reference to:
 - (i) this 'Lease' includes any licence rights granted to the Lessee in this Lease and any rights which are appurtenant or ancillary to this Lease; and
 - (ii) the 'Premises' includes any areas over which the Lessee holds licence, appurtenant or ancillary rights.

9. INSURANCE AND INDEMNITY

9.1 Property Insurance

The Lessee agrees to maintain all risks property insurance with a reputable insurer at all times in relation to the Premises.

9.2 Public Liability Insurance

- (a) The Lessee agrees to maintain public liability insurance with a reputable insurer for at least \$20 million at all times in relation to the Premises and the Lessee will include the Lessor as an insured to the extent of the Lessee's liability under this Lease.
- (b) If requested in writing by the Lessor (no more than once in a twelve month period), the Lessee will provide the Lessor with a letter confirming the Lessee's insurance as specified in this clause 9.2.

9.3 Indemnity and liability

- (a) The Lessee will indemnify the Lessor for any liability, loss, damage, cost or expense incurred or suffered by the Lessor which is caused or contributed (to the extent of the contribution) by the Lessee's negligence or breach of this Lease.
- (b) The liability of the Lessee under this Lease (including under the indemnity provided by the Lessee under clause 9.3(a)) will not exceed the Liability Cap in any Financial Year.
- (c) The liability of the Lessee under this clause 9.3 must be reduced proportionately to the extent that the Lessor's negligence or breach of this Lease caused or contributed to the liability.
- (d) In defending or responding to any claim under this clause 9.3, the Lessor must act reasonably and consult in good faith with the Lessee.
- (e) The Lessor must not settle any claim under this clause 9.3 without obtaining the prior consent of the Lessee. The Lessor must take reasonable steps to mitigate any liability, loss, damage, cost or expense including taking reasonable court action to defend any claim, action or demand made against the Lessor.

10. LESSOR'S COVENANTS

10.1 Quiet Enjoyment

The Lessee is entitled to quiet enjoyment of the Premises and to undertake the Permitted Use on the Land without any interruption by the Lessor or any person lawfully claiming through the Lessor or in any other manner.

10.2 Condition of Land

The Lessor must repair, maintain and keep in good and substantial repair the Land (including all fixtures and fittings of the Lessor, if any), subject always to the obligations of the Lessee under this Lease.

10.3 No Damage

The Lessor must not damage, tamper with or interfere with the Facility or its operation.

10.4 Safety and Security Procedures

The Lessor must comply with the Lessee's safety and security procedures and signage in respect of the Premises and the Facility.

10.5 Other Occupiers

- (a) Where the Lessor proposes to grant rights of occupancy on the Land to other occupiers and those rights include the right to operate radio communications and/or telecommunications equipment on the Land, then the Lessor must first

promptly give notice and obtain the Lessee's consent to the proposal (such consent not to be unreasonably withheld).

- (b) If the Lessee establishes that changes to other occupiers' facilities after the initial installation of the facility by the other occupier has caused interference with the Facility, the Lessor must, immediately upon receipt of notice from the Lessee, arrange for the other occupier to modify its facility so that it no longer interferes with the Facility.

10.6 Consents

If the Land is subject to a mortgage, the Lessor must obtain consent to this Lease from the mortgagee and the Lessee must pay the mortgagee's reasonable consent costs.

10.7 Contamination

The Lessor warrants to the best of its knowledge that, as at the Commencement Date, the Premises do not contain contamination or substances hazardous to health or safety.

10.8 Events Affecting Land

- (a) The Lessor must promptly notify the Lessee if:
- (i) the Lessor sells or otherwise disposes of its interest in the Land;
 - (ii) the Lessor is aware of a proposal for development occurring on adjoining land;
 - (iii) the Lessor changes its address for notices;
 - (iv) a Permitted Mortgage becomes enforceable; or
 - (v) a Permitted Mortgagee becomes:
 - A entitled to the receipt of Rent and other payments under this Lease;
 - B entitled to exercise any of the rights of the Lessor under this Lease; or
 - C obliged to perform any of the obligations of the Lessor under this Lease.
- (b) The Lessor must not:
- (i) grant a lease over the whole or any part of the Premises which is intended to run concurrently with this Lease or any Subsequent Lease;
 - (ii) issue a direction to the Lessee to pay the whole or any part of the Rent or other payments under this Lease (other than for charges which this Lease expressly requires the Lessee to pay or for electricity under clause 6) to a person other than the Lessor;
 - (iii) assign, transfer or grant any interest in this Lease or the Lessor's rights under this Lease, other than by way of a Permitted Mortgage;
 - (iv) appoint a person:

- A other than an employee or officer of the Lessor, under power of attorney, as an authorised representative or attorney (other than pursuant to a Permitted Mortgage);
- B other than a licensed real estate agent, as agent of the Lessor; or
- C other than a professional adviser, such as an accountant or legal adviser,

to exercise any rights of the Lessor under this Lease or to negotiate on behalf of the Lessor the terms of any lease, licence or other occupancy arrangement of the Premises to the Lessee to commence after the Terminating Date or the terminating date of any Subsequent Lease; or

- (v) create or allow a Security Interest, other than a Permitted Mortgage, in the Land, this Lease or the Lessor's rights under this Lease,

without the prior written consent of the Lessee (which may be granted or refused by the Lessee in its absolute discretion).

- (c) If the Lessor breaches clause 10.8(b), then:
 - (i) the Lessee will be entitled to a reduction in the Rent of 50% from the date of the Lessor's breach until the Terminating Date and during the term of any Subsequent Lease and the parties agree to promptly execute a variation of this Lease and any Subsequent Lease to reflect the reduced Rent in registrable form. The Lessee must at the Lessor's cost attend to the preparation and registration of the variation of this Lease and any Subsequent Lease and the Lessor must immediately produce the certificate of title for the Land to enable the variation of this Lease and any Subsequent Lease to be registered (if applicable);
 - (ii) the Lessor must compensate the Lessee for any loss, damage or disadvantage which the Lessee may suffer or incur as a result of the Lessor's failure or delay in seeking the consent of the Lessee; and/or
 - (iii) at any time within 2 years after becoming aware of the breach, the Lessee may terminate this Lease by giving to the Lessor not less than 6 months' notice to the Lessor at any time.
- (d) The Lessor acknowledges and agrees that:
 - (i) the Lessee will suffer loss and damages if the Lessor fails to obtain the Lessee's prior consent under clause 10.8(b); and
 - (ii) the reduction in the Rent under clause 10.8(c)(i) represents the amount reasonably required to protect the Lessee's legitimate business interests should the Lessor fail to obtain the Lessee's prior consent under clause 10.8(b).

11. DEFAULT AND TERMINATION

11.1 Default and Re-entry

- (a) If the Lessee fails to perform its obligations under this Lease and the Lessee does not, within 20 Business Days in the case of non-payment of Rent and 40 Business Days in the case of all other breaches from the date of receipt of notice from the Lessor, either remedy the default or if the default cannot be remedied, pay reasonable compensation to the Lessor for the loss or damage suffered by the

Lessor as a consequence of the default, then the Lessor may re-enter upon the Premises.

- (b) This Lease determines on the Lessor's re-entry but without prejudice to any prior claim or remedy which either party may have against the other party.

11.2 Early surrender

- (a) Before the Facility is initially installed, the Lessee may surrender this Lease by giving the Lessor no less than 20 Business Days' notice where the Lessee or its subtenants or licensees are unable to comply with or satisfy any Requirements.
- (b) Despite any other provision of this Lease, if the Permitted Use is compromised (including physical or radio interference), the Premises are no longer required, the communications network of any of the Lessee's subtenants or licensees ceases to operate or the Lessee's subtenants or licensees vacate then the Lessee may surrender this Lease on giving to the Lessor no less than 6 months' notice at any time.
- (c) If the Lessee exercises its right to surrender this Lease under clauses 11.2(a) or 11.2(b), the Lessee must, at its cost, reinstate the Premises in accordance with clause 11.4 and the surrender of this Lease is without prejudice to any prior claim or remedy which either party may have against the other.
- (d) If this Lease is surrendered by the Lessee prior to the Terminating Date pursuant to this clause 11.2, the Lessor must, within 20 Business Days of the date of surrender, refund to the Lessee any Rent paid in advance for that portion of the Term after the date of surrender.

11.3 Subsequent Leases

- (a) The Lessee may surrender a Subsequent Lease for any reason by giving the Lessor written notice at least 1 month before the Terminating Date. The Subsequent Lease terminates on the date specified in the Lessee's notice or, failing any specified date, on the Terminating Date.
- (b) If this Lease is surrendered (other than by the effluxion of time), any Subsequent Lease is also surrendered at the same time as this Lease.
- (c) Where this Lease or any Subsequent Lease is surrendered under this clause 11.3, the parties agree to promptly execute a surrender of this Lease and a surrender of any Subsequent Lease in registrable form. The Lessee must at its cost attend to the preparation, stamping and registration of the surrenders of this Lease and any Subsequent Lease. If this Lease or any Subsequent Lease has been registered, the Lessor must immediately produce the certificate of title for the Land to enable the surrender of this Lease and any Subsequent Lease to be registered (if applicable).
- (d) The surrender of this Lease or any Subsequent Lease is without prejudice to any prior claim or remedy which either party may have against the other under this Lease or any Subsequent Lease.

11.4 Reinstatement and Make Good

- (a) Within 4 months after the Terminating Date, the Lessee will remove that part of the Facility located above ground level and make good at its cost any damage to the Land or Premises caused by that removal. The Lessee will continue to pay Rent to the Lessor during this 4 month period (or any lesser period of time as the Lessee requires to meet its obligations under this clause 11.4) at the same rate of Rent (on a pro-rata basis) payable immediately before the Terminating Date.

- (b) This clause does not apply if the Lessee is to occupy the Premises under a Subsequent Lease.

12. GST

12.1 Recovery of GST

If one party (**supplying party**) makes a taxable supply and the consideration for that supply does not expressly include GST, the party that is liable to provide the GST-exclusive consideration (**receiving party**) must also pay an amount (**GST amount**) equal to the GST payable in respect of that supply.

12.2 Time for payment of GST amount

Subject to first receiving a tax invoice or adjustment note as appropriate, the receiving party must pay the GST amount when it is liable to provide the GST-exclusive consideration or the first part of the GST-exclusive consideration for the supply (as the case may be).

12.3 Indemnity and reimbursement payments

If one party must indemnify or reimburse another party (**payee**) for any loss or expense incurred by the payee, the required payment does not include any amount which the payee (or an entity that is in the same GST group as the payee) is entitled to claim as an input tax credit or would have been entitled to claim as an input tax credit had the other party registered for GST in the event that it was required or entitled to do so, but will be increased under clause 12.1 if the payment is consideration for a taxable supply.

12.4 Adjustment events

If an adjustment event arises in respect of a taxable supply made by a supplying party, the GST amount payable by the receiving party under clause 12.1 will be recalculated to reflect the adjustment event and a payment will be made by the receiving party to the supplying party, or by the supplying party to the receiving party, as the case requires.

12.5 Lease to be a tax invoice

The parties agree that this Lease is intended to be a tax invoice which satisfies the requirements of section 29-70(1) of the GST Act.

12.6 Change in the GST law

If the GST law changes (including without limitation as a result of a change in the GST rate) after the date of this Lease, any consideration that expressly includes GST must be adjusted to reflect the change in the GST law.

12.7 When RCTI clauses apply

Clause 12.8 shall only become effective upon notice being provided by the Lessee, in its absolute discretion, to the Lessor.

12.8 RCTI

For the purpose of satisfying the requirements of the GST legislation and any additional requirements as determined by the Commissioner of Taxation from time to time, the Lessor and the Lessee agree that:

- (a) the Lessee can issue recipient created tax invoices (and adjustment notes) in respect of the supply by the Lessor of the Lease of the Premises to the Lessee;
- (b) the Lessor must not issue a tax invoice (or adjustment notes) in respect of any supply by the Lessor to the Lessee under this Lease unless the Lessee notifies the

Lessor that the Lessee will not be issuing a recipient created tax invoice for that supply;

- (c) the Lessee is registered for GST purposes. The Lessee must notify the Lessor if the Lessee ceases to be registered for GST purposes or ceases to satisfy the requirements for issuing recipient created tax invoices as set out in the GST legislation or as determined by the Commissioner of Taxation from time to time;
- (d) the Lessor is registered for GST purposes and has notified the Lessee of its ABN. The Lessor must notify the Lessee if the Lessor ceases to be registered for GST purposes or if it intends selling its business or otherwise ceases to be entitled to enter into a recipient created tax invoice arrangement; and
- (e) the Lessee must issue the recipient created tax invoice to the Lessor and must retain a copy. The Lessee must issue the recipient created tax invoice within 28 days from the date the value of the relevant supply is determined.

12.9 When RCTI clauses cease to apply

Clause 12.8 shall be effective from the date on which the Lessee issues a notice to the Lessor under clause 12.7 and continues until terminated by either party at any time by giving not less than 30 days' prior written notice to the other party.

12.10 GST definitions

In this Lease:

- (a) terms used that are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**GST Act**) have the meaning given in that Act, unless the context makes it clear that a different meaning is intended;
- (b) consideration includes non-monetary consideration, in respect of which the parties must agree on a market value, acting reasonably;
- (c) in addition to the meaning given in the GST Act, the term "GST" includes a notional liability for GST; and
- (d) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

13. WARRANTIES

13.1 Lessee as trustee

- (a) The parties acknowledge and agree that:
 - (i) where the Lessee is a responsible entity or trustee of a trust, the Lessee enters into this Lease in that capacity and is bound by this Lease only in that capacity and in no other capacity;
 - (ii) the recourse of the Lessor to the Lessee in respect of any obligations and liabilities of the Lessee under or in connection with this Lease (whether that liability arises under a specific provision of this Lease, for breach of contract, tort (including negligence) or otherwise) is limited to the extent to which the liability can be satisfied out of the assets of the trust out of which the Lessee is actually indemnified in respect of such obligations and liabilities;
 - (iii) the parties may not sue the Lessee in any capacity other than as responsible entity or trustee of the trust, including seeking the appointment of a receiver (except in relation to property of the Lessee), a liquidator, an administrator or any similar person to the Lessee or prove

in any liquidation, administration or arrangement of or affecting the Lessee (except in relation to property of the Lessee); and

- (iv) the provisions of this clause 13.1(a) do not apply to any obligation or liability of the Lessee in its capacity as trustee of the trust to the extent that it is not satisfied because under the trust deed of the trust or by operation of law there is a reduction in the extent of the Lessee's indemnification out of the assets of the trust as a result of fraud, negligence or breach of trust on the part of the Lessee.

(b) As at the Commencement Date, the Lessee warrants to the Lessor that:

- (i) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
- (ii) it is the only responsible entity or trustee of the relevant trust;
- (iii) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
- (iv) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
- (v) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

13.2 Lessor as trustee

If the Lessor enters into this Lease as a responsible entity or trustee of a trust, as at the Commencement Date, the Lessor warrants to the Lessee that:

- (a) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
- (b) it is the only responsible entity or trustee of the relevant trust;
- (c) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
- (d) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
- (e) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

14. MISCELLANEOUS

14.1 Application of Laws

- (a) Nothing in this Lease affects, restricts, limits or derogates from the rights, powers and immunities under and by virtue of the Act or any other applicable legislation and/or regulations of the Commonwealth.
- (b) The Lessor agrees that it does not require written notice under clause 17(1) Division 5 Part 1 of Schedule 3 of the Act from the Lessee or any subtenant or licensee of the Lessee for access to the Facility and any activities related to the Permitted Use.

- (c) The Lessee must comply with all applicable laws in respect of the Lessee's use of the Premises and any requirements, notices or orders of a government authority or agency having jurisdiction in respect of the Lessee's use of the Premises.
- (d) The Lessor must comply with all applicable laws in relation to the Land and the Lessor's property on the Land.

14.2 Notices

- (a) Subject to clause 14.2(b), a notice, consent or other communication (**Notice**) under this Lease is only valid if it is in writing and addressed to the recipient (as per the address in the Reference Schedule, or as notified to the other party in writing from time to time) and either delivered by hand or sent by pre-paid mail (by airmail, if the recipient is overseas) to the recipient's address or sent by email to the recipient's email address or email addresses. Where more than one email address is specified, the Notice must be sent to all specified email addresses.
- (b) Notice may be given orally where expressly permitted by this Lease. A Notice given orally is deemed to be received at the time it is given.
- (c) A Notice is deemed received by email if delivered:
 - (i) *by 5.00 pm on a Business Day* - at the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email; or
 - (ii) *after 5.00 pm on a Business Day or on a day that is not a Business Day* - on the next Business Day after the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email.
- (d) Any Notice sent by mail is deemed to have been received within 7 Business Days after posting to a location within Australia or 10 Business Days after posting to a location outside Australia.
- (e) Any Notice delivered by hand is deemed to have been received at the time it is given.

15. RIGHT OF FIRST REFUSAL

15.1 Lessor cannot sell or transfer Land

During the Term (including any holding over period), the Lessor must not sell or transfer its interest in the Land to any other person unless the Lessor complies with this clause 15.

15.2 Lessor's Offer

If the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to give the Lessee:

- (a) a notice specifying the Lessor's intention to sell or transfer and the price (exclusive of GST) that the Lessor is prepared to sell or transfer the Land and offering to sell or transfer the Land to the Lessee on those terms; and
- (b) a contract of sale for the Land (2 copies) which must be in the standard form of contract for the State, with particulars of sale completed (including the description of the Land, the purchase price, the deposit (being not greater than 10% of the purchase price) and the settlement date) and any other disclosure documents required by law in the State,

(**Lessor's Offer**).

15.3 Acceptance of Lessor's Offer

- (a) If the Lessee wants to accept the Lessor's Offer, the Lessee must, within 20 Business Days after it receives the notice and documents under clause 15.2, sign the contract and return the signed contract of sale and a cheque for the deposit to the Lessor.
- (b) If the Lessee complies with clause 15.3(a), the parties will have entered into a binding contract for the sale or transfer of the Land.
- (c) The Lessor must sign and return one copy of the contract of sale to the Lessee within 10 Business Days after receiving the contract of sale under clause 15.3(a).

15.4 If Lessee does not accept Lessor's Offer

If the Lessee does not accept the Lessor's Offer, the Lessor may sell or transfer the Land to any other person provided that any sale or transfer cannot be:

- (a) for a purchase price less than the price specified in the Lessor's Offer; or
- (b) on more favourable terms than those specified in the Lessor's Offer.

15.5 Period to sell

If the Lessor has not entered into a binding contract of sale for the Land within 12 months after the Lessor's Offer is given to the Lessee and the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to comply again with this clause 15 before selling or transferring its interest in the Land.

15.6 Public auction

Despite anything to the contrary in this clause 15, the Lessor may seek to sell the Land by way of a public auction if:

- (a) the Lessor advertises the auction in newspapers and other publications in the locality of the Land; and
- (b) the Lessor gives at least 20 Business Days prior notice of the auction to the Lessee.

15.7 Right binds successors

This clause 15 binds the successors in title and the assigns of the Lessor and the Lessee.

EXECUTED AS A DEED this day of 20

EXECUTED BY THE LESSEE

Certified correct for the purposes of the *Real Property Act* 1900 and executed on behalf of **AMPLITEL PTY LIMITED** under Power of Attorney registered Book 4789 No. 977 by the party's Attorney who states that no notice of revocation of the Power of Attorney has been received in the presence of:

Signature of witness

Signature of Attorney

Name of witness

Name of Attorney

Address of witness

EXECUTED BY THE LESSOR

Signed by the Authorised Officer of the
Queanbeyan-Palerang Regional Council
in the presence of:

Signature of Witness

Signature of Authorised Officer

Name of Witness

Name of Authorised Officer

Address of Witness

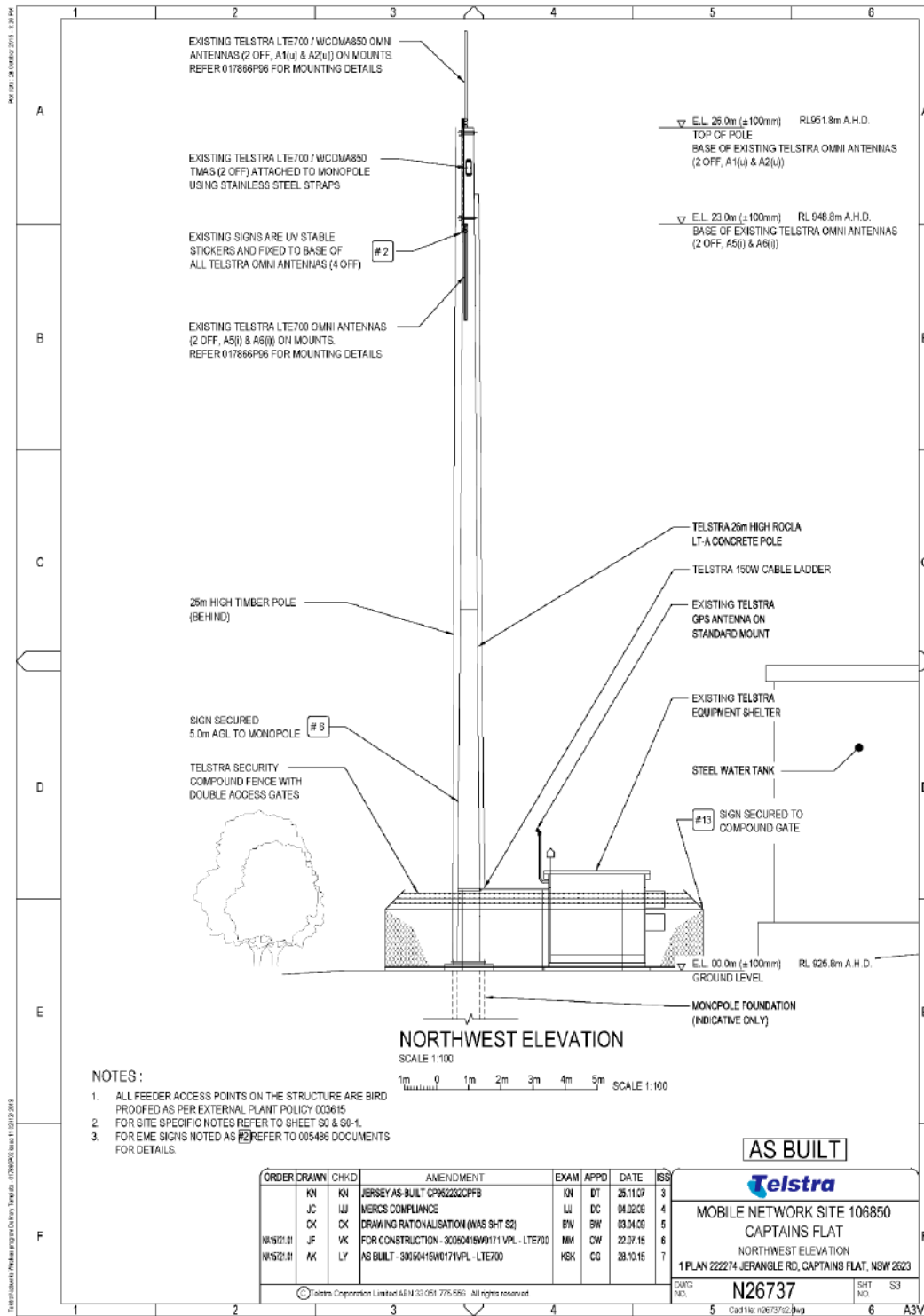
Office Held

ANNEXURE A

SITE ELEVATION DRAWING

This is Annexure "A" referred to in the Lease between Queanbeyan-Palerang Regional Council and Amplitel Pty Limited.

Site Elevation Drawing



ANNEXURE B – NOT APPLICABLE

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

13 JULY 2022

ITEM 9.11 RENEWAL OF LEASE FOR 66 OLD MINES ROAD, CAPTAINS
FLAT WITH AMPLITEL PTY

ATTACHMENT 4 CAPTAINS FLAT, NSW - TERM 4 LEASE



LAND LEASE

(New South Wales)

**Property: 66 Old Mines Road, Captains Flat
NSW 2623**

Queanbeyan-Palerang Regional Council
ABN 95 933 070 982

Amplitel Pty Limited
ACN 648 133 073

REFERENCE SCHEDULE

Item 1	Lessor:	Name: Queanbeyan-Palerang Regional Council ACN: N/A ABN: 95 933 070 982 Address: 256 Crawford St, Queanbeyan NSW 2620 PO Box 90, Queanbeyan, NSW, 2620 Tel: 1300 735 025 / 0499 325 106 Email: council@qprc.nsw.gov.au
Item 2	Lessee:	Name: Amplitel Pty Limited as trustee for the Towers Business Operating Trust ACN: 648 133 073 ABN: 75 357 171 746 Address: c/- JLL 242 Exhibition Street MELBOURNE VIC 3000 Email: Telstra.Notices@ap.jll.com and F0901953@team.telstra.com
Item 3	Premises:	That part of the Land hatched on the plan and labelled "Works Area" attached to this Lease and situated at 66 Old Mines Road, Captains Flat NSW 2623. (For Lessee reference purposes only: JDE: 31664600 Tenure ID: 58272 Node Manager Address ID: 106850 RFNSA Number:)
Item 4	Land:	Folio Identifier 1/222274
Item 5	Term:	5 years, commencing on the Commencement Date
Item 6	Commencement Date:	4 February 2038
Item 7	Terminating Date:	3 February 2043
Item 8	Rent:	\$13,242.72 per annum (exclusive of GST), subject to review under clause 3.1
Item 9	Payment of Rent:	Yearly in advance by way of electronic funds transfer from the Commencement Date.
Item 10	Permitted Use:	Use, inspection, construction, installation, replacement, operation, maintenance, alteration, repair, upgrade, access to and from and removal of the Facility for telecommunications, communications and any other lawful purposes on the Premises and the Land in accordance with this Lease.
Item 11	Review of Rent:	The Rent is to be increased on each Review Date by 3.00% during the Term.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

The following words have these meaning in this Lease unless the contrary intention is shown:

Act means the Telecommunications Act 1997 (Cth).

Business Day means a day that is not a Saturday, Sunday or public holiday in the State.

Carrier has the same meaning as is contained in the Act and includes a party acting in reliance upon a nominated carrier declaration made under Part 3 of the Act.

Commencement Date means the date specified in Item 6.

Consumer Price Index means the All Groups CPI: Australia Consumer Price Index as currently published by the Australian Bureau of Statistics.

Current CPI means the Consumer Price Index number for the quarter ending immediately before the relevant Review Date.

Emergency means circumstances where access must be provided without delay to protect the Facility, the health or safety of persons, the environment, property or maintenance of an adequate level of service.

Facility means any equipment, equipment housing, tower/pole/mast (or similar), antennas, associated ancillary equipment and/or any other fixtures, fittings, structures and cabling as altered or upgraded in accordance with the terms of this Lease belonging to or brought onto the Premises by the Lessee, any Related Body Corporate of the Lessee and any subtenant or licensee of the Lessee (as the case may be).

Financial Year means the 12 months period ending on 30 June in each year.

Item means an item in the Reference Schedule.

Land means the Land described in Item 4.

Lease means this lease and any equitable lease or common law tenancy evidenced by this lease.

Lessee means the party named in Item 2.

Lessor means the party named in Item 1.

Liability Cap means:

- (a) for the Financial Year ending 30 June 2022, \$20 million; and
- (b) for each subsequent Financial Year in the Term, the amount of the Liability Cap for the previous Financial Year multiplied by the Current CPI and divided by the Previous CPI.

Network means the passive infrastructure of the Lessee (or any Related Body Corporate of the Lessee) for use in connection with a communications network.

Permitted Mortgage means a mortgage of the Land granted to an authorised deposit-taking institution within the meaning of the *Banking Act 1959* (Cth).

Permitted Mortgagee means the mortgagee from time to time under a Permitted Mortgage.

Permitted Use means the use specified in Item 10.

Premises means the premises leased to the Lessee as described in Item 3.

Previous CPI means the Consumer Price Index number for the quarter ending immediately before the last Review Date (or, if there has not been one, the Commencement Date).

PPS Security Interest means a security interest that is subject to the *Personal Property Securities Act 2009* (Cth).

Reference Schedule means the Reference Schedule to this Lease.

Related Body Corporate means a related body corporate or a body corporate of which the Lessee is either an associated entity or a related body corporate of an associated entity, as each of those terms are defined in the *Corporations Act 2001* (Cth).

Rent means the amount specified in Item 8, as varied on any Review Date under this Lease.

Requirements means applicable legislation, by-laws, policies, industry standards or codes, community obligations and technical requirements.

Review Date means each anniversary of the Commencement Date during the Term.

Security Interest means:

- (a) a PPS Security Interest;
- (b) any other mortgage, pledge, lien or charge; or
- (c) any other interest or arrangement of any kind that in substance secures the payment of money or the performance of an obligation or that gives a creditor priority over unsecured creditors in relation to any property.

Subsequent Lease means any lease between the Lessor and the Lessee of the Premises for a period of time commencing after the Terminating Date.

State means the State or Territory of Australia in which the Premises is situated.

Term means the term of this Lease as specified in Item 5 which begins on the Commencement Date and ends on the Terminating Date.

Terminating Date means the date specified in Item 7, except where this Lease is terminated early in which case the date of earlier termination is the Terminating Date.

1.2 Rules for interpreting this Lease

Unless the context otherwise requires:

- (a) A singular word includes the plural, and vice versa.
- (b) If a word is defined, another part of speech using contextual variations of that word has a corresponding meaning.
- (c) Words of inclusion or example are not words of limitation.
- (d) Headings are for convenience only, and do not affect interpretation.
- (e) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Lease.
- (f) If anything in this Lease is unenforceable, illegal or void then it is severed and the rest of this Lease remains in force.

- (g) A reference to:
 - (i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
 - (iii) a party to this document or to any other document or agreement includes an executor, an administrator, a permitted substitute or a permitted assign of that party and where the party is a corporation, includes the corporation, its successors and assigns;
 - (iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (v) anything (including a right, obligation or concept) includes each part of it.
- (h) Unless the context otherwise requires, the terms installation and maintenance where they are used in this Lease have the same meanings and include the same activities as are provided under the Act.
- (i) Where a party consists of two or more persons or a term is used in this Lease to refer to more than one party an obligation of those persons is joint and several and a right of those persons is held by each of them severally.
- (j) Any right given to the Lessor or the Lessee (as the case may be) may where the context so permits be exercised by that party's employees, agents, contractors, subtenants, licensees or others authorised (expressly or implicitly) by that party.
- (k) Any obligation on the Lessor or the Lessee (as the case may be) will where the context so permits extend to the actions of that party or that party's authorised employees, agents, contractors, subtenants, licensees, invitees or others claiming under or through that party.
- (l) Unless this Lease expressly states otherwise, any party responding to a request for consent or approval must not unreasonably withhold or delay its response or impose any conditions inconsistent with the terms of this Lease. If withholding consent or approval, the responding party must give written reasons with its response.
- (m) Sections 84, 84A and 85 of the *Conveyancing Act 1919* (NSW) do not apply to this Lease.

2. TERM OF LEASE

2.1 Term

The Lessor leases the Premises to the Lessee for the Term and for the Permitted Use.

2.2 Holding Over

If the Lessee occupies the Premises after the Terminating Date without demand for possession by the Lessor, then the Lessee occupies the Premises under a yearly tenancy on the same terms as this Lease, so far as they can be applied to a yearly tenancy. Either party may terminate the yearly tenancy by giving no less than 1 year's notice to the other party.

3. PAYMENTS

3.1 Rent and Rent Review

- (a) The Lessee must pay the Rent in accordance with Item 9 to an account in Australia nominated by the Lessor. The Lessor may nominate another account in Australia into which the Rent must be paid upon giving at least 20 Business Days' notice to the Lessee.
- (b) The Rent is to be reviewed on each Review Date in accordance with Item 11.

3.2 Rates and taxes

The Rent is a gross amount and the Lessee is not required to pay any rates, taxes or outgoings which are charged to, assessed against or relate to the Land (including the Premises), subject to charges (if any) which this Lease expressly requires the Lessee to pay. The Lessor must pay all rates, taxes and outgoings on or before the payment date which are charged to, assessed against or relate to the Land (including the Premises).

3.3 Costs of Lease

Each party must bear their own legal fees and disbursements for the preparation, negotiation and execution of this Lease. If stamp duty or registration fees are payable on this Lease, the Lessee will pay the applicable stamp duty or registration fees.

4. EQUIPMENT

- (a) The Lessor grants a licence to the Lessee, its subtenants and licensees to install, maintain, repair, renew and use cabling on the Land to and from the Facility as is necessary for the Permitted Use.
- (b) Subject to the express terms of this Lease, the Facility remains at all times the property of the Lessee, its subtenants and licensees (as the case may be), even if it becomes attached to the Land.

5. USE

5.1 Use of Premises and Land

- (a) The Lessee may only use the Premises for the Permitted Use.
- (b) The Lessor grants a licence to the Lessee, its subtenants and licensees to use so much of the Land adjacent to or adjoining the Facility as is reasonably required for the Permitted Use. After using the adjacent or adjoining Land, the Lessee must restore the surface to that part of the Land used to as near as practicably possible its state prior to use by the Lessee, its subtenants and licensees.
- (c) The Lessee is not required to carry out any capital or structural works to the Land unless such works are required by the Lessee for the installation or maintenance of the Facility or the works are as a result of the Lessee's negligence or a breach of this Lease.
- (d) The Lessee, its subtenants and licensees may install signage around the Premises and the Facility for the purposes of complying with applicable laws.
- (e) The Lessor grants to the Lessee, its subtenants and licensees the right to use so much of the adjoining or adjacent land as is reasonably required for the purpose of installing and maintaining guy anchors (if needed) to support the Lessee's structure on the Premises and running guy wires from those guy anchors on the adjoining or adjacent land to the Lessee's structure on the Premises. The Lessor must not use or interfere with the Lessee's guy anchors or guy wires. The

provisions of clause 9.3 apply to the exercise by the Lessee of its rights under this clause.

5.2 Condition of Premises

Subject to clause 5.1(c), the Lessee will keep the Premises in good repair and condition (having regard to the condition of the Premises as at the Commencement Date) excluding fair wear and tear and any damage caused by fire, flood, lightning, storm, war or act of God.

5.3 Permits and Approvals

The Lessor:

- (a) authorises the Lessee, at the Lessee's cost, to make applications to any relevant government authority or agency for any necessary permits, consents and approvals for the development, construction and use of the Facility and to exercise and procure (in the Lessee's discretion) every right of appeal arising from a determination or failure to determine such application; and
- (b) must sign all documentation and provide all assistance reasonably required by the Lessee or any person nominated by the Lessee to obtain the permits, consents and approvals referred to in clause 5.3(a).

6. ELECTRICITY AND OTHER SERVICES

- (a) The Lessor must permit the Lessee, at the Lessee's cost, to install electricity and other services on the Land to and from the Facility. The Lessee may use, install, repair, maintain, replace and remove any services to the Facility at any time.
- (b) The supply of electricity must be made through a dedicated usage meter (either by separate meter or check meter), installed by the Lessee at its own cost, so that the Lessee is directly accountable for any electricity that it uses on the Premises.
- (c) Where the Lessee installs separate electricity metering, the Lessee must pay to the supplier all charges for the separately metered electricity used by the Lessee. Where the Lessee installs a check meter, the Lessee will reimburse the Lessor the actual cost of the electricity it uses on the Premises as recorded by the check meter within 30 Business Days of receipt of a tax invoice from the Lessor.
- (d) The Lessor agrees that the Lessee may transfer ownership of some or all of the electricity cables to a third party electricity supplier for the supply of electricity to the Facility.
- (e) Where reasonably requested by the Lessee, the Lessor must grant an easement for electricity purposes over part of the Land on the easement terms that may be required by the electricity supplier.
- (f) The Lessor agrees that the electricity supplier may enter the Land from the Commencement Date for the purposes of installing, repairing, maintaining, upgrading, replacing and removing any electricity infrastructure.

7. ACCESS

7.1 Access

The Lessor grants a licence to the Lessee, its subtenants and licensees over the Land to have access to and from the Premises (including the Facility) at all times.

7.2 Security

- (a) Subject to clause 7.2(b), the Lessee will comply with reasonable security arrangements and access protocols as previously notified to it by the Lessor. The

Lessor will notify the Lessee of the Lessor's contact person for security purposes (including name, postal address, email address and phone number).

- (b) Where the Lessee does not have direct access to the Land, Premises and the Facility and there is an Emergency, the Lessor must arrange for the Lessee, its subtenants and licensees to have access to the Land, Premises and the Facility within 2 hours of notification by the Lessee to the Lessor or the Lessor's contact person nominated under clause 7.2(a). The Lessee may give this notice in person or by telephone.
- (c) The Lessee will reimburse to the Lessor the reasonable security expenses incurred by the Lessor in providing access during an Emergency within 20 Business Days of receipt of a tax invoice from the Lessor.

7.3 Access track and/or power connection

If the Lessee installs at its cost any access track or power connection, then any other person (except the Lessor) who wishes to utilise the access track or power connection must share in the cost of any upgrade and maintenance of the access track or power connection as apportioned by the Lessee (and in consultation with the Lessor acting reasonably), taking into account the extent of the use of the access track or the power connection by other users.

8. ASSIGNMENT AND SUBLETTING

- (a) The Lessee must not assign this Lease or sublet the whole of the Premises without the consent of the Lessor, except to:
 - (i) a Related Body Corporate of the Lessee;
 - (ii) a Carrier; or
 - (iii) any entity (or a Related Body Corporate of that entity) that is acquiring the Network,in which case the consent of the Lessor is not required to the assignment or sublease.
- (b) The Lessee may grant a sublease of part of the Premises or a licence of the whole Premises or any part of the Premises to any person at any time.
- (c) In the event of an assignment of this Lease by the Lessee, the Lessee and the Lessor release each other from all obligations and liabilities under this Lease from the date of assignment of this Lease, but without prejudice to any prior claim or remedy which either party may have against the other party.
- (d) For the avoidance of doubt, and for the purposes of this clause 8, a reference to:
 - (i) this 'Lease' includes any licence rights granted to the Lessee in this Lease and any rights which are appurtenant or ancillary to this Lease; and
 - (ii) the 'Premises' includes any areas over which the Lessee holds licence, appurtenant or ancillary rights.

9. INSURANCE AND INDEMNITY

9.1 Property Insurance

The Lessee agrees to maintain all risks property insurance with a reputable insurer at all times in relation to the Premises.

9.2 Public Liability Insurance

- (a) The Lessee agrees to maintain public liability insurance with a reputable insurer for at least \$20 million at all times in relation to the Premises and the Lessee will include the Lessor as an insured to the extent of the Lessee's liability under this Lease.
- (b) If requested in writing by the Lessor (no more than once in a twelve month period), the Lessee will provide the Lessor with a letter confirming the Lessee's insurance as specified in this clause 9.2.

9.3 Indemnity and liability

- (a) The Lessee will indemnify the Lessor for any liability, loss, damage, cost or expense incurred or suffered by the Lessor which is caused or contributed (to the extent of the contribution) by the Lessee's negligence or breach of this Lease.
- (b) The liability of the Lessee under this Lease (including under the indemnity provided by the Lessee under clause 9.3(a)) will not exceed the Liability Cap in any Financial Year.
- (c) The liability of the Lessee under this clause 9.3 must be reduced proportionately to the extent that the Lessor's negligence or breach of this Lease caused or contributed to the liability.
- (d) In defending or responding to any claim under this clause 9.3, the Lessor must act reasonably and consult in good faith with the Lessee.
- (e) The Lessor must not settle any claim under this clause 9.3 without obtaining the prior consent of the Lessee. The Lessor must take reasonable steps to mitigate any liability, loss, damage, cost or expense including taking reasonable court action to defend any claim, action or demand made against the Lessor.

10. LESSOR'S COVENANTS

10.1 Quiet Enjoyment

The Lessee is entitled to quiet enjoyment of the Premises and to undertake the Permitted Use on the Land without any interruption by the Lessor or any person lawfully claiming through the Lessor or in any other manner.

10.2 Condition of Land

The Lessor must repair, maintain and keep in good and substantial repair the Land (including all fixtures and fittings of the Lessor, if any), subject always to the obligations of the Lessee under this Lease.

10.3 No Damage

The Lessor must not damage, tamper with or interfere with the Facility or its operation.

10.4 Safety and Security Procedures

The Lessor must comply with the Lessee's safety and security procedures and signage in respect of the Premises and the Facility.

10.5 Other Occupiers

- (a) Where the Lessor proposes to grant rights of occupancy on the Land to other occupiers and those rights include the right to operate radio communications and/or telecommunications equipment on the Land, then the Lessor must first

promptly give notice and obtain the Lessee's consent to the proposal (such consent not to be unreasonably withheld).

- (b) If the Lessee establishes that changes to other occupiers' facilities after the initial installation of the facility by the other occupier has caused interference with the Facility, the Lessor must, immediately upon receipt of notice from the Lessee, arrange for the other occupier to modify its facility so that it no longer interferes with the Facility.

10.6 Consents

If the Land is subject to a mortgage, the Lessor must obtain consent to this Lease from the mortgagee and the Lessee must pay the mortgagee's reasonable consent costs.

10.7 Contamination

The Lessor warrants to the best of its knowledge that, as at the Commencement Date, the Premises do not contain contamination or substances hazardous to health or safety.

10.8 Events Affecting Land

- (a) The Lessor must promptly notify the Lessee if:
- (i) the Lessor sells or otherwise disposes of its interest in the Land;
 - (ii) the Lessor is aware of a proposal for development occurring on adjoining land;
 - (iii) the Lessor changes its address for notices;
 - (iv) a Permitted Mortgage becomes enforceable; or
 - (v) a Permitted Mortgagee becomes:
 - A entitled to the receipt of Rent and other payments under this Lease;
 - B entitled to exercise any of the rights of the Lessor under this Lease; or
 - C obliged to perform any of the obligations of the Lessor under this Lease.
- (b) The Lessor must not:
- (i) grant a lease over the whole or any part of the Premises which is intended to run concurrently with this Lease or any Subsequent Lease;
 - (ii) issue a direction to the Lessee to pay the whole or any part of the Rent or other payments under this Lease (other than for charges which this Lease expressly requires the Lessee to pay or for electricity under clause 6) to a person other than the Lessor;
 - (iii) assign, transfer or grant any interest in this Lease or the Lessor's rights under this Lease, other than by way of a Permitted Mortgage;
 - (iv) appoint a person:

- A other than an employee or officer of the Lessor, under power of attorney, as an authorised representative or attorney (other than pursuant to a Permitted Mortgage);
- B other than a licensed real estate agent, as agent of the Lessor; or
- C other than a professional adviser, such as an accountant or legal adviser,

to exercise any rights of the Lessor under this Lease or to negotiate on behalf of the Lessor the terms of any lease, licence or other occupancy arrangement of the Premises to the Lessee to commence after the Terminating Date or the terminating date of any Subsequent Lease; or

- (v) create or allow a Security Interest, other than a Permitted Mortgage, in the Land, this Lease or the Lessor's rights under this Lease,

without the prior written consent of the Lessee (which may be granted or refused by the Lessee in its absolute discretion).

- (c) If the Lessor breaches clause 10.8(b), then:
 - (i) the Lessee will be entitled to a reduction in the Rent of 50% from the date of the Lessor's breach until the Terminating Date and during the term of any Subsequent Lease and the parties agree to promptly execute a variation of this Lease and any Subsequent Lease to reflect the reduced Rent in registrable form. The Lessee must at the Lessor's cost attend to the preparation and registration of the variation of this Lease and any Subsequent Lease and the Lessor must immediately produce the certificate of title for the Land to enable the variation of this Lease and any Subsequent Lease to be registered (if applicable);
 - (ii) the Lessor must compensate the Lessee for any loss, damage or disadvantage which the Lessee may suffer or incur as a result of the Lessor's failure or delay in seeking the consent of the Lessee; and/or
 - (iii) at any time within 2 years after becoming aware of the breach, the Lessee may terminate this Lease by giving to the Lessor not less than 6 months' notice to the Lessor at any time.
- (d) The Lessor acknowledges and agrees that:
 - (i) the Lessee will suffer loss and damages if the Lessor fails to obtain the Lessee's prior consent under clause 10.8(b); and
 - (ii) the reduction in the Rent under clause 10.8(c)(i) represents the amount reasonably required to protect the Lessee's legitimate business interests should the Lessor fail to obtain the Lessee's prior consent under clause 10.8(b).

11. DEFAULT AND TERMINATION

11.1 Default and Re-entry

- (a) If the Lessee fails to perform its obligations under this Lease and the Lessee does not, within 20 Business Days in the case of non-payment of Rent and 40 Business Days in the case of all other breaches from the date of receipt of notice from the Lessor, either remedy the default or if the default cannot be remedied, pay reasonable compensation to the Lessor for the loss or damage suffered by the

Lessor as a consequence of the default, then the Lessor may re-enter upon the Premises.

- (b) This Lease determines on the Lessor's re-entry but without prejudice to any prior claim or remedy which either party may have against the other party.

11.2 Early surrender

- (a) Before the Facility is initially installed, the Lessee may surrender this Lease by giving the Lessor no less than 20 Business Days' notice where the Lessee or its subtenants or licensees are unable to comply with or satisfy any Requirements.
- (b) Despite any other provision of this Lease, if the Permitted Use is compromised (including physical or radio interference), the Premises are no longer required, the communications network of any of the Lessee's subtenants or licensees ceases to operate or the Lessee's subtenants or licensees vacate then the Lessee may surrender this Lease on giving to the Lessor no less than 6 months' notice at any time.
- (c) If the Lessee exercises its right to surrender this Lease under clauses 11.2(a) or 11.2(b), the Lessee must, at its cost, reinstate the Premises in accordance with clause 11.4 and the surrender of this Lease is without prejudice to any prior claim or remedy which either party may have against the other.
- (d) If this Lease is surrendered by the Lessee prior to the Terminating Date pursuant to this clause 11.2, the Lessor must, within 20 Business Days of the date of surrender, refund to the Lessee any Rent paid in advance for that portion of the Term after the date of surrender.

11.3 Subsequent Leases

- (a) The Lessee may surrender a Subsequent Lease for any reason by giving the Lessor written notice at least 1 month before the Terminating Date. The Subsequent Lease terminates on the date specified in the Lessee's notice or, failing any specified date, on the Terminating Date.
- (b) If this Lease is surrendered (other than by the effluxion of time), any Subsequent Lease is also surrendered at the same time as this Lease.
- (c) Where this Lease or any Subsequent Lease is surrendered under this clause 11.3, the parties agree to promptly execute a surrender of this Lease and a surrender of any Subsequent Lease in registrable form. The Lessee must at its cost attend to the preparation, stamping and registration of the surrenders of this Lease and any Subsequent Lease. If this Lease or any Subsequent Lease has been registered, the Lessor must immediately produce the certificate of title for the Land to enable the surrender of this Lease and any Subsequent Lease to be registered (if applicable).
- (d) The surrender of this Lease or any Subsequent Lease is without prejudice to any prior claim or remedy which either party may have against the other under this Lease or any Subsequent Lease.

11.4 Reinstatement and Make Good

- (a) Within 4 months after the Terminating Date, the Lessee will remove that part of the Facility located above ground level and make good at its cost any damage to the Land or Premises caused by that removal. The Lessee will continue to pay Rent to the Lessor during this 4 month period (or any lesser period of time as the Lessee requires to meet its obligations under this clause 11.4) at the same rate of Rent (on a pro-rata basis) payable immediately before the Terminating Date.

- (b) This clause does not apply if the Lessee is to occupy the Premises under a Subsequent Lease.

12. GST

12.1 Recovery of GST

If one party (**supplying party**) makes a taxable supply and the consideration for that supply does not expressly include GST, the party that is liable to provide the GST-exclusive consideration (**receiving party**) must also pay an amount (**GST amount**) equal to the GST payable in respect of that supply.

12.2 Time for payment of GST amount

Subject to first receiving a tax invoice or adjustment note as appropriate, the receiving party must pay the GST amount when it is liable to provide the GST-exclusive consideration or the first part of the GST-exclusive consideration for the supply (as the case may be).

12.3 Indemnity and reimbursement payments

If one party must indemnify or reimburse another party (**payee**) for any loss or expense incurred by the payee, the required payment does not include any amount which the payee (or an entity that is in the same GST group as the payee) is entitled to claim as an input tax credit or would have been entitled to claim as an input tax credit had the other party registered for GST in the event that it was required or entitled to do so, but will be increased under clause 12.1 if the payment is consideration for a taxable supply.

12.4 Adjustment events

If an adjustment event arises in respect of a taxable supply made by a supplying party, the GST amount payable by the receiving party under clause 12.1 will be recalculated to reflect the adjustment event and a payment will be made by the receiving party to the supplying party, or by the supplying party to the receiving party, as the case requires.

12.5 Lease to be a tax invoice

The parties agree that this Lease is intended to be a tax invoice which satisfies the requirements of section 29-70(1) of the GST Act.

12.6 Change in the GST law

If the GST law changes (including without limitation as a result of a change in the GST rate) after the date of this Lease, any consideration that expressly includes GST must be adjusted to reflect the change in the GST law.

12.7 When RCTI clauses apply

Clause 12.8 shall only become effective upon notice being provided by the Lessee, in its absolute discretion, to the Lessor.

12.8 RCTI

For the purpose of satisfying the requirements of the GST legislation and any additional requirements as determined by the Commissioner of Taxation from time to time, the Lessor and the Lessee agree that:

- (a) the Lessee can issue recipient created tax invoices (and adjustment notes) in respect of the supply by the Lessor of the Lease of the Premises to the Lessee;
- (b) the Lessor must not issue a tax invoice (or adjustment notes) in respect of any supply by the Lessor to the Lessee under this Lease unless the Lessee notifies the

Lessor that the Lessee will not be issuing a recipient created tax invoice for that supply;

- (c) the Lessee is registered for GST purposes. The Lessee must notify the Lessor if the Lessee ceases to be registered for GST purposes or ceases to satisfy the requirements for issuing recipient created tax invoices as set out in the GST legislation or as determined by the Commissioner of Taxation from time to time;
- (d) the Lessor is registered for GST purposes and has notified the Lessee of its ABN. The Lessor must notify the Lessee if the Lessor ceases to be registered for GST purposes or if it intends selling its business or otherwise ceases to be entitled to enter into a recipient created tax invoice arrangement; and
- (e) the Lessee must issue the recipient created tax invoice to the Lessor and must retain a copy. The Lessee must issue the recipient created tax invoice within 28 days from the date the value of the relevant supply is determined.

12.9 When RCTI clauses cease to apply

Clause 12.8 shall be effective from the date on which the Lessee issues a notice to the Lessor under clause 12.7 and continues until terminated by either party at any time by giving not less than 30 days' prior written notice to the other party.

12.10 GST definitions

In this Lease:

- (a) terms used that are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**GST Act**) have the meaning given in that Act, unless the context makes it clear that a different meaning is intended;
- (b) consideration includes non-monetary consideration, in respect of which the parties must agree on a market value, acting reasonably;
- (c) in addition to the meaning given in the GST Act, the term "GST" includes a notional liability for GST; and
- (d) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as if it were a separate supply.

13. WARRANTIES

13.1 Lessee as trustee

- (a) The parties acknowledge and agree that:
 - (i) where the Lessee is a responsible entity or trustee of a trust, the Lessee enters into this Lease in that capacity and is bound by this Lease only in that capacity and in no other capacity;
 - (ii) the recourse of the Lessor to the Lessee in respect of any obligations and liabilities of the Lessee under or in connection with this Lease (whether that liability arises under a specific provision of this Lease, for breach of contract, tort (including negligence) or otherwise) is limited to the extent to which the liability can be satisfied out of the assets of the trust out of which the Lessee is actually indemnified in respect of such obligations and liabilities;
 - (iii) the parties may not sue the Lessee in any capacity other than as responsible entity or trustee of the trust, including seeking the appointment of a receiver (except in relation to property of the Lessee), a liquidator, an administrator or any similar person to the Lessee or prove

in any liquidation, administration or arrangement of or affecting the Lessee (except in relation to property of the Lessee); and

- (iv) the provisions of this clause 13.1(a) do not apply to any obligation or liability of the Lessee in its capacity as trustee of the trust to the extent that it is not satisfied because under the trust deed of the trust or by operation of law there is a reduction in the extent of the Lessee's indemnification out of the assets of the trust as a result of fraud, negligence or breach of trust on the part of the Lessee.
- (b) As at the Commencement Date, the Lessee warrants to the Lessor that:
- (i) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
 - (ii) it is the only responsible entity or trustee of the relevant trust;
 - (iii) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
 - (iv) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
 - (v) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

13.2 Lessor as trustee

If the Lessor enters into this Lease as a responsible entity or trustee of a trust, as at the Commencement Date, the Lessor warrants to the Lessee that:

- (a) it has power under terms of the relevant trust deed to execute this Lease and enter into every transaction contemplated by this Lease;
- (b) it is the only responsible entity or trustee of the relevant trust;
- (c) no action has been taken to remove it as trustee of the relevant trust or to appoint an additional responsible entity or trustee of the relevant trust;
- (d) it has a right to be indemnified out of all the property of the relevant trust in relation to money and any liabilities of any nature owing under, or the payment of which is contemplated by or may arise under, this Lease; and
- (e) no action has been taken to terminate the relevant trust or to determine a vesting date under the relevant trust deed.

14. MISCELLANEOUS

14.1 Application of Laws

- (a) Nothing in this Lease affects, restricts, limits or derogates from the rights, powers and immunities under and by virtue of the Act or any other applicable legislation and/or regulations of the Commonwealth.
- (b) The Lessor agrees that it does not require written notice under clause 17(1) Division 5 Part 1 of Schedule 3 of the Act from the Lessee or any subtenant or licensee of the Lessee for access to the Facility and any activities related to the Permitted Use.

- (c) The Lessee must comply with all applicable laws in respect of the Lessee's use of the Premises and any requirements, notices or orders of a government authority or agency having jurisdiction in respect of the Lessee's use of the Premises.
- (d) The Lessor must comply with all applicable laws in relation to the Land and the Lessor's property on the Land.

14.2 Notices

- (a) Subject to clause 14.2(b), a notice, consent or other communication (**Notice**) under this Lease is only valid if it is in writing and addressed to the recipient (as per the address in the Reference Schedule, or as notified to the other party in writing from time to time) and either delivered by hand or sent by pre-paid mail (by airmail, if the recipient is overseas) to the recipient's address or sent by email to the recipient's email address or email addresses. Where more than one email address is specified, the Notice must be sent to all specified email addresses.
- (b) Notice may be given orally where expressly permitted by this Lease. A Notice given orally is deemed to be received at the time it is given.
- (c) A Notice is deemed received by email if delivered:
 - (i) *by 5.00 pm on a Business Day* - at the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email; or
 - (ii) *after 5.00 pm on a Business Day or on a day that is not a Business Day* - on the next Business Day after the time (local time in the place of receipt) specified in the delivery confirmation or receipt generated by the sender's email.
- (d) Any Notice sent by mail is deemed to have been received within 7 Business Days after posting to a location within Australia or 10 Business Days after posting to a location outside Australia.
- (e) Any Notice delivered by hand is deemed to have been received at the time it is given.

15. RIGHT OF FIRST REFUSAL

15.1 Lessor cannot sell or transfer Land

During the Term (including any holding over period), the Lessor must not sell or transfer its interest in the Land to any other person unless the Lessor complies with this clause 15.

15.2 Lessor's Offer

If the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to give the Lessee:

- (a) a notice specifying the Lessor's intention to sell or transfer and the price (exclusive of GST) that the Lessor is prepared to sell or transfer the Land and offering to sell or transfer the Land to the Lessee on those terms; and
- (b) a contract of sale for the Land (2 copies) which must be in the standard form of contract for the State, with particulars of sale completed (including the description of the Land, the purchase price, the deposit (being not greater than 10% of the purchase price) and the settlement date) and any other disclosure documents required by law in the State,

(**Lessor's Offer**).

15.3 Acceptance of Lessor's Offer

- (a) If the Lessee wants to accept the Lessor's Offer, the Lessee must, within 20 Business Days after it receives the notice and documents under clause 15.2, sign the contract and return the signed contract of sale and a cheque for the deposit to the Lessor.
- (b) If the Lessee complies with clause 15.3(a), the parties will have entered into a binding contract for the sale or transfer of the Land.
- (c) The Lessor must sign and return one copy of the contract of sale to the Lessee within 10 Business Days after receiving the contract of sale under clause 15.3(a).

15.4 If Lessee does not accept Lessor's Offer

If the Lessee does not accept the Lessor's Offer, the Lessor may sell or transfer the Land to any other person provided that any sale or transfer cannot be:

- (a) for a purchase price less than the price specified in the Lessor's Offer; or
- (b) on more favourable terms than those specified in the Lessor's Offer.

15.5 Period to sell

If the Lessor has not entered into a binding contract of sale for the Land within 12 months after the Lessor's Offer is given to the Lessee and the Lessor wants to sell or transfer its interest in the Land to any other person, the Lessor agrees to comply again with this clause 15 before selling or transferring its interest in the Land.

15.6 Public auction

Despite anything to the contrary in this clause 15, the Lessor may seek to sell the Land by way of a public auction if:

- (a) the Lessor advertises the auction in newspapers and other publications in the locality of the Land; and
- (b) the Lessor gives at least 20 Business Days prior notice of the auction to the Lessee.

15.7 Right binds successors

This clause 15 binds the successors in title and the assigns of the Lessor and the Lessee.

EXECUTED AS A DEED this day of 20

EXECUTED BY THE LESSEE

Certified correct for the purposes of the *Real Property Act* 1900 and executed on behalf of **AMPLITEL PTY LIMITED** under Power of Attorney registered Book 4789 No. 977 by the party's Attorney who states that no notice of revocation of the Power of Attorney has been received in the presence of:

Signature of witness

Signature of Attorney

Name of witness

Name of Attorney

Address of witness

EXECUTED BY THE LESSOR

Signed by the Authorised Officer of the
Queanbeyan-Palerang Regional Council
in the presence of:

Signature of Witness

Signature of Authorised Officer

Name of Witness

Name of Authorised Officer

Address of Witness

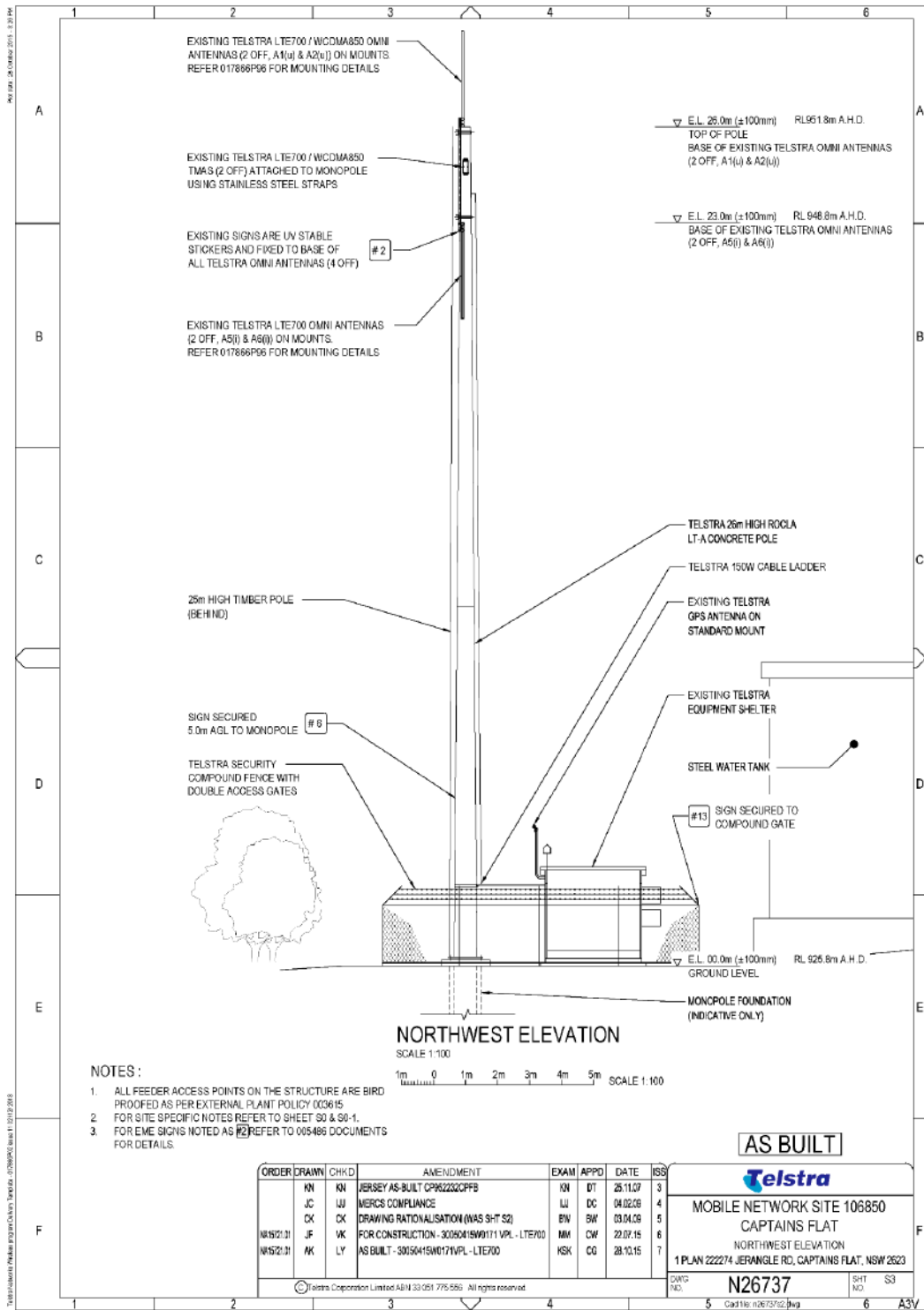
Office Held

ANNEXURE A

SITE ELEVATION DRAWING

This is Annexure "A" referred to in the Lease between Queanbeyan-Palerang Regional Council and Amplitel Pty Limited.

Site Elevation Drawing



ANNEXURE B – NOT APPLICABLE

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

13 JULY 2022

ITEM 9.12 ANTI-FRAUD AND CORRUPTION POLICY

ATTACHMENT 1 ANTI-FRAUD AND CORRUPTION POLICY



Anti-Fraud and Corruption Policy

Date policy was adopted:		CEO Signature and date
Resolution number:		
Next Policy review date:	June 2024	
Reference number:	45.1.3-03	
Strategic Pillar	Capability	
Responsible Branch	Workplace and Governance	DD/MM/YYYY

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Anti-Fraud and Corruption Policy

1. OUTCOMES

- 1.1 Fraud and corruption are a serious threat due to the damage they can cause to an organisation. This includes:
- wasting public money and resources
 - undermining public trust
 - reputational damage
 - operational inefficiency
 - organisational disruption
 - damage to organisational moral
 - loss of information
 - penalties imposed by courts and regulators.
- 1.2 The primary focus of this policy is to ensure that the public and staff understand:
- a) That fraudulent and corrupt acts against Council are not tolerated.
 - b) Where appropriate or required by law, Council will refer matters to NSW Police, or the Independent Commission Against Corruption.
 - c) The standard of ethical behaviour valued and expected by Council from its councillors, Council staff, delegates, volunteers, contractors, consultants, committee members and customers.
 - d) The roles and responsibilities of councillors, employees and contracted providers for addressing fraud and corruption.

2. POLICY

- 2.1 Council is committed to minimising fraud and corruption in the workplace. To achieve this, Council will adopt and resource a fraud and corruption control framework that aligns to better practice.
- 2.2 Council has zero tolerance to fraud and corruption, arising either internally or externally, which is relevant to its operation and has an impact on the organisation.
- 2.3 Although Council has a zero tolerance to fraud and corruption, it acknowledges that it is not always possible to eliminate the exposure to fraud and corruption risks, particularly where the implementation of controls is cost prohibitive. Consequently, Council focuses its resources on a risk-based methodology to address areas of greater fraud and corruption risk and emphasise the use of preventative and detective measures in controlling fraud and corruption risk.

3. SCOPE OF THE POLICY

- 3.1 This policy applies to all councillors, Council staff and volunteers. It also applies to any third party that Council is undertaking business with such as consultants, contractors, and outsourced service providers of Council (collectively referred to as third-party service providers).

Anti-Fraud and Corruption Policy

- 3.2 This policy forms part of Council's system for fraud and corruption control and should be read in conjunction with other Council policies relating to ethical behaviour. These policies include: Code of Conduct and Statement of Business Ethics.
- 3.3 Council will initiate disciplinary and/or legal action against those who commit fraud or corruption.

4. DEFINITIONS

Council has adopted the definitions as contained in the Australian Standard 8001:2021 Fraud and Corruption Control (referred to in this document as the 'Standard').

Fraud – Dishonest activity, by persons internal and/or external to an organisation, causing an actual or potential gain or loss to any person or organisation.

Fraudulent acts include, but are not limited to:

- Theft of money or property (including intangible property such as intellectual property)
- Acts of omission (a breach in duty of care caused by failure to act)
- deliberate falsification, concealment, destruction or use of falsified documentation used or intended to be used for normal business purposes
- Improper use of information or position for personal financial benefit.

Corruption – Corruption and corrupt conduct (which includes fraud) and is also defined in section 8 of the *Independent Commission Against Corruption Act 1988* as follows:

“(1) Corrupt conduct is -

- (a) any conduct of any person (whether or not a public official) that adversely affects, or that could adversely affect, either directly or indirectly, the honest or impartial exercise of official functions by any public official, any group or body of public officials or any public authority, or
- (b) any conduct of a public official that constitutes or involves the dishonest or partial exercise of any of his or her official functions, or
- (c) any conduct of a public official or former public official that constitutes or involves a breach of public trust, or
- (d) any conduct of a public official or former public official that involves the misuse of information or material that he or she has acquired in the course of his or her official functions, whether or not for his or her benefit or for the benefit of any other person.

(2) Corrupt conduct is also any conduct of any person (whether or not a public official) that adversely affects, or that could adversely affect, either directly or indirectly, the exercise of official functions by any public official,

Anti-Fraud and Corruption Policy

any group or body of public officials or any public authority and which could involve any of the following matters –

- (a) official misconduct (including breach of trust, fraud in office, nonfeasance, misfeasance, malfeasance, oppression, extortion or imposition),
- (b) bribery,
- (c) blackmail,
- (d) obtaining or offering secret commissions,
- (e) fraud,
- (f) theft,
- (g) perverting the course of justice,
- (h) embezzlement,
- (i) election bribery,
- (j) election funding offences,
- (k) election fraud,
- (l) treating,
- (m) tax evasion,
- (n) revenue evasion,
- (o) currency violations,
- (p) illegal drug dealings,
- (q) illegal gambling,
- (r) obtaining financial benefit by vice engaged in by others,
- (s) bankruptcy and company violations,
- (t) harbouring criminals,
- (u) forgery,
- (v) treason or other offences against the Sovereign,
- (w) homicide or violence,
- (x) matters of the same or a similar nature to any listed above,
- (y) any conspiracy or attempt in relation to any of the above.

(2A) Corrupt conduct is also any conduct of any person (whether or not a public official) that impairs, or that could impair, public confidence in public administration and which could involve any of the following matters –

- (a) collusive tendering,
- (b) fraud in relation to applications for licences, permits or other authorities under legislation designed to protect health and safety or the environment or designed to facilitate the management and commercial exploitation of resources,
- (c) dishonestly obtaining or assisting in obtaining, or dishonestly benefiting from, the payment or application of public funds for private advantage or the disposition of public assets for private advantage,
- (d) defrauding the public revenue,
- (e) fraudulently obtaining or retaining employment or appointment as a public official.

Definitions in the *Independent Commission Against Corruption Act 1988* are:

Public official - means an individual having public official functions or acting in a public official capacity, and includes any of the following:

Anti-Fraud and Corruption Policy

- a. an individual who constitutes or is a member of a public authority,
- b. a person in the service of the Crown or of a public authority,

Public authority - includes a local government authority.

5. LEGISLATIVE OBLIGATIONS AND/OR RELEVANT STANDARDS

5.1 Relevant legislation:

- *Local Government Act 1993* (NSW)
 - Chapter 14 Honesty and disclosure of interests - Part 1 Conduct
- *Independent Commission Against Corruption Act 1988* (NSW)
 - Part 3 Corrupt conduct
- *Crimes Act 1900* (NSW)
 - Part 4AA Fraud
 - Part 4A Corruptly receiving commissions and other corrupt practices
 - Part 4B Blackmail
 - Part 5 Forgery
 - Part 6 Computer offences

5.2 Relevant Standards:

- AS 8001:2021 Fraud and corruption control
- AS ISO 31000:2018 Risk Management - guidelines

5.3 Relevant QPRC policies:

- Code of Conduct
- Code of Conduct Procedures for Administration
- Public Interest Disclosures Act – Internal Reporting Policy
- Statement of Business Ethics
- Legislative Compliance Policy
- Risk Management Policy

6. CONTENT

6.1 Approach

6.1.1 Council will adopt an enterprise-wide fraud and corruption control system that is based on the following three elements as identified in the Australian Standards:

- Prevention
- Detection
- Response

Anti-Fraud and Corruption Policy

- 6.1.2 Council will also employ a combined assurance approach in addressing control gaps which allow for the manifestation of fraud.
 - 6.1.3 QPRC's approach will also consider the Audit Office of NSW's 10 key attributes of a fraud control framework which sits within the above three themes.
 - 6.1.4 Appropriate controls to support the prevention, detection and analysis of fraudulent transactions or acts are to be specified and implemented in all Council systems and practices whether developed internally, procured from external suppliers, or procured externally and configured by Council staff.
 - 6.1.5 Council will leverage its organisational fraud and corruption control resources by recognising its range of internal resources available in such areas as quality assurance, insurance, procurement, accounts payable, finance, compliance, payroll, human resources, physical security, asset management, digital and internal audit.
- 6.2 Privacy
- 6.2.1 Council will ensure the identity of any person, or persons, providing information, and the nature of that information in relation to any fraud or alleged fraud is kept confidential.
 - 6.2.2 Council will ensure that the privacy of employees, including contractors, will be protected at all times.
 - 6.2.3 All persons reporting or providing information in relation to fraudulent or potentially fraudulent acts will be made aware of the *Public Interest Disclosures Act 1994*, the protections it provides, and mechanisms for providing information in accordance with that Act.
- 6.3 Ethical Behaviour framework
- 6.3.1 Councillors, administrators, members of staff of Council, independent conduct reviewers, members of Council committees and delegates of Council must comply with Council's Code of Conduct in carrying out their functions as Council officials. It is the personal responsibility of Council officials to comply with the standards in the Code and regularly review their personal circumstances with this in mind.
 - 6.3.2 Council's Code of Meeting Practice details requirements for the conduct of meetings of Council and Council committees.
 - 6.3.3 Any gifts or benefits, whether accepted or not, (as per the Code of Conduct) must be declared. This applies to councillors and staff in respect of the receipt of gifts and or benefits they may receive while in the course of performing their duties.

Anti-Fraud and Corruption Policy

- 6.3.4 Any conflicts of interest (as per the Code of Conduct) must be declared. This applies to councillors and staff in respect of any pecuniary and non-pecuniary interests.
- 6.3.5 Council's Statement of Business Ethics details its commitment to serving the community with integrity, efficiency, fairness and impartiality. It articulates the expectations members of the community should have when interacting with Council and the behavior Council expects of its third-party service providers.

6.4 Key roles and responsibilities

6.4.1 Chief Executive Officer (CEO)

The CEO is responsible for ensuring that:

- a) Council has in place a fraud and corruption control framework.
- b) They model the highest standards of ethical behaviour and ensure compliance with all relevant legislative obligations.
- c) Fraudulent or corrupt activity is reported to the relevant authorities.

6.4.2 Portfolio General Managers (PGMs) and Service Managers (SMs)

PGMs and SMs are responsible for ensuring that:

- a) The framework is implemented within their area of responsibility and authority.
- b) The risk of fraud and corruption is adequately managed.

6.4.3 Councillors and Staff

Are responsible for promptly reporting all instances of fraud and corruption, or suspected fraud and corruption that come to their attention as in accordance with Council's Public Interest Disclosures Act – Internal Reporting Policy.

All employees (councillors, staff, contractors and volunteers) must comply with all integrity-related policies including the Code of Conduct and Statement of Business Ethics.

Employees are expected to cooperate with all initiatives aimed at preventing, detecting and responding to fraud and corruption. This includes, managing the risk of fraud and corruption, training and education, audits and investigations and the design and implementation of controls.

6.4.4 Audit, Risk and Improvement Committee (ARIC)

Council's ARIC is responsible for providing independent advice to Council and the CEO in relation to fraud and corruption control.

6.4.5 Internal audit (IA)

Anti-Fraud and Corruption Policy

IA is not directly responsible for preventing fraud. This role sits within the operational area. However, IA should have sufficient knowledge to identify and evaluate any indicators of concern that fraud may have been committed when undertaking an audit.

6.5 Workforce screening

6.5.1 Council will apply a risk management approach to workforce screening. Pre-employment checks will be performed when recruiting for roles that are considered high risk.

6.6 Third-party management

6.6.1 Council will take all reasonable steps to ensure the bona fides of any third party that it engages with.

6.6.2 If there is a heightened risk of fraud or corruption in continuing to deal with a third party, the ongoing relationship with that entity is to be reviewed to determine the best course of action to protect Council's interests and reputation.

6.7 Technology-enabled fraud

6.7.1 Council will ensure that it maintains an appropriate information security management system to prevent technology enabled fraud.

6.8 Record keeping and confidentiality of information

6.8.1 Council will ensure that it has an appropriate record keeping system that requires all employees to maintain accurate and complete records of business activity.

6.8.2 Council will ensure that it has the appropriate levels of information confidentiality commensurate with the risk of losing such information by:

- assigning appropriate access rights and permissions
- maintaining audit logs and records of activity for critical systems.

6.9 Physical security and asset management

6.9.1 Council will ensure that it maintains an appropriate system to protect its tangible and intangible assets from theft.

6.9.2 Council will employ a risk methodology in assessing its physical security environment.

6.10 Reporting

6.10.1 Council shall maintain, and make staff aware, of the mechanism to enable councillors and employees to report wrongdoing without fear or reprisal.

Anti-Fraud and Corruption Policy

6.11 Breaches, Investigation and Disciplinary action

6.11.1 Alleged fraudulent activity by councillors or Council staff that are the subject of a Public Interest Disclosure will be dealt with in accordance with the Code of Conduct investigation procedures. Provisions of Council's 'Public Interest Disclosures Act – Internal Reporting Policy' also apply.

6.11.2 The process for investigation and determination will be separated.

6.12 Recovery of losses and insurance

6.11.1 Council will endeavour to pursue the recovery of all losses as a result of fraud and corruption, after considering the cost and benefits of such recovery action.

6.11.2 Council will maintain an appropriate level of insurance coverage which indemnifies it against the risk of loss arising from fraudulent conduct.

7. REVIEW

7.1 This policy will be reviewed every four years or earlier as necessary if:

- (a) legislation requires it,
- (b) there is a significant change to a Standard on which the policy is based, or
- (c) Council's functions, structure or activities change.

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

13 JULY 2022

ITEM 9.13 RESOURCING STRATEGY AND WORKFORCE MANAGEMENT
STRATEGY

ATTACHMENT 1 WORKFORCE MANAGEMENT STRATEGY 2022-26



Queanbeyan–Palering Regional Council

Workforce Management Strategy 2022–26



WORKFORCE MANAGEMENT STRATEGY 2022-26

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WORKFORCE MANAGEMENT STRATEGY 2022-26

1. EXECUTIVE SUMMARY

The Workforce Management Strategy 2022-26 is a refresh of the version prepared in 2019. It continues to be based on the DPSIR framework (see right and Section 4) and, together with the subordinate Workforce Plans, provides the overarching context and direction to shape our culture and development of our people; mechanisms to develop leaders and staff; and provide a workforce that grows with service demands and is diverse and inclusive.

Embedded with the asset, technology and financial plans in the Resourcing Strategy, the Workforce Strategy aims to recruit and retain the right people with the right skills and values at the right time for QPRC, to deliver services and manage assets based on the budget and digital forecasts.

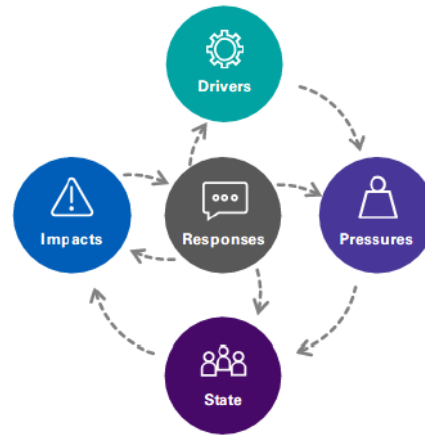


Figure 1: DPSIR model

The Strategy recognises the journey transitioning the workforce and organisation following the merger in 2016, and sets higher order ambitions to:

- build a contemporary future-focused workforce that will support adaptation to change;
- attract, retain and develop a diverse and inclusive workforce;
- grow cadets and trainees to 10% of the workforce;
- Learn from the challenges related to Covid-19 to provide a flexible, capable organisation
- unlock and achieve high performance of teams through stronger leadership capability;
- creatively manage our ageing workforce;
- provide equal employment opportunities;
- improve productivity through addressing unplanned absences and poor safety;
- provide a safe, inclusive and accessible workplace through Council's HSEQ Assurance Framework and capability training and awareness;
- instil a continuous learning and improvement environment through learning and development and process improvement;
- shape a positive customer-focused technically savvy culture through investment in culture development and technology adoption; and,
- achieve higher level of satisfaction of internal and external customers' perception of services

Council's Workforce Management Strategy identifies the challenges that Council faces over the coming years and highlights the areas where additional resources are required to ensure service delivery is not compromised. A Workforce Management Plan has been prepared for each Portfolio to estimate likely staff turnover, retirements and change in FTE to accommodate growth in development, facilities and infrastructure.

Council has targeted its staff to resident ratio at up to 7.5 staff per 1,000 residents, in-line with local government industry standards. Development and population growth in Googong, South Jerrabomberra and Bungendore will require an expansion of service delivery, including maintaining and operating new community facilities and infrastructure. Over the next four years, we have identified the need for up to an additional 40 staff members to

WORKFORCE MANAGEMENT STRATEGY 2022-26

maintain current levels of service delivery for a larger population, with the majority of those in our Community Connections portfolio (roads, water, sewer and waste) and our Natural and Built Character portfolio (planning, development control, environment and landscapes). The new positions will be largely reliant on new or increased revenue streams.

Our back office areas will remain relatively steady in terms of growth, so that we can focus on the service delivery that matters to our community: our assets and planning services.

Over the next four years, we will increase our number of trainees and cadets to hit our goal of 10% across the organisation. Aiming to provide opportunities for new workers to create careers in local government and to develop the necessary skills we need to operate our business.

Since the 2016 merger, QPRC developed plans and timelines for developing a single organisation structure, reviewing positions, recruiting internal staff into new positions, amalgamating salary structures and aligning human resource policies. 28 positions have been abolished and discontinued as fixed term contracts expire and as staff retire or change-over. These positions have delivered savings of \$2.293 million with ongoing annual savings directed to the repayment of principal and interest on the loan funding for the new Queanbeyan Civic and Cultural Precinct (QCCP).

Long Term Financial Plan shows significant budget issues that will need to be addressed by Council. Following the merger, Council established a 'service, program, activity (SPA) framework to identify service priorities and to guide the organisational structure and associated resources and expertise required to deliver services and projects for the community. To an extent, many of those services were expanded in scope or extended geographically into the larger local government area, generally at a harmonised or higher level than the former individual councils. Council adopted a financial strategy to increase its revenue to meet the higher service demands, however has not yet been able to implement the revenue strategies due to specific legislation applying to merged councils.

Council now needs to review its established service levels, continue its program of service reviews and complete the process of aligning the required level of resources to its priority service outcomes.

The key pillars around which the strategic responses or actions are based:

- Strategic Focus 1 A contemporary, future-focused workforce
- Strategic Focus 2 Managing our ageing workforce
- Strategic Focus 3 Improving productivity
- Strategic Focus 4 Providing a safe, inclusive and accessible workplace
- Strategic Focus 5 Instilling a high learning, innovative environment
- Strategic Focus 6 Shaping a positive client-focused, tech savvy culture
- Strategic Focus 7 Being an employer of choice

Those actions are summarised in the Strategy.



WORKFORCE MANAGEMENT STRATEGY 2022-26

2. INTRODUCTION

Legislative Framework

The Local Government Act 1993 requires NSW councils to prepare the following through the Integrated Planning and Reporting Framework (see right):

- A 20-year Community Strategic Plan to be developed in consultation with the community, State Government agencies and other relevant stakeholders. The purpose of the plan is to identify the community's main priorities and aspirations for the future and to plan strategies for achieving these goals.

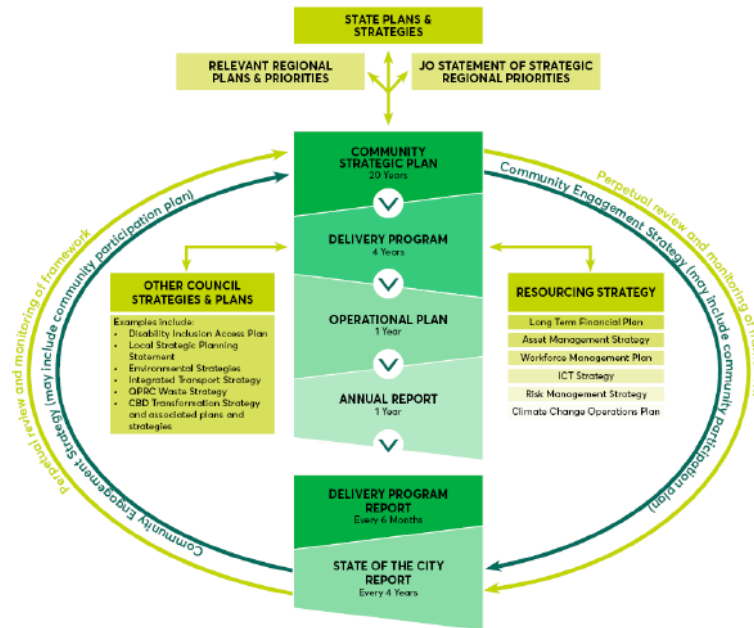


Figure 2: Integrated Planning and Reporting Framework

- A 20-year Community Strategic Plan to be developed in consultation with the community, State Government agencies and other relevant stakeholders. The purpose of the plan is to identify the community's main priorities and aspirations for the future and to plan strategies for achieving these goals.
- A four-year Delivery Program that details the activities Council will be committed to over the next four years to work towards achieving its long term objectives as documented in the Community Strategic Plan.
- An annual Operational Plan that specifies individual activities Council will be undertaking during the year together with details of income and expenditure estimates for the year. These activities are drawn from the Delivery Program which is based on the Community Strategic Plan.
- A Resourcing Strategy which is aimed at ensuring that the resources ie money, assets and people, required to achieve the Community Strategic Plan are available as and when required. The Resourcing Strategy is focused purely on Council's responsibilities in the roles of leader and provider.

The recently reviewed Integrated Planning and Reporting Guidelines describe the Resourcing Strategy as:

The Resourcing Strategy is the point where the council explains to its community how it intends to perform all of its functions, including implementing the strategies set out in the Community Strategic Plan. Some strategies in the Community Strategic Plan will clearly be the responsibility of the council, some will be the responsibility of other levels of government and some will rely on input from business and industry groups, community groups or individuals. The Resourcing Strategy focuses in detail on matters that are the responsibility of the council and considers, in general terms, matters that are the responsibility of others. The Resourcing Strategy articulates how the council will allocate resources to deliver the objectives under its responsibility.

WORKFORCE MANAGEMENT STRATEGY 2022-26

QPRC's Resourcing Strategy 2022-26

The Queanbeyan-Palerang Regional Council (QPRC) Resourcing Strategy is prepared utilising the DPSIR Model which is a systems approach consisting of identifying Drivers – Pressures – State – Impacts – Responses. The Resourcing Strategy has identified six key components consisting of:

- Workforce Strategy – aims to provide the Council with the people best able to guide its strategic direction, develop innovative approaches to complex issues and deliver appropriate services effectively and efficiently.
- Asset Management Strategy – takes a 'whole of life' asset management from planning, purchase, operation, and maintenance to disposal of assets. It also encompasses integration of assets and service outcomes.
- Long Term Financial Plan – long term community aspirations and goals are tested against financial realities, and decide what resources Council needs to influence and work with other parties.
- ICT Strategy – identifies what digital and process tools mobilise delivery of services by staff and access to information by community
- Risk Management Strategy – establishes governance and assigns accountabilities for management of risk, and identification of risk appetite.
- Climate Change Operations Plan –

In this refresh of the Workforce Management Strategy, our ambitions are consistent with most organisations and that is to attract and retain the right people:



Figure 3: Workforce Capacity and Capability Principles

The Workforce Management Strategy and the supporting Workforce Plans are designed to move the organisation into the 'Transformation Structure' which was identified in Council's initial Transition Plan following the merger in 2016.

WORKFORCE MANAGEMENT STRATEGY 2022-26

3. CONTEXT – ABOUT QPRC

QPRC was formed by proclamation on 12 May 2016 with the amalgamation of Queanbeyan City Council and Palerang Council - bringing together a wide geographical spread with diverse community needs.

The merger of a city council and a rural council presented a new challenge, refocusing services for urban and rural priorities and reorganising the way work was structured as the two former councils had different operational structures; hierarchical versus flat and generalist vs specialised roles.

Following the merger, the organisation outlined a three-staged approach to its structure review.

1. Following on from the merger in 2016, an interim organisational structure was implemented to essentially 'stich together' the two former organisations to continue service delivery across the region.
2. As the organisation settled down and Council's priorities were determined, the transitional structure was put in place. In implementing the structures, Council was required to comply with staff protections in the Local Government Act which required Council to retain staffing numbers at Bungendore and Braidwood and prohibited forced redundancies of any non-senior staff members for 3 years.

On top of that, Council aimed to keep staffing numbers in line with the industry standard of 7.5 staff members per 1,000 residents.

3. The transformational structure aligns staff resources to the delivery of community infrastructure and services to the established priorities of the new QPRC inline with workforce plans developed for each Service Delivery Branch.

At the time of merger, QPRC had 405 full time equivalent staff members, with 513 total employees. By 2021-22, the full time equivalent staff numbers has grown to 468 with around 524 total employees. The majority of growth was a result of labour hire and casual roles being converted to permanent positions in accordance with the Award and conversion of redundant roles to accommodate growth with development, infrastructure, facilities and open spaces and new services around tourism, greenfield land release, business support, grants, events and communications.

WORKFORCE MANAGEMENT STRATEGY 2022-26

This growth in employees was proportionally matched by a growth in population from 56,032 to 62,239 (estimated residential population) in 2021-22. Over the next four years, we have identified additional growth expectations requiring us to grow our workforce by up to another 40 full time equivalent staff members. Those positions will be required mostly in our

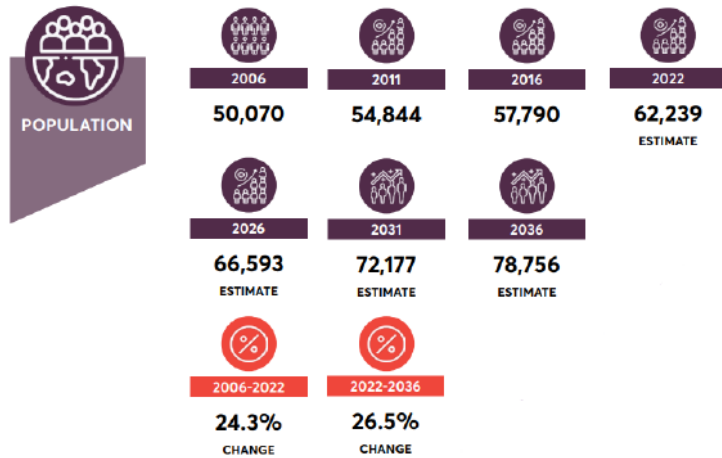


Figure 4: QPRC demographics

Natural and Built Character and Community Connections portfolios to ensure we keep up to the demand being seen for our planning and infrastructure services.

Of that growth in staff members, we will continue to focus on employing cadets and trainees to ensure we tackle the challenge that our ageing workforce presents. Within 4 years we expect to have 50 trainees and cadets which will get us to our target of 10% of our workforce being employed under those arrangements.

WORKFORCE MANAGEMENT STRATEGY 2022-26



Figure 5: QPRC demographics and statistics

WORKFORCE MANAGEMENT STRATEGY 2022-26

Our Strategic Pillars and Community Vision

Council is required to develop a Community Strategic Plan, which identifies the aspirations, goals and visions of the community. Following extensive engagement during 2021, our revised vision and Strategic Pillars have been developed. The Delivery Program and Operational Plan show the links between actions and the strategies and goals outlined in the Community Strategic Plan.

QPRC Community Vision

Our area is a safe and relaxed place, offering a wonderful lifestyle for all members of our community to enjoy and thrive in. Our diverse community has a sense of pride and can enjoy excellent services and facilities whilst experiencing the benefits of a growing area that has a sustainable and healthy natural environment.

Our Strategic Pillars

The challenge for QPRC is turning the community's long term aspirations and strategic priorities into reality. To assist with this the Council has set out our strategic actions within a quadruple bottom-line structure based around, Community, Economy, Environment and Leadership. QPRC has integrated these into four Strategic Pillars of COMMUNITY, CHOICE, CHARACTER and CAPABILITY. In addition to these focus areas, Council's core business provides key community infrastructure for roads and access to services. In response to this need, a fifth Strategic Pillar has been added - CONNECTION.



Figure 6: QPRC strategic pillars

WORKFORCE MANAGEMENT STRATEGY 2022-26

Our Organisation Structure

The current organisation structure was established in 2017 and was designed to be:

- Aligned with the five strategic pillars - Community, Choice, Character, Connection, Capability
- Reflective of the Service and Program Framework
 - Culture, community, recreation, education
 - Business, health
 - Development, urban landscape, natural landscapes, sustainability, land-use
 - Transport, water, sewer, waste, facilities, asset logistics
 - People, technology, financial, quality, risk, property
- Differentiating of key accountabilities between each level in the organisation structure
 - L2 Portfolio General Manager: objective, output, outcome (of pillars)
 - L3 Service Manager : planning, performance, policy (of services)
 - L4 Program Coordinator : statutory, systems, supervision (of programs)
 - L5 Team Leader : quality, coordination, customer focus (of activities)
 - L6 Staff : quality, customer service (of tasks)

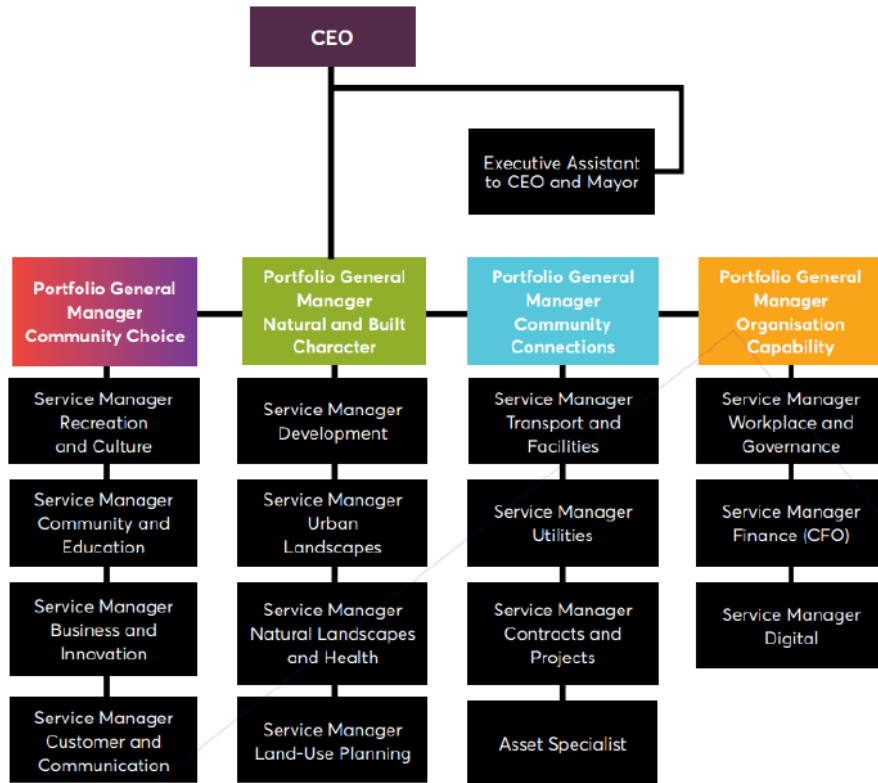


Figure 7: QPRC Transition Structure

The Transition Structure is scheduled to be reviewed during the Strategy timeframe.

WORKFORCE MANAGEMENT STRATEGY 2022-26

Our Vision, Mission & Values

After the consultation with the community to establish Council's strategic pillars, the following Vision, Mission and Values were developed with input and validation from all levels within the organisation.

Vision

We are connected and respected.

Mission

We work together with our community to continually enhance our well-governed, safe and healthy city by caring for its assets, fostering a stronger sense of civic pride, and delivering quality services in a financially, socially and environmentally responsible manner to ensure a sustainable future.

Focus

Our reputation matters...



Values

Our Values define the way we work and behave. We will promote and encourage our employees to adopt the following shared values:

Integrity

We role model ethical, transparent and professional decision-making and behaviour.

Respect

We promote diversity, inclusion, consultation and fairness.

Innovation

We are future-focused and creative; we embrace technology, risk and opportunity.

Continuous Improvement

We strive to be efficient and effective through the development of our structures, systems and processes.

The values people focused (integrity, respect) and task focused (innovation, improvement). In line with our value of *Respect*, we will promote diversity, inclusion, consultation and fairness as detailed in our Reconciliation Action and Disability Inclusion plans. These strategies will assist in creating a diverse and inclusive workforce.

WORKFORCE MANAGEMENT STRATEGY 2022-26

Our Ambitions

A number of interrelated strategies related to QPRC's branding, customer focus and digital efficiencies were developed to focus on assisting the organisational transformation and providing our employees with the skills and tools to deliver desired outcomes.



Since merger, QPRC recruited staff and consultant expertise to raise senior managers' personal awareness through MBTI and MI; provided leadership development by delivering formal coursework, colloquium and coaching; profiled the organisation culture using the Human Synergistics OCI/OEI surveys; and, shaped organisation culture supported by LG Capability Framework, Circumplex desired behaviours and implementation of Council's values.

Between 2021-23, Council engaged professional development consultants to provide the 'Colloquium' program to all staff in the organisation. This has been a significant investment in our staff, it recognises the importance of every position, and the vital role that all staff play in providing true public service at grass roots community levels. The objective is to equip all staff with the tools and personal skills to enhance the culture of QPRC through personal responsibility. The program has provided opportunities to all staff members, and has received high satisfaction ratings internally as well as benefits outside the workplace with improved awareness and teamwork showing up through improved responsiveness and customer service.

The establishment of the Canberra Region Joint Organisation (CRJO) in 2018, with 10 neighbouring Councils and the ACT Government, provides a unique opportunity for QPRC to contribute more broadly to regional initiatives, and benefit from regional opportunities. Since the creation of the CRJO, several joint recruitment and procurement opportunities have emerged. The CRJO has also developed a Regional Workforce Strategy which has helped to shape this document and the Workforce Strategies of other councils.

The outcomes from these strategies and investments since merger will result in QPRC aiming to:

- transact by digital means;
- interact by human means; and,
- utilise our regional scale and presence.

QPRC's transformational structure has been designed to release resources and redesign roles to:

- directly deliver or support emerging or expanded services;
- engage more cadets and trainees to build skills in our community and shape our culture; and
- attract and optimise specialist skills within the LGAs in the region.

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Staff Establishment

QPRC is a medium-sized regional Council and employs a full-time equivalent (FTE) of 468 employees and taps into a pool of 129 casual employees across a diverse range of occupations.

The FTE has gradually increased since Council's merger in 2016 as the population has grown. Council aims to maintain its FTE at or below the industry benchmark of 7.5 staff members per 1,000 residents. Given that our local government area is growing by around 1,000 residents per year, we expect steady growth within the organisation into the future to ensure that service delivery continues to meet community expectations. Much of this growth will occur in our infrastructure and planning branches to cope with the increased demand from these new developments.

The increase of FTE during the interim structure has been responsive to resource requirements for the completion of major projects and the significant level of capital grants and contributions, including:

- additional resources to address internal specialty gaps and to improve productivity, performance, growth and access to funding through:
 - Asset management
 - Digital strategy and mobility
 - Project management
 - Grants sourcing
 - Property developments
 - Tourism marketing
 - New release subdivision
 - Emergency management
 - Arts development
 - Communications
- additional resources to service shortcomings identified in the Community Customer Surveys, namely:
 - Roads
 - Cleaning (streets and amenities)
 - Streetscapes
 - Parking
 - Development processing and planning
 - Tourism
- additional temporary staffing resources for merger transition and major grant funded projects including:
 - Organisation development
 - IPR and productivity
 - Property
 - Records
 - ERP (technology platform)

The table below shows the changes in FTE since merger. Council is required to maintain the core staff numbers at Bungendore and Braidwood from amalgamation date, as legislated by 218CA of *Local Government Act*. Council monitors and reports on staff members within the annual report, to ensure compliance.

	Position FTE				
	2017-18	2018-19	2019-20	2020-21	2021-22
Queanbeyan	300.28	313.92	317.92	321.9	324.89
Bungendore	83.94	98.94	94.1	87.78	89.98
Braidwood	50.41	42.78	53.63	53.28	53.88
Total (without Casual)	434.63	455.64	464.93	462.96	468.75

Table 1 – QPRC position FTE

WORKFORCE MANAGEMENT STRATEGY 2022-26

Staff establishment – future

As part of the development of this Strategy, Council's Leadership team prepared four-year Workforce Plans for their branches and portfolios in 2021-22. The Plans were developed in consultation with Executive and looked at the proposed changes that may be required during the four-year period to continue the delivery services and programs to the community.

Where new positions were proposed, Service Managers were requested to identify how the new position would be funded, either via general revenue, grants, increased fees and charges or other.

While Workforce Plans have been developed, and Executive has agreed in principle to their implementation, each change proposal continues to be subject to consultation with staff, unions and the Workplace Consultative Committee. Alongside the consultation process, Executive and the CEO also consider the financial implications of the change within budget priorities.

A number of initial changes have already been progressed following consultation, and some have been deferred until revenue streams can be identified. Organisational reviews, service level requirements and workforce plans will continue to be progressed during the life of this strategy and changes will be considered through each review of Council's organisational structure.

A summary of the changes that have been proposed and funding sources considered as part of Council's Workforce Planning work is shown below:

Portfolio increases	2021 2022	2022 2023	2023 2024	2024 2025	TOTAL SEP 2020	TOTAL 2024-25	TOTAL FTE GROWTH	Trainee/ Cadet	Trainee/ Cadets %
CEO Office	\$ -	\$ -	\$ -	\$ -	2.00	2.00	0.00	0	0%
Organisation Capability	\$ 94,499.12	\$ 53,492.59	\$ -	\$ -	58.96	60.66	1.70	9	14.84%
Natural & Built Character	\$ 323,513.48	\$ 241,594.39	\$ 613,283.95	\$ 202,024.68	123.21	140.21	17.00	20	14.26%
Community Connections	\$ 640,603.71	\$ 342,481.48	\$ 277,458.69	\$ -	181.30	197.60	16.30	8	4.05%
Community Choice	-\$ 97,484.42	\$ 439,329.73	\$ 372,724.34	\$ 172,839.78	95.88	100.48	4.60	5	4.98%
Portfolio increases	2021 2022	2022 2023	2023 2024	2024 2025					
TOTAL 1	\$ 961,131.89	\$ 1,076,898.19	\$ 1,263,466.98	\$ 374,864.46	461.35	500.95	39.60	42	8.38%
			TOTAL \$	\$ 3,676,361.52	TARGET	485		50.10	10.00%
Portfolio increases	2021 2022	2022 2023	2023 2024	2024 2025					
IDENTIFIED FUNDING SOURCES CONSIDERED					TOTAL				
Waste Fund	\$ 160,308.94	\$ 26,033.05	\$ -	\$ -	\$ 186,342.00				
Sewer Fund	\$ 321,910.07	\$ 53,916.59	\$ 233,573.09	\$ -	\$ 609,399.74				
Water Fund	\$ 126,394.55	\$ 53,916.59	\$ 43,885.60	\$ -	\$ 224,196.73				
General Fund	\$ 660,044.80	\$ 762,004.59	\$ 707,181.01	\$ 374,864.46	\$ 2,504,094.85				
Fees / Service based roles	\$ 52,217.05	\$ 197,078.83	\$ 64,892.25	\$ -	\$ 314,188.13				
Temporary Project Funding	\$ 30,993.83	\$ 26,746.30	\$ -	\$ -	\$ 57,740.13				
Temporary Grant Funding	-\$ 390,737.34	-\$ 96,290.34	\$ -	\$ -	-\$ 487,027.68				
Optional Environmental Levy	\$ -	\$ 53,492.59	\$ 213,935.03	\$ -	\$ 267,427.62				
			TOTAL	\$ 3,676,361.52					

Figure 8: QPRC workforce plan overview



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4. OUR APPROACH

QPRC adopted the DPSIR Framework to guide the development of the Workforce Strategy and other parts of the Resourcing Strategy.

DPSIR Framework

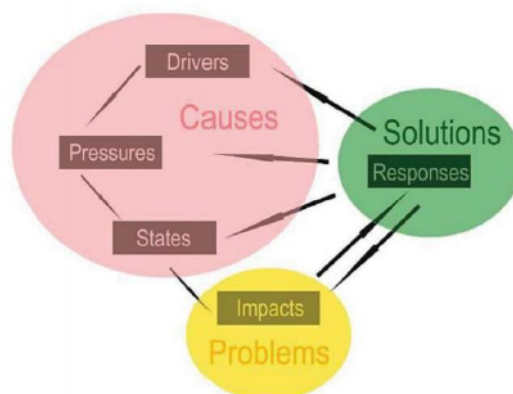


Figure 9: DPSIR Model

DPSIR represents:

Drivers – what is the driving force/s

- eg disruptors: snowy, aerotropolis, ageing workforce, IP&R reporting

Pressures – what pressures placed on LGAs as result of drivers

- eg turnover, recruitment delay, loss experience, proximity to ACT

State – what is current condition of the workforce

- eg profile of organisation

Impact – what are changes to the 'state' that has impact on workforce

- eg remote office, turnover in millennials, education costs

Response – what are proposals to mitigate pressure and impact

- eg list actions, policies, initiatives, advocacy
- eg metrics for monitoring

Drivers

External

The following drivers will impact QPRC's Workforce Strategy:

1. Community expectations (survey)
2. Population and economic growth
3. NSW State Plan Premier Priorities
4. South East and Tablelands Regional Plan
5. Canberra Region Joint Organisation Regional Workforce Strategy
6. NSW Local Government Workforce Development Strategy 2020
7. ACT-NSW Memorandum of Understanding for Regional Collaboration
8. ACT-QPRC Letter of Intent
9. Principles of the Stronger Councils framework:
 - Service: Maintain seamless service delivery to communities

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- Opportunities: Embrace opportunities to improve services and infrastructure for communities
- Cohesion: Bring together and build on the strengths of strategies, structures, staff and systems
- Engagement: Inform and involve communities, staff and other partners, including industry unions, in planning and implementing change
- Integrity: Ensure ethical, open and accountable governance and administration
- Respect: Value the knowledge and contributions of staff, communities and other partners

Ongoing service reviews will evaluate and revise asset standards, levels of service; and the type, scope and spread of programs delivered – to meet community priorities. Similarly the next review of the ICT Strategy and priorities may alter the type and mix of human and technical resources required to deliver those services or for maintenance of community assets.

Pressure

QPRC has identified a number of significant challenges and pressures flowing from the drivers over the next four years that may impact the level of sustainability of the Council.



Financial

- Managing the changing landscape in relation to funding sources available to local government and exploring the opportunities for Council to be more self-funding;
- Meeting grant requirements and major project milestones and timelines;
- Maintaining required investment in Council's infrastructure, meeting both renewal and maintenance targets to ensure future generations are able to enjoy our community's assets;
- Meeting expectations from all areas including community, service users and government by ensuring standards across key services keep pace with demand and in balance with the capacity to fund these operations;
- Addressing the challenges of population growth and an ageing population which will impact service and infrastructure requirements; and
- Being future focused, digitally enabled. New community facilities, (sportsfields, pools) to operate and community infrastructure (footpaths, parks, roads, gardens) to maintain.
- Long term rate pegging has meant that Council's annual revenue decreases in real terms every year compared with inflation of costs

Change Management

- Unable to rationalise number of offices and depots;
- More than 200 Queanbeyan-based staff are to be consolidated from 11 buildings into a new head office
- New office in Bungendore, with temporary office accommodation required as an interim arrangement.

Workforce

- Trend of long term staff reaching retirement age
- Remunerating at attractive levels given proximity to ACT competition for skilled and professional labour;

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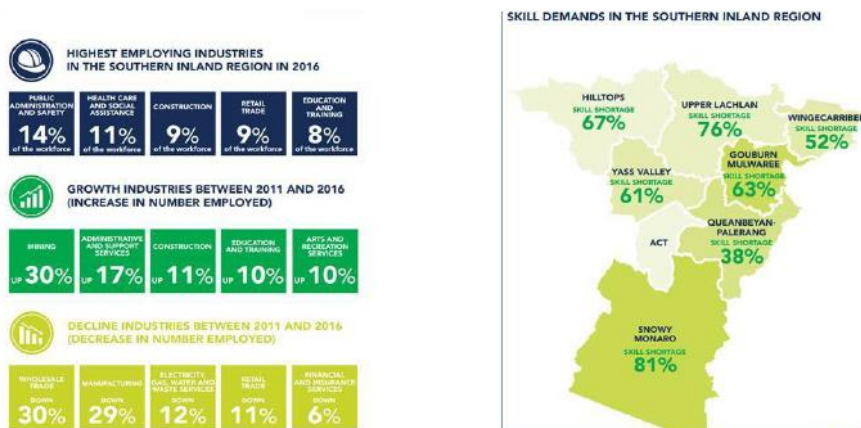
- Retaining and meeting the training needs for skilled design and construction staff to meet RMCC road construction standards required by Transport for NSW;
- Retaining skilled development and engineering staff to meet turnaround benchmarks of local government;
- Competing for skills within the Region due to major projects, for example:
 - Snowy 2.0
 - Badgerys Creek aerotropolis
 - Mining (at Majors Creek and near Woodlawn)
 - Increased private sector works

Attracting employees with the right skill set is becoming more challenging due to a tight labour market and a skills shortage for key professional skills.

Rank	Professional Occupations	Percentage of Councils		
		Current Shortage	Forced to Recruit Less Skilled Applicants	Critical Future Issue
1	Engineers	52.7%	25.5%	45.5%
2	Urban & Town Planners	41.8%	25.5%	40.0%
3	Building Surveyors	38.2%	20.0%	38.2%
4	Project Managers	21.8%	18.2%	21.8%
5	Environmental Health Officer	21.8%	12.7%	23.6%
6	Building Surveying Technicians	18.2%	10.9%	16.4%
7	Engineering Technicians	16.4%	10.9%	12.7%
8	Asset & Facilities Managers	16.4%	3.6%	10.9%
9	Human Resource Professionals	14.5%	5.5%	16.4%
10	Contract Managers/Officers	12.7%	9.1%	12.7%

The “Local Government Workforce and Future Skills Report New South Wales” listed the following top 10 professional skill shortage occupations in councils as follows: Due to the reported state-wide shortage of Civil Engineers, Town Planners and Building Surveyors, pressure is exerted on Council’s ability to recruit engineers when vacancies occur. This shortage was identified in the ‘NSW Occupational Cluster Reports (2018)’ by the Department of Jobs and Small Business (Australian Government); and in addition, there is generally skill gaps in the region – particularly in skill groups required of Local Government, as identified in the RDA Southern Inland report 2018.

Figure 10: RDA Southern Inland Report



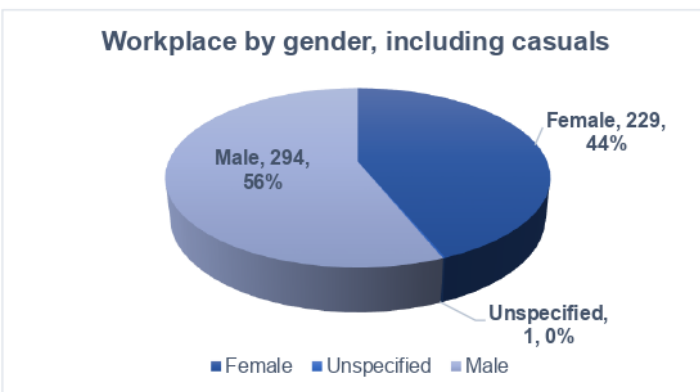
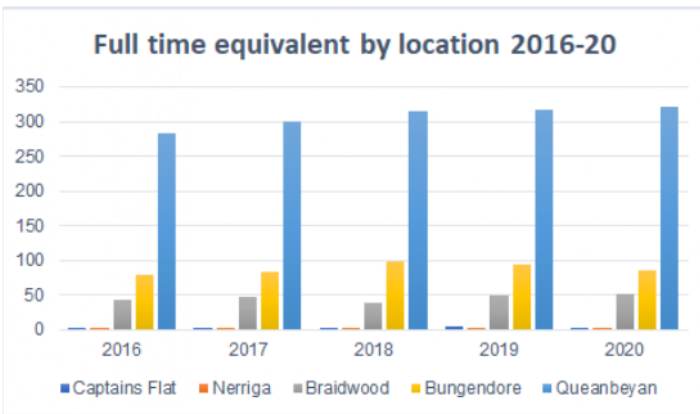
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State

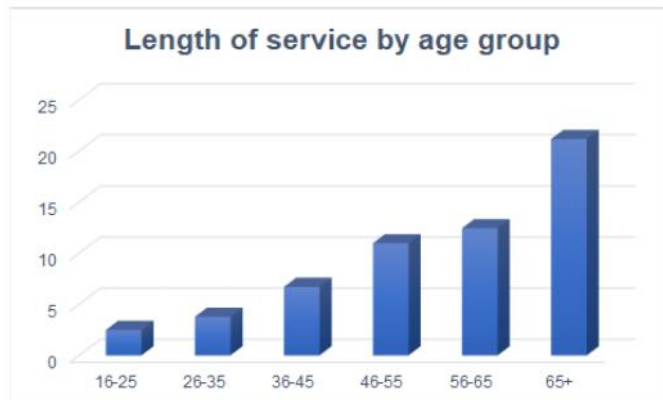
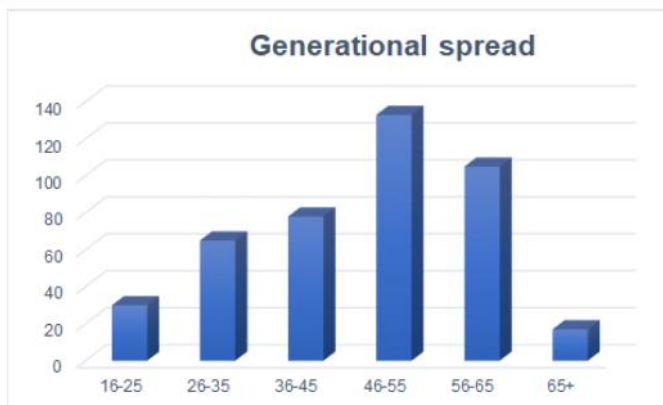
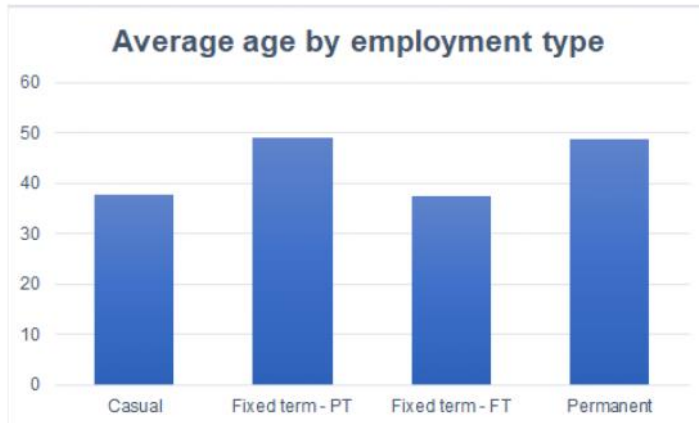
QPRC is a regional Council, with a diverse workforce spread across office and field-based roles and three distinct workplaces – Queanbeyan, Bungendore and Braidwood.

As with most regional organisations, one of the major challenges facing QPRC is our ageing workforce, with more than 50% of our staff aged above 46. Council is attempting to address by setting a target of having 10% of our full time equivalent workforce made up of cadets and trainees and also providing flexible working arrangements for staff as they move toward retirement. The majority of these older staff are also our longer-service staff, so ensuring their knowledge is captured prior to their retirement is key to the organisation maintaining its service level.

Due to our proximity to the ACT, we have a higher proportion of employees living outside the Local Government Area than most others in regional NSW. However, the majority still live within the Queanbeyan-Palerang area. Around 130 of Council’s full time equivalent workforce live in the ACT, with staff also travelling from neighbouring local government areas, including Eurobodalla (4), Goulburn Mulwaree (20), Hilltops (3), Shoalhaven (1), Snowy Monaro (3) and Yass Valley (3).



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Impact

Culture

- Culture surveys in 2017, 2018 and 2021 showed gradual improvement in the organisation’s culture following the merger shock impact.
- The initial surveys naturally identified high levels of need for security and opposition to change, during a period of merger;
- Focusing on establishing systems, structures and policies that support staff in the workplace became a priority, with an ‘action plan’ required to identify levers to improve staff engagement, interaction and customer service;
- In the Culture Circumplex, management ambitions are to ‘optimise the blue, manage the red, minimise the green’;
- Investment in self and team awareness through organisation values setting, MBTI and MI programs amongst managers, and ‘colloquium’ leadership development with managers and coordinators, was aimed at shifting mindsets and providing a toolkit to assist leaders manage change and staff issues.

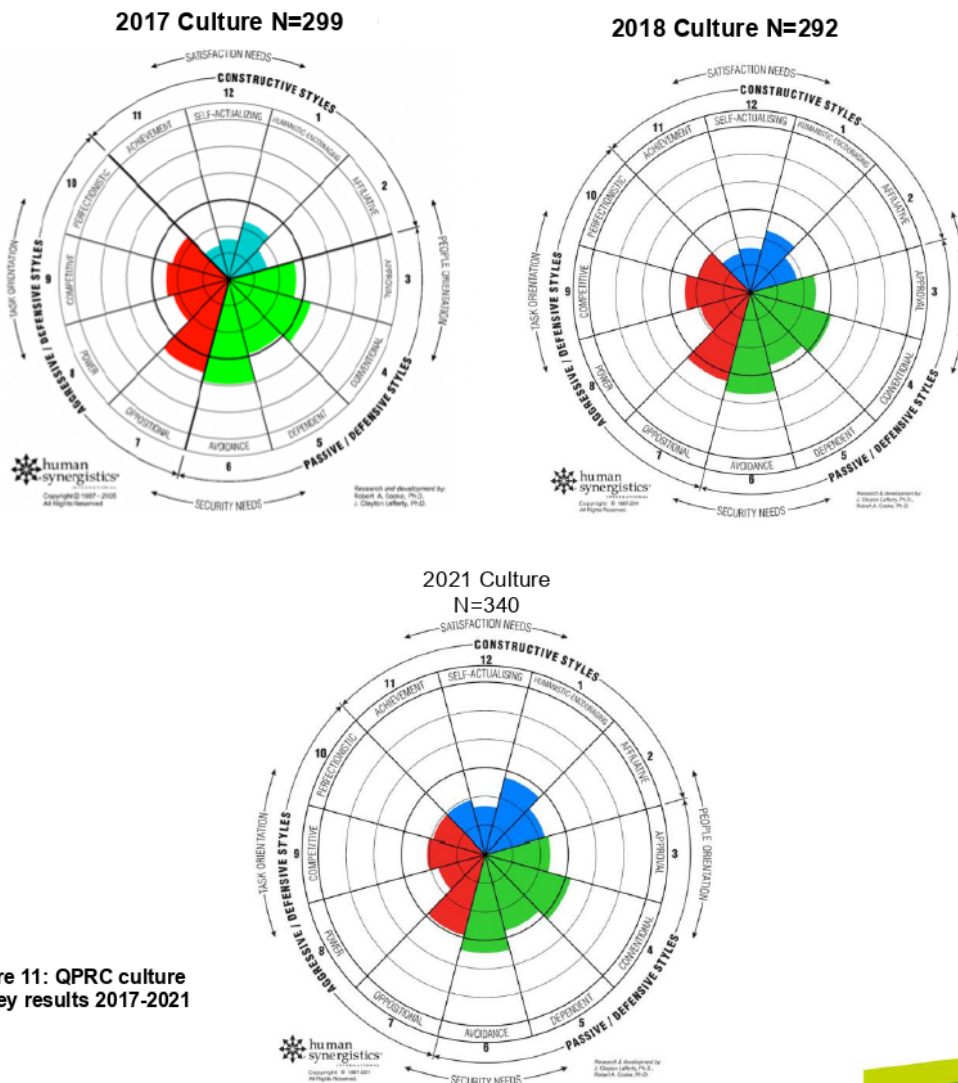


Figure 11: QPRC culture survey results 2017-2021



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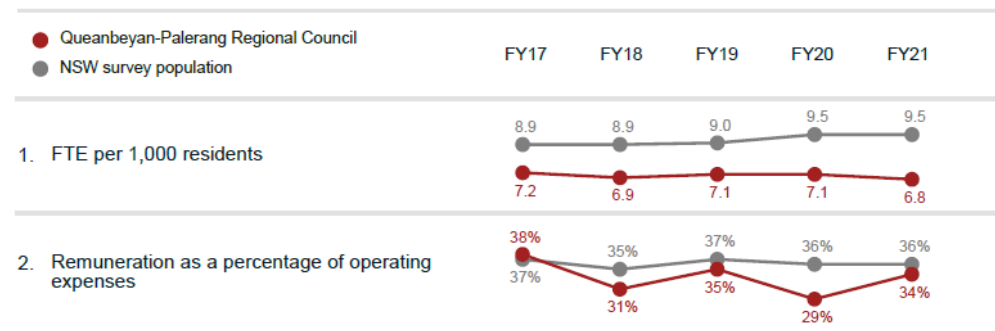
Workforce Performance Impacts

Council participates in the Australasian Local Government Performance Excellence Program (PEP) to analyse performance data, assess the impact of its workforce strategies over time and identify further opportunities for improvement. The comparison data from the PEP compared with the total NSW LG cohort and Canberra Region cohort, illustrates how changes in the workforce can impact Council's efficiency and effectiveness. Additional impacts of workforce strategies can include:

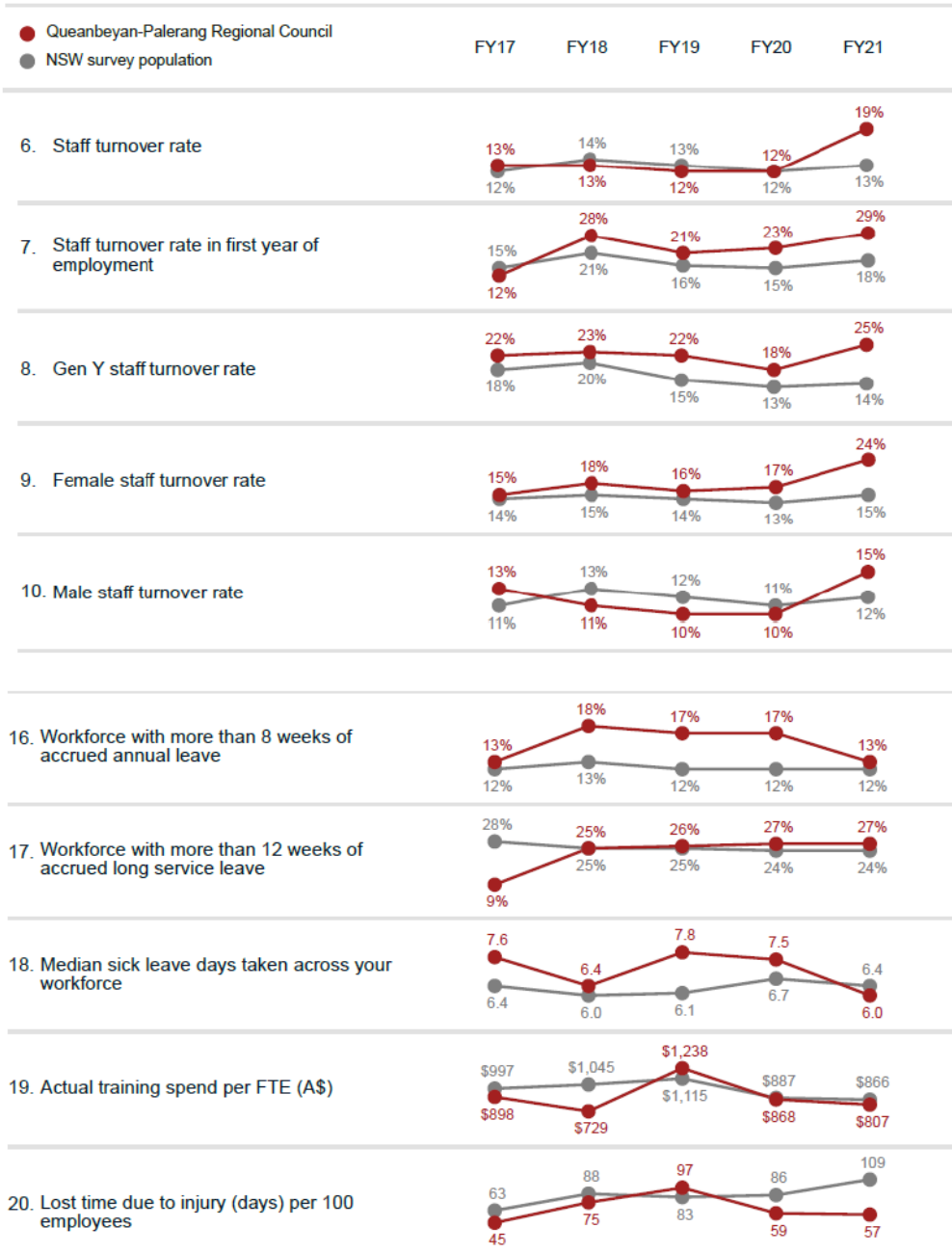
- Employee productivity and utilisation rate.
- Unplanned absences.
- OCI/OEI survey results.
- IR environment/disputes.
- NSW Audit Office findings.
- LGA population forecasts.
- Staff retirement forecasts.
- FTE growth forecast.
- Skill shortages.

Key Workforce Profile Comparison

Employee profile data, additional data from various industry survey findings and year on year comparative organisational data inform the review and development of key workforce initiatives and activities. The following are extracts of key workforce profiles from the PEP report.



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Figure 1.8: Staff level split (size of council)

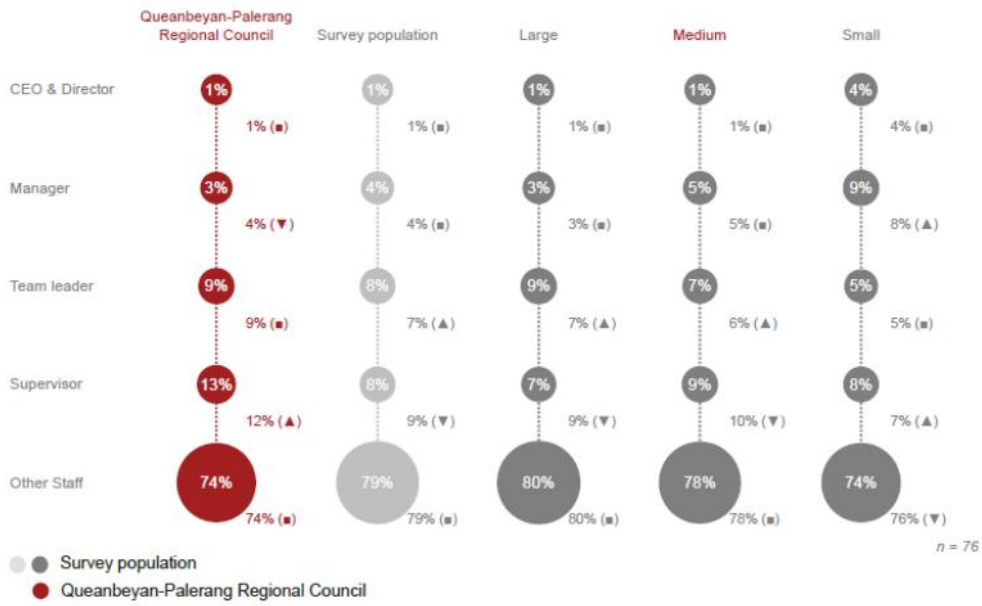
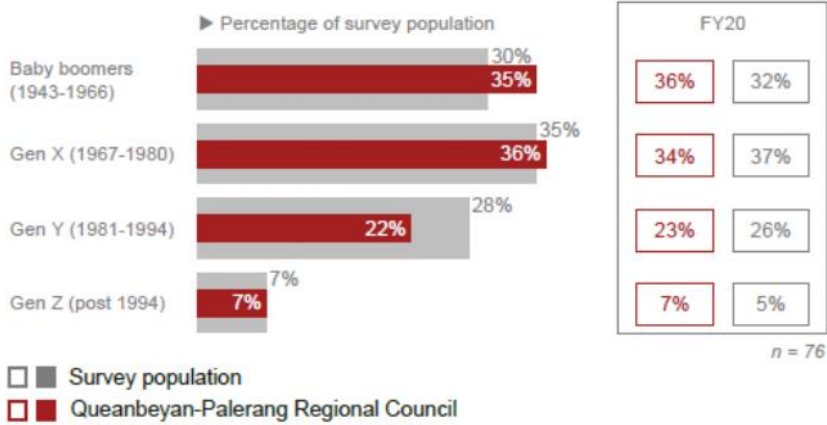


Figure 1.9: Headcount mix by generation



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Figure 1.10: Workforce profile (closing headcount breakdown by generation and gender)

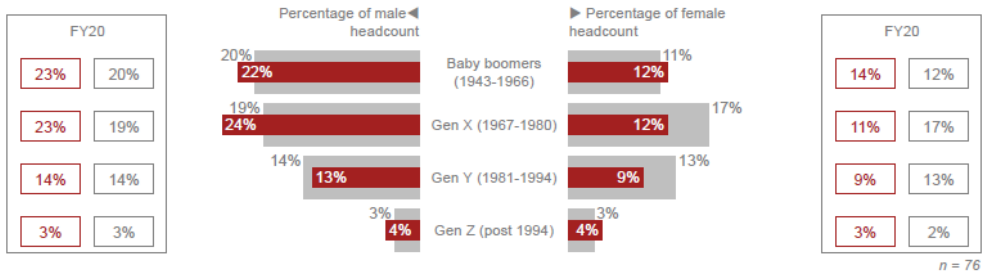
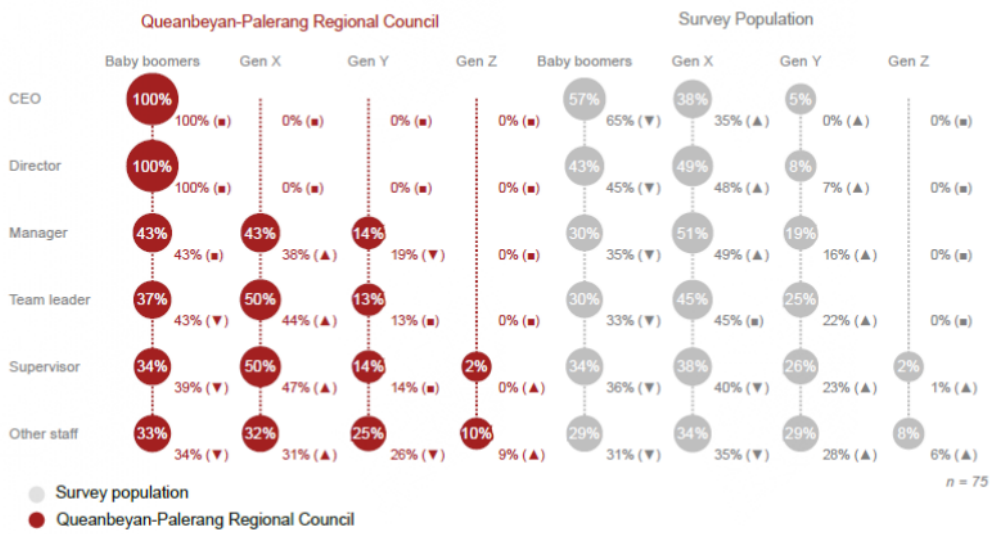


Figure 1.11: Generational mix by staff level



WORKFORCE MANAGEMENT STRATEGY 2022-26

Response

The Workforce Management Strategy underpins QPRC's Vision, Strategy, ambition and service deliverables set out in the Community Strategic Plan 2022-2042.

It provides:

- overarching context and direction to guide the shaping of our culture and development of our people and business practices to ensure a flexible, agile and sustainable workforce prepared to respond to the QPRC's key challenges and opportunities;
- actions targeted at engaging and developing leaders and staff to enable the cultural changes necessary to deliver the Council's high level strategic plan which is central to what QPRC delivers;
- framework for the next 3 to 5 years, where Council employees will work together to transform our organisation and build our capabilities and capacity - to place our community and all customers at the heart of everything we do;
- actions that focus on delivering a high level of customer service which will be delivered through integrated, seamless and continuous pathways and which are enabled by innovative and leading edge technology;
- plan for our current and future workforce to ensure the right level of staffing requirements, skills and job match occur at the right time to deliver on our priorities;
- an overarching goal to create a positive workplace with employees who are proud team contributors;
- actions to support diversity and inclusion, making jobs accessible to a wide range of potential candidates.



QPRC's participation in the CRJO Regional WFS may also yield other responses such as:

- case for 'nursery' in region: cadets and trainees.
- case for LGA sponsored 'smart hubs' to host education and co-work space in region
- options to bring work to staff (e.g. Sydney) rather than bring them to work
- opportunities around engagement of returned skilled defence veterans, and immigrants.
- re-engineer and map skills/professions to local government services in the region.
- opportunities to develop and phase 'para-professionals' to supplement professional staff and re-distribute functions
- option of regional salary system and TRP model; and regional workforce policies.
- opportunities for centre of excellence or hosting approach to LGAs in region (training, recruitment, and payroll)
- joint/regional technology models to engage, retain, and develop staff
- LG job and marketing portal for Canberra region and social media presence

WORKFORCE MANAGEMENT STRATEGY 2022-26

Identifying and Addressing Challenges

QPRC delivers a diverse range of services, with a large multi-skilled workforce, in a competitive regional employment market. This presents a number of challenges including:

- attracting and retaining skilled staff;
- improving community perceptions of Council workers;
- pace of technological advancements;
- regional skill shortages; and,
- an aging workforce and the resultant issues.



To address these challenges through this Workforce Management Strategy, Council is committed to the following principles:

- demonstrating strong leadership, both locally and regionally;
- a contemporary, inclusive and adaptable organisation culture;
- staff safety, wellbeing and professional development is a priority;
- employee engagement will be maximised
- a workforce that is capable now and in the future;
- 'growing our own' through accelerated investment in cadets and trainees;
- supporting innovative regional approaches to develop, attract and retain staff;
- investment in people, processes and systems to work seamlessly;
- provide a welcoming and inclusive organisation, especially noting our Reconciliation Action and Disability Inclusion plans;
- employee diversity is reflective of the community we serve; and
- vertical (between levels and rank), horizontal (between functions) and external (partners, suppliers and customers) boundaries will be more permeable.

Workforce Objectives

To address the challenges, including leadership mindsets and based on the core principles above, QPRC aims to achieve the following objectives through key areas of strategic focus.

Our ambitions to:

- *transact by digital means;*
- *interact by human means;* and,
- *utilise our regional scale and presence*

This can be achieved through:

- building a contemporary future-focused workforce that will support adaptation to change;
- attracting, retaining and developing a diverse workforce;
- growing cadets and trainees to 10% of the workforce;

WORKFORCE MANAGEMENT STRATEGY 2022-26

- unlocking and achieving high performance of teams through stronger leadership capability;
- creatively managing our ageing workforce;
- providing equal employment opportunities;
- improving productivity through addressing unplanned absences and poor safety;
- providing a safe accessible workplace through Council's HSEQ Assurance Framework and capability training;
- instilling a continuous learning and improvement environment through learning and development and process improvement;
- shaping a positive customer-focused technically savvy culture through investment in culture development and technology adoption; and,
- achieving higher level of satisfaction of internal and external customers' perception of services.

WORKFORCE MANAGEMENT STRATEGY 2022-26

5. KEY STRATEGIC FOCUS AREAS AND ACTIONS

Council's Workforce Strategy will focus on the following strategic focus areas:

- Strategic Focus 1 A contemporary, future-focused workforce
- Strategic Focus 2 Managing our ageing workforce
- Strategic Focus 3 Improving productivity
- Strategic Focus 4 Providing a safe, inclusive and accessible workplace
- Strategic Focus 5 Instilling a high learning, innovative environment
- Strategic Focus 6 Shaping a positive client-focused, tech savvy culture
- Strategic Focus 7 Being an employer of choice

Table 2: QPRC Workforce Management Strategy action plan

Action	Timeframe	Responsible branch
Strategic Focus 1 - A contemporary, future-focused workforce		
Workplace Innovation Group action plan	Y1-4	Workplace and Governance
Leverage existing and new IT solutions to increase productivity	Y1-4	Digital
Input into design and layout of new offices in Queanbeyan and Bungendore to create activity-based working spaces	Y1-2	Workplace and Governance
Implement change management strategies to assist staff with move into new offices	Y1-2	Workplace and Governance
Implement Transformational Organisational Structure	Y1-2	CEO
Review recruitment approach for hard to fill positions	Y1-2	Workplace and Governance
Fully automate recruitment process to remove paper-based forms.	Y1	Workplace and Governance
Review Home Based Work Directive and approval process following impacts of COVID-19	Y1	Workplace and Governance
Ongoing review and refinement of Workplace-related directives, with focus on creating a future-focused workforce	Y1-4	Workplace and Governance
Liaise with CRJO councils to address employment-related issues	Y1-4	Workplace and Governance
Consider job share program with other councils/ACT Government	Y1-4	Workplace and Governance
Implement endorsed workforce plans, within financial capacity, to ensure resources levels keep pace with population growth	Y1-4	Executive
Strategic Focus 2 - Managing our ageing working		
Promote Transition to Retirement Directive and options under Clause 23 of Local Government Award	Y1-4	Workplace and Governance
Identify positions that are at risk of retirement and knowledge departure	Y1-4	Workplace and Governance
Educate staff in retirement bracket on importance of transition	Y1-4	Workplace and Governance
Trainees and cadets make up 10% of workforce	Y1-4	Workplace and Governance
Investigate mentor program – either internal or as part of CRJO	Y1-2	Workplace and Governance
Increase usage of Promapp in organisation	Y1-4	Organisation Capability
Enhance QPRC's development approach by considering QPRC scholarship/graduate program	Y1	Workplace and Governance
Partner with universities to develop pathway strategies for hard to fill positions	Y1-4	Workplace and Governance
Strategic Focus 3 - Improving productivity		
Monitor staff absences and highlight trends to Executive and Service Managers	Y1-4	Workplace and Governance
Increase percentage of staff with workplans in CiAnywhere	Y1-4	Workplace and Governance
Review the use of overtime across the organisation to achieve a balance between productivity and staff safety	Y1-2	Workplace and Governance
Strategic Focus 4 - Providing a safe, inclusive and accessible workplace		
Maintain HSEQ accreditation	Y1-4	Workplace and Governance
Launch safety module within CiAnywhere	Y1-2	Workplace and Governance
Monitor and review health and wellbeing programs and activities	Y1-4	Workplace and Governance
Support Council's Diversity and Inclusion Group	Y1-4	Workplace and Governance
Maintain Employee health initiatives such as Safety Day, wellbeing program and healthy lifestyle programs	Y1-4	Workplace and Governance
Strategic Focus 5 - Instilling a high learning innovative environment		
Development of annual Training Plan for organisation	Y1-4	Workplace and Governance
Trainees and cadets make up 10% of workforce	Y1-4	Workplace and Governance
Sponsor trainee and cadet awards	Y1-4	Workplace and Governance



WORKFORCE MANAGEMENT STRATEGY 2022-26

Action	Timeframe	Responsible branch
Provision of study assistance in line with adopted Directive	Y1-4	Workplace and Governance
Build upon library of online learning resources	Y1-4	Workplace and Governance
Embed learnings from Colloquium program	Y1-2	Workplace and Governance
Review and implement Sustainable Leadership at QPRC program	Y1-2	Workplace and Governance
Identify future leaders and provide with tools and learning to prepare them for career progression	Y1-4	Workplace and Governance
Provide opportunities for future leaders to participate in Local Government Professionals Management Challenges	Y1-4	Workplace and Governance
Invest in Team Leaders and emerging leaders	Y1-4	Workplace and Governance
Strategic Focus 6 - Shaping a positive client-focused tech savvy culture		
Workplace Innovation Group action plan	Y1-4	Workplace and Governance
Publish service review schedule in Operational Plan	Y1	Workplace and Governance
Service owners commit to implementing service review findings	Y1-4	Leadership group
Consider the 'customer' when developing Workplace processes and Directives	Y1-4	Workplace and Governance
Strategic Focus 7 - Being an employer of choice		
Review Equal Employment Opportunities Plan and Policy	Y1	Workplace and Governance
Ongoing implementation and promotion of QPRC values	Y1-4	Organisation wide
Recognise the efforts and achievements of our staff through formal and informal reward and recognition	Y1-4	Leadership group
Develop a social media strategy to support employer of choice aspirations	Y1-2	Workplace and Governance
Progress Team Leader improvement program following 2021 culture survey results	Y1-2	Workplace and Governance
Remeasure organisational culture in 2024	Y2/4	Workplace and Governance
Implement action plans to address causal factors and outcomes that are affecting culture	Y2/4	Leadership group
Participate in CRJO employment initiatives	Y1-4	Workplace and Governance
Review volunteering program and processes to enable and encourage volunteering in suitable areas	Y1	Workplace and Governance and Recreation and Culture
Participate in Local Government Week and other events to promote the value of Council to the community	Y1-4	Workplace and Governance
Develop strategies to encourage and promote flexible work and work/life balance	Y1-4	Workplace and Governance

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

13 JULY 2022

ITEM 9.13 RESOURCING STRATEGY AND WORKFORCE MANAGEMENT
STRATEGY

ATTACHMENT 2 RESOURCING STRATEGY

QPRC



Queanbeyan–Palerang Regional Council

Resourcing Strategy



RESOURCING STRATEGY

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RESOURCING STRATEGY

Executive Summary

The *Local Government Act 1993* requires NSW councils to prepare a Resourcing Strategy.

The recently updated Integrated Planning and Reporting Guidelines describe the Resourcing Strategy as:

The Resourcing Strategy is the point where the council explains to its community how it intends to perform all of its functions, including implementing the strategies set out in the Community Strategic Plan.

Some strategies in the Community Strategic Plan will clearly be the responsibility of the Council, some will be the responsibility of other levels of government and some will rely on input from business and industry groups, community groups or individuals.

The Resourcing Strategy focuses in detail on matters that are the responsibility of the council and considers, in general terms, matters that are the responsibility of others. The Resourcing Strategy articulates how the council will allocate resources to deliver the objectives under its responsibility.

QPRC's Resourcing Strategy has identified five key components strategies that were revised and refreshed during 2019-21:

- **Workforce Strategy** - aims to provide the Council with the people best able to inform its strategic direction, develop innovative approaches to complex issues and deliver appropriate services effectively and efficiently.
- **Asset Management Strategy** – takes a 'whole of life' asset management from planning, purchase, operation, and maintenance to disposal of assets. It also encompasses integration of asset and service outcomes.
- **Long Term Financial Plan** - long term community aspirations and goals are tested against financial realities, and decide what resources councils need to influence and work with other parties
- **ICT Strategy** – identifies what digital and process tools mobilise delivery of services by staff and access to information by community
- **Risk Management Strategy** – establishes governance and assigns accountabilities for management of risk, and identification of risk appetite
- **Climate Change Action Plan** - highlights pathways and opportunities for Council and to the community to make significant reductions in greenhouse gas emissions through a cost-effective program of actions. Furthermore, the plans focus upon measures to ensure climate change resilience and preparedness across the local government area.

The ideal climate for making decisions is one of certainty, where the outcome of each alternative is known. The reality is that our environment is constantly changing and decisions are made to adjust to these changes. Dealing with uncertainty and risk is an integral part of decision-making.

RESOURCING STRATEGY

The Resourcing Strategy and its component strategies has been prepared utilising the DPSIR Model which is an analytical framework that identifies the relationship between Drivers (underlying needs), Pressures (activities), States, Impacts and Responses.

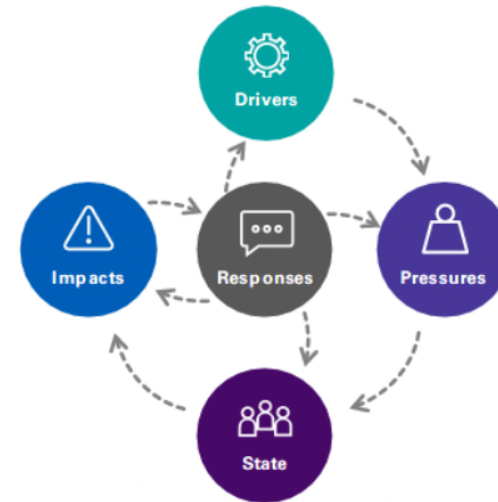
The DPSIR Model has been applied to the five components of the Resourcing Strategy so that the community can see the impacts and responses which apply to the Council's workforce, assets, finances, technology/systems, risk management and climate change plans.

Assumptions for the Resourcing Strategy which influence workforce, asset and financial projections include:

- Population and property growth forecasts
- Anticipated levels of local economic growth
- Age profile and skill levels of staff
- Major planned expenditure, such as capital works and renewals
- Federal, State and regional economic forecasts
- Inflation forecasts
- Interest rate movements
- Projected climate measures including temperature, rainfall, storm intensity, drought and fire danger index.

The six component strategies which make up QPRC's Resourcing Strategy have a number of common drivers, pressures and impacts, in turn nominating a number of responses that may be integrated.

The table below summarises the high level drivers, impacts and responses common to the component strategies, updated with contemporary issues and circumstances such as the pandemic.



RESOURCING STRATEGY

Table 1: Drivers, Pressures, Impacts and Responses

Drivers	Pressures	Impacts	Response
Development and Population Growth	<ul style="list-style-type: none"> • Residential development • Increased service consumption • Increased load on assets • Developer contributions – gifted assets 	<ul style="list-style-type: none"> • Increased use of resources • Deteriorated asset condition • Increased asset servicing and depreciation costs (operational, MRR) • Increased population servicing costs 	<ul style="list-style-type: none"> • Strategy-led (Regional Economic Development Strategy, CBD Transformation Strategy, Transport, IWCMP etc) • Revenue Strategy • Population rate peg, SRV, dividends • Increase asset renewal • Expand asset networks • Increase organisational capacity • Increase FTE (benchmark 7.5 FTE / 1,000 residents)
Covid-19 pandemic	<ul style="list-style-type: none"> • Stimulus-granted assets • Recession • Restrictions on movement • Isolation • Government Policy and OLG Updates • Digitalisation of organisational information and human interactions 	<ul style="list-style-type: none"> • Job losses, pay cuts (esp casual workers / youth) • Business closures • Temporary closure of community facilities / reduction in capacity • Loss of revenue for community facilities and events (ongoing) • Remote schooling • Lockdowns: ACT and NSW and differing border rules and restrictions • Organisational training interrupted • Community engagement / community meetings cancelled • Rapid expansion of digital solutions (e-commerce, online education, remote work) • Home based work limitations and productivity • Increase in rates outstanding • Mental health of workers • Transformed communication between teams / human interaction • Changing community priorities 	<ul style="list-style-type: none"> • Lessons learned – enhancing future risk processes • Remote work (balance, health) • Redeployment of workers • Investment in digital tools • Technological solutions for mobile workplaces • Scenario planning for future of community services • Financial Hardship Policy extension • Additional reporting / monitoring of debt collection outcomes and reserve balances • Employee support programs • Upskilling / reskilling workers in essential digital skills • Cyber security strategy

RESOURCING STRATEGY

Drivers	Pressures	Impacts	Response
Industry Energy Population Households Climate Agriculture	<ul style="list-style-type: none"> Emissions Resource Use Land Use 	<ul style="list-style-type: none"> Climate Change Increasing temperatures Natural disasters (storm, drought, floods, fire) Assets damaged and destroyed Changing community priorities and expectations Loss of habitats / species Biosecurity risks 	<ul style="list-style-type: none"> Disaster recovery support services Natural disaster asset renewal program Additional hardship policy Building / asset standards Climate change action plan Renewable energy solutions Smart city solutions Weed risk assessments
Affordable service provision	<ul style="list-style-type: none"> Rapid expansion of digital solutions Ageing workforce Skills shortage Global recession Inherited structural financial deficit from merger Level of service disparity at merger Infrastructure backlog 	<ul style="list-style-type: none"> Changing community priorities and expectations New opportunities for online service provision Low borrowing costs High inflation and volatile economy Volatile interest rates High future potential – construction cost escalation Increased cost for service harmonisation 	<ul style="list-style-type: none"> Digital Economy and Smart City Strategy Intergenerational equity for assets and debt Investment in asset renewal Long Term Financial Plan benchmarks Workforce Strategy and benchmarks (7.5 FTE per 1,000 population) Target high levels of traineeships and apprenticeships Invest merger savings in QCCP debt servicing Harmonise services, salaries, rates and charges Apply for grants to fund asset renewal (not new infrastructure projects) Property divestment (sales and lease revenue) Partner with other organisations to promote innovation and deliver services Organisational service review Revise services and level of service Service plans and pricing recovery
Government Policy	<ul style="list-style-type: none"> Capital grants Operating grants Delayed rates and Revenue reform Snowy 2.0 Reserve Bank stimulus 	<ul style="list-style-type: none"> Increased reliance on grant funding Long term affordability of services and service levels Skills shortage Volatile borrowing costs Long return on investments 	<ul style="list-style-type: none"> Increase borrowing for co-funded asset expansion 'Narrow the Gap' Revenue strategy Regional partnerships Amend LTFP if legislated reforms not available

RESOURCING STRATEGY

Drivers	Pressures	Impacts	Response
Fossil fuel consumption Population & demographic structure Economic growth and development Energy demand and supply	<ul style="list-style-type: none"> Greenhouse Gas Emissions Resources 	<ul style="list-style-type: none"> 6 further rating reforms legislated in 2021 that have not come into effect – waiting on Ministerial proclamation Increasing temperatures Increasing likelihood and severity of natural disasters (storm, drought, floods, fire, heatwaves) Assets damaged and destroyed Changing community priorities and expectations Loss of habitats / species Biosecurity risks Human health and food/water security 	<ul style="list-style-type: none"> Disaster recovery support services Natural disaster asset renewal program Additional hardship policy Building / asset standards Climate change action plans Sustainability policies Urban forest cooling strategy Renewable energy and energy efficiency solutions Smart city solutions Weed risk assessments Biodiversity assessments Climate change preparedness projects Zero emissions transformations

RESOURCING STRATEGY

Workforce Strategy

Key Issues

- Building and retaining capacity and capability
- Optimising employee engagement and organisation excellence
- Skill shortages in key professions
- Increased staff turnover
- Identifying critical staff members with no trained backup in place
- Ageing workforce and transition to retirement
- Labour competition from ACT and significant projects such as Snowy 2.0
- Retaining staff numbers at Bungendore and Braidwood
- Preparing workforce for new office environments in Queanbeyan and Bungendore
- Providing home based work and flexible work options
- Providing better systems and structures to maximise service delivery and reduce non-productive costs
- Recognising increased demands causing backlog and potential burnout

Actions

- Design a Transformation Organisation Structure mapped to current and future service delivery
- Shape a positive customer-focused technically savvy culture through investment in culture development and technology adoption
- Grow cadets and trainees to 10% of the workforce
- Create career path options considering regional options including secondments and regional placements
- Creatively manage our ageing workforce
- Maintain staff FTE/1000 residents at or below 7.5
- Maintain HSEQ accreditation and implement strategies to mitigate workplace risks
- Improve productivity through addressing unplanned absences and poor safety
- Revise flexible working policies; establish remote working and smart hubs to employ staff
- Undertake program of service reviews in the Delivery Program 2022-26
- Create surge capacity through para professionals, contractors, consultants, fixed term staff
- Explore collaborative workforce initiatives, including payroll, training, and a job and marketing portal, in line with CRJO Workforce Strategy
- Explore options for optimal use of plant, accommodation, overtime, after hours, and supplementary workforces – eg call centre, volunteers
- Monitor workplans, activities, outcomes, productivity (aligned to performance framework), performance reviews



Figure 1: Workforce Capacity and Capability Principles

RESOURCING STRATEGY

Asset Management Strategy

Key Issues

- Aligning expansion of infrastructure and facilities with population and development growth
- Life cycle maintenance of new or upgraded assets from disaster or stimulus grants, or gifted from new subdivisions
- Differentiation of asset technical, performance and service outcomes, with customer expectations
- Maintaining and upgrading assets to respond to risk (incl natural disasters)
- Community Survey rankings < 3.25 (incl unsealed roads, footpaths and cycleways)
- Aligning priorities to appetite for risk and regulatory changes (incl safety, environment, financial)
- Maintaining business continuity in periods of natural disasters and pandemics
- Managing the asset backlog and depreciation growth
- Renewing and replacing ageing assets in accord with their lifecycle

Actions

- Guide upgrade and new infrastructure expenditure on priorities established with key strategies – designed to ensure ten years of forward planning and delivery for infrastructure networks and facilities is available
- Maintain assets to a level that achieves broad community satisfaction (>3.25/5 ranking in biennial satisfaction surveys)
- Design and extend the capacity of assets and connectivity of transport and utility networks in line with population growth forecasts
- Leverage the presence and capacity of assets to stimulate business investment, visitor activity and economic returns
- Rank decisions to extend, renew or replace assets on best value (in line with asset life cycle, cost of finance, organisation capability)
- Retain health, safety, environment and quality (HSEQ) standards to sustain contracts with government and private works
- Build organisation skill and technology capability from 'Basic' to 'Core' in terms of asset management maturity assessments
- Align asset renewal spend to Asset Management Plans and establish a sinking fund / reserve equivalent to annual depreciation to fully fund the cost of asset renewal over the life of the asset.

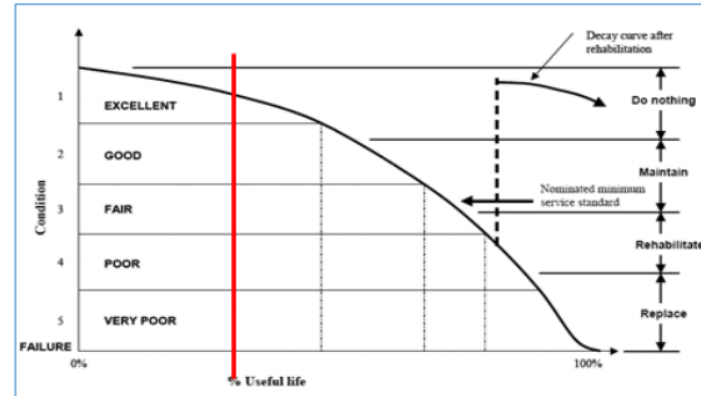


Figure 2: Asset Deterioration, Maintenance and Renewal

RESOURCING STRATEGY

Long Term Financial Plan

Key Issues

- Growth in asset base (and additional associated depreciation expense) due to grant funded and development gifted infrastructure
- Shift in annual capex carry forwards due to resources diverted to natural disaster and pandemic works and responses
- Higher population growth (and subsequent servicing costs)
- Expansion of services and growth of capex budget since merger
- Maintaining required investment in community infrastructure maintenance and renewal
- Reduction in general purpose revenues as portion of total revenues
- Rate path freeze imposed on merged councils
- Meeting OLG financial benchmarks
- Impact of natural disasters and Covid-19

Actions

- Review Long Term Financial Plan and review scenarios
- Map and migrate expenses and revenues per 'narrow the gap' principle
- Preserve essential services in line with population growth
- Reinvest revenue from growth into service expansion to provide for the expanding population and new areas of development
- Advocate for changes to Government policy on population rate peg, emergency services levies and assets, and regional roads assets
- Borrow at acceptable levels for appropriate infrastructure investment; renegotiate remaining terms for maturing loans that are above 3%
- Improve unrestricted cash, through property sales and long term commercial leasing arrangements
- Quarantine merger, FTE and building savings to service debt for QCCP
- Conduct service cost and service level reviews
- Manage expenses through focus on energy and wastes consumption, service reviews, asset ratios and depreciation charges
- Prioritise grant funding on infrastructure renewal requirements instead of building new assets that will require ongoing future increased operational expense
- All employee vacancies are reviewed and where appropriate may be replaced with cadets, trainees or apprentices on a 2:1 basis as part of Council's strategy to increase productivity and increase the pool of skilled workers

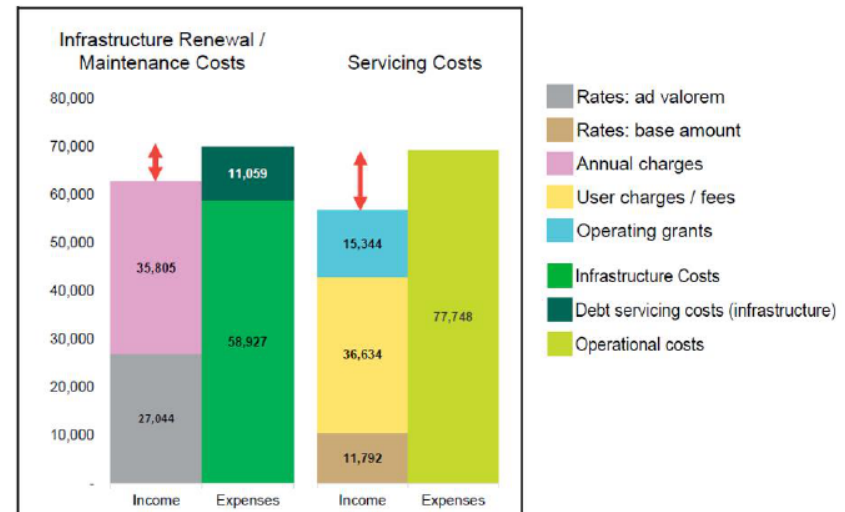


Figure 3: Narrow the Gap

RESOURCING STRATEGY

ICT Strategy

Key Issues

- Continued re-configuration of enterprise resourcing planning (ERP) modules
- ERP on-premise platform End-of-Life in 2024 and significant investment required during a challenging financial climate
- Government digital interventions
- Increased user – both staff and community - expectations
- Remote service standards and working from home environments
- Ever-expanding and sophisticated cyber threats and more stringent cyber standards
- Changing ICT policy standards
- Internet bandwidth limitations for branch / remote offices
- Emerging smart city platforms associated with CBD transformation
- Increasing shift to digital service delivery and automation

Actions

- Integrate ambitions and actions of Digital and Customer Strategies: *'transact through digital, interact through people'*
- Contemporary use of technology, with secure platforms in the organisation and disaster recovery plans
- Build, or expand on, advanced capabilities within the Digital team
- Migrate to CI Anywhere environment
- Reconfigure, implement and manage change (incl HR, asset management modules and planning e-portal)
- Migrate to a software as a service (SaaS) environment, consider infrastructure as a service (IaaS) options
- Maintain a robust, reliable and available ICT environment
- Continue investment in business intelligence capabilities
- Partner with other organisations to promote innovation and ICT service delivery, incl CRJO and Service NSW
- Deliver the ICT Strategy
 - Optimised organisation
 - Digitally enabled workforce
 - Citizen-centric services
 - Open and Connected

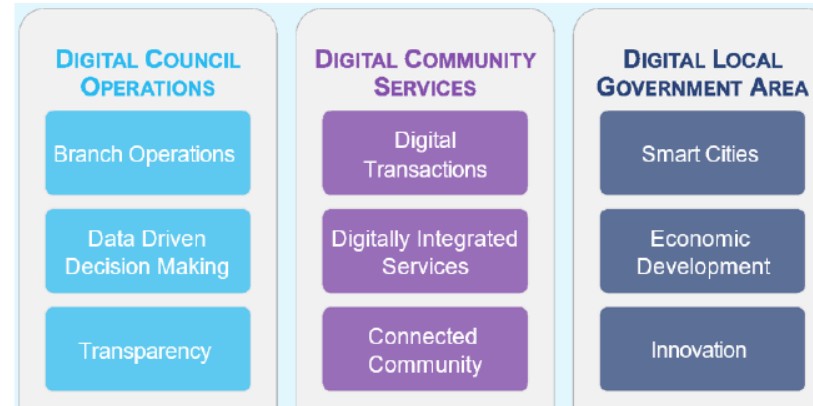


Figure 4: ICT Pillars

RESOURCING STRATEGY

Risk Management Strategy

Key Issues

- Management of strategic risks (incl reputation, climate and financial)
- Mitigation of operational risk (incl infrastructure, buildings and technology)
- Business continuity through periods of natural disasters, pandemic and ICT failure
- Change in government policy and legislation, or political environment
- Change in economic and environmental conditions (incl growth and climate)
- Damage to service and infrastructure (incl vandalism, misinformation, social media, cyber-attack)
- Organisational risk maturity
- Loss of staff skills and expertise

Actions

- Revision of Risk Strategy, Policy, Appetite and Strategic Risk
- Drive better decision-making through focusing on enterprise risk management education and training
- Align risk treatments to staff responsibilities and reports
- Further emphasis on the Three Lines Model, incl internal audits and assurance through Audit, Risk and Improvement Committee
- Strengthen QPRC Risk Architecture (incl Risk Registers, Risk Management Plans and Promapp)
- Strengthen QPRC Governance Architecture (incl decision making)
- Monitor performance through project, financial and infrastructure failure reporting

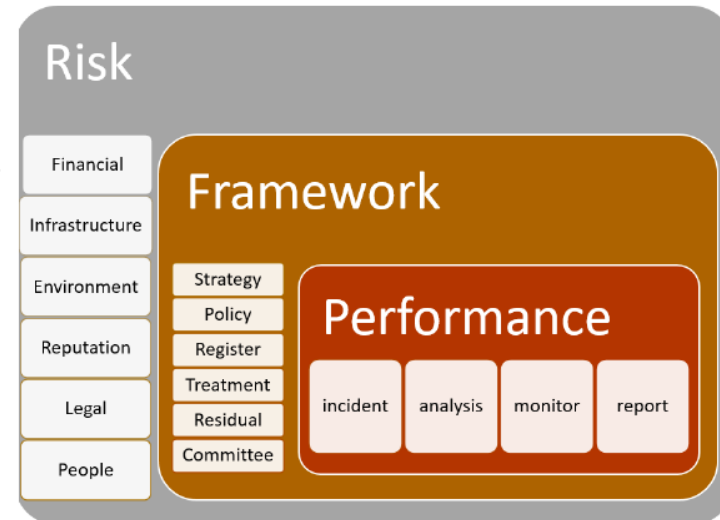


Figure 5: Risk Framework

RESOURCING STRATEGY

Climate Strategy

Key Issues

- Exposure:
 - Increasing average temperatures
 - Increasing likelihood and severity of natural disasters and extreme weather events (storm, drought, floods, bushfires, heatwaves)
- Vulnerability:
 - Damage or critical failures to Council infrastructure
 - Changes in demand and costs for energy
 - Shift in annual capex carry forwards due to resources diverted to natural disaster and climate change responses
 - Increase lifecycle costs of Council assets and buildings
 - Loss of arable land for development or open spaces
 - Increased pressure and demand on Council services, including cleaning, maintenance, and community support
 - Increased disruptions on Council services and projects
 - Pest and weed distribution changes
 - Impacts upon workforce health and wellbeing
 - Loss of remnant vegetation and tree canopy cover in Council controlled reserves and parks

Actions

- Continue implementing actions under the QPRC Climate Change Action Plans
- Continue implementing actions under the QPRC Urban Forest Cooling Strategy
- Design to improve the lifecycle and resilience of any new Council assets or buildings- including mitigation opportunities
- Further investigate innovate solutions to address climate change and reduce associated costs
- Identify and map key Council infrastructure that may be vulnerable to a changing climate and extreme weather events
- Ensure that Council's workforce is resourced and trained to respond to extreme weather events- clean ups, community support
- Continue to assess the climate change vulnerability of vegetation with the LGA
- Develop a new climate change risk assessment
- Develop asset management plans through a climate change lens
- Build community and organisational resilience frameworks including disaster preparedness, recovery actions, infrastructure planning
- CRJO regional planning for disaster resilience

RESOURCING STRATEGY

Context

Background

The *Local Government Act* requires that a Council must have a Resourcing Strategy in place to guide the resources required to implement the strategies established by the Community Strategic Plan. The Strategy, must at the very least, include provision for financial planning, workforce management planning and asset management planning. This is in recognition that it is important to ensure that sufficient resources – time, money, assets and people are available to translate strategic objectives of the CSP into actions.

A Resourcing Strategy forms a key part of the Integrated Planning & Reporting Framework as outlined below

The Integrated Planning and Reporting Framework includes:

- A 20-year Community Strategic Plan to be developed in consultation with the community, State Government agencies and other relevant stakeholders. The purpose of the plan is to identify the community's long term vision and set out its main priorities and aspirations for the future and to plan strategies for achieving these.

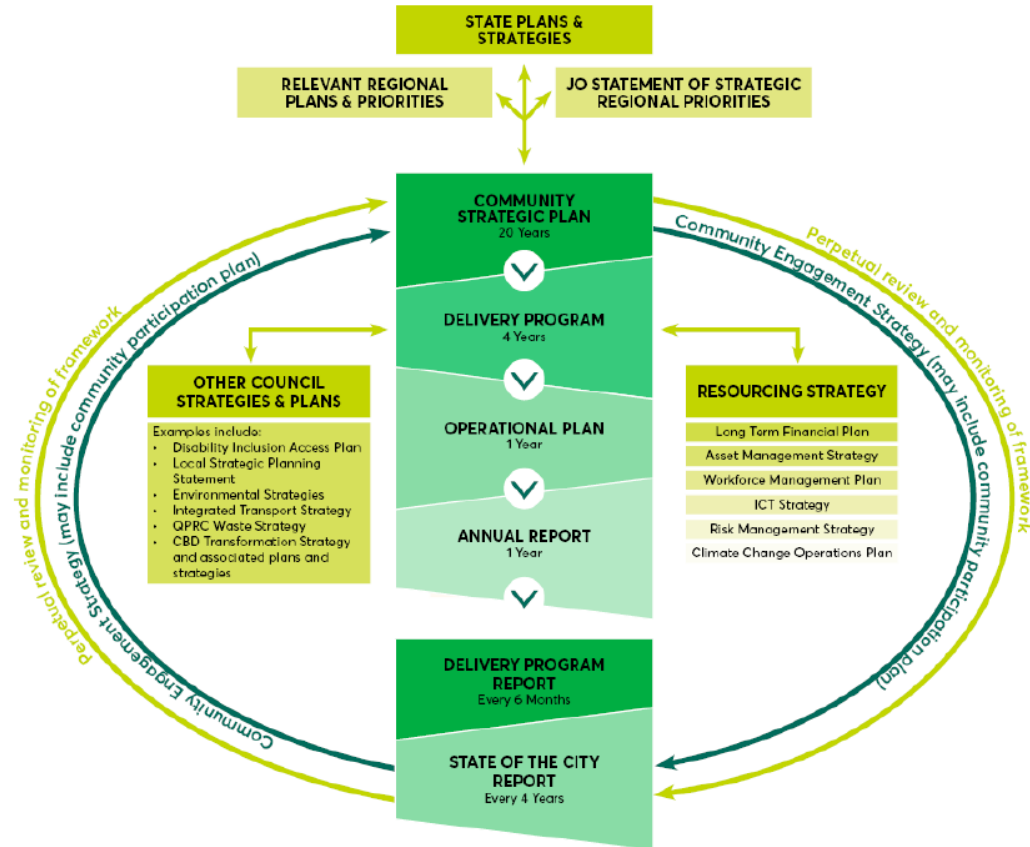


Figure 6: Integrated Planning and Reporting Framework

RESOURCING STRATEGY

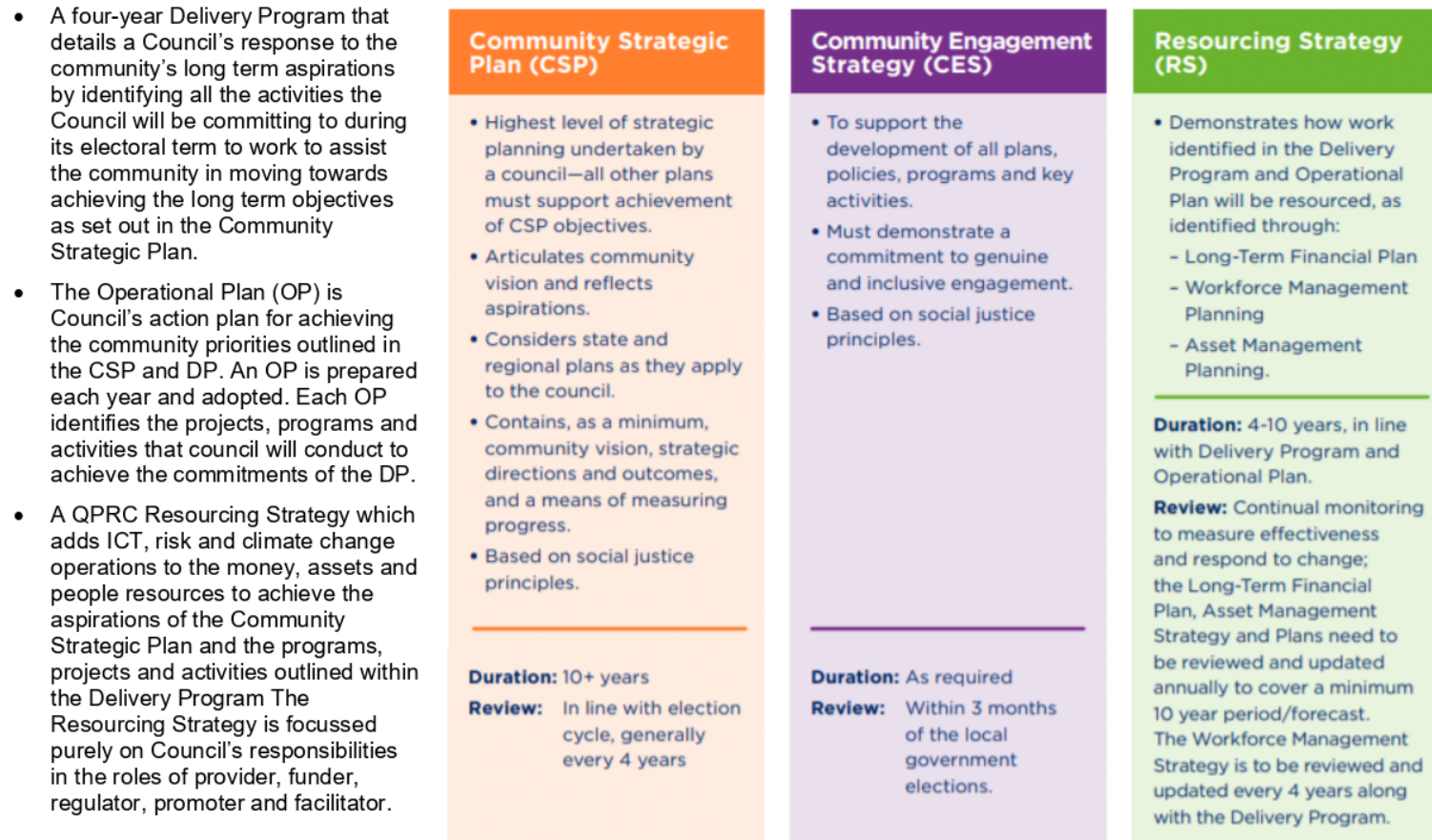


Figure 7: Integrated Planning and Reporting Framework

RESOURCING STRATEGY

Our approach to the Resourcing Strategy

In developing its Resourcing Strategy, Council has applied a DPSIR Model to the components of its strategy which is based around:

- Drivers
- Pressures
- State
- Impacts
- Responses

DPSIR is a systems approach consisting of a Drivers – Pressures – State – Impacts – Responses framework, which has been a valuable tool for organising and communicating complex issues. The DPSIR framework was developed by the European Environmental Agency and has been used by the United Nations. Within Australia it has been used by the ACT to develop and underpin the findings of its State of the Environment Report. The DPSIR framework is a systems-thinking framework that assumes cause-effect relationships between interacting components of social, economic, and environmental systems. The DPSIR framework has been principally used for many environmental resource applications, including management of agricultural systems, water resources, land and soil resources, biodiversity and marine resources but it also has wider uses. The framework can be used to integrate social, cultural, and economic aspects of environmental and human health into a single framework hence making it an ideal tool to use in something like a Resourcing Strategy.

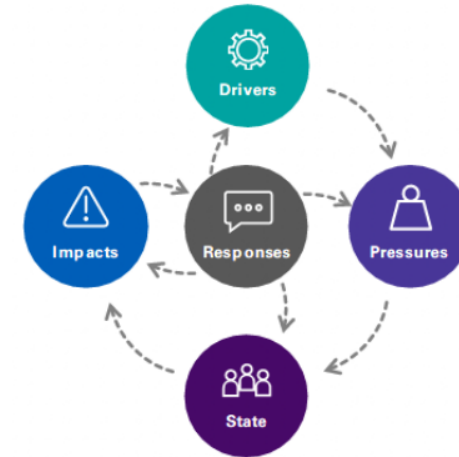


Figure 7: DPSIR model

- Drivers are the factors that motivate human activities and fulfil basic human needs, which have been consistently identified as the necessary conditions and materials for a good life, good health, good social relations, security, and freedom. Drivers describe “the social, demographic, and economic developments in societies.
- Pressures are defined as human activities, derived from the functioning of Social and Economic Drivers that induce changes in the environment, or human behaviours that can influence human health.
- State refers to the state of the natural and built environment (e.g., the quantity and quality of physical, chemical, and biological components), and human systems (e.g., population level and individual attributes).

Changes in the quality and functioning of the ecosystem have Impacts on the welfare of humans, including the production of ecosystem goods and services and ultimately, human well-being. A key benefit in using the DPSIR framework is that it explicitly includes an Action or Responses component that can be taken at any level of the causal network. In the DPSIR framework, Responses are actions taken by groups or individuals in society and government to prevent, compensate, ameliorate or adapt to changes in the state of the environment; and to modify human behaviours ... to compensate for social or economic impacts of human condition on human well-being. (Using the DPSIR Framework to Develop a Conceptual Model, United States Environmental Protection Agency, August 2015)

RESOURCING STRATEGY

Drivers and Pressures

Affordability

- Provide essential public services in line with population growth and organisation capacity
- Keep rates, fees and charges affordable
- Revenue to support investment in long term infrastructure renewal
- Meet NSW Government benchmarks to be financially sustainable
- Growing service expectations from the community
- Reducing (in real terms) government grants for operations and renewals and community service obligation to continue service provision with lower grant income
- Government cost-shifting with councils funding Governmental responsibilities including pensioner rebates, emergency services and regional roads
- Delayed implementation of revenue reform following Government response to 2013 Independent Local Government Review Panel Final report
- Legislation to freeze rates path for newly merged councils delayed revenue increases proposed with 2017 Financial Strategy
- Population growth drives up service costs faster than associated revenue increases (per IPART report 2021)

Service Provision and Levels of Service

- A contemporary, future-focused workforce
- Manage asset backlog and risk
- Renewal and replacement of ageing assets
- Establish affordable and acceptable standards, including intervention levels, gifted assets from developments
- Aligning asset renewal spend to the rate of depreciation
- Applying generational equity principles to provision, renewal and upgrade of assets
- Differentiating asset operations or servicing from maintenance
- Gifted assets from new development at Googong, Tralee and Bungendore - increasing the asset base

RESOURCING STRATEGY

Stakeholder Expectations

- Maintain a robust, reliable, secure and available ICT environment
- NSW Government predicted savings over 20 years for the councils merged in 2016
- Unable to rationalise number of offices and depots
- Broader levels and additional services provided after the merger

Workforce

- Maintaining skilled and motivated workforce, noting long-term staff reaching retirement and proposed increased age of retirement to 70
- Skills shortage impacting ability to attract and retain critical local government positions (planners, engineers, construction workers, accountants)
- Remunerating at attractive levels given proximity to ACT competition for skilled and professional labour
- Retaining skilled design and construction staff to meet road maintenance Council contract (RMCC) road construction standards of Transport for NSW.
- Retaining skilled development and engineering staff to meet turnaround benchmarks of government
- Staff FTE (Braidwood 41, Bungendore 79, Nerriga 1, Captains Flat 1) to remain in smaller towns in perpetuity
- Migrating to digital (high transaction) operations and community engagement

Natural Disasters

- Disruption to core business operations
- Reorganisation of Council operations following pandemic restrictions
- Changing community priorities and expectations as a result of natural disaster
- Scenario planning the future of service delivery within post-pandemic trends and restrictions
- Three-year asset renewal program underway to repair transport infrastructure destroyed by fire and floods

RESOURCING STRATEGY

Local Government Indices

- Rate peg is calculated in reference to the LGCI¹ by IPART on behalf of the NSW Office of Local Government (OLG), and in many cases is substantially less than regional cost indexes.
- Infrastructure construction costs are escalating at around 3-6% pa
- Government contributions such as emergency service levies, charged to Local Government, are greater than CPI
- NSW Local Government State Award indexation of wages and allowances, is historically substantially higher than the rate peg

¹ The inflationary measure for NSW local government is the Local Government Cost Index (LGCI), calculated by the Independent Pricing and Regulatory Tribunal (IPART)

RESOURCING STRATEGY

Workforce Management Strategy

Overview

Council's Workforce Management Strategy identifies the challenges that Council faces over the coming years and highlights the areas where additional resources are required to ensure service delivery is not compromised. A Workforce Plan has been prepared for each Portfolio to estimate likely staff turnover, retirements and change in FTE to accommodate growth in development, facilities and infrastructure.

While Council has committed to maintaining its staff/resident ratio at 7.5 staff per 1000 residents, the continual growth in Googong, South Jerrabomberra and Bungendore will require the organisation to expand. Over the next four years, we have identified the need for an additional 40 staff members, with the majority of those in our Community Connections portfolio (roads, water, sewer and waste) and our Natural and Built Character portfolio (planning, development control, environment and landscapes). These new positions will be reliant on new or increased revenue streams.

Our back office areas will remain relatively steady in terms of growth, showing that we are responding to community demand when it comes to our assets and planning services.

Over the next four years, we will also increase our number of trainees, cadets and apprentices to hit our goal of 10% across the organisation. Aiming to replace appropriate retiring staff with 2:1 trainees at equivalent cost, the additional trainee is excluded from FTE/resident calculations. The table on the right illustrates the areas of growth.

Portfolio Increases	2021 2022	2022 2023	2023 2024	2024 2025	TOTAL SEP 2020	TOTAL 2024-25	TOTAL FTE GROWTH	Trainee/ Cadet	Trainee/ Cadets %
CEO Office	\$ -	\$ -	\$ -	\$ -	2.00	2.00	0.00	0	0%
Organisation Capability	\$ 94,499.12	\$ 53,492.59	\$ -	\$ -	58.96	60.66	1.70	9	14.84%
Natural & Built Character	\$ 323,513.48	\$ 241,594.39	\$ 613,283.95	\$ 202,024.68	123.21	140.21	17.00	20	14.26%
Community Connections	\$ 640,603.71	\$ 342,481.48	\$ 277,458.69	\$ -	181.30	197.60	16.30	8	4.05%
Community Choice	\$ 97,484.42	\$ 439,329.73	\$ 372,724.34	\$ 172,839.78	95.88	100.48	4.60	5	4.98%
Portfolio Increases	2021 2022	2022 2023	2023 2024	2024 2025					
TOTAL 1	\$ 961,131.89	\$ 1,076,898.19	\$ 1,263,466.98	\$ 374,864.46	461.35	500.95	39.60	42	8.38%
			TOTAL \$	\$ 3,676,361.52	TARGET	485		50.10	10.00%
Portfolio Increases	2021 2022	2022 2023	2023 2024	2024 2025					
TOTAL 1: FUNDING SOURCE BREAKDOWN					TOTAL				
Waste Fund	\$ 160,308.94	\$ 26,033.05	\$ -	\$ -	\$ 186,342.00				
Sewer Fund	\$ 321,910.07	\$ 53,916.59	\$ 233,573.09	\$ -	\$ 609,399.74				
Water Fund	\$ 126,394.55	\$ 53,916.59	\$ 43,885.60	\$ -	\$ 224,196.73				
General Fund	\$ 660,044.80	\$ 762,004.59	\$ 707,181.01	\$ 374,864.46	\$ 2,504,094.85				
Fees & Charges	\$ 52,217.05	\$ 197,078.83	\$ 64,892.25	\$ -	\$ 314,188.13				
Projects	\$ 30,993.83	\$ 26,746.30	\$ -	\$ -	\$ 57,740.13				
Grant Fund	-\$ 390,737.34	-\$ 96,290.34	\$ -	\$ -	-\$ 487,027.68				
SRV	\$ -	\$ 53,492.59	\$ 213,935.03	\$ -	\$ 267,427.62				
			TOTAL	\$ 3,676,361.52					

Figure 8: QPRC workforce plan data

RESOURCING STRATEGY

Since the 2016 merger, 28 positions have either been abolished or not continued after their fixed term date. These positions have delivered savings of \$2.293 million over the past four years, with ongoing annual savings directed to the repayment of principal and interest on the loan funding for the new Queanbeyan Civic and Cultural Precinct (QCCP).

Council's Long Term Financial Plan still shows significant budget issues that will need to be addressed by the new Council. Following the merger, Council generally adjusted its service standard to the higher of the two former councils, meaning that some service areas have grown beyond their means. The new Council will be required to conduct a number of service reviews and consider the level of service it provides to the community.

The key pillars around which the strategic responses or actions are based:

- Strategic Focus 1 A contemporary, future-focused workforce
- Strategic Focus 2 Managing our ageing workforce
- Strategic Focus 3 Improving productivity
- Strategic Focus 4 Providing a safe, inclusive and accessible workplace
- Strategic Focus 5 Instilling a high learning, innovative environment
- Strategic Focus 6 Shaping a positive client-focused, tech savvy culture
- Strategic Focus 7 Being an employer of choice



RESOURCING STRATEGY

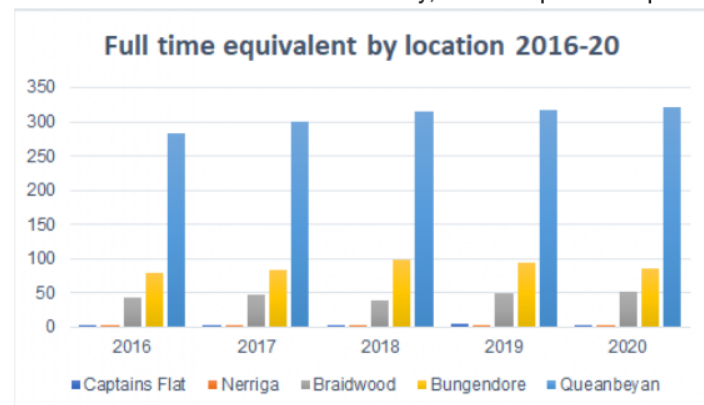
About our organisation

Workforce analysis

QPRC is a mid-sized regional Council and allocated to Group 4 within the Office of Local Government's grouping system. As at 31 October 2021, Council employed 468 full time equivalent staff members. In addition, 135 casual employees are engaged by Council - many of these for seasonal work at Council's Aquatic Centre and regional pools. In total, Council employs 536 staff. At the time of the merger, staff were employed under the Queanbeyan or Palerang salary structures. Following the merger, the QPRC salary structure was implemented, with staff able to opt into the new structure or remain on the former Queanbeyan or Palerang structure, with no staff to be worse off under the change. A number of positions were reevaluated at a lower grade, however staff currently occupying those positions will remain at the grade at the time of the merger. All new positions are created under the QPRC salary system. As of May 2022, 440 staff were on the QPRC salary system, seven on the former Palerang system and 86 on the former Queanbeyan system.

Following the merger in 2016, Council is required to comply with section 218CA of the *Local Government Act* which protects employee numbers in rural centres with a population of less than 5,000 where reasonably practicable. For QPRC, this impacts staff numbers at Bungendore, Braidwood, Captains Flat and Nerriga. Council has maintained numbers at these rural centres at or above 123 staff.

Council's focus on employing trainee, cadets and apprentices is highlighted by the increasing age of our employees. More than 120 of our permanent employees are aged over 56 and within the age range where retirement is at the forefront of mind. Over the next few years, several roles will be replaced with trainees/cadets/apprentices – ideally at 2:1 – as the costs of employment are broadly equivalent to the vacated incumbent in the former role. Ultimately, it is anticipated the productivity of two trainees should exceed that of the former role within 2-3 years.

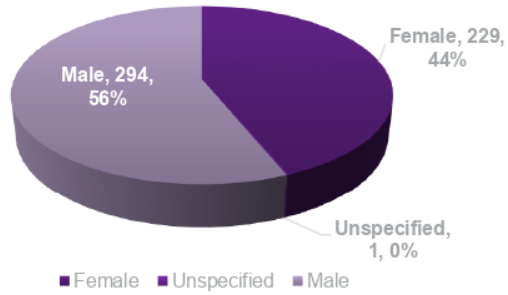


	Position FTE				
	2017-18	2018-19	2019-20	2020-21	2021-22
Queanbeyan	300.28	313.92	317.92	321.9	324.89
Bungendore	83.94	98.94	94.1	87.78	89.98
Braidwood	50.41	42.78	53.63	53.28	53.88
Total (without Casual)	434.63	455.64	464.93	462.96	468.75

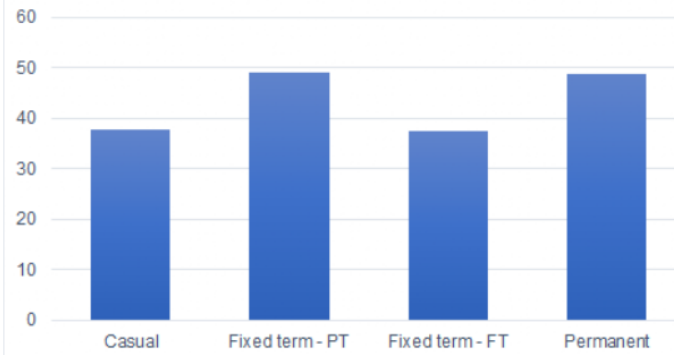
Table 1: QPRC position FTE

RESOURCING STRATEGY

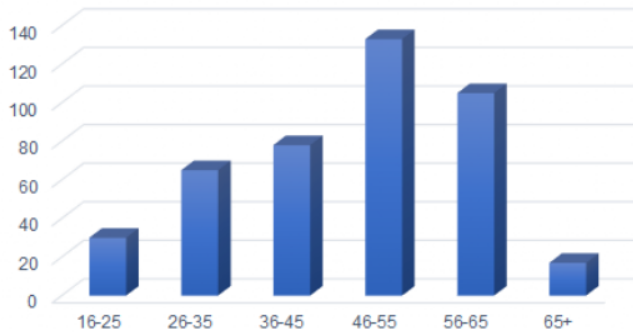
Workplace by gender, including casuals



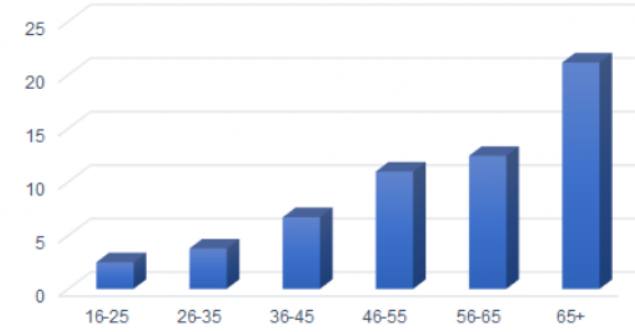
Average age by employment type



Generational spread



Length of service by age group



RESOURCING STRATEGY

Action plan

Council's Workforce Strategy will focus on the following strategic focus areas:

- Strategic Focus 1 A contemporary, future-focused workforce
- Strategic Focus 2 Managing our ageing workforce
- Strategic Focus 3 Improving productivity
- Strategic Focus 4 Providing a safe, inclusive and accessible workplace
- Strategic Focus 5 Instilling a high learning, innovative environment
- Strategic Focus 6 Shaping a positive client-focused, tech savvy culture
- Strategic Focus 7 Being an employer of choice

Table 2: QPRC Workforce Management Strategy actions

Action	Timeframe	Responsible branch
Strategic Focus 1 - A contemporary, future-focused workforce		
Workplace Innovation Group action plan	Y1-4	Workplace and Governance
Leverage existing and new IT solutions to increase productivity	Y1-4	Digital
Input into design and layout of new offices in Queanbeyan and Bungendore to create activity-based working spaces	Y1-2	Workplace and Governance
Implement change management strategies to assist staff with move into new offices	Y1-2	Workplace and Governance
Implement Transformational Organisational Structure	Y1-2	CEO
Review recruitment approach for hard to fill positions	Y1-2	Workplace and Governance
Fully automate recruitment process to remove paper-based forms.	Y1	Workplace and Governance
Review Home Based Work Directive and approval process following impacts of COVID-19	Y1	Workplace and Governance
Ongoing review and refinement of Workplace-related directives, with focus on creating a future-focused workforce	Y1-4	Workplace and Governance
Liaise with CRJO councils to address employment-related issues	Y1-4	Workplace and Governance
Consider job share program with other councils/ACT Government	Y1-4	Workplace and Governance
Implement endorsed workforce plans, within financial capacity, to ensure resources levels keep pace with population growth	Y1-4	Executive
Strategic Focus 2 - Managing our ageing working		
Promote Transition to Retirement Directive and options under Clause 23 of Local Government Award	Y1-4	Workplace and Governance
Identify positions that are at risk of retirement and knowledge departure	Y1-4	Workplace and Governance
Educate staff in retirement bracket on importance of transition	Y1-4	Workplace and Governance
Trainees, cadets and apprentices make up 10% of workforce	Y1-4	Workplace and Governance
Investigate mentor program – either internal or as part of CRJO	Y1-2	Workplace and Governance
Increase usage of Promapp in organisation	Y1-4	Organisation Capability

RESOURCING STRATEGY

Action	Timeframe	Responsible branch
Enhance QPRC's development approach by considering QPRC scholarship/graduate program	Y1	Workplace and Governance
Partner with universities to develop pathway strategies for hard to fill positions	Y1-4	Workplace and Governance
Strategic Focus 3 - Improving productivity		
Monitor staff absences and highlight trends to Executive and Service Managers	Y1-4	Workplace and Governance
Increase percentage of staff with workplans in CiAnywhere	Y1-4	Workplace and Governance
Review the use of overtime across the organisation to achieve a balance between productivity and staff safety	Y1-2	Workplace and Governance
Strategic Focus 4 - Providing a safe, inclusive and accessible workplace		
Maintain HSEQ accreditation	Y1-4	Workplace and Governance
Launch safety module within CiAnywhere	Y1-2	Workplace and Governance
Monitor and review health and wellbeing programs and activities	Y1-4	Workplace and Governance
Support Council's Diversity and Inclusion Group	Y1-4	Workplace and Governance
Maintain Employee health initiatives such as Safety Day, wellbeing program and healthy lifestyle programs	Y1-4	Workplace and Governance
Strategic Focus 5 - Instilling a high learning innovative environment		
Development of annual Training Plan for organisation	Y1-4	Workplace and Governance
Trainees, cadets and apprentices make up 10% of workforce	Y1-4	Workplace and Governance
Sponsor trainee, cadet and apprenticeship awards	Y1-4	Workplace and Governance
Provision of study assistance in line with adopted Directive	Y1-4	Workplace and Governance
Build upon library of online learning resources	Y1-4	Workplace and Governance
Embed learnings from Colloquium program	Y1-2	Workplace and Governance
Review and implement Sustainable Leadership at QPRC program	Y1-2	Workplace and Governance
Identify future leaders and provide with tools and learning to prepare them for career progression	Y1-4	Workplace and Governance
Provide opportunities for future leaders to participate in Local Government Professionals Management Challenges	Y1-4	Workplace and Governance
Invest in Team Leaders and emerging leaders	Y1-4	Workplace and Governance
Strategic Focus 6 - Shaping a positive client-focused tech savvy culture		
Workplace Innovation Group action plan	Y1-4	Workplace and Governance
Publish service review schedule in Operational Plan	Y1	Workplace and Governance
Service owners commit to implementing service review findings	Y1-4	Leadership group
Consider the 'customer' when developing Workplace processes and Directives	Y1-4	Workplace and Governance
Strategic Focus 7 - Being an employer of choice		
Review Equal Employment Opportunities Plan and Policy	Y1	Workplace and Governance
Ongoing implementation and promotion of QPRC values	Y1-4	Organisation wide
Recognise the efforts and achievements of our staff through formal and informal reward and recognition	Y1-4	Leadership group
Develop a social media strategy to support employer of choice aspirations	Y1-2	Workplace and Governance
Progress Team Leader improvement program following 2021 culture survey results	Y1-2	Workplace and Governance
Remeasure organisational culture in 2024	Y2/4	Workplace and Governance
Implement action plans to address causal factors and outcomes that are affecting culture	Y2/4	Leadership group

RESOURCING STRATEGY

Action	Timeframe	Responsible branch
Participate in CRJO employment initiatives	Y1-4	Workplace and Governance
Review volunteering program and processes to enable and encourage volunteering in suitable areas	Y1	Workplace and Governance and Recreation and Culture
Participate in Local Government Week and other events to promote the value of Council to the community	Y1-4	Workplace and Governance
Develop strategies to encourage and promote flexible work and work/life balance	Y1-4	Workplace and Governance

RESOURCING STRATEGY

Asset Management Strategy

Council's Asset Management Strategy² has been prepared to assist Council in improving the way it delivers services through infrastructure. Council's infrastructure assets have a replacement value of \$2.1 billion as at 30 June 2021. The purpose of the Strategy is to enable Council to show:

- How its asset portfolio will meet the community's service delivery needs
- That its asset management policies are being achieved, and
- That existing asset management practices integrate with the ambitions of the Community Strategic Plan.

Council's Assets

Table 3: Infrastructure, Property, Plant and Equipment

Aggregated asset class	Replacement Cost 30 June 2021 (\$'000)
Capital work in progress	\$49,989
Equipment, furniture and fittings	\$28,656
Land	\$165,702
Land improvements	\$1,106
Buildings and other structures	\$142,995
Roads, bridges, footpaths	\$555,831
Other road assets (including bulk earthworks)	\$500,407
Stormwater drainage	\$149,305
Water Supply Schemes	\$165,832
Sewerage Schemes	\$273,450
Open Space / Recreation assets	\$48,523
Other Assets	\$664
Tip Assets	\$8,984
Total	\$2,091,444

² Asset Management Strategy, QPRC, <https://www.qprc.nsw.gov.au/Resources-Documents/Strategies-and-Plans>

RESOURCING STRATEGY

Principles

In developing the Asset Management Strategy, QPRC is guided by five service delivery principles

- (a) **Financially Sustainable** – through Long Term Financial Planning, Council will ensure that infrastructure is provided to the community at an appropriate service level that achieves best value for the current and future rate dollar.
- (b) **Environmentally Sustainable** – when designing new assets or replacing old infrastructure there will be a focus on water and energy efficiency, waste minimisation, reducing greenhouse gas emissions and mitigating the impacts of climate change.
- (c) **Safe, Healthy and Accessible** – the infrastructure provided by Council will be provided and maintained to allow all members of our community the opportunity to enjoy a quality life; being unrestricted and delivering opportunity for those in need.
- (d) **Prosperous** – The lifecycle management of new and current infrastructure will assist delivering a successful and thriving City that connects business to opportunity and attracts new businesses for a strong economy and more local jobs. This will support people and communities to grow and flourish.
- (e) **Resilient** – The infrastructure provided by Council will be provided and maintained to enable the community to access essential services and thrive in the face of natural and man-made emergencies

The creation, operation and maintenance of assets is guided by several Australian standards, codes of practice, and industry recommendations (accepted industry practice). Consequently, effective delivery of services is contingent on assets that are consistent with accepted industry practice. The following issues have a direct bearing on the serviceability of Council's assets and the efficacy of its services:

- Managing the asset backlog
- Renewing and replacing ageing assets in accord with their lifecycle
- Aligning asset renewal expenditure to the rate of depreciation
- Applying generational equity principles to provision, renewal and upgrading of assets
- Differentiating asset operations or servicing from maintenance
- Recognising gifted assets from large greenfield developer controlled sub-division releases
- Effect of population growth on the patronage / utilisation of assets

RESOURCING STRATEGY

The Strategy outlines Council's ambitions in managing its assets under the key areas of:

Customer

- Maintain assets to a level that achieves broad community satisfaction (>3.25/5 ranking in biennial satisfaction surveys)
- Acceptable levels of service is supported by assets (as disclosed in service statements)

Growth

- Design and extend the capacity of assets and connectivity of transport and utility networks in line with population growth forecasts
- Leverage the presence and capacity of assets to stimulate business investment, visitor activity and economic returns
- Utilise planning instruments and agreements to optimise connectivity to networks and capacity of infrastructure and facilities delivered through new developments
- Extend or upgrade assets (such as seal/extend seal on roads) when:
 - Assets are designed and constructed to standard for planned loads
 - 50% funded by held contributions or conditioned by current DA, and
 - balance met by SRV or grant

Standards

- Apply international asset and risk standards to decision making and priority settings for management, maintenance, renewal and upgrade of assets
- Build organisation skill and technology capability from 'Basic' to 'Core' in terms of asset management maturity assessments
- Retain health, safety, environment and quality (HSEQ) standards to sustain contracts with government and private works
- Calibrate asset ratios (maintenance, renewal, backlog) in line with the Financial Strategy

Financial

- Align asset renewal spend to Asset Management Plans and establish a sinking fund / reserve equivalent to annual depreciation to fully fund the cost of asset renewal over the life of the asset.
- Apply generational equity principles to provision, renewal and upgrade of assets -generally raising debt, securing development contributions or procuring grants to renew, upgrade or expand assets and networks
- Appropriately assign dividends as ROI from utilities assets (QBN water, sewer, waste) to renewal and upgrade of other infrastructure and facilities in Queanbeyan
- Align asset ratio forecasts to financial capacity (expressed in LTFP)
- Rank decisions to extend, renew or replace assets on best value (in line with asset life cycle, cost of finance and organisation capability)

RESOURCING STRATEGY

- Resource cadet, apprentice and trainee staffing to augment asset management and operational capability, and mitigate loss of expertise through retirement and competition
- Establish pricing strategies for asset patronage and usage, including price setting for behaviour management (to align to Pricing Policy)
- Work with CRJO to introduce procurement strategies to obtain best value supply and service contracts

Risk

- Design and monitor performance of assets to adapt to expected risk associated with anticipated climatic changes, natural disasters and known changes in environmental standards
- Rank decisions on investment or disposal of assets on the risk posed to health, business or the environment

Priority Settings

- Guide upgrade and new infrastructure expenditure on priorities established with key strategies – such as Integrated Transport, Integrated Water Cycle Management, Local Strategic Planning Statement, Planning Agreements – designed to ensure ten years of forward planning and delivery for infrastructure networks and facilities is available
- Provide resources to enable infrastructure designs and estimates to be one year in advance of scheduled delivery, to enable take up of grant or developer sponsored infrastructure funding
- Renewal and investment in assets is financially and environmentally sustainable, and focussed on safety and prosperity for the LGA
- Consider the economic, social, environmental and financial impacts of investment or decline in assets - including expanding sealed road network and effects on maintenance and backlog; or design of new carparks on type, cost, pricing consequences and behaviour influences

RESOURCING STRATEGY

Long Term Financial Plan

Council's Long Term Financial Plan (LTFP)³ is a 10 year plan which is reviewed and updated annually, the first year of which guides the Operational Plan budget. It enables Council to better understand and plan its long term financial requirements. The Plan includes consideration of sustainability, service provision levels and the creation and upgrading and renewal of infrastructure.

The LTFP details the assumptions underpinning each financial scenario including asset renewal and maintenance and workforce structure projections as well as the financial outcomes over a 10 year period, which may include temporary deficit scenarios.

Financial Sustainability

In 2017, following a financial sustainability review, QPRC adopted a Financial Strategy and Policy and began implementing financial improvements, with a focus on investment in asset renewal, reducing asset maintenance costs, controlling the organisational structure and implementing workforce structural savings over time, increasing rates and fees, capturing merger efficiency savings and cutting costs of non-core services.

The adopted Financial Strategy also considered the expansion of Council's asset base to provide additional community infrastructure to cope with the service demands of the growing population. Council has so-far invested \$486M in a program of compressed capital works over five years, comprising asset renewal and asset expansion, and funded through capital grants and new loans.

Whilst Council has made significant progress toward implementing the Financial Strategy over time, it has not yet fully implemented the revenue and rates increases or cost-cutting that was to have been identified through service reviews. There has also been additional investment in expanded service provision and other rising costs that have countered the financial improvements, and these have been largely driven by:

- the equalisation of service levels across the LGA – leading to funding higher service levels and driving continually increasing community expectations.
- population growth (at 1.9% pa).
- capital grants for new assets (\$284M over 5 years).
- developers contributions and gifted assets (\$96M over 5 years).

Natural disasters have significantly interrupted Council's normal operations, diverted resources and triggered one-off costs where asset restoration is not fully funded by the Government's Natural Disaster Funding Arrangements. Council incurred \$65M loss / damage to community infrastructure that is being rebuilt over 3 years. Recovery operations will continue to change the focus of Council's services to affected communities – and these changes have been funded through several stages of Government Funding.

³ Long Term Financial Plan, QPRC, <https://www.qprc.nsw.gov.au/Resources-Documents/Strategies-and-Plans>

RESOURCING STRATEGY

The pandemic also required an additional significant operational and planning response from Council that was largely resourced internally with staff time. The financial impact of the pandemic was mostly felt by businesses and individuals in the community, and Council reduced and waived fees and charges for the use of facilities. This has had an ongoing impact with lost fee income in 2021 estimated to be \$1.6M; and which has not yet returned to pre-pandemic levels.

Council is proposing to address its financial sustainability via the LTFP, resolving to adopt a series of additional financial strategies that have been modelled in this plan. Application for a Special Rate Variation is one of a number of actions Council has included in its improvement plan in order to improve overall performance and better manage community infrastructure.

Scenarios included in the Long Term Financial Plan include an additional mix of savings measures and rates increases that range from 9.3% per annum x 3 years (scenario 2) to 14% x 3 years (scenario 3). The value realised through operational savings, and reduction in service levels to affordable levels within levels that ratepayers are willing to fund will reduce the extent of any special rate variation.

Productivity improvements

A Special Rate Variation is only one of a number of initiatives Council has considered in order to improve its overall financial performance and better manage and maintain essential infrastructure. Council is taking action to develop a positive culture of efficiency and productivity as well as facilitating productivity gains across the organisation. These gains may lead to financial savings and non-financial savings, including improvements in Council's service delivery.

The key actions of the Council's Improvement Plan are:

- \$2.2M merger efficiency savings were planned through reduction of duplicated activities and have been tracked and reported since the merger. The annual ongoing savings have been directed to the repayment of principal and interest on the loan funding for the Queanbeyan Civic and Cultural Precinct (QCCP).
- Additional savings targets have been included into scenarios 2 and 3, with an organisational service review to be undertaken to prioritise Council's activities so that future services are provided within available resources.
- Additional revenue targets have been included in scenarios 2 and 3 for fee increases through a service pricing review.
- Reinvest revenue from growth into service expansion to provide for the expanding population and new areas of development.
- Exploit commercial opportunities including:
 - Roads contracts (state / regional)
 - Water and sewer business dividends
 - Sell and lease surplus assets
- Use of pooled development contributions to fund the capital works program of community infrastructure
- Review developer contributions plans to increase developer contributions for asset expansion requirements for the growing population
- Rationalise non-core services and invest in services with low community satisfaction
- Review the asset strategy and reconsider affordable levels of service to be provided over the expanded asset base

RESOURCING STRATEGY

- Continue to advocate for the transfer of regional road assets to State Government, and reduce associated depreciation, maintenance and renewal expense
- Continue to advocate for the removal of the Emergency Services Levy that is used to fund State Government Emergency Services
- Use Natural Disaster and other Grant funding to build back assets that can withstand future natural disasters under the 'build back better' infrastructure plan.
- Prioritise grant funding on infrastructure renewal requirements instead of building new assets that will require ongoing future increased operational expense
- Establish a program of service reviews to identify better value solutions including better service delivery and financial savings.

Other productivity improvements and cost containment strategies Council has implemented over the past several years include:

- All employee vacancies are reviewed and where appropriate may be replaced with cadets, trainees or apprentices on a 2:1 basis as part of Council's strategy to increase productivity and increase the pool of skilled workers.
- Council procedures are mapped and reviewed and digital workflows are systematically put in place to streamline performance.
- Workforce strategies to improve health and wellbeing of the workforce and reduce unplanned absences
- Flexible working conditions including flexible hours of work and working from home to attract and retain productive employees.
- Valuing the use of volunteers for the management of community facilities.
- Replacement of Queanbeyan streetlights with LED bulbs to reduce streetlighting costs and energy consumption
- Joint regional procurement with the Canberra Region Joint Organisation and other regional networks to share overheads, attract better pricing and reduce overall costs.

RESOURCING STRATEGY

ICT Strategy

Like any organisation, QPRC needs to respond to changes in its external environment now and into the future. Technological advances will continue to support the increasing shift to digital service delivery and automation, and more sophisticated, better integrated systems. The rapid uptake of digital services and innovative technologies is also driving increased user expectations as the community demands a better customer experience, commonly characterised by digital/online services.

The most important aspect of the ICT Strategic Plan is the need to provide ICT products and services as effectively and efficiently as possible to maintain QPRC's role in supporting the community, development needs, local economy, infrastructure, and natural environment

Council's ICT Strategic Plan⁴ will guide the investment and actions to design, develop and deliver services, automate existing services, and to more effectively interact and transact with customers.

Four key strategies underpin the plan:

- **Optimised Organisation:** Develop an ICT Workforce Management Plan, champion meaningful change, and implement modern ICT service management and business-oriented ICT security to enhance efficiency, effectiveness, and optimal utilisation of ICT systems and services.
- **Digitally Enabled Workforce:** Enhance digital dexterity, optimise the Enterprise Resource Planning (ERP) system, improve remote working, and drive a unified approach to ICT architecture to enable more effective use of ICT, and greater collaboration and knowledge sharing across the organisation.
- **Citizen-centric Services:** Digitally enabled services, Smart City initiatives, user-centric design, co-design with citizens, and regular feedback and insights, all contribute towards understanding and translating the community's needs into targeted, effective service delivery. QPRC aims to align and integrate ICT and customer strategy through the lens of people, process, and technology.
- **Open and Connected:** Build and leverage external partnerships, utilise business intelligence to extract value from data, and implement a considered benefits management approach to ICT, to enable the optimal use of QPRC's resources to realise organisational goals.

The ICT Strategic Plan reaffirms the Council's citizen-centric vision to *Transact through Digital, Interact through People* and its commitment to facing the challenges of a rapidly changing world through community engagement, responsiveness to change, and innovative, community-focused technology solutions that address citizens' needs in the 21st century.

⁴ ICT Strategic Plan, QPRC, <https://www.qprc.nsw.gov.au/Resources-Documents/Strategies-and-Plans>

RESOURCING STRATEGY

Risk Management Strategy

Enterprise Risk Management (ERM) recognises that risk management is not a stand-alone practice. It needs to be integrated into strategy setting and operational practices, influencing how policies and procedures are developed and budgets are managed. Creating an ERM framework enhances performance and creates and protects organisational value for stakeholders.

In an operating environment that is filled with uncertainty, demand for council services continues to grow. This growth needs to be managed within the resources available, making it more important to ensure that decisions are optimised through sound risk management practices.

To achieve this, Council's Risk Management Strategy focuses on three key strategic themes:

Culture

Develop an organisational culture that obtains value from understanding risks (threats and opportunities) and the context in which these risks arise to make more informed decisions.

Governance

Strengthen roles and responsibilities using the three lines model⁵. Although governance is part of the ERM architecture, it appears as a separate item to highlight the need to strengthen the understanding of three lines model and the roles and responsibilities within this model.

This will also include a focus on the Office of Local Government (OLG) revised requirements resulting from the discussion paper on 'A New Risk Management and Internal Audit Framework' when finalised. Council's Audit Risk and Improvement Committee (ARIC) with independent members and chair, supported by independent internal and external auditors, provides assurance and oversight.

Architecture

To make improvements to the ERM architecture: framework, policy, directive, tools and methodologies. As above, this will include a focus on the Office of Local Government (OLG) revised requirements resulting from the discussion paper on 'A New Risk Management and Internal Audit Framework' when finalised.

⁵ Institute of Internal Auditors *Three Lines Model*. The model defines the underlying principles as to how key organisational roles work together to facilitate strong governance and risk management.

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ERM and QPRC Values

QPRC's values of integrity, innovation, respect and continuous improvement underpin risk-based decision-making.

- **Integrity** in ethical, transparent and professional decision-making.
- **Respect** by ensuring decision-making considers the impact on stakeholders, but also considers the diversity of our employees and community.
- **Innovation** in relation to embracing opportunities and finding the right risk reward balance.
- **Continuous Improvement** by leveraging a better understanding of risks to continual improve the business in addition the tools and methodologies used.

Setting the Context

Risks emerge from the uncertainty that comes from changes in the environment in which QPRC operates, both external and internal. These emerging risks present both challenges and opportunities.

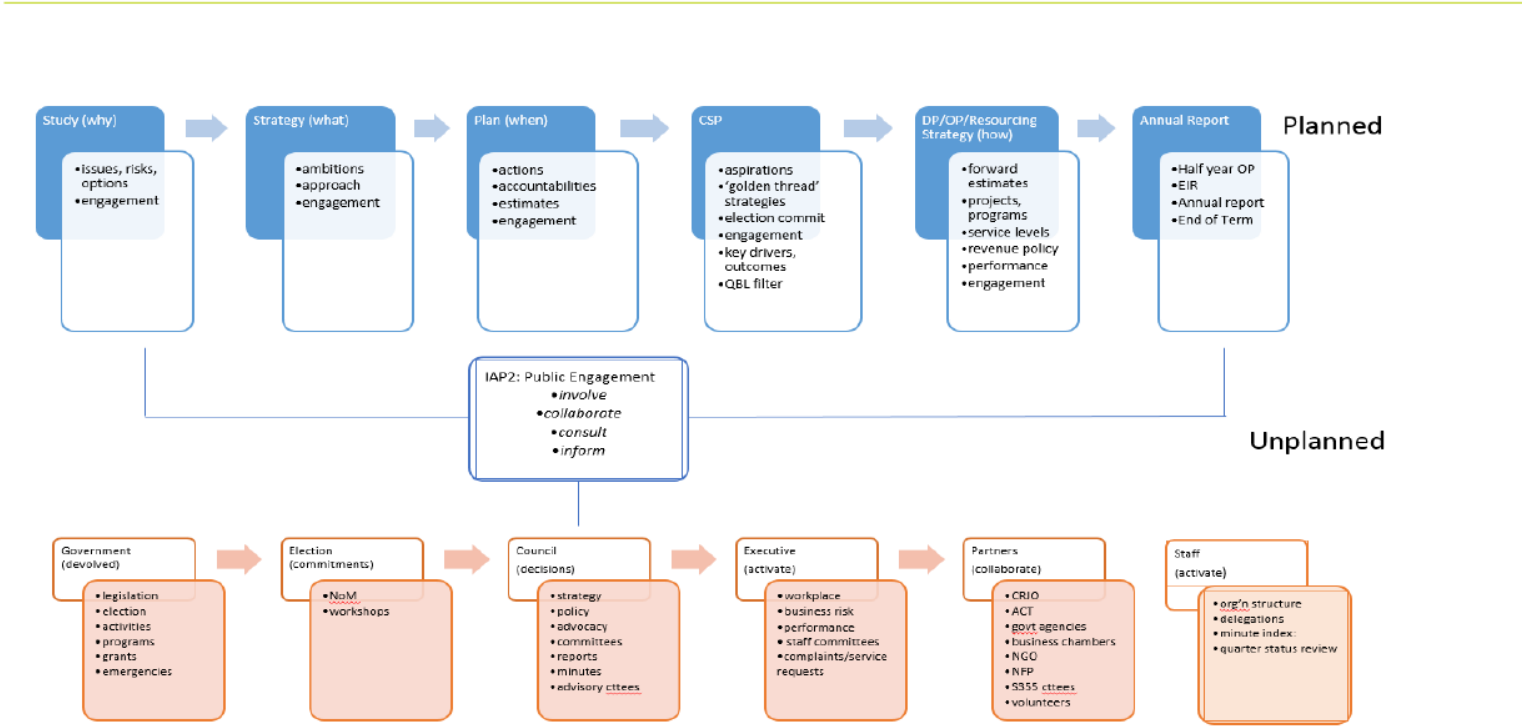
Changes to council's external environment present challenges in the form of ability to raise revenue, increasing demand for services, cost shifting by the NSW State Government and the impact of climatic changes. In addition to addressing internal challenges such as ageing asset infrastructure, and waste management. Sustaining resilience in the face of these challenges requires us to think outside the square and to explore opportunities.

Since its formation by amalgamation in 2016, QPRC has been on a journey to improve its risk management practices. This has included:

- Assurance mapping
- Progression and implementation of an ERM framework
- Strengthening of the internal audit function with greater focus on areas of risk
- Expanding the role of QPRC's Audit, Risk and Improvement Committee (ARIC) and reviewing the annual work plan

A decision making framework has been developed to illustrate the basis and flow of planned and unplanned decisions:

RESOURCING STRATEGY



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QPRC's risk maturity potential has not been fully realised. As an organisation, QPRC recognises the value in robust decision-making, and therefore the need to continue to grow and develop its risk management capability across the organisation to better meet future challenges and embrace opportunities. To achieve this, it needs to focus on improving its risk maturity and strengthen its ERM architecture.

Drivers for managing risk:

Legislation:

In 2016, the NSW Government made it a requirement under the Local Government Act 1992 for each council to have an ARIC. Councils are also required to proactively manage any risks under the new guiding principles of the Act.

Insurance

Under the *Local Government Act*, Council is required to maintain an adequate level of insurance.

Performance

To increase organisational value and enhance performance through improved risk management practices.

Stakeholder expectations

To address increasing stakeholder expectations in relation to compliance with legislation, health and safety of employees and the community as well as public accountability.

Customer-centric focus

Strong focus on delivering services that are customer focused through risk-based decision-making.

Strategic Statements and Approach

Vision

An organisation that confidently engages with uncertainty, enabling it to be resilient and efficient in its continued support of its diverse community.

Mission

Enabling a risk culture that realises opportunities and manages exposures through informed decision-making in pursuing organisational objectives and enhancing performance.

RESOURCING STRATEGY

Objectives

A system for managing risks that delivers organisational value through increasing risk management maturity, and gaining better integration, by focusing on three key areas.

Table 4: Risk Management Objectives

Theme	Objective Statement	Measures	Owner (Portfolio)
Culture	To increase the risk maturity across the organisation	Maturity assessment / survey Education and training – online module launched Portfolio Risk Supporters (PRS) program launched	Organisation Capability
Governance	To enhance risk governance through a stronger focus on the three lines model	Adoption of the three lines model. As reflected in QPRC Risk Policy and Directives and other policies where relevant. Also reflected in the design of procedures. Education and training on the model	Organisation Capability
Architecture	To improve and align the framework to OLG requirements when published	Renewed Directive, tools and methodologies.	Organisation Capability

Principles:

Achieving the stated objectives across these three categories themes is based on the following principles:

- Ensuring the active management of uncertainty by taking an ‘always on’ approach by integrating the management of risks into the decision-making process.
- That risks and resulting consequences are considered in the context of the organisation’s changing external and internal environment.
- Minimising the exposure to strategic and external risks.
- Controlling preventable operational, project, reporting and compliance risks through a system of internal controls.

RESOURCING STRATEGY

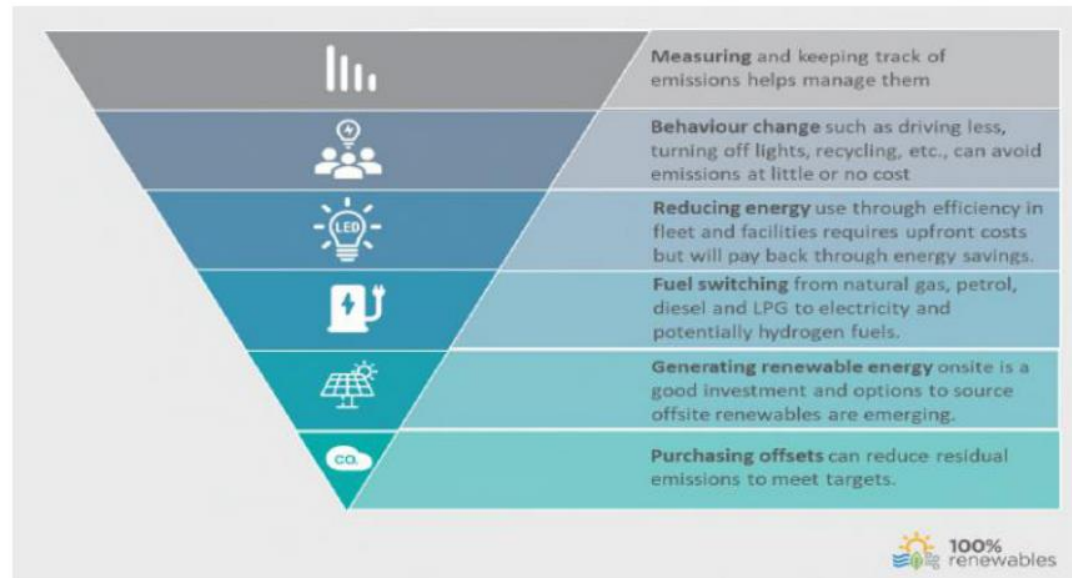
QPRC Climate Change Action Plans

Council recognises that climate change is a serious and significant issue and is committed to reducing its carbon footprint and supporting the community. Both Council and the community have significant roles to play in ensuring that the Queanbeyan-Palerang region contributes to global efforts in addressing climate change. Two documents comprise Council's Climate Change Action Plans:

- QPRC Council Operations Climate Change Action Plan
- QPRC Community Climate Change Action Plan

Both Action Plans cover the period from 2020 to 2030.

The plans highlight pathways and opportunities for Council and to the community to make significant reductions in greenhouse gas emissions through a cost-effective program of actions. Furthermore, the plans focus upon measures to ensure climate change resilience and preparedness across the local government area. Actions developed and implemented within the plans are aligned with the emissions reduction hierarchy, as illustrated below.



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To develop the plans extensive community and staff consultation was undertaken to address key issues and identify potential actions and emissions reduction pathways. The 131 actions identified within the plans can be organised into the following nine categories:

- Leadership & Governance: *10 actions*
- Procurement: *2 actions*
- Energy (energy efficiency and renewable energy): *41 actions*
- Transport: *25 actions*
- Education: *4 actions*
- Adaptation: *33 actions*
- Natural and Urban Landscapes: *7 actions*
- Water: *4 actions*
- Waste: *5 actions*

Council acknowledges that climate change will have an impact on our operations and has developed the QPRC Council Operations Climate Change Action Plan. The Plan should be read alongside the Community Climate Change Action Plan.

QPRC has adopted the following emissions reduction targets for its internal operations (as established in the QPRC Operations Sustainability Policy) and the QPRC community. These targets are:

- Energy & Transport Emissions (Council Operations): 30% reduction in total greenhouse gas emissions by 2025 from 2012-13 baseline levels. This is in-line with the Moderate (45% reduction by 2030) Emissions Reduction Pathway stated in this document.
- Community Emissions: support the NSW Government in their goal to reduce the States (communities) emissions by 50% by 2030 (from 2005 levels) and net zero emissions by 2050.

Council is committed to develop annual public reports on its progress implementing the plans. In addition, Council will conduct a mid-term and final evaluation of the plans at the end of its term, to inform updated Climate Change Action Plans. These plans complement other strategies that Council has developed or is developing, which also act upon climate change in our region.