

ORDINARY MEETING	<b>8</b>
22 NOVEMBER 2023	

## **1-YEAR EXTENSION OF FIVE RESOURCE AND PERFORMANCE AGREEMENTS**

58/1/2 | #7299021

### **RECOMMENDATION:**

**That Council:**

- 1. Approves a 1-year extension (to 30 June 2025) of the Resource and Performance Agreements for the following organisations which are currently due to expire on 30 June 2024:**
  - **Babinda District Community Association Inc (Babinda Task Force);**
  - **Babinda Visitor Information Centre Inc**
  - **Citizens of the Great Barrier Reef Foundation Limited**
  - **Study Cairns Inc**
  - **Super Yacht Group - Great Barrier Reef Inc;**
- 2. Notes that this extension will be at the same annual funding level and on the same terms and conditions as contained in the current Resource and Performance Agreements for these organisations; and**
- 3. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to finalise any and all matters relating to the above.**

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### **INTERESTED PARTIES:**

This report relates to Council financial support for the following organisations:

- Babinda District Community Association Inc (trading as Babinda Taskforce)
- Babinda Visitor Information Centre Inc
- Citizens of the Great Barrier Reef Foundation Limited
- Study Cairns Inc
- Super Yacht Group – Great Barrier Reef Inc

*Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.*

### **EXECUTIVE SUMMARY:**

Cairns Regional Council leverages the expertise of external organisations to progress and deliver on strategic priorities, including those relating to Council's Economic Development Strategy 2022-2026. The Economic Development team administers nine agreements on behalf of Council, including seven Resource and Performance (R&P) Agreements, five of which are due to expire 30 June 2024.

With consideration to Local Government elections in March 2024, and the subsequent limited timeframe in which to present new proposals for funding agreements to the new Council before the current agreements expire, Council officers recommend extending these five R&P Agreements for 1 year to 30 June 2025 at the same annual funding level and on the same terms and conditions as contained in the current agreements.

### **BACKGROUND:**

Cairns Regional Council leverages the expertise of external organisations to progress and deliver on strategic priorities, including those relating to Council's Economic Development Strategy 2022-2026. The Economic Development team administers nine agreements on behalf of Council, including seven Resource and Performance (R&P) Agreements, five of which are due to expire on 30 June 2024. A summary of each agreement expiring on 30 June 2024 can be found in Table 1 below.

**Table 1 – Summary of R&P Agreements administered through Economic Development expiring 30 June 2024**

#	Organisation	Council Funding \$ (ex GST per annum)
1	Babinda District Community Association Inc (Babinda Task Force)	15,000
2	Babinda Visitor Information Centre Inc	12,000
3	Citizens of the Great Barrier Reef Foundation Limited	50,000
4	Study Cairns Inc	100,000
5	Super Yacht Group - Great Barrier Reef Inc	30,000

All acquittals and reporting obligations have been met by the above organisations to date. Based on the acquittals and ongoing interactions with the five organisations, Council officers are satisfied that all are achieving the outcomes and associated Key Performance Indicators (KPIs) set out in the respective R&P Agreements.

The proximity of expiry (30 June 2024) of the five R&P Agreements to the upcoming council elections (March 2024) provides limited opportunity for the new council to familiarise themselves with the organisations and consider whether funding should be extended, for what term and at what value. This report outlines a recommended course of action to address this situation.

### **COMMENT:**

The process for Council to consider any new funding agreements would ordinarily begin months in advance of the proposal being submitted to Council for decision. This process could include the organisations presenting directly to Councillors, or Council officers providing information through workshops, as a means for Councillors to become familiar enough with respective organisations, and their proposals, to be able to make an informed decision regarding Council funding. With consideration of Local Government elections in March, there is limited time to sufficiently brief the new Council post-election before the expiry of existing agreements.

Acknowledging the time pressures on the new Council before June 2024, Council officers recommend extending the five agreements (summarised in Table 1) for 1-year to allow the new Council greater opportunity to familiarise themselves before deciding on whether to enter into new agreements and on what basis/value.

The benefits of an extension of these agreements by 1-year include:

- More time for the new Council to familiarise themselves with the organisations and their funding arrangements before considering longer-term extension in parallel with other priorities;
- Opportunity for Council to hear from organisation representatives (if required) regarding longer term funding requests and for officers to consider and provide advice to Council on those requests;
- Short-term funding certainty to the organisations whilst longer term arrangements are considered; and
- Alignment of the expiry of the five agreements with other agreements, including Tourism Tropical North Queensland which expires 30 June 2025, will provide an opportunity for a wider portfolio of funding arrangements to be considered at the same time.

The 1-year extension recommended would be at the same funding level as outlined in Table 1 and reporting and performance obligations would remain consistent with the current agreements.

### **OPTIONS:**

#### **Option 1 (Recommended):**

That Council:

1. Approves a 1-year extension (to 30 June 2025) of the Resource and Performance Agreements for the following organisations which are currently due to expire on 30 June 2024:
  - Babinda District Community Association Inc (Babinda Task Force);
  - Babinda Visitor Information Centre Inc
  - Citizens of the Great Barrier Reef Foundation Limited
  - Study Cairns Inc
  - Super Yacht Group - Great Barrier Reef Inc;
2. Notes that this extension will be at the same annual funding level and on the same terms and conditions as contained in the current Resource and Performance Agreements for these organisations; and
3. Delegates authority to the Chief Executive Officer in accordance with the *Local Government Act 2009* to finalise any and all matters relating to the above.

#### **Option 2:**

That Council **does not** approve a 1-Year extension for all or some of the five Resource

and Performance Agreements which are due to expire 30 June 2024.

## **CONSIDERATIONS:**

### **Risk Management:**

Risks identified with the proposal are outlined below in Table 2.

**Table 2 – Summary of risks**

<b>Risk</b>	<b>Likelihood</b>	<b>Control Measure/Treatment</b>
Underperformance of KPIs in existing agreement	Low	Council officers continue to monitor performance with each party through each agreement's respective reporting structure. Each also has a track record of delivering on their obligations and successfully acquitting their funding. No performance concerns have been raised regarding any of the current agreements relating to this proposal.
Expectations of stakeholders of each agreement not met	Low	Council officers will communicate the rationale for the extension and continue to work with the respective parties regarding next steps leading up to 30 June 2025.

### **Council Finance and the Local Economy:**

If the recommendation in this report is successful, allowance will need to be made in the FY25 OPEX budget for continuation of funding for the five R&P Agreements in question at the same funding level as FY24.

Each of the five agreements support the delivery of relevant aspects of Council's Economic Development Strategy 2022-2026.

### **Corporate and Operational Plans:**

Council's support for the five respective organisations through each R&P Agreement aligns with the corporate focus for a robust economy contained in Council's Corporate Plan 2021-2026.

### **Policy:**

Council's support for the five organisations referred to in this report, who are assessed as Community Organisations, falls under the remit of the Resource and Performance Agreement section of Council's Community Grant Policy.

**CONSULTATION:**

Babinda District Community Association Inc

Babinda Visitor Information Centre Inc

Citizens of the Great Barrier Reef Foundation Limited

Study Cairns Inc

Super Yacht Group Great Barrier Reef Inc



Nick Masasso

Director - Economic Development and Advocacy