



Annual Performance Plans

CAIRNS REGIONAL COUNCIL BUSINESS UNITS

JULY 2023 TO JUNE 2024



CAIRNS WATER MISSION

To deliver quality and reliable water and wastewater that meet the needs of our community. In all undertakings, Cairns Water strives to achieve service provision to the Cairns community in a manner which maximises both Council and community ideals. This is achieved through economic, social, and environmental objectives being assessed in all stages of Cairns Water's operations from long term planning through to operational delivery.

CAIRNS WATER BUSINESS UNIT

Cairns Water – Commercial Business Unit

Water & wastewater services are conducted in a Commercial Business Unit of Cairns Regional Council known as Cairns Water. This Annual Performance Plan encompasses the requirements set out in the *Local Government Regulation 2012* for commercial business unit's, as well as the requirements for the Annual Report which is prepared in accordance with the Local Government Regulation 2012.

Delegations

Cairns Water has delegations in a variety of legislation. The Cairns Water & Cairns Resource Recovery Delegations Register contains the delegations for staff under the appropriate legislation.

Registers

The following registers are maintained by Council for Cairns Water:

- Cairns Infrastructure and Assets Directorate Business Risk Register;
- Drinking Water Quality Risk Register;
- Register of Delegations;
- Register of Benefits (including gifts);
- Water Agenda & Resolution Register;
- Asset Register;
- Drinking Water Quality Management Plan Risk Management Improvement Program;
- Environmental Risk Register;
- Cairns Infrastructure and Assets Directorate Legal Register; and
- Drinking Water Quality Critical Customer Register.

Cairns Water

1. UNIT OBJECTIVES

Cairns Regional Council's Utility Services Branch efficiently and effectively treats water to meet and exceed Australian Drinking Water Guidelines. Cairns Water delivers a quality and reliable water supply from major reservoirs to customer connections. Cairns Water also aims to:

- Provide reliable collection of wastewater from properties and ensure delivery in an environmentally sound manner to the wastewater treatment plants.
- Efficiently and effectively treat wastewater by recovering useable streams for recycled use.
- Limit discharge to waterways.

2. NATURE & EXTENT OF BUSINESS ACTIVITY

Cairns Water conduct works on:

- Water supply intakes;
- Water Treatment Plants;
- Reticulation mains;
- Reservoirs;
- Pumps;
- Residential connections;
- Wastewater stations;
- Collection mains; and
- Wastewater Treatment Plants.

All works are executed in line with Water Standard Operating Procedures, industry best practice & Cairns Regional Council's legislative requirements.

3. NON-FINANCIAL TARGETS

Cairns Water is required under the *Water Supply (Safety and Reliability) Act 2008* to implement Customer Service Standards. It is a requirement of this legislation that the standards are formally reviewed every 5 years and submitted to the Regulator. The standards were last adopted by Council in September 2020 prior to submission to the Regulator.

4. MAJOR CAPITAL WORKS (proposed major investments)

Major capital works for Cairns Water are set out in Council's annual budgeted capital expenditure (capex) program which was adopted in June or July each year.

5. OUTSTANDING & PROPOSED BORROWINGS

Cairns Water has outstanding borrowings from Economic Development Queensland of \$1.125M.

6. PRINCIPAL ASSETS

Cairns Water operates ten water supply schemes. The main water sources are the Copperlode Falls Dam & Behana Creek which supply the area from Gordonvale to Palm Cove. The small southern communities draw water from several intakes on local streams.

Cairns Water manages six wastewater schemes. The distinct catchment areas within Cairns are serviced by six plants as follows: Marlin Coast, Northern, Southern, Edmonton, Gordonvale, & Babinda. The wastewater treatment plants are a combination of activated sludge & biological treatment processes, with the two larger plants (Northern and Southern) also having membrane filtration processes. The smaller plants treat effluent to a secondary standard, while the larger plants treat to tertiary standards. The management of the systems is covered by a development approval issued by the Department of Environment & Science. Principal assets include:

Water supply

MAJOR WATER SOURCES
Copperlode Falls Dam (Lake Morris) and Behana

MAJOR WATER TREATMENT PLANTS

Freshwater Creek and Tunnel Hill

~2252.39KM OF WATER MAINS

- 49 WATER PUMP STATIONS
- 68 WATER RESERVOIRS
- 14 INTAKES

WASTEWATER

- 6 MAJOR WASTEWATER TREATMENT PLANTS
- 182 SEWERAGE PUMP STATIONS

~1309.118KM OF SEWER MAINS

(INCLUDING GRAVITY SEWER MAINS, PRESSURE MAINS AND VACUUM MAINS)

7. KEY DELIVERABLES / ADDITIONAL SERVICES

Cairns Water is responsible for the provision of water and wastewater services to consumers throughout the Cairns Region, including the following:

- Reticulated treated water services.
- Planning, design, documentation and construction of water and wastewater services infrastructure.
- Demand management services, including meter testing.
- Water laboratory.
- Water, recycled water, and wastewater reticulation maintenance services.
- Maintenance of community facilities at Copperlode Falls Dam.
- Development assessment.
- Reticulated wastewater services including wastewater treatment and by-product disposal.
- Treated effluent and biosolids for re-use purposes.
- Plumbing and trade waste services.
- Review of plumbing applications.
- Hydraulic information.
- As-constructed information.
- Maintenance of systems.

8. SERVICE INDICATORS

Service indicators were implemented when the customer service standards were approved in September 2020.

QG KPI* Target	Performance Indicator	Performance measure	
QG 4.5	Total water main breaks (S)	Breaks per 100km / year	≤ 18
QG 4.6	Total sewerage main breaks & chokes (S)	Breaks & chokes per 100km / year	≤ 16
QG 4.7	Incidence of unplanned interruptions – water (S)	Water Interruptions Per 1000 properties	≤ 120
QG 4.8a	Average response time for water bursts	Hours	≤ 2
	Average response time for water leaks	Hours	≤ 24
QG 4.9a	Average response time for sewerage main breaks	Hours	≤ 2
	Average response time for sewerage main chokes	Hours	≤ 24
QG 4.10	Water Quality Complaints (S)	Per 1000 properties / year	≤ 3
QG 4.11	Total water & sewerage complaints (S)	Per 1000 properties / year	≤ 10

*Codes relate to Queensland State Government water KPI's & definitions outlined in the State-wide Information Management System (SWIM).

Cairns Water and the Community

1. COMMUNITY SERVICE OBLIGATIONS

- Rates Based Financial Assistance for Water and Sewerage rates.

Cairns Water also engages in the following activities for the benefit of the community:

- Maintenance of Copperlode Falls Dam recreation facilities;
- Water concessions for patients receiving home dialysis;
- Concealed Water Leakage Rebate program.
- Provision of communications relating to major projects and operations;
- Provision of water, wastewater and stormwater education and community engagement through a range of programs, events, and resources;
- STEAM (Science, Technology, Engineering, Art, and Maths) activities - Easy-to-manage projects all about water, to encourage critical thinking skills and scientific processes while having fun;
- Water Wonders - Engaging water education activities for children under 5 years old, for kindy programs, early learning centres and at home learning; and
- Mobi's Catchment Challenge - Fun online learning tools to encourage individuals and schools to access and understand live data from a gauging station located in Saltwater Creek.

2. COST OF, AND FUNDING FOR, THE COMMUNITY SERVICE OBLIGATIONS (CSO)

The CSO of Cairns Water are 100% funded by Council.

Activity	Description of the nature of the Community Service Obligation	Cost of CSO \$'000
WATER	Water Rates - Rates Based Financial Assistance	60
	TOTAL	60
WASTEWATER	Sewerage Rates - Rates Based Financial Assistance	998
	TOTAL	998
	TOTAL	1,058

Note: Figures included in the above table represent the 2023/24 budget which was adopted by Council on 19th June 2023.

Cairns Water Financials

1. NOTIONAL CAPITAL STRUCTURE, AND TREATMENT OF SURPLUSES

Cairns Water is a wholly owned commercial business unit of Cairns Regional Council. Cairns Water's notional capital structure is via 100% equity funding from Council. Any surplus earned by a business unit of Council is returned as a dividend to Council. This return is in recognition that business units have been established to further the good governance of the region. Funds earned by Council through dividends are utilised to provide enhanced services and infrastructure to the Cairns region.

2. CAPITAL WORKS – EXPENDITURE BY PROGRAM

Note that the details included in the table below reflect the budget which was adopted by Council on 19th June 2023.

CAPITAL EXPENDITURE (CAPEX) PROGRAM	2023/24 BUDGET \$'000
Wastewater Services	50,520
Water Services	32,041
TOTAL	82,561

3. FUNDING OF CAPITAL WORKS

For the 2023/24 financial year, the capital works program will be funded through a combination of developer contributions, Council contributions and Council borrowings.

4. PROPOSED MAJOR INVESTMENTS

Cairns Regional Council is developing the Cairns Water Security Stage 1 (CWSS1) project to deliver a new drinking water supply to the Cairns Community. The project involves building a new water intake at the Mulgrave River, Gordonvale. Water will be pumped from the river and treated at a new Water Treatment Plant at North Gordonvale. It is one of the largest capital works projects ever undertaken by Cairns Regional Council.

Key components of the project are:

- A new water intake on the Mulgrave River, Gordonvale;
- A new Water Treatment Plant and water reservoirs at north Gordonvale;
- A Network of pipelines to take raw water from the water intake to the water treatment plant, and treated water from the treatment plant to the Cairns residents; and
- Associated works to improve the treatment of the existing Behana Creek water supply.

5. FINANCIAL TARGETS

Note that the details included in the table below reflect the budget which was adopted by Council on 19th June 2023.

PERFORMANCE MEASURE- BUDGET TO ACTUAL	TARGET	FREQUENCY	Q1 \$'000	Q2 \$'000	Q3 \$'000	Q4 \$'000	2023/24 BUDGET \$'000
Operating Revenue	Budget	Quarterly	39,239	39,137	38,261	38,304	154,941
Operating Expenses	Budget	Quarterly	24,048	23,553	23,622	24,280	95,503
Net Operating Result	Budget	Quarterly	15,191	15,584	14,639	14,024	59,438
Capex	Budget	Quarterly	14,033	16,388	27,194	24,946	82,561

CAIRNS WATER REPORTS TO COUNCIL

Cairns Water reports to Council will contain both financial and non-financial information and such information will be reported to Council either at ordinary meetings or at relevant Council committees.



CAIRNS
RESOURCE
RECOVERY
MISSION

CAIRNS RESOURCE RECOVERY BUSINESS UNIT

To deliver quality and reliable waste services that meet the needs of our community. In all undertakings Cairns Resource Recovery strives to achieve service provision to the Cairns community in a manner which maximises both Council and community ideals. This is achieved through economic, social, and environmental objectives being assessed in all stages of Cairns Resource Recovery’s operations from long term planning through to operational delivery.

Cairns Resource Recovery – Commercial Business Unit

Waste and resource recovery services are conducted in a **Commercial Business Unit** of Cairns Regional Council known as **Cairns Resource Recovery**. This Annual Performance Plan encompasses the requirements set out in the *Local Government Regulation 2012* for **Commercial Business Units**, as well as the requirements for the preparation of the Annual Report.

Delegations

Cairns Resource Recovery has several delegations covering a variety of legislation. The Cairns Water and Cairns Resource Recovery Delegations Register contains the delegations for staff under the appropriate legislation.

Registers

The following registers are maintained by Council for **Cairns Resource Recovery**:

- Cairns Infrastructure and Assets Directorate Business Risk Register;
- Register of Delegations;
- Register of Benefits (including gifts);
- Resource Recovery Agenda and Resolution Register;
- Asset Register;
- Environmental Risk Register; and
- Cairns Infrastructure and Assets Directorate Legal Register.



Cairns Resource Recovery

1. UNIT OBJECTIVES

In February 2018 Cairns Regional Council adopted the Waste Reduction and Recycling Strategy 2018 – 2027 (the Waste Strategy). The Waste Strategy sets out how the waste & resource recovery needs of the Cairns region will be met over the next 10 years and provides a strategic direction for moving Cairns towards a future in which landfills are the last option. It puts a priority on reducing waste and minimising the amount sent to landfill. It emphasises the importance of community engagement and encourages avoidance of waste, maximising the recycling of materials that are left and supporting the move towards a circular approach. At the heart of the strategy is the need to change our perception of waste. We all need to start viewing waste as a potential resource and think about how we can use it more efficiently.

The five objectives focus on addressing the current resource recovery and waste management challenges and opportunities in the Cairns region, as follows:

- 1 Provide education and awareness:** empowering our community to embrace waste avoidance, reduction, and reuse.
- 2 Reduce waste:** where Council and community take responsibility for reducing their own waste & using resources effectively.
- 3 Maximise resource recovery:** to reduce landfill disposal through resource recovery opportunities.
- 4 Secure our future needs:** where our capacity and capability to manage future waste is secured.
- 5 Advocacy and collaboration:** to lead strategic alliances and partnerships to support best practices in waste management.

Changing waste and recycling legislation and regulation will shape the Cairns Resource Recovery business and operating strategies adopted by Council over the 2023/24 financial year, including:

- National Waste Policy Action Plan;
- National Plastics Plan;
- Queensland Energy from Waste Policy;
- Queensland Waste Disposal Levy;
- Queensland Organics Policy (in draft form only);
- Queensland Container Refund Scheme; and
- Federal Recycling & Waste Reduction Act 2020 (National Export Ban).

2. NATURE AND EXTENT OF BUSINESS ACTIVITY

Cairns Resource Recovery is responsible for the collection and recovery of solid waste and recyclables. Cairns Resource Recovery is a Significant Business Activity under the provisions of the *Local Government Regulation 2012*.

The Waste Strategy vision is:

“Innovative waste management providing economic, social, and environmental benefits for the tropical north Queensland region”:

The Cairns Resource Recovery operational business comprises of the following key business areas:

Waste and Recycling Collection

(under contract)

75,000

weekly waste collections with 50,000 tonnes of waste collected per year.

69,000

fortnightly recycling collections with 10,000 tonnes of recycling collected per year.

Regional Waste Management

(under contract and includes Mareeba and Douglas Shire Councils)

One Advanced Resource Recovery Facility (ARRF) with 67,000 tonnes of waste processed per year.

Transfer Stations

Five transfer stations with 45,000 tonnes of waste received per year.

Materials Recovery Facility (MRF)

One MRF with 13,000 tonnes of recycling processed per year.

Glass Processing Facility

One Glass Processing Facility with 10,000 tonnes of glass processed per year.

Buy Back Shop

One Buy Back Shop retail shop with 1,300 tonnes of material reused per year.

3. NON-FINANCIAL TARGETS

Cairns Resource Recovery have non-financial targets relating to resource recovery outlined in the Waste Strategy, as follows:

- Reduce Municipal Solid Waste (Domestic) waste generation per capita by 5% by 2027;
- Reduce Municipal Solid Waste (Domestic) waste to landfill by 15% by 2027;
- Increase the Municipal Solid Waste (Domestic) recovery rate to 70% by 2027; and
- Increase the Council generated waste recovery rate (to be established).

A full copy of the Waste Strategy is available on Council's website.

Under the *Waste Reduction & Recycling Act 2011*, Cairns Resource Recovery does not have a legislative requirement to supply levels of service that customers can expect. However, as a best practice & improvement strategy, several Cairns Resource Recovery levels of service have been incorporated into the Cairns Water & Cairns Resource Recovery Customer Service Standards. These standards are formally reviewed every five years and reported on annually. The standards were last adopted by Council in September 2020.

4. MAJOR CAPITAL WORKS

(proposed major investments)

Major capital works for Cairns Resource Recovery are set out in Council's annual budgeted capital expenditure (capex) program which was adopted in June or July each year.

5. OUTSTANDING & PROPOSED BORROWINGS

Cairns Resource Recovery has no outstanding or proposed borrowings.

Overall, for the Cairns local government area, approximately 105,000 tonnes per year is received with 68,000 tonnes diverted from landfill (65% diversion rate) & 37,000 tonnes landfilled.

6. PRINCIPAL ASSETS

Cairns Resource Recovery manages a range of solid waste operations, activities and services across the region including kerbside waste and recycling collection contracts, a regional waste management contract (through an Advanced Resource Recovery Facility), a material recovery facility, glass processing facility, transfer stations, drop bin sites & landfills. Principal assets include:



7. KEY DELIVERABLES / ADDITIONAL SERVICES

Cairns Resource Recovery is responsible primarily for the management of unicipal solid waste services (collection, recovery, & disposal) to the community, including the following:

- Provision of kerbside waste & recycling collections;
- Provision of the Transfer Station network;
- Operation of the Materials Recovery Facility;
- Contract management including regional ARRF facility;
- Management & monitoring of closed landfill sites; and
- Management of waste & recycling education campaign.

8. SERVICE INDICATORS

Performance indicators listed below were implemented when the customer service standards were approved in September 2020.

Effective collection of residential waste:

Performance Indicator	Performance Measure	Target
New Bin Delivery	Response time for new bin delivery	100% within 48 hours
Missed services - kerbside waste	Number of missed services per month	≤ 1 per 5000 services
Response time to missed services - kerbside waste	Response time for collection of missed kerbside waste services	95% within 24 hours
Missed services - kerbside recycling	Number of missed services per month	≤ 1 per 5000 services
Response time to missed services - kerbside recycling	Response time for collection of missed kerbside waste services	95% within 24 hours
Response time to repair/ replacement requests - kerbside waste & recycling	Response time to repair/replace requests for kerbside waste & recycling	95% within 48 hours

Cairns Resource Recovery & the Community



1. COMMUNITY SERVICE OBLIGATIONS

- Free green waste initiative conducted four times a year;
- Charity exemptions for waste disposal;
- Collection and disposal relating to community clean up events (such as the Great Northern Clean-up);
- Free hazardous waste disposal to prevent incorrect disposals;
- Recycling services free of charge to schools;
- In-kind Waste and Recycling Collections; and
- Donations of buy back shop items to charity.

Cairns Resource Recovery also engages in the following activities for the benefit of the community:

- Provision of communications relating to major projects and operations.
- Provision of schools & community waste education through the Rediscovery Centre at the Material Recovery Facility.
- Involvement and support of “National Recycling Week” held annually in November and other national and international recycling initiatives (for example International Composting Awareness Week).
- Support and involvement in Council Corporate events such as the Cairns Show & Ecofiesta.

2. COST OF, & FUNDING FOR, THE COMMUNITY SERVICE OBLIGATIONS (CSO)

The Community Service Obligations of Cairns Resource Recovery are 100% funded by Council.

Activity	Description of the nature of the Community Service Obligation	Cost of CSO \$'000
Waste Services	Free Green Waste conducted four times a year	646
	Charity exemptions for waste disposal	229
	Collection & disposal relating to community clean-up events	3
	Free hazardous waste disposal to prevent incorrect disposals	177
	Recycling services free of charge to schools	37
	In Kind Waste & Recycling Collections	7
	Donations of Buy Back shop items to charity	2
	Total	1,100

Note: Figures included in the above table represent the 2023/24 budget which was adopted by Council on 19th June 2023.

Cairns Resource Recovery Financials

1. NOTIONAL CAPITAL STRUCTURE, & TREATMENT OF SURPLUSES

Cairns Resource Recovery is a wholly owned commercial business unit of Council. Cairns Resource Recovery's notional capital structure is via 100% equity funding from Council. Any surplus earned by a business unit of Council is returned as a dividend to Council. This return is in recognition that business units have been established to further the good governance of the region. Funds earned by Council through dividends are utilised to provide enhanced services & infrastructure to the Cairns region.

2. CAPITAL WORKS – EXPENDITURE BY PROGRAM

Note that the details included in the table below reflect the budget which was adopted by Council on 19th June 2023.

CAPITAL EXPENDITURE (CAPEX) PROGRAM	2023/24 BUDGET \$'000
Waste Services	1,191
TOTAL	1,191

3. FUNDING OF CAPITAL WORKS

For the 2023/24 financial year the capital works program will be funded through a combination of Council contributions and Council borrowings.

4. FINANCIAL TARGETS

Note that the details included in the table below reflect the budget which was adopted by Council on 19th June 2023.

PERFORMANCE MEASURE- BUDGET TO ACTUAL	TARGET	FREQUENCY	Q1 \$'000	Q2 \$'000	Q3 \$'000	Q4 \$'000	2023/24 BUDGET \$'000
Operating Revenue	Budget	Quarterly	10,840	10,840	10,921	10,921	43,522
Operating Expenses	Budget	Quarterly	9,014	9,051	9,023	9,068	36,156
Net Operating Result	Budget	Quarterly	1,826	1,789	1,898	1,853	7,366
Capex	Budget	Quarterly	110	110	244	727	1,191

CAIRNS RESOURCE RECOVERY REPORTS TO COUNCIL

Cairns Resource Recovery's reports to Council will contain both financial & non-financial information and such information will be reported to Council either at ordinary meetings or at relevant Council committees.



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