

3.1. DAINTREE FERRY REVENUE GENERAL POLICY

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RECOMMENDATION

Council adopts the Daintree Ferry Revenue General Policy.

EXECUTIVE SUMMARY

The Daintree Ferry Revenue General Policy has been reviewed and amended, in light of the recent purchase of the Daintree River Ferry. It is presented for adoption.

BACKGROUND

The Daintree Revenue Ferry Revenue General Policy deals with management of the Daintree Ferry Reserve. Due to the purchase of the Ferry, the Policy and Reserve are due for review.

COMMENT

The internally constrained Daintree Ferry Reserve exists to allow accumulation of sufficient funds to cover future capital works expenditure and unforeseen events. The balance of the reserve has historically been capped at four million dollars. Council has recently entered into a contract to purchase the Daintree River Ferry. The full balance of the reserve will be used to fund this purchase.

Future Daintree Ferry operations surplus' will be used to replenish this reserve. It is proposed to cap the contribution from each annual surplus to five hundred thousand dollars.

PROPOSAL

That Council adopts the Daintree Ferry Revenue General Policy.

FINANCIAL/RESOURCE IMPLICATIONS

The capping of the contribution to the Daintree Ferry Reserve annually will ensure that there is not an unnecessary constraint on funds required for capital works projects.

RISK MANAGEMENT IMPLICATIONS

Council will now own the Daintree Ferry, which will significantly reduce the risk of loss of service by the Daintree Ferry for the community. The Ferry will be insured by Council.

SUSTAINABILITY IMPLICATIONS

Economic: Capping the contributions to the Ferry Reserve will ensure that funds are available for necessary Capital works projects.

Environmental: Nil

Social: Nil

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - *We will conduct Council business in an open and transparent manner with strong oversight and open reporting.*

Goal 3 - *We will make sound financial decisions by ensuring robust strategic planning, financial management and reporting.*

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Builder/Owner Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.

Custodian Council owns and manages infrastructure, facilities, reserves, resources and natural areas. In fulfilling its role as custodian, Council will be mindful of the community, the economy, the environment, and good governance.

CONSULTATION

Internal: Daintree Ferry Project Control Group, Asset Management Officer, CEO

External: Nil

COMMUNITY ENGAGEMENT

Nil

ATTACHMENTS

1. Daintree Ferry Revenue General Policy [RHYE] [3.1.1 - 2 pages]

13. DAINTREE FERRY RESERVE GENERAL POLICY

Intent

The intent of this policy is to establish clear and precise practice regarding the contribution and application of funds for the Daintree Ferry operations.

Scope

A portion of the revenue obtained from ferry operations will be used to fund operational costs and ongoing capital works associated with the provision of ferry services on the Daintree River.

Provisions

Objectives

The objectives of this policy are to:

- ensure that the income generated from ferry operations is sufficient to fund whole of life cycle costs to sustain the required level of service;
- establish an internally constrained reserve to allow accumulation of sufficient funds to cover future capital works expenditure and unforeseen events.

Costs of Providing the Ferry Service

Operational, maintenance, renewal and upgrade costs are incurred to provide and sustain a ferry service to the required level of service. These include but are not limited to:

- all commitments and obligations detailed in the Ferry Services Contract;
- capital works specifically relating to the functional operation of the Daintree River Ferry Service (e.g. traffic management, construction and maintenance of flood moorings);
- repairs, maintenance and capital works (renewals and upgrades) to the western precinct, ferry approaches and queuing areas, the ticket booths, signage and access ramps on both sides of the river;
- expenditure related to progress of initiatives detailed in the Daintree Gateway Master Plan;
- repairs, maintenance and upkeep to the Caretaker's residence;
- provision of public facilities immediately adjacent to and on both sides of the river; and
- annual dredging programs (including licences, disposal of spoil) to remove sand build ups, debris and other material which could prohibit the operation of the ferry.

Whilst operational costs are relatively constant over an annual cycle, maintenance, renewal, upgrade and capital costs will generally vary on a yearly basis.

Management of the Reserve

A portion of revenue derived from the Daintree Ferry operations that is surplus to annual operating expenditure shall be constrained for the purposes of funding whole of life costs required to sustain this

essential service. The maximum level of funds constrained in this reserve will be four million dollars. At the end of each financial year the required transfers, to and from, the reserve will be made. The contribution from each Daintree Ferry annual operating surplus will be capped at five hundred thousand dollars. Cash representing this reserve will be held in Council’s operating bank account or authorised investments.

Related Documents

- Ferry Services Contract
- Risk Assessment Report – Daintree Ferry Precinct - March 2017
- Daintree Gateway Master Plan
- Dredging Contract
- Reserves General Policy
- Council Fees and Charges

Policy Review

This policy is to be reviewed annual/whenever legislation changes, or every 4 years if no changes have been required to be enacted, at the direction of the Chief Executive Officer.

Policy Details

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| Policy Name | Daintree Ferry Reserve General Policy |
| Policy Number | 13 |
| Policy Version | 3 |
| Document Number | 814144 |
| Endorsed by | Chief Executive Officer |
| Policy Type | Council |
| Approval Authority | Council |
| Date Adopted | 8/6/2021 |
| Time Period | 4 Years |
| Review Date | 8/4/2025 |
| Policy Department | Infrastructure |
| Link to Corporate Plan | Fostering Sustainable Economic Growth |
| Revoked/Superseded | |

This policy is to remain in force until otherwise determined by Council.