



**Date:** Tuesday, 8 June 2021  
**Time:** 9.00am  
**Location:** Council Chambers  
Administration Office  
10 Furneaux Street, Cooktown

# **AGENDA AND BUSINESS PAPERS**

## **Late Reports**

## **Ordinary Council Meeting**

**8 June 2021**

**Linda Cardew**  
**Chief Executive Officer**

**Order Of Business**

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## 15 COMMUNITY, ECONOMY AND INNOVATION - REPORTS

### 15.3 NATURE'S POWERHOUSE - OPERATING ARRANGEMENTS

**File Number:** D21/13764  
**Author:** Director Community, Economy and Innovation  
**Authoriser:** Linda Cardew, Chief Executive Officer  
**Attachments:** Nil

#### PRECIS

Cook Shire Council assumed responsibility for operating the Nature's Powerhouse Visitor Information Centre, Gallery and Café at the Cooktown Botanic Gardens in January 2021 on an approved interim basis until 30 June 2021. This report seeks approval for a continuation of these operating arrangements for a further period of 24 months.

#### BACKGROUND/HISTORY

Nature's Powerhouse is located in the heritage-listed Cooktown Botanic Gardens (the second oldest botanic gardens in Queensland). The facility comprises a full-service café, gift shop, Visitor Information Centre, the Vera Scarth-Johnson Art Gallery and a flexible exhibition and events space. The iconic, architecturally designed building was opened in December 2000 and has become an important regional community and cultural facility. The facility currently trades 7-days a week. The Vera Scarth-Johnson Gallery houses a collected works of Vera's original botanical illustrations of Endeavour River flora, with the collection recognised for its national significance.

The facility has been operated under a variety of management and lease arrangements since it was opened in 2000. More recently, the Cooktown District Community Centre (CDCC) managed the facility under a Management Agreement which concluded on 31 December 2020. CDCC informed Council in the latter part of 2020 that it would not be seeking to renew its Agreement with Council.

Cook Shire Council subsequently resumed responsibility for operating the facility on an interim basis to 30 June 2021 with effect from January 2021. The Community Economy and Innovation Directorate has assumed responsibility for management oversight of the facility. Staff who were previously employed by CDCC have been transitioned to new contracts with Cook Shire Council under its current Enterprise Agreement. All staff have been appropriately inducted and trained.

The operations of Nature's Powerhouse are supported by a number of functional areas within Council, including Finance, Customer Service, Information & Communications Technology (ICT) and Human Resources.

The Visitor Information Centre is being well-utilised by visitors to the region. A volunteer recruitment drive was recently conducted and staff from the Community Economy and Innovation directorate are rostered to provide support during the peak service times between 10:00am and 2:00pm Monday to Friday.

The Charles Tanner exhibition and events space will host the Beauty Rich and Rare exhibition during the Cooktown & Cape York Expo in June 2021. Beauty Rich and Rare – most recently on display at the Smithsonian National Museum of Natural History in Washington DC – is an immersive sound

and light experience illuminating the natural beauty of Australia through the eyes of English botanist Sir Joseph Banks.

The Vera Scarth-Johnson Gallery continues to be well-managed by the Gallery Association. Council recently approved the formation of a Steering Committee to provide strategic oversight of the facility, with the Vera Scarth-Johnson Gallery Association having membership of the Committee.

### EXPRESSIONS OF INTEREST

Council issued EOI E4920 closing in January 2021, seeking expressions of interest from suitably qualified respondents for the management of the facility from 1 July 2021. Unfortunately, Council was unable to secure a respondent with a suitable business model for the facility and the ability to achieve Council's preferred outcomes. Council subsequently approved the management of the facility by Council officers on an interim basis to 30 June 2021.

The facility is generally performing in line with forecasts prepared by Council officers in December 2020. Income from the café operations is on track, as is the performance of the gift shop and Visitor Information Centre. There has been a variance in expenditure on the basis that staff are now employed under Council's Enterprise Agreement and the fact that – in light of the COVID-19 pandemic – local government traineeships are currently not available.

In view of the lack of a suitable respondent during the recent EOI process, the on-going pandemic environment, the forthcoming Expo and need to provide staff and customers with operating continuity, it is recommended that Cook Shire Council continue to operate the facility under existing arrangements for a further period of 24 months to 30 June 2023.

A new budget has been prepared as part of the 2021-22 Financial Year budgetary process, which is intended to meet Council's stated expectations. Fees and Charges have also been reviewed and a new fee introduced for the hire of the Charles Tanner exhibition and events space. Income from projected sales under a new liquor licence has also been factored in.

### LINK TO CORPORATE PLAN

*Key Strategic Priority: Community* – A sense of common purpose, whilst retaining local diversity, with the goals and aspirations of individual communities reflected in localised strategy and planning.

*Strategy 1:* Develop community specific strategy that reflects the goals and aspirations of individual communities.

*Objective 1b:* Establish and prioritise localised requirements, throughout the Shire for community facilities and services that include sports, library, child care and aged care.

*Strategy 4:* encourage vibrant and active community participation in arts, culture and natural heritage activities to enrich lifestyle and encourage tourism.

*Objective 4a:* Visitors and locals are attracted to arts, cultural and heritage destinations within the Shire.

**CONSULTATION**

There has been detailed consultation with staff in relevant functional areas, including procurement, legal, financial services, human resources, tourism and events, and facilities, as well as the Executive Leadership Team. All stakeholders are supportive of the recommendation for Council to continue to operate the facility for a period of 24 months.

**LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)**

The Local Government (Beneficial Enterprises and Business Activities) Regulation 2010, provides an express power to local governments to form, or take part in forming, an association. Nature's Powerhouse is assessed as a beneficial enterprise for the purposes of the Regulation, as it is directed to benefiting, and can reasonably be expected to benefit, the whole or part of the Cook Shire Council local government area.

**POLICY IMPLICATIONS**

Council's interest in the Nature's Powerhouse facility will be governed by the following policies:

- Advertising Expenditure Policy
- Code of Conduct Policy
- Community Engagement Policy
- Complaint Management Process Policy
- Confidential Information Policy
- Customer Service Policy
- Equal Employment Policy
- Fraud and Corruption Prevention Policy
- Internal Audit Policy
- Media Policy
- Risk Management Policy
- Social Media Policy
- Work Health and Safety Policy

**FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)**

A comprehensive Budget for Nature's Powerhouse has been prepared for the 2021-2022 Financial Year, which will be presented to a Special Budget Meeting of Council on 22 June 2021.

**RECOMMENDATION**

That:

1. Council approve the continued operation of the Nature's Powerhouse facility under existing arrangements for a further period of 24 months to 30 June 2023; and
2. Under S.257 of the *Local Government Act 2009* Council delegates authority to the Chief Executive Officer to negotiate such arrangements as may be necessary to ensure the continued successful operation of the Nature's Powerhouse facility.
3. Council extends a vote of thanks to Keith and Vicki Howick and the staff at Nature's Powerhouse for their assistance in an effective and seamless transition to Council management of the facility.

**15.4 INITIATION OF COOK SHIRE COUNCIL INNOVATION TASK FORCE AND INNOVATION AWARDS****File Number:** D21/13765**Author:** Director Community, Economy and Innovation**Authoriser:** Linda Cardew, Chief Executive Officer**Attachments:** 1 CSC Innovation Task Force Terms of Reference v1.2 [?](#)**PRECIS**

Under Cook Shire Council's Annual Operational Plan 2020 – 2021, Council is required to form an Innovation Task Force and to introduce Innovation Awards to drive innovation within the organisation. This report seeks approval for the formation of an Innovation Task Force and associated Terms of Reference, and the subsequent development of Innovation Awards by the Task Force.

**BACKGROUND/HISTORY**

The Community Economy and Innovation Directorate was formed by Council's Chief Executive Officer in 2018. The Directorate was formed in recognition of the reality that over the past decade, digitisation of business and society has compelled every organisation – large and small, private and public – to innovate at unprecedented speed. This digital revolution has resulted in a new and disruptive era of innovation. It has accelerated the pace of change significantly, resulting in the need for companies reinvent themselves to survive. Additionally, it has disrupted institutions and their cultures, altered entire markets and produced new business models.

To succeed in an era of rapid change, organisations must challenge traditional approaches, processes, and cultures to develop new outcomes. To be successful in an era of rapid change, organisations of all sizes transform their culture from within. An innovator can emerge from any group, function or location. Leading organisations are reinventing themselves by recapturing their original spark of entrepreneurial passion, speed, and agility. At the same time, they're cultivating an environment where employees truly feel empowered and able to pursue their passions and innovate.

**COOK SHIRE COUNCIL'S INNOVATION IMPERATIVE**

Council is no different from many organisations across the globe and it needs to develop a culture of innovation to survive and thrive into the future.

The Shire faces a number of challenges given its remote location and the demographic composition of its residents. A key challenge is the Shire has an ageing population, with an older population on average than Queensland. The median age is 41 years and 17.4% of the population is over 65 years of age. Whilst society benefits from the skills and knowledge of the older generation, the widening retirement savings gap, coupled with rising health care costs, will alter people's lifestyles, the services that are needed and the structure of the labour force. Council will need to respond creatively to manage these pressures to sustain it in the future. With the ageing population, there will be a shift in demand for health services and social care, creating new opportunities for active retirement and volunteering.

The Shire's business sector is challenged by the region's remoteness, workforce skill shortages and harsh weather patterns. In term of workforce skills, the percentage of people in the Shire who hold

a Bachelor's degree or higher, or an advanced diploma or higher, was less than for the State of Queensland in each of the census years between 2006 and 2016. Similarly, the percentage of people in the Shire who have completed Year 10, 11 or 12 or equivalent was less than regional Queensland in the 2016 Census.

Global forces are reshaping government, organisations and employment. The increasing volatility of the world could adversely impact the Shire, given its economy is relatively narrowly focused on a few key industries. Cook Shire will need to adapt to these changes and expand its economic base to build resiliency to mitigate the risks shaping economies around the globe.

The Socio-Economic Index for Areas (SEIFA) measures the relative level of socio-economic disadvantage based on a range of Census characteristics. This index contains disadvantage indicators such as unemployment, low incomes or education levels, lack of internet access, etc.

The Shire has a comparatively low Index of Disadvantage when measured for the whole Shire, with the rural areas of the Shire showing a considerably lower result. This means Cook Shire has statistically significantly higher levels of disadvantage when compared with Australia, the state of Queensland and regional Queensland.

The rise of countries in South East Asia as global powerhouses is creating a shift in wealth. Developing trade markets and a rapidly growing middle class in this region is seeing a transition from industrial-based manufacturing economies to advanced service economies that require education, tourism and healthcare. Cook Shire's proximity to South East Asia presents significant and as yet untapped opportunities.

Changes in earth systems are creating significant challenges for humanity, affecting the ecosystems we plan for and live in. Globally, greenhouse emissions are altering the climate to create less predictable local weather systems. Council will need to make smart decisions to deliver local responses, including addressing severe flooding events, rising sea/river levels and rising temperatures.

The land tenure of the Cape York Peninsula is extraordinarily complex, with around 90% of the Shire's lands designated for purposes other than freehold. The designation of large tracts of land as National Parks and Nature Reserves has had unintended consequences, which are slowing economic growth and development. Strong leadership, advocacy and innovation will be required to resolve these land tenure challenges to assure the Shire's future.

The Shire's remoteness from the rest of Queensland and Australia adds a layer of complexity and cost to its operations. The relatively small population base and, by extension, small rate base challenges the Shire's financial stability.

To respond to these challenges and take advantage of the opportunities, Council will need to focus on diversifying its own-source revenue base, reducing costs and pursuing an innovation agenda to secure its future over the next decade.

#### **ESTABLISHMENT OF THE COOK SHIRE COUNCIL INNOVATION TASK FORCE**

To assist in driving innovation for Cook Shire Council, it is recommended that Council approve the formation of a multi-disciplinary Innovation Task Force. The aims of the Task Force would be to:

1. Develop and deliver an Innovation Strategy for Cook Shire Council, aligned with the overall strategies and objectives of Council;
2. Assist in developing a culture of innovation and build capacity within the organisation. The Task Force would evaluate options for and make recommendations around the development of an

Incentive Program to embed a culture of innovation within the organisation by profiling, promoting and celebrating successes;

3. Explore the potential for deployment of digital technologies to fast track the process of business innovation and transformation;
4. Encourage the development of partnerships and collaborations both within and outside of the organisation;
5. Develop a set of impact measures of success;
6. Evaluate the potential to establish an innovation lab or studio in Cooktown, potentially securing private sector or venture capital investment in a public private partnership;
7. Identify key projects and initiatives in the area of innovation that reduce costs, increase own-source revenue or improve organisational efficiency, and which address the opportunities and challenges identified above.

### KEY SUCCESS FACTORS

In order to ensure the success of the innovation agenda within the organisation, a number of Key Success Factors have been identified:

1. The Task Force will need the full support of Council, the CEO and Executive Leadership Team (ELT). It is recognised that alignment between the Task Force and the leadership team is critical to the success of the Task Force;
2. A commitment to stakeholder engagement and involvement is also key to the Task Force's success. All stakeholders – both within and outside the organisation – must be deeply involved in the change process;
3. The Task Force will determine priorities in consultation with Council and ELT and will establish its own modus operandi to deliver outcomes against the Terms of Reference;
4. Resourcing of the Task Force in financial and human resources terms will be a priority during the annual budgeting process;
5. The Task Force recognises that innovation needs to embrace knowledge and success stories from across Australia and around the world. Creating and maintaining momentum will be a key focus;
6. Measurement, reporting and evaluation need to be cornerstones of the Task Force. Measurement will focus on impact metrics such as cost reduction/operational efficiencies, customer engagement and new own-source revenue streams;
7. Driving the innovation agenda for Council is a long-term strategy and a clear mandate of the Task Force is to embed a culture of innovation within the organisation. Employees will need to be empowered to innovate.

## MEMBERSHIP OF THE TASK FORCE

In order to ensure its success, membership of the Task Force needs to be diverse, with membership drawn from within and outside of the organisation. The recommended membership of the Task Force is as follows:

- A Councillor and Proxy (Chair)
- Chief Executive Officer
- Director Community Economy and Innovation
- One staff member from CEI, OBS and Infrastructure Directorates (nominated by ELT)
- Member from academia
- A Queensland start-up entrepreneur with a track-record of success
- Queensland's Chief Entrepreneur
- A private or philanthropic investor

Terms of Reference have been developed to guide the operations of the Task Force and are attached to this report.

## INNOVATION AWARDS

It is well recognised that competition has fuelled major successes in business. Many businesses use competitions, including Innovation Award programs, to drive innovation within their workforces. Examples include establishment of a catalyst fund by Thompson Reuters, a pool of money that staff could access to develop a proof of concept and a *Shark Tank*-style competition run by the US Department of Health and Human Services, where teams competed to pitch their ideas to senior staff.

Harvard Business Review has identified 4 key elements that lead to the successful development of innovation awards programs:

1. *Frame the awards around a specific need or problem to be solved.* This has been found to yield better results than open-ended challenges. This enables employees to visualise the requirements and work toward the specific goals.
2. *Breakup the awards process into manageable, implementable steps.* A step-by-step process will prevent employees from being overwhelmed. Providing immediate and actionable feedback is also important. This process also encourages them to learn and practice different skill sets along the way: pitching, analysis, project plan preparation, etc.
3. *Involvement of mentors is also important to ensure success.* Multidisciplinary teams supported by coaches and subject matter experts are also beneficial to success.
4. *Take value from the awards process, not necessarily the results,* as substantial results are not always achieved right away. The process itself teaches employees new skills, internal connections and helps to build a culture of innovation.

Given the need to develop the Innovation Awards around specific needs and problems, to identify the steps in the Awards process and identify mentors, coaches and subject matter experts, it is

recommended that the Awards process be developed by the newly appointed Innovation Task Force as an early activity. The above key success factors will help to guide their work.

#### **LINK TO CORPORATE PLAN**

*Key Strategic Priority 4: **Governance*** - Accountable, responsible and appropriate governance and management, reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

*Strategy 4:* Work management systems and procedures are reviewed and adjusted to support improved organisational service provision, compliance and efficiency.

*Objective 4a:* Council's workforce and culture reflect and promote Council values.

*Objective 4b:* The workforce is provided with the required support, training and development necessary to achieve job satisfaction and to update its skill and knowledge base to meet changing organisational needs.

*Objective 4d.* The provision of core Council services are underpinned by appropriate and accessible information, communication and technology systems.

*Objective 4e.* Council's organisational culture is inclusive and supports continuous improvement and customer satisfaction.

*Objective 4f.* Council activities comply with applicable legislation through well maintained policies, procedure and information systems that guide and facilitate good decision making.

#### **CONSULTATION**

There has been consultation with Council, the Executive Leadership, relevant staff, as well as with James Cook University academic staff and the JCU Innovation Lab in Cairns.

#### **LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)**

The Task Force will ensure that its functions are undertaken in accordance with Council's Risk Management Framework. The Task Force will report regularly to Council in line with the requirements of the Terms of Reference, to enable Council to monitor its activities.

#### **POLICY IMPLICATIONS**

Relevant Policies which will guide the work of the Task Force include:

- Code of Conduct Policy
- Community Engagement Policy
- Confidential Information Policy
- Customer Service Policy
- Equal Employment Policy
- Fraud and Corruption Prevention Policy
- Internal Audit Policy
- Media Policy
- Risk Management Policy
- Social Media Policy

- Work Health and Safety Policy

**FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)**

The Task Force's activities will initially be managed out of existing operational funding. Any specific project or initiative of the Task Force will be subject to Council's established budgetary policies, procedures and practices.

**RECOMMENDATION**

That:

1. Approval be granted for the formation of an Innovation Task Force to embed a culture of innovation within Cook Shire Council;
2. The Terms of Reference for the Task Force be approved; and
3. The Task Force be responsible for developing the Cook Shire Council Innovation Awards process by 30 June 2022.



# Innovation Task Force

**Terms of Reference**

Version 1.2

## Purpose

The purpose of this document is to outline the Terms of Reference that govern the operation of Cook Shire Council's Innovation Task Force.

## Council Vision

Building sustainable communities with respect for our unique natural environment, celebrating our diverse culture and sharing our pride in Cape York.

## Council Mission

Our mission is to understand our communities' needs and provide consistent service to enable them to flourish in a safe, sustainable manner.

## Council Values

Cook Shire Council promotes, encourages, rewards and actively believes in:

1. Providing a safe workplace;
2. Adopting honest and progressive systems of accountability and reporting;
3. Working with our communities and stakeholders to plan define, achieve and celebrate common short and long-term goals;
4. Actively sharing responsibility for improving sustainable, service provision for all customers;
5. Ensuring equal opportunity for all employees, potential employees, employees pursuing promotion and cross-skilling, and persons and organisations seeking to work with Council through the provision of services, works and consultancy; and
6. Encouraging and rewarding innovation demonstrated in operational and strategic service provision.

## The Innovation Imperative

Over the past few years, digitisation of business and society has pressured every organisation – large and small, private and public – to innovate at unprecedented speed. This digital revolution has motivated a new and disruptive era of innovation. It has accelerated the pace of change exponentially. It has forced companies to reinvent themselves. And it has disrupted institutions and their cultures, upended entire markets, and produced new business models that challenge traditional ways of operating. However, too many organizations still focus only on traditional approaches, processes, and cultures to develop new outcomes. Instead, organisations of all sizes must transform their own culture from within.

To become an innovator, organisations must begin by activating grassroots cultural transformation from within. An innovator can emerge from any group, function or location. How can this happen swiftly enough amid established bureaucracies and the pace of change needed for transformation?

At one time, every organization was a start-up. But what happens over time? Growth and success bring new worlds of opportunity, but also new challenges to speed, agility, organisational structure, and process. To keep pace, leading organisations are reinventing themselves by recapturing their original spark of entrepreneurial passion, speed, and agility. At the same time, they're cultivating an environment where employees truly feel empowered and free to tap into their passions and innovate.<sup>1</sup>

To drive the innovation agenda for Cook Shire Council, the organisation is forming a multi-disciplinary Innovation Task Force.

## **Aims**

The Task Force will:

1. Develop and deliver an Innovation Strategy for Cook Shire Council, aligned with the overall strategies and objectives of Council;
2. Assist in developing a culture of innovation and build capacity within the organisation. The Task Force will evaluate options for and make recommendations around the development of an Incentive Program to embed a culture of innovation within the organisation by profiling, promoting and celebrating successes;
3. Explore the potential for deployment of digital technologies to fast track the process of business innovation and transformation;
4. Encourage the development of partnerships and collaborations both within and outside of the organisation;
5. Develop a set of impact measures of success;
6. Evaluate the potential to establish an innovation lab or studio in Cooktown, potentially securing private sector or venture capital investment in a public private partnership;
7. Identify key projects and initiatives in the area of innovation that reduce costs, increase own-source revenue or improve organisational efficiency, and which address identified opportunities and challenges.

## **Operating Protocols**

1. The Task Force will have the full support of Council, the CEO and Executive Leadership Team (ELT). It is recognised that alignment between the Task Force and the leadership team is critical to the success of the Task Force;

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<sup>1</sup> Adapted from the Cisco *Innovate Everywhere Challenge White Paper*, © 2016 Cisco and/or its affiliates.

2. A commitment to stakeholder engagement and involvement is also key to the Task Force's success. All stakeholders – both within and outside the organisation – must be deeply involved in the change process;
3. The Task Force will determine priorities in consultation with Council and ELT and will establish its own modus operandi to deliver outcomes against the Terms of Reference;
4. Resourcing of the Task Force in financial and human resources terms will be a priority during the annual budgeting process;
5. The Task Force recognises that innovation needs to embrace knowledge and success stories from across Australia and around the world. Creating and maintaining momentum will be a key focus;
6. Measurement, reporting and evaluation need to be cornerstones of the Task Force. Measurement will focus on impact metrics such as cost reduction/operational efficiencies, customer engagement and new own-source revenue streams;
7. Driving the innovation agenda for Council is a long-term strategy and a clear mandate of the Task Force is to embed a culture of innovation within the organisation. Employees will need to be empowered to innovate;
8. A quarterly activity will be prepared and tabled for the information of Council.

## Membership

- A Councillor and Proxy (Chair)
- Chief Executive Officer
- Director Community Economy and Innovation
- One staff member from CEI, OBS and Infrastructure Directorates (nominated by ELT)
- Member from academia
- A Queensland start-up entrepreneur with a track-record of success
- Queensland's Chief Entrepreneur
- A private or philanthropic investor
- Executive Assistant to DCEI and DOBS to provide logistics support to the Task Force

The Task Force may invite other members from within and outside of the organisation to assist with driving the innovation agenda as it considers appropriate.

## Meeting Frequency

The Task Force will determine the frequency of meetings at its inaugural meeting. Participation in meetings will be in person or via Zoom video conference.

## Evaluation

The Task Force must provide an annual report to the Executive Leadership Team and Council on outcomes delivered and measurement against agreed impact metrics.

Membership of the group will be evaluated as part of the annual reporting process, to provide staff with learning opportunities and to ensure the impact of the Task Force on external members is managed. The Terms of Reference should reviewed as part of the annual reporting process.

## **Sunset**

**The sunset of the Task Force will be at the discretion of Council's Executive Leadership Team, which would make a recommendation to Council to disband the Task Force.**