

ORGANISATIONAL PERFORMANCE REPORT

August 2026



Gerard Carlyon - CEO

SUMMARY OF CONTENT

Executive Summary
Financial Performance
Advocacy Activities
Grants
Safety
Workforce
Economic Snapshot (Quarterly)
Housing & Property Insights (Quarterly)
Council Facilities
Community events
Community engagement
Communications Overview
Customer experience
Service in Full on Time (SIFOT)
Petitions
Development activity
Significant projects
Risk landscape – High Impact Matters



INVEST AND
WORK



LIVE AND
VISIT



COMMUNITY AND
ENVIRONMENT



FINANCIAL
STRENGTH



OPERATIONAL
EXCELLENCE

OUR CUSTOMER,
OUR COMMUNITY

OUR SERVICE
DELIVERY

OUR PEOPLE,
OUR CULTURE

Executive Summary

This report provides a snapshot of council's performance for August 2026 and highlights how the organisation is continuing to deliver core services, progress key projects and maintain a stable operating position. Financial performance remains closely aligned with budget, while advocacy continued across infrastructure, financial sustainability, disaster recovery, housing and governance priorities.

Safety outcomes improved during the month, supported by proactive training, inductions and corrective actions. Workforce pressures remain an area of focus, with recruitment activity continuing and vacancy levels requiring close monitoring. The Mackay economy remains resilient, supported by resource and agricultural sector activity, housing demand and visitor movement.

Community engagement, communications and customer service activity remained strong across priority projects and local matters. Service delivery performance was generally positive, with most SIFOT measures meeting agreed service levels, while development assessment, data quality and high-impact risk matters continue to be actively monitored and managed.



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STRENGTH

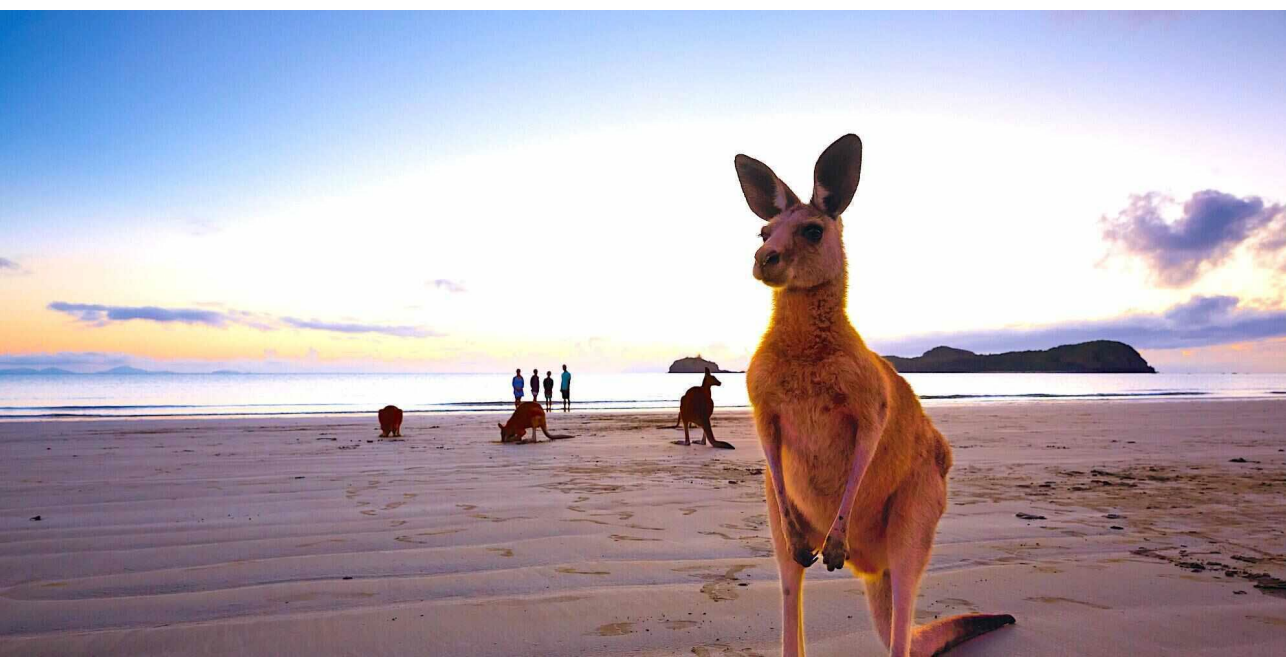


OPERATIONAL
EXCELLENCE

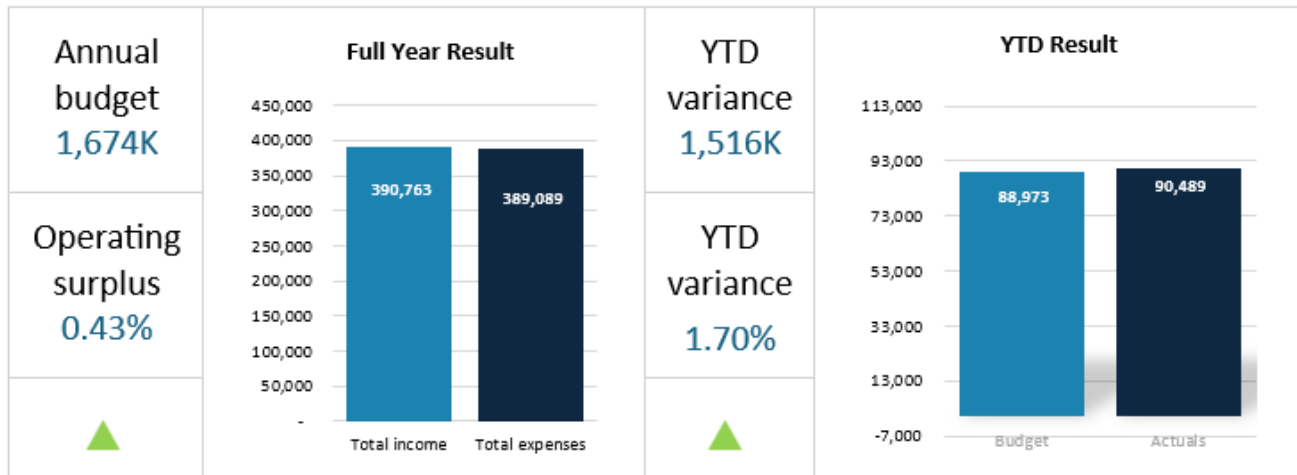
OUR CUSTOMER,
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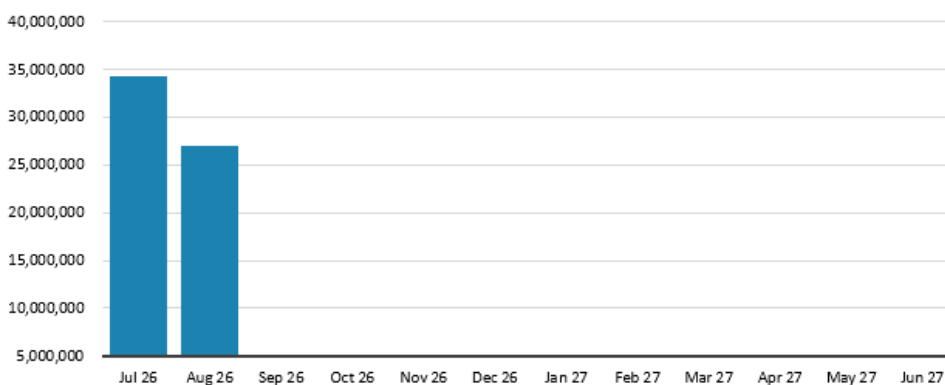
OUR PEOPLE,
OUR CULTURE



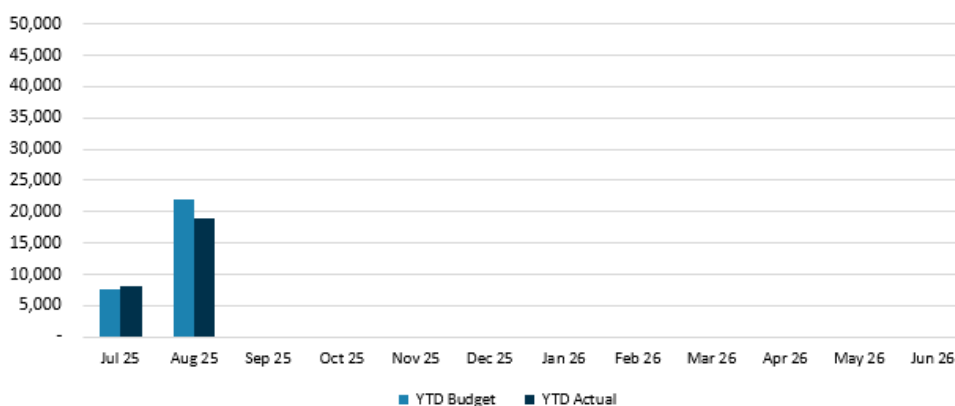
Financial Performance



As outlined in the Monthly Strategic Financial Report, financial performance for the period remains strong and closely aligned with the adopted budget, with no material variances identified. Both operating revenue and expenditure are tracking within expected limits, with minor variations reflecting routine timing differences rather than underlying financial risk. Overall, the organisation maintains a stable and well-managed financial position, and no corrective action is required at this time.



Operating Expenses are mostly aligned with budget with an underspend in materials and services due to timing of workers compensation insurance payment and delays in North & Far North Tropical Low contractor spend.



Monthly capital expenditure is slightly below budgeted levels for August due to timing of payments on several projects.

Advocacy Activities

Snapshot

Council continued to progress its advocacy priorities through engagement with State and Federal Government representatives, industry stakeholders and local government networks. Advocacy efforts focused on securing investment in critical infrastructure, improving regional liveability and advancing reforms that support long-term financial sustainability for local government.



2

Ministerial and Government Stakeholder Engagements



1

Local Stakeholder Engagements



1

Local Government 2028 Election Survey

Advocacy focus areas

Priority areas guiding advocacy, engagement and submission activity.

Infrastructure

Financial Sustainability

Disaster Recovery

Housing

Governance

Recent Activities Undertaken

Minister for Families, Seniors and Disability Services, Minister for Child Safety and the Prevention of Domestic and Family Violence, and Member for Whitsunday

The Mayor and CEO met with The Honourable Amanda Camm MP, regarding Council's advocacy document and State Budget outcomes. The meeting provided an opportunity to discuss key regional priorities, advocate for continued investment in projects and services that support the Mackay region and highlight Council's priorities for future government funding and support.

MHHS Site Visit & Masterplan Discussion

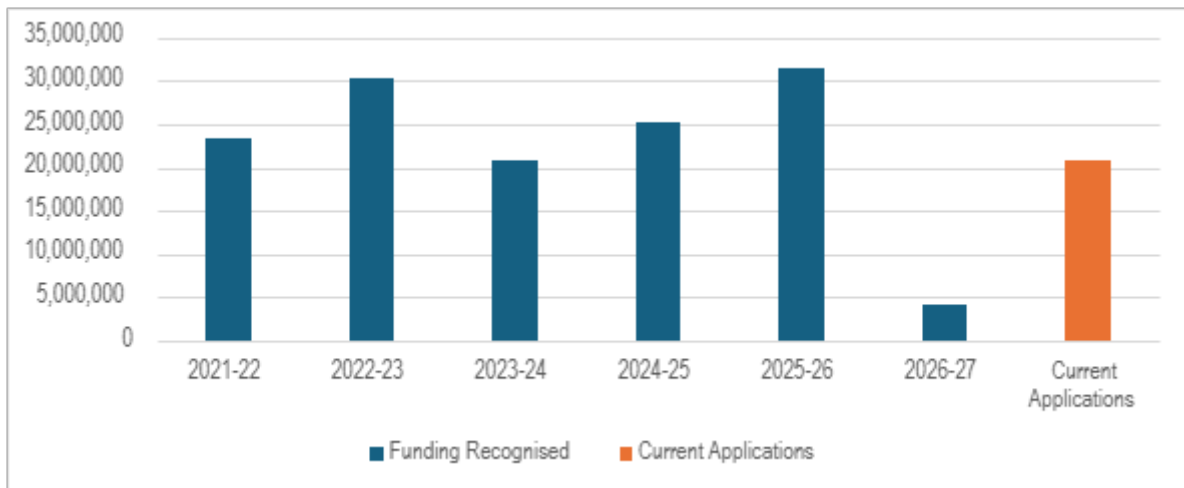
The Mayor and Acting Executive Officer met with representatives from the Mackay Hospital and Health Service (MHHS) to discuss the MHHS Masterplan and its pipeline of future infrastructure and service investments.

Recruitment Strategic Advocacy Coordinator

Recruitment for the Strategic Advocacy Coordinator position has been largely finalised, with the selection process completed and a preferred candidate identified. The position is expected to strengthen Council's advocacy capability by providing dedicated support for the coordination and delivery of strategic advocacy initiatives, stakeholder engagement activities, and the advancement of Council's regional priorities.

Grants

External Grant Funding Recognised by Financial Year



Grant Applications Submitted by Financial Year



August Movements

Key successful funding submissions announced

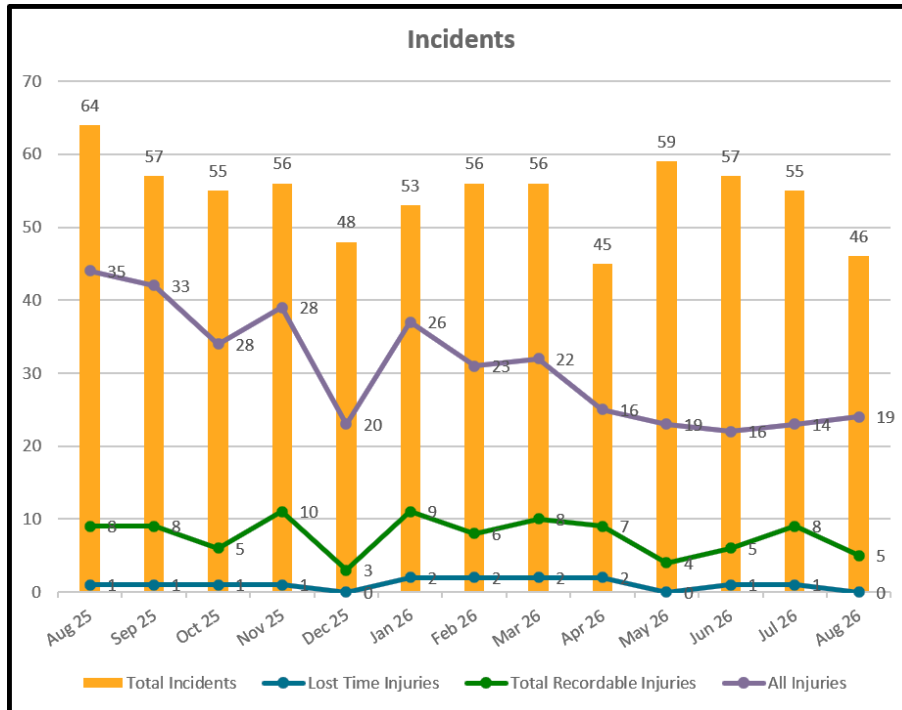
- QRA – DRAF REPA 2026 – WP01 Calen \$1,517,962.

Key Applications Submitted

- Games On! Partnership Fund MARC Lighting & Shade Structure Upgrades \$3,179,369
- Tourism Icons Investment Fund R2 EOI – Finch Hatton Mountain Bike Park Stage 2A \$3,485,020
- Blackspot 27/28 - Bridge Rd / Field Street Intersection \$254,800
- Revive Live! R3 – Wisely Wine & Food Day 2027 \$80,000

Safety

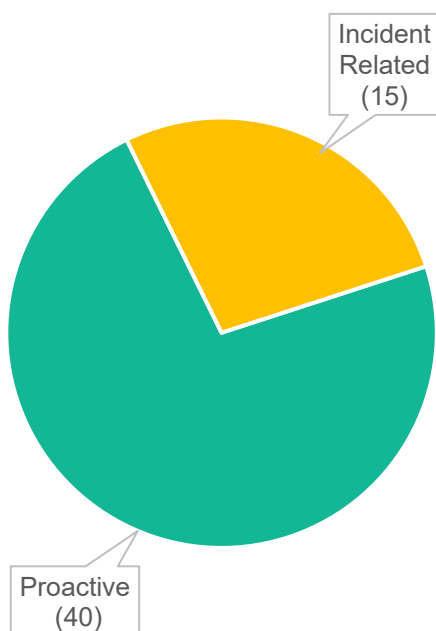
Injuries and Incidents (Lag Indicators)



Council's lag indicator data continues to improve. Across the board we see a significant decrease in incidents and injuries when compared to this time last year and moderate decreases on the month to month data.

The Workplace Health and Safety Team continue to connect with the operational teams to foster an ever improving safety culture maturity level throughout the organisation.

Corrective Actions (Lead Indicators)



In the month of August, a total of 55 corrective actions were due. Of these, 40 actions were raised from proactively undertaken activities such as site inspections, safety interactions, hazard reporting, and emergency exercises. The remaining 15 were initiated following investigations related to safety incidents.

There were a total of 23 corrective actions closed for the month of August. This figure includes historical actions from previous months.

In August, 178 individuals completed inductions – 153 contractors, 13 staff, 7 volunteers and 5 work experience students.

Organisation Composition

Workforce Composition — Engagement Type

Counts + % of Total Workforce

Total: 1201

(Employees: 1201 | Volunteers: 420)

ENGAGEMENT TYPE	HEADCOUNT	TOTAL WF %	MoM	12MR
Permanent Full Time	852	71%	↑	↑
Permanent Part Time	101	8%	↑	↔
Permanent Job Share	4	0%	↔	↓
Core Workforce	957	80%	↑	↑
Casual	109	9%	↓	↑
Temporary Full Time	83	7%	↑	↑
Temporary Part Time	15	1%	↑	↑
Temporary Job Share	3	0%	↑	↓
Flexible Workforce	210	17%		
TOTAL EMPLOYEES	1167	97%	↓	↓
Contract	34	3%	↔	↓
Contingent Workforce	34	3%	↔	↓
TOTAL WORKFORCE	1201	100.00%	↑	↑

Employees exclude Councillors, Mayor & Deputy Mayor.

Workforce Ratios - Capability

	HEADCOUNT	TOTAL WF %	MoM	12MR
Professional, Technical & Leadership	740	62%	↑	↔
Frontline & In-Field Operations	426	35%	↓	↔
Strategic, Corporate & Specialised Services	35	3%	↔	↔
TOTAL	1201	100.00%	↑	↑

This ratio highlights the balance between professional, technical and leadership roles and operational service delivery roles across the organisation, providing insight into Council's workforce capability profile and supporting strategic workforce planning.

Talent and Performance

Monthly Departures & Turnover %

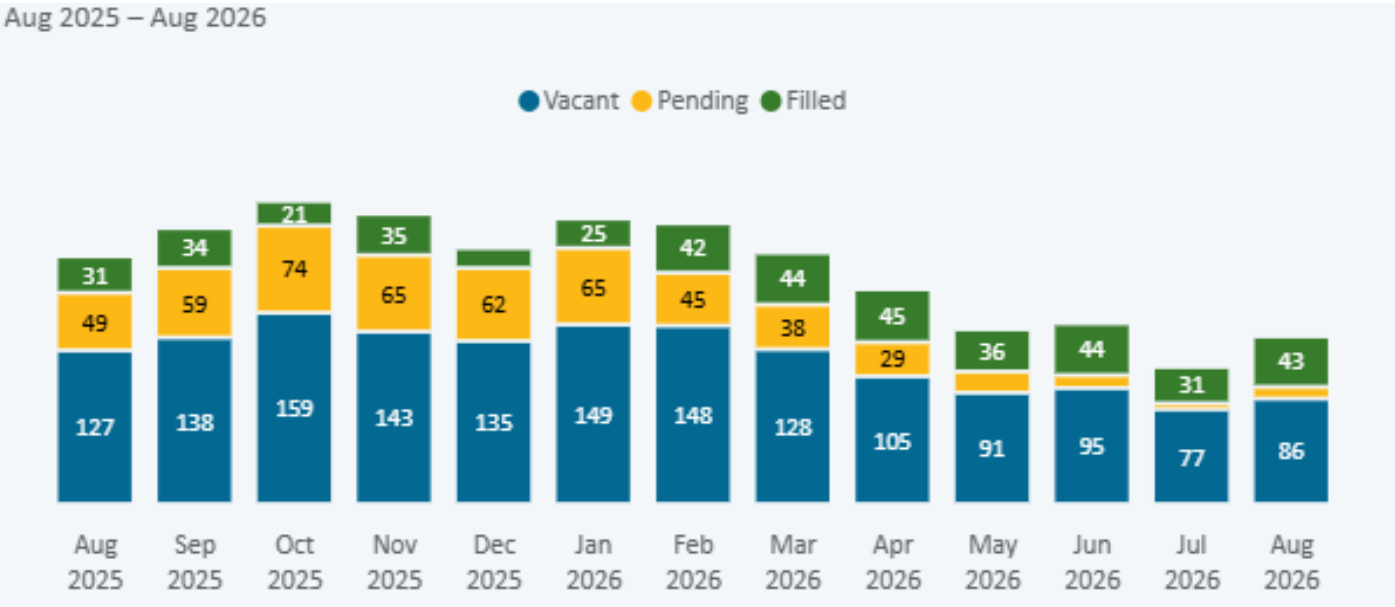


Commencement vs Departures



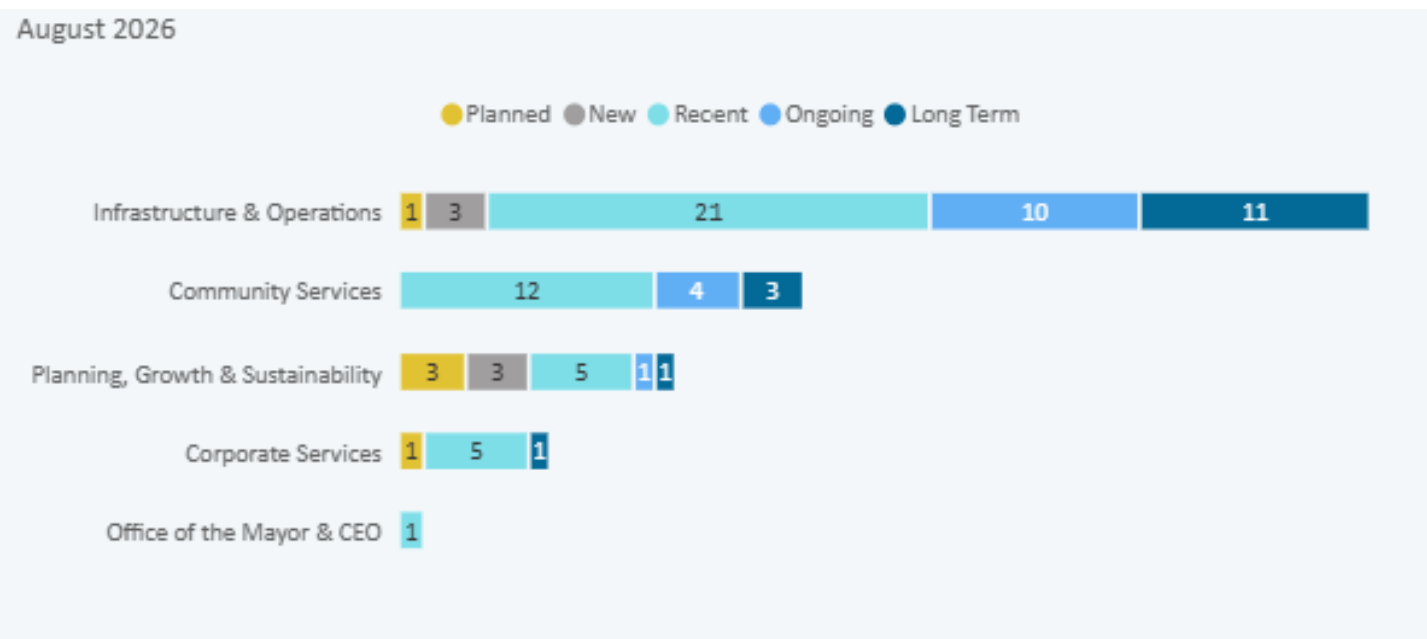
Talent and Performance

Vacancies and Filled Positions



Council's vacant positions rose from July 2026 to August 2026. However, the number of positions awaiting commencement has also risen, reflecting continued recruitment activity. Sustaining this rate of filled positions will be key to offsetting new vacancies and maintaining reliable services for the community.

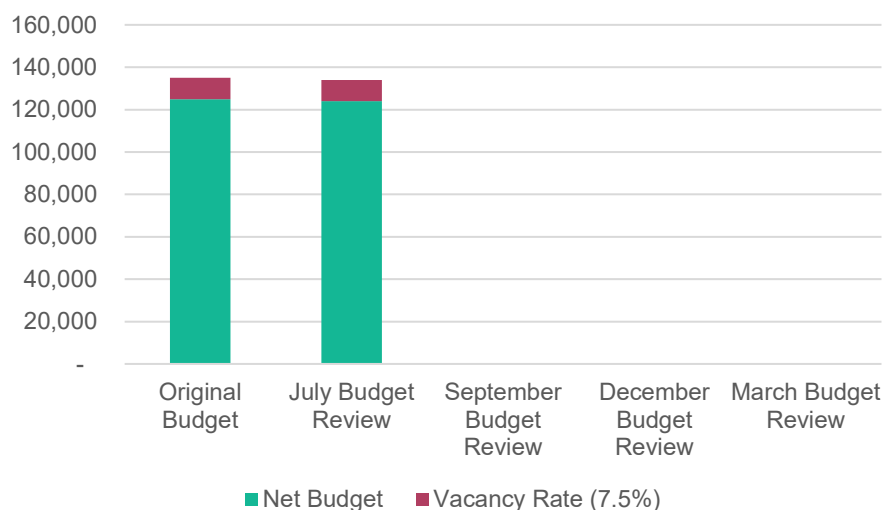
Vacant Positions by Department



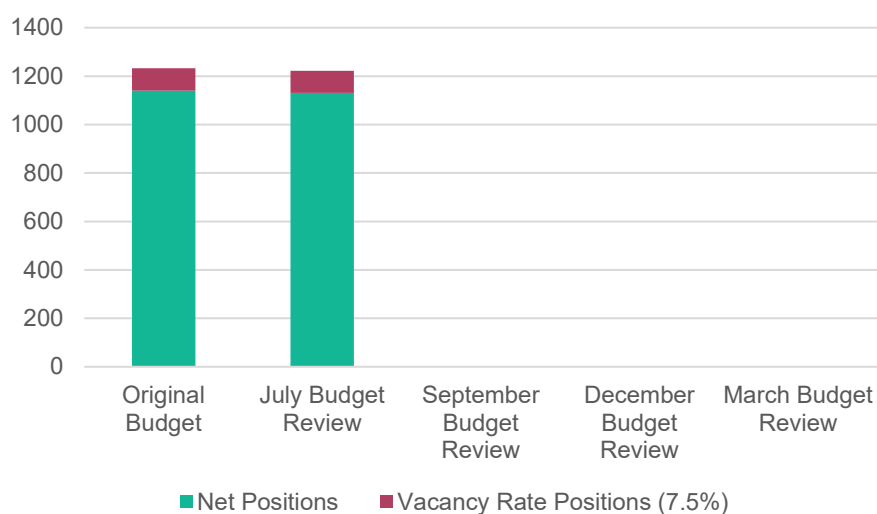
Talent and Performance

Workforce Budget

Full Year Budget



Ful Year Positions



Full Year Budget (FTE)

	Total FTE	Net FTE	Vacancy Rate
Orig.	1232	1140	92
JBR	1232	1140	92
SBR			
DBR			
MBR			

*Note positions are rounded to nearest FTE.

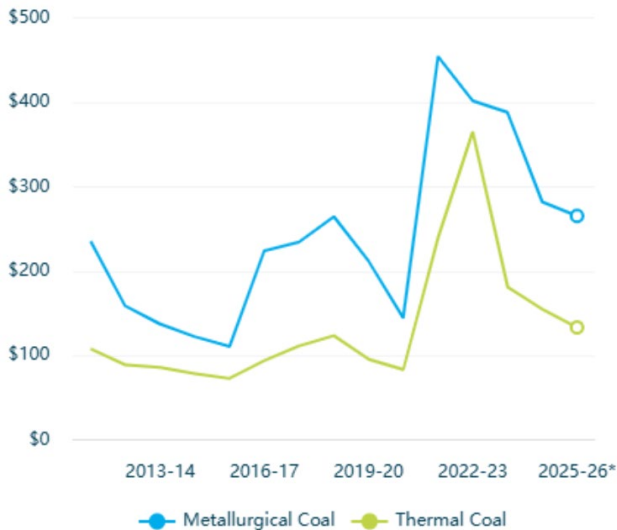
Vacant Positions – August 2026
(Includes pending commencement)

139

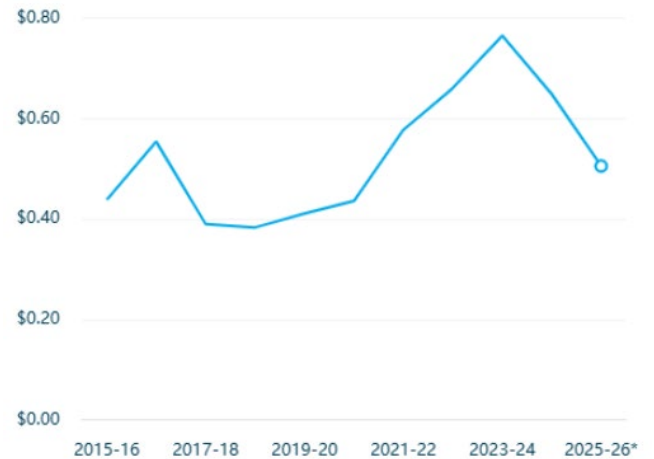
Council's vacancy rate is within the budgeted allowance, with 86 vacant positions recorded in August 2026 and a further 53 positions pending or awaiting commencement. This result reflects the organisation's continued success in attracting new employees and highlights the significant efforts undertaken to address workforce shortages and fill critical roles. Council will continue to monitor the vacancy rate to ensure employee costs remain within budget.

Economic Quarterly Snapshot

Coal Price - AUD per tonne



Sugar Price - AUD per kilogram



Unemployment Rate



Flight Passenger Arrivals



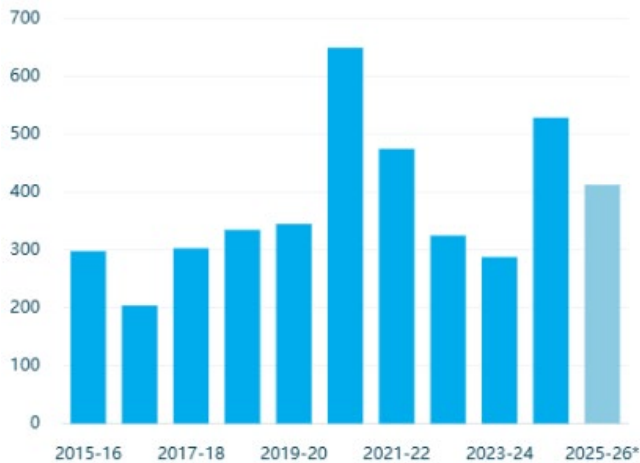
*Final numbers for 25-26 financial year not yet available. Data is updated quarterly.

The Mackay region continues to demonstrate economic resilience. Although recent flight passenger arrivals are tracking below 2025 figures, a robust start to the 2026 year has contributed to strong overall numbers. While coal and sugar prices have moderated from recent highs, they remain at comparatively strong levels, supporting key regional industries. Overall, the indicators reflect a stable local economy underpinned by resource sector activity, workforce demand and ongoing visitor movement.

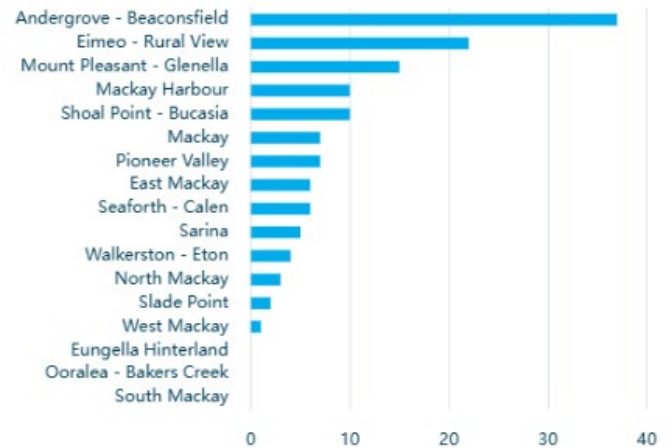
[Data: Economic quarterly snapshot | Discover Mackay](#)

Economic Quarterly Snapshot - Development

Residential Building Approvals



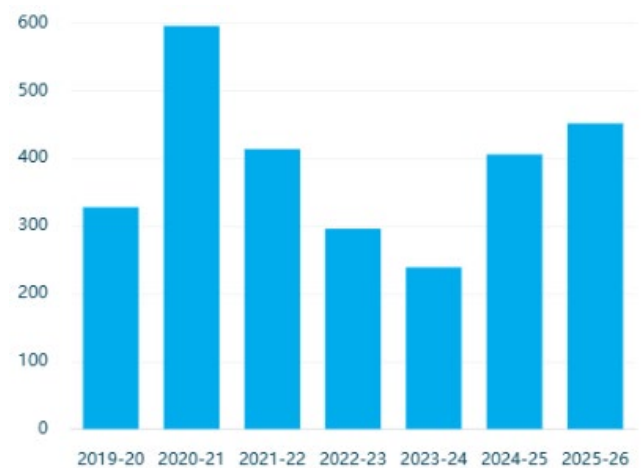
Residential Building Approvals by Location



Residential Building Approvals Value (\$M)



Residential Lots Registered



*Final numbers for 25-26 financial year not yet available. Data is updated quarterly.

Residential development activity remains strong, with building approvals and registered lots increasing in 2025-26 and residential approval values remaining above historical averages. Growth continues to be concentrated in key expansion areas, reflecting ongoing demand for housing across the region.

Quarterly Housing and Property Insights

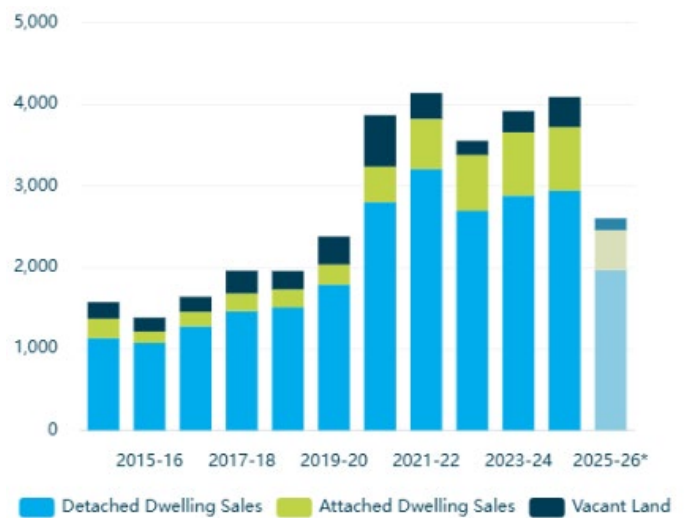
The Mackay housing market remains resilient, with residential sale prices and rental rates continuing to increase across all dwelling types. Low rental vacancy rates indicate ongoing demand for housing, while market conditions compare favourably to many major capital cities experiencing softer market conditions.

Sales Overview

Residential Median Sales Price

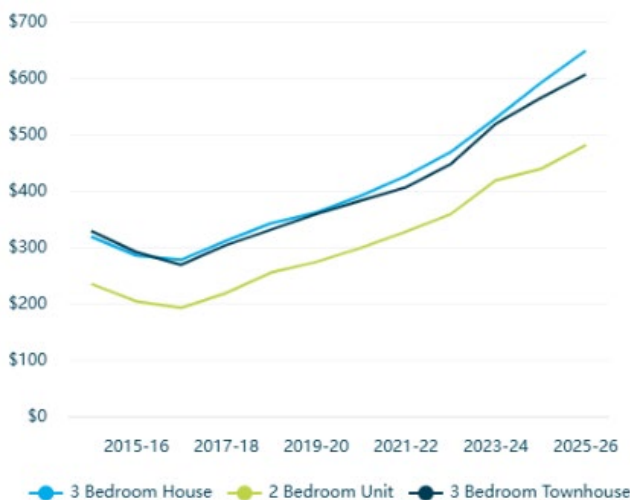


Number of Dwelling Sales



Rental Overview

Residential Median Weekly Rent



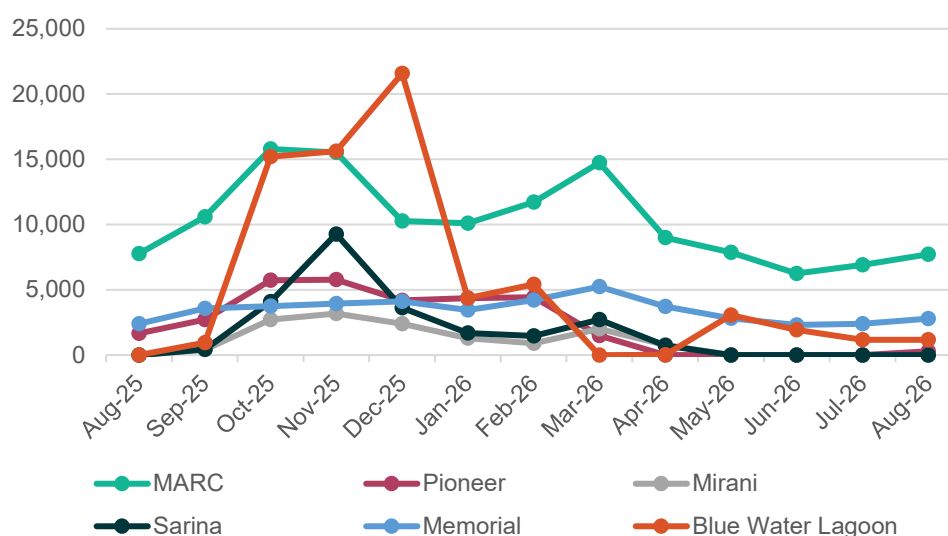
Residential Rental Vacancy Rate - 4740



*Final numbers for 25-26 financial year not yet available. Data is updated quarterly. Note: Detached dwellings are considered a stand-alone house. Attached dwellings are considered a unit.

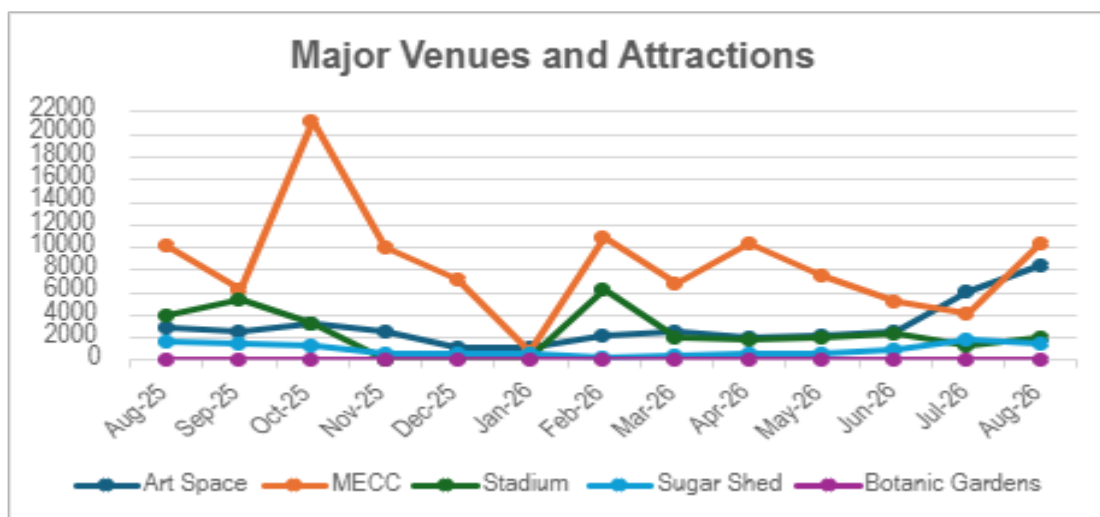
Council Facilities

Aquatic Facilities



Unplanned closures have impacted visitor numbers across all locations. Campaign launched to educate community on responsible use of aquatic facilities over the upcoming school holiday period. Both Pioneer Pool and Blue Water Lagoon reopened to the community in mid/late August.

Major Venues and Attractions



Major Venues and Attractions' August results show a rise in attendance at the MECC due to Mackay Eisteddfod and 1500 students attending Room on the Broom. Client satisfaction remained strong at 98 per cent at the MECC. Key metrics at all venues were tracking within expected levels, highlighting the effectiveness of service delivery and the positive experience provided to venue users and visitors.

Council Facilities - Libraries

Community Lifestyle	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Library Loans	62,245	63,052	60,338	63,052	52,419	70,252	57,983	65,223	63,796	62,351	59,113	64,828	62,558
Library Visitors	26,253	27,073	27,232	26,748	18,274	23,225	26,384	29,233	23,978	25,054	25,269	27,394	26,296
Library Program Attendees	2796	2951	1867	2088	698	652	1800	1755	1220	1214	1399	1847	3918
Community Program Attendees	3,127	2636	4363	1959	1660	1095	1256	1489	1741	1980	2077	1561	1340



Celebrating Book Week

Libraries celebrated Book Week with a vibrant program of activities and promotions that encouraged reading, literacy, and community engagement. Throughout the month, libraries showcased VoxBooks and StoryBox Hub, highlighting both physical and digital collections and generating more than 600 loans across these featured resources.

A range of children's events were delivered during Book Week, including Dudley Denny City Library's first "Symphony of Stories Screening and Dream Fish Bowl Collage", a Book Week-inspired program for school-aged children that combined storytelling, creativity, and artistic expression.

The annual Book Week Picnic in the Gardens served as the signature event of the week, bringing families together to celebrate books and reading in a community setting. Across all Book Week activities, libraries welcomed about 800 participants, demonstrating strong community interest and engagement with literacy-focused programming.



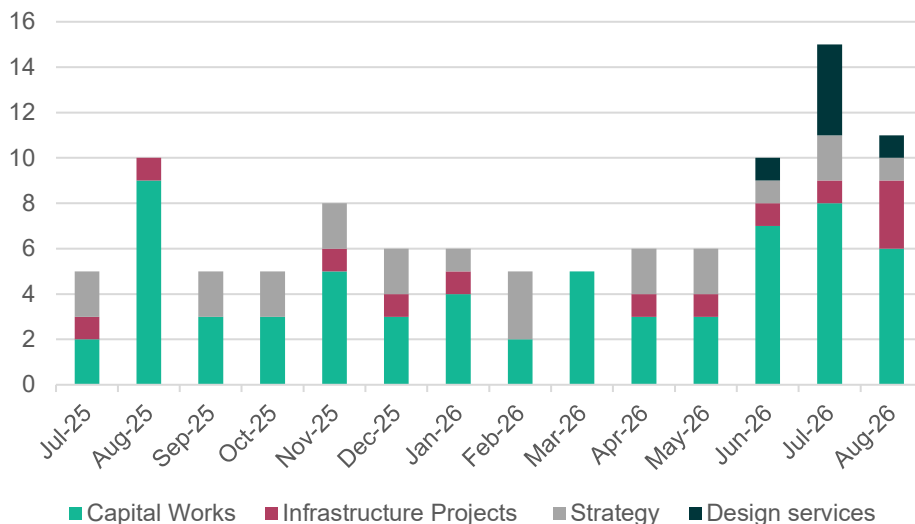
Community Events

Recent and upcoming events

Date	Event	Location
1/9/26	Let's Chat Hay Point	Hay Point Hotel Motel
5/9/26	Pop up stand - Northern Beaches Community Hub	Caneland Central
9/9/26	Party in the Park	Queens Park
10/9/26	Artists' Makers Market	Artspace
12/9/26	Sarina Sugar Shed 20th anniversary celebration	Sarina Sugar Shed
15/9/26	Mackay Seniors Expo 2026	Mackay Showgrounds
15/9/26	Let's Chat Northern Beaches	Club Northern Beaches Mackay
17/9/26	Citizenship Ceremony	MECC
17/9-19/9/26	Rumble on the Reef	Sugar Bowl Mackay
19/9/26	Pop up stand re Northern Beaches Community Hub	Mt Pleasant Centre
21/09 - 02/10	School holiday activities	Mackay Regional Council Libraries
23/9/26	Kids Fun at River Wharves	River Wharves
2/10-16/10/26	Mackay Eisteddfod	MECC
6/10/26	Let's Chat Walkerston	Western Suburbs Leagues Club
11/10/26	Artists' Makers Market	Artspace
24/10/26	Global Grooves	Queens Park
3/11/26	Let's Chat Calen	Calen & District War Memorial Hall
6/11/26	Citizenship Ceremony	MECC
1/12/26	Let's Chat Marian	Marian Bowls Club

Community Engagement

Engagement Projects



Community engagement activity remains high this financial year, in comparison to this period in 2025, with an increase of infrastructure project engagement in August. Overall activity reflects a targeted and responsive program focused on priority projects significant community impact.

Engagement projects

John Breen Park and Centenary Place master plan (Inform and consult)

To gain feedback from the community to develop the park's draft master plan, council facilitated two workshops with internal and external stakeholders on (August 14), a public pop-up event (August 15) and an online survey (from August 10 to 23). There were over 400 contributions during the consultation period.

Holts Road culvert repair (Inform)

The key stakeholders including schools, businesses and nearby residents were informed about the works via a notification letter/email. The general public were advised via a social media post and a Connecting Mackay web page.

Northern Beaches Community Hub (Consult/Inform)

Council consulted with the Northern Beaches Community Hub Reference Group on August 24 and gave a community presentation at Club Northern Beaches Mackay on August 31. More than 30 people attended the community presentation. The public were updated on the construction progress via social media on August 6.

Mackay Region Active Transport and Micromobility Plan 2025 – 2036 (Inform)

The plan was adopted by council on August 26. It was uploaded to council's Connecting Mackay website, a media release was issued, and a project update email was sent to inform the community.

Shakespeare Street stormwater rehabilitation (Inform and consult)

Council consulted with the nearby school about daytime works. The public were informed about the changes via a project update on Connecting Mackay.

Seaforth Esplanade splash pad maintenance (Inform)

Seaforth residents, users of the facility and the general public were informed about the maintenance works and associated closure in early-August. They were informed via corflute signs on site, posters in local businesses and social media posts. The splash pad is expected to reopen prior to the September school holidays.

Let's Chat Mirani (Consult)

Councillors and senior executive officers were at the Mirani Community Hall in August for their Let's Chat – Council Connect session. More than 15 people attended and had casual conversations with councillors and discussed specific issues with senior officers.

Slade Point watermain valve testing (Inform)

Affected residents were informed about the works and associated intermittent water interruptions via a notification letter and social media post two weeks prior to the works commencing.

Proposed lease of reserve land – Celeber Drive Park (Inform)

Following extensive community consultation, council approved Whitsunday Anglican School's proposal to lease approximately 7,350sqm of land beside the school at Celeber Drive Park for additional car parking. Key stakeholders were informed and the consultation report and officer recommendation report uploaded to the Connecting Mackay web page.

Temporary loading zone on Cemetery Road (Consult)

A member of council's infrastructure planning team and community engagement team spoke to businesses along Cemetery Road in West Mackay in late-August about turning five car parks into a temporary loading zone for the duration of the Pioneer River training wall levee project. No objections were recorded.

Sarina Beach culvert repair (Inform)

Sarina Beach Road culvert works will recommence in early-September. Surrounding businesses and residents were notified in August and the general public were informed via a social media post and a dedicated Connecting Mackay web page.

Upcoming engagement projects

Paid parking user experience survey (Consult)

Council is interested to hear from users of council's paid parking app and paid parking machines how their experience is going in the Mackay City Centre. Their feedback will help improve council's paid parking system. The survey will be available on Connecting Mackay in September.

Customer Experience Strategy survey (Consult)

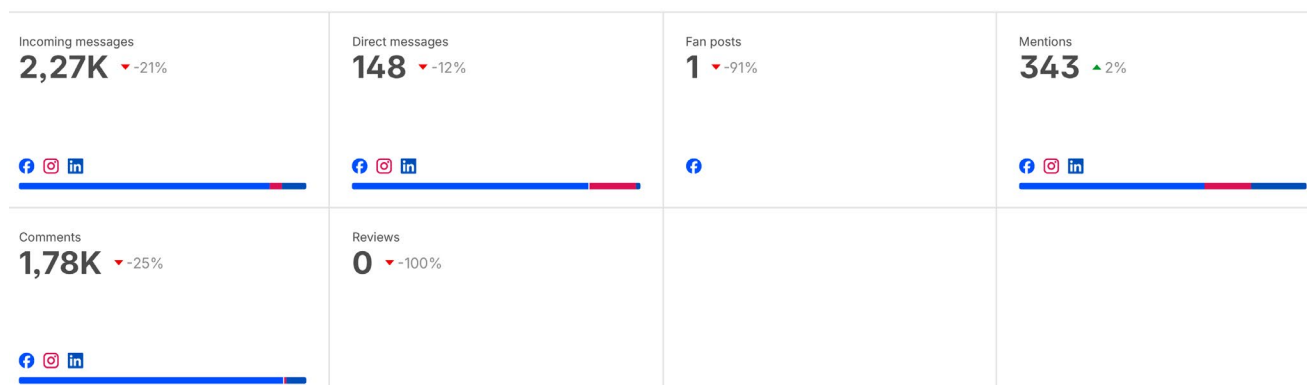
Council will invite feedback on council's customer experience for the Customer Experience Strategy 2025-2028 annual consultation in September. The survey will be available in hard copy at all customer service centres and online via Connecting Mackay.

Communications Overview

Customer engagement volume

Volume of incoming messages by message type (e.g. Direct Messages, Fan posts, Mentions, Comments, Reviews) across all council social media channels over the past 30 days.

Incoming volume

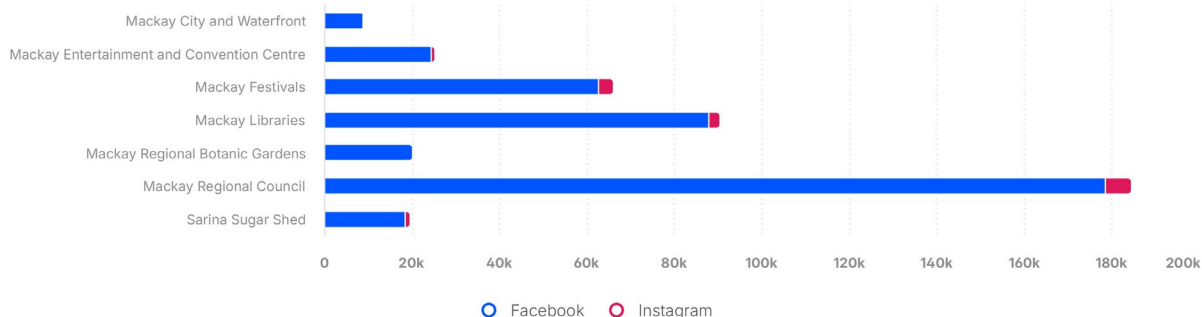


Reach and engagement

Reach

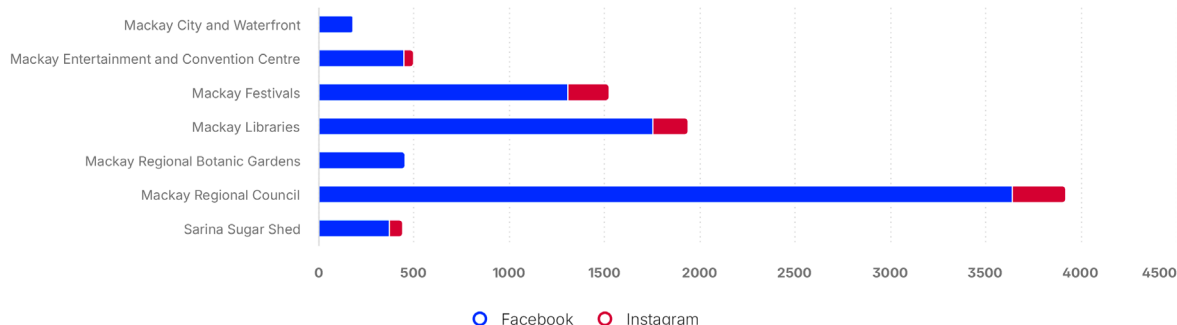
TOTAL AVERAGE PER POST

Mackay Regional Council has the highest reach on Facebook with 178,74K, followed by Mackay Libraries on Facebook with 88,09K (-50.72%)



Total Engagement

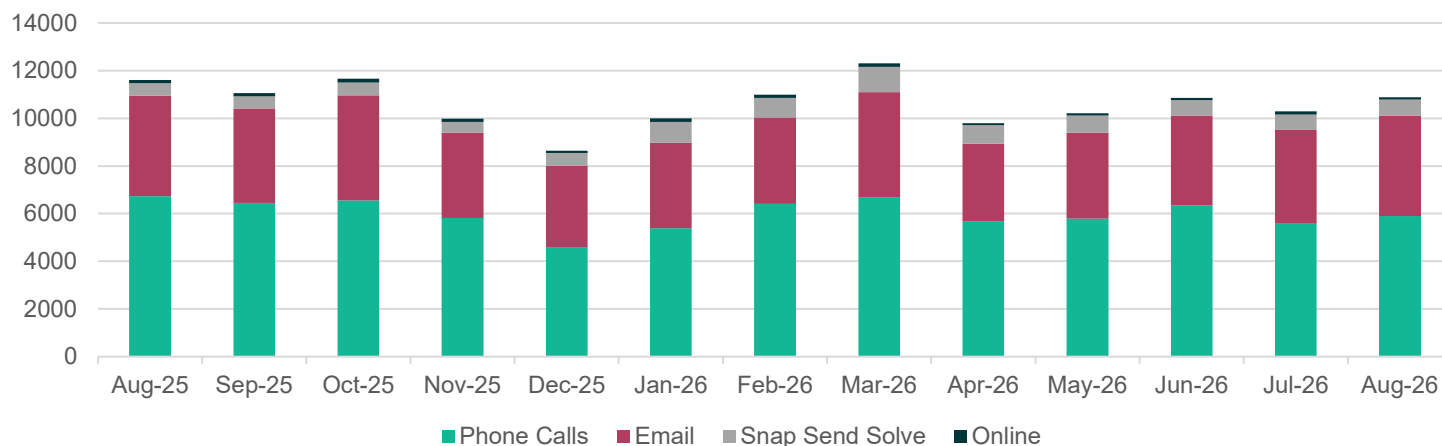
Mackay Regional Council Facebook channel has the highest total engagement with 3,64K, ahead of Mackay Libraries Facebook page (1,76K) by -51.7%



Monthly media releases: View at [Mackay Regional Council – Media Releases](#)

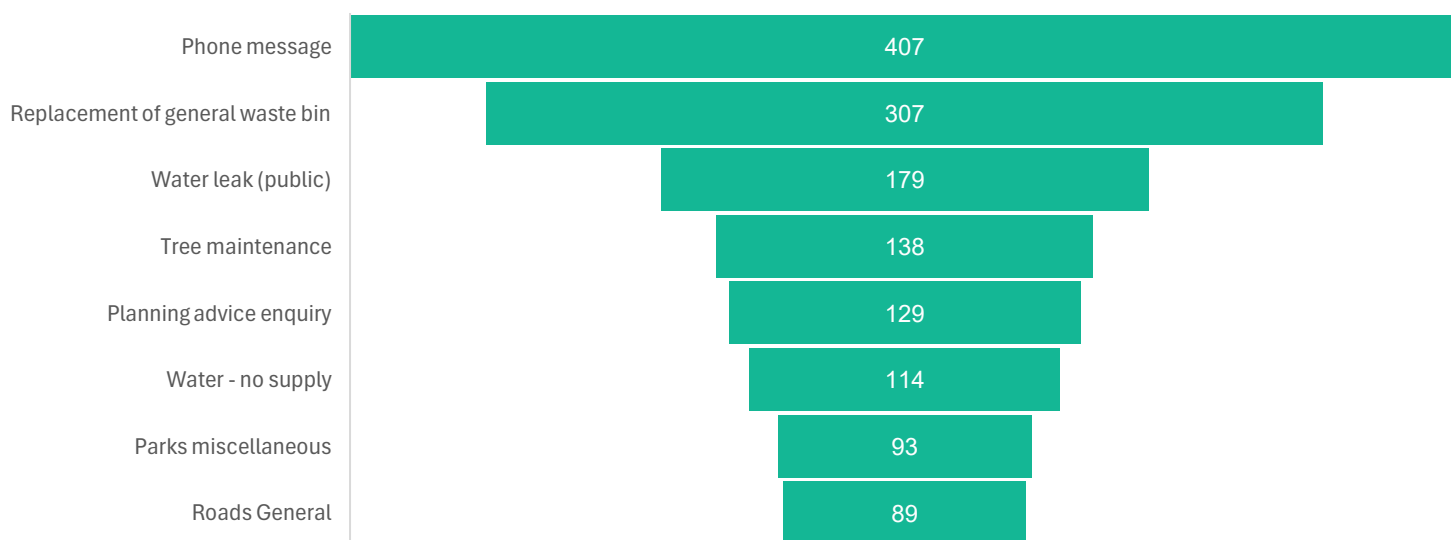
Customer Experience

Customer Request Channels



Customers continue to utilise digital channels such as Snap, Send, Solve and the website; however, phone and email remain the primary contact channels. In August, 71% of customer requests across council were responded to within agreed timeframes and efforts are underway to improve outcomes in coming months.

Top Requests



Phone message volume for the month of August is heavily concentrated in a small number of operational programs including Health and Regulatory Services, Development Planning and Engineering and Waste Services. The replacement of general bins continues to be the highest-volume request category followed by water leaks and tree maintenance and other service request categories remain relatively consistent.

Contact Centre Key Performance Indicators

KPI	KPI Description	Target			Result July 2026
		Orange (Under KPI)	Pink (Met KPI)	Aqua (Exceed KPI)	
First Contact Resolution (FCR)	The percentage of external customer enquiries that are resolved at the first point of contact.	< 50%	50-60%	> 60%	65%
Abandoned Calls	The percentage of customers that abandon their call before being served.	> 6%	4.5-6%	< 4.5%	2.3%

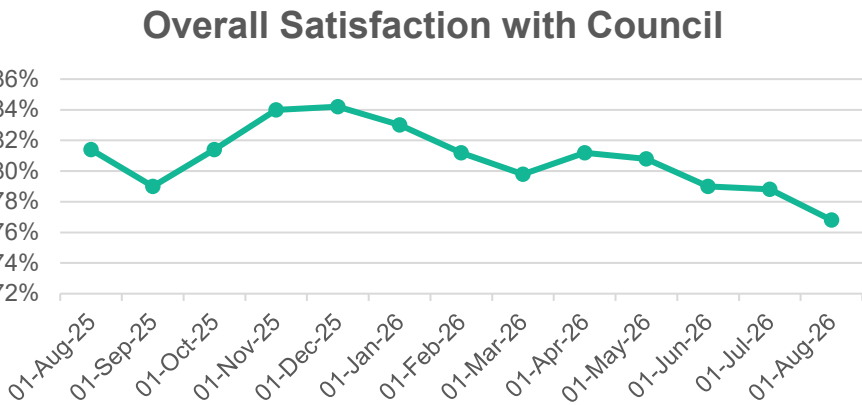
August is traditionally one of the Contact Centre's busiest months due to the distribution of rates notices in the first week. Despite this, we experienced a decline in call volumes compared to the same period last year. We also achieved a high First Contact Resolution (FCR) rate this month, reflecting the ongoing improvement in our knowledge management practices and upskilling. These enhancements provide officers with timely access to accurate information, enabling them to resolve customer enquiries efficiently and reducing the need for escalation to internal teams.

After-agent survey captures feedback

Question	Average rating out of 5	Percentage
Please rate your satisfaction with your call today?	4.72	94%
Please rate your satisfaction with the 2026 Festival of Arts program and events	3.77	75%
Please rate your overall satisfaction with council?	3.84	76%

***Rating: 1 = poor, 2 = below average, 3 = average, 4 = good and 5 = excellent*

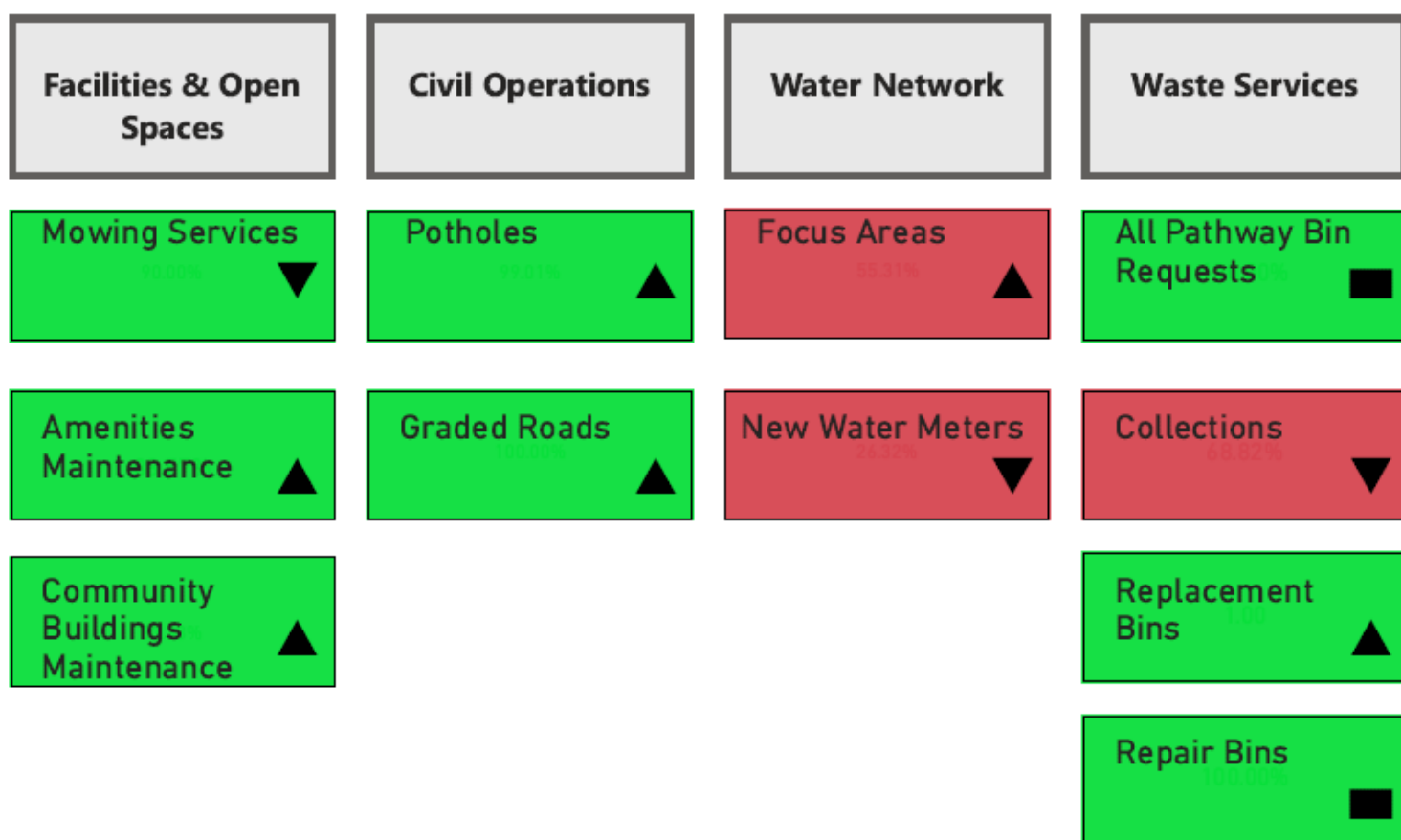
The after-agent survey captures community sentiment on a specific council service or issue. The current topic is the recent Festival of Arts program and events and overall satisfaction with Council. For the month of August 3041 surveys were offered with 487 completed.



Overall satisfaction with Council continues to show a slight decline, although remains within the higher end of 'average' to 'good', indicating a generally positive customer sentiment.

Service in Full on Time (SIFOT)

Service in Full on Time (SIFOT) is a performance measure used by Council to assess services delivery against agreed service levels. It currently measures the percentage of reactive service requests that are completed in full and within the required timeframe, this tool allows operations to detect deviations in performance and adjust delivery to reduce variations in the service outcomes.



Positive overall service performance with eight of eleven measures delivering requested reactive services to the agreed service levels in full and on time this month. The standout within the group is our Civil Operations team, delivering 99% of pothole requests in full and on time. Water Network Maintenance focus area activities (e.g., completing work orders to maintain hydrants, water services, valves) was below the on-time target by 23%. Despite this 136 work orders were completed within the agreed service timeframes during the month. 26% of water meters were replaced within the 15-business day target.

Petitions

Council's Petition Process

Council's Petition Process provides a formal mechanism for members of the community to bring matters of concern to the attention of Council in a transparent and consistent manner.

Further information on lodging a petition can be found on Council's [website](#).



Petitions Received

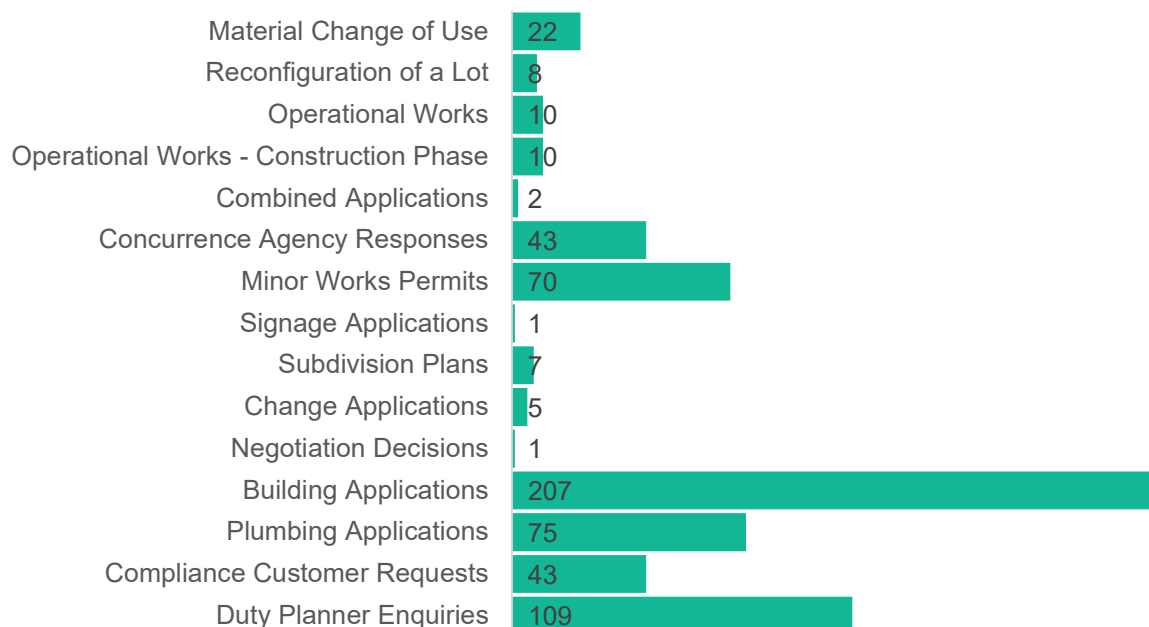
There were no petitions received during the month of August.

Petitions Under Review

There are no outstanding petitions under review.

Development Activity

Applications received by Planning, Growth and Sustainability

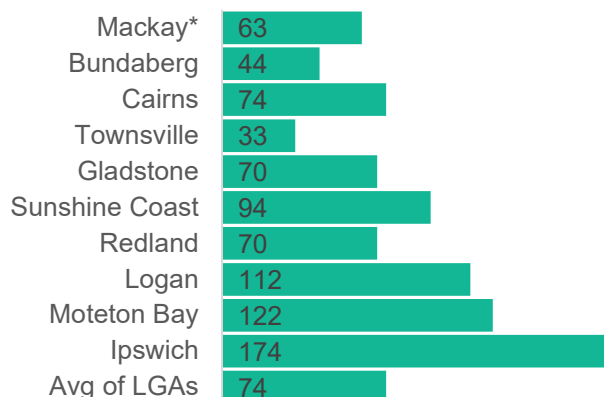


Application/ Enquiry Type	KPI Target	Ave. Days of Assessment	Status	Comments
Material Change of Use	75% < 20 BD	19	●	64% KPI not met due to resourcing shortages and negotiations with developers for greater development outcomes.
Reconfiguring a Lot	75% < 20 BD	27	●	56% KPI not met due to resourcing shortages and negotiations with developers for greater development outcomes.
Operational Works	75% < 20 BD	26	●	20% KPI not met due to resourcing shortages and negotiations with developers for greater development outcomes.
Concurrence Referrals	75% < 10 BD	5	●	96%
Minor Works Permit	75% < 7 BD	5	●	86%
Signs	75% < 7 BD	N/A	-	- No Sign Applications were decided this month..
Survey Plans	75% < 15 BD	15	●	50% KPI not met due to resourcing shortages across the team..
Planning Advice Enquiries	75% < 5 BD	3	●	87%
Compliance Investigation Requests	75% < 20 BD	108	●	51% KPI performance has been impacted by the continued onboarding of new staff and limitations within the current Pathway CR module configuration. As the system is not yet configured to accurately capture required timeframes and performance metrics, KPI results may not fully reflect actual service delivery. A review of the configuration is currently being undertaken.

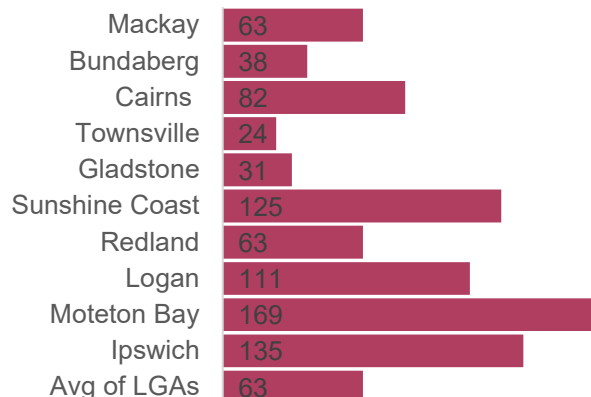
Statutory timeframes continued to be met, and several assessment streams performed strongly. Results in areas below target were primarily influenced by resourcing constraints, competing operational priorities, and additional effort to secure improved development outcomes through negotiations with developers. These matters are being actively managed, and a review of existing KPIs is underway to ensure they remain appropriate, achievable and reflective of current operational conditions.

Urban Development Institute of Australia Decision Timeframe Averages – Q2 2026

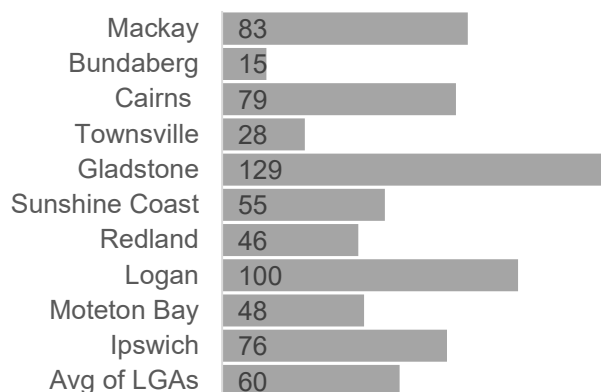
Material Change of Use



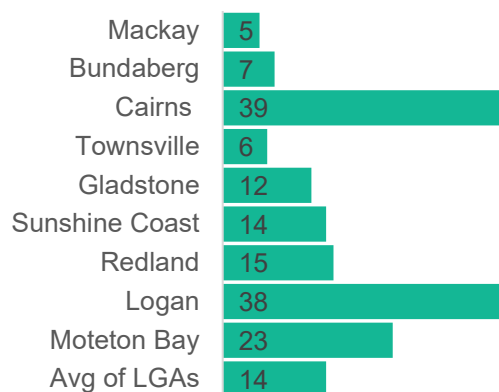
Reconfiguration of a Lot



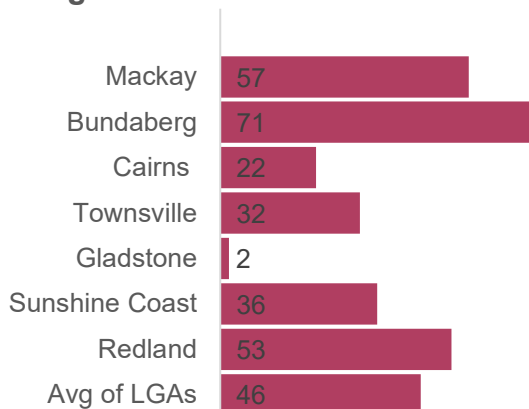
Operational Works



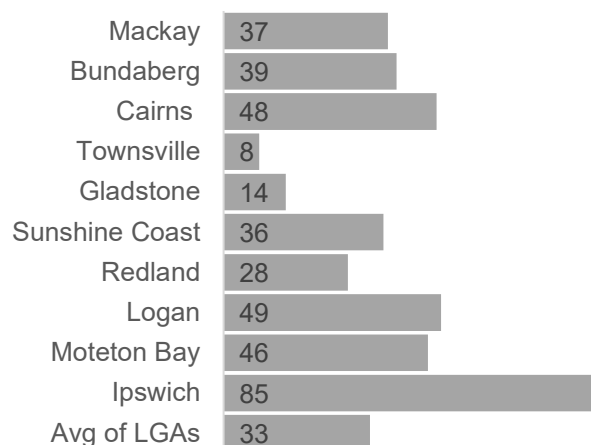
Concurrence Referrals



Negotiated Decisions



Minor Change Development Approvals



Content is updated directly from UDIA website when latest statistics are published. Only data included from participating Councils. Days are rounded to the nearest whole day. Generally lodged to decision including stop the clock periods as well as information request and notification periods if applicable. On this basis timeframes reported may exceed the statutory time period. Average decision time in business days for each category by LGA. "AVG OF LGAs" is calculated by combining the average decision timeframes for each council that reported for that quarter and dividing it by the number of councils that reported for that quarter.

Bundaberg and Townsville have reported 'Assessment Timeframes Only'. Their times are not included in the calculation of the average. If a council is missing from a reporting category it is because they did not provide figures. If the response was zero that will be shown.



Northern Beaches Community Hub Stage 1B, Rural View

Budget: \$36,475,000

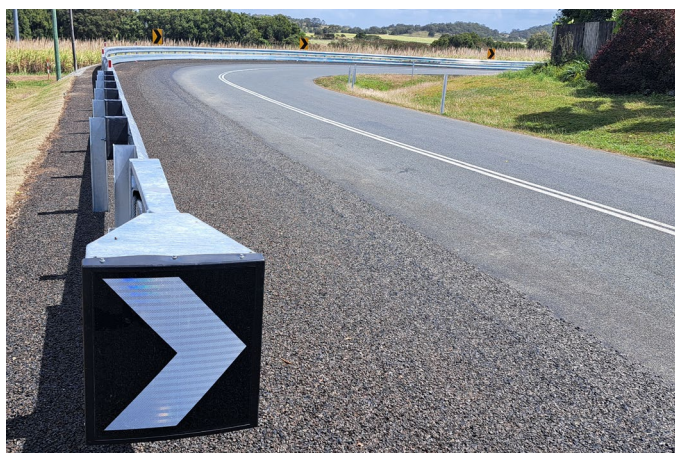
Project Status: Stage 1B construction is progressing well with major roofing, glazing, façade and building services works advancing across both buildings. Building 1 is nearing completion of several external elements, while Building 2 has reached approximately 80% roofing completion and continues to progress through structural, services and internal fit-out works. External infrastructure and retaining wall works are also underway.



Gooseponds Road Bridge Rehabilitation - Malcomson Street, North Mackay

Budget: \$2,460,000

Project Status: Gooseponds Package continues to deliver key recreational and connectivity improvements for the community including a new pedestrian bridge at Malcomson Street, associated boardwalks, a shared pathway between Valley Street and Hicks Street, and new landscaping works. The shared pathway is now completed with fencing works nearing completion.



Glenella Richmond Road – Guardrail, Glenella

Budget: \$1,290,000

Project Status: Works at Glenella Richmond Road have been completed, delivering new guardrail infrastructure, road widening, signage and line marking to improve road safety. This milestone marks the successful completion of a key component of Council's broader guardrail upgrade program.

+



\$13.4m or **64.94%** of council spend in August 2026 was with local suppliers.

Risk Landscape – High Impact Matters

Emerging

Issue: Growing financial uncertainty associated with escalating insurance premiums and tightening insurance market conditions may increase operational costs and place additional pressure on Council's long-term financial sustainability and asset management obligations.

Response: Council is actively assessing a range of insurance coverage scenarios in partnership with its insurance broker to ensure an appropriate balance between coverage, risk exposure and affordability. This work is being undertaken alongside ongoing monitoring of cost impacts, with the objective of identifying opportunities to optimise insurance arrangements and reduce financial exposure.

Issue: The increasing availability and use of artificial intelligence (AI) tools across workplaces presents opportunities to improve productivity and decision-making, while introducing risks relating to information security, privacy, data quality, compliance, and unintended use.

Response: Council is progressing the development of an AI Governance Framework to support the responsible and effective use of AI. This includes establishing clear guidance, governance, and risk controls to ensure AI is used appropriately and in accordance with legislative, ethical and organisational requirements.

Developing

Issue: Continued cost shifting by State and Federal Governments is increasing financial and service delivery pressures on local government, with councils increasingly expected to fund, deliver and maintain services and infrastructure beyond their traditional responsibilities without corresponding funding support.

Response: Council continues to advocate through local government networks and direct engagement with State and Federal representatives for appropriate funding and fair allocation of responsibilities to ensure local communities are not disproportionately impacted.

Issue: The detection of avian influenza (bird flu) cases in Queensland has increased the potential for impacts on the poultry industry, biosecurity arrangements and community interest, particularly as authorities work to contain and manage the spread of the disease.

Response: Council is monitoring advice from the Queensland and Australian Governments and maintaining awareness of any potential implications for the Mackay region, while supporting coordinated biosecurity and public information efforts as required.

Significant / Watch

Issue: Ongoing conflict in the Middle East has the potential to contribute to volatility in global fuel markets, creating uncertainty around fuel and transport costs that may impact Council operations, contractors and the broader community.

Response: Council is monitoring market conditions and potential impacts on operational costs while continuing to plan and budget responsibly. The overall effect on fuel prices and local government operations remains subject to broader market conditions with current pricing above budgeted amounts.

Issue: Continued recruitment and changes in the external economy are resulting in a sustained reduction in Council's vacancy rate, creating a risk of exceeding budgeted employee costs.

Response: Officers continue to monitor employee costs and recruitment activity to ensure expenditure stays within budget. Recruitment will continue to focus on filling critical roles and supporting Council's strategic and operational priorities.