



Sunshine Coast[™]
COUNCIL

Our region.
Healthy. Smart. Creative.

Sunshine Coast Council
Annual report
2022/23



November 2023

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Acknowledgements

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Reference document

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Sunshine Coast Council Annual Report 2022/23

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Traditional Acknowledgement

Sunshine Coast Council acknowledges the Sunshine Coast Country, home of the Kabi Kabi peoples and the Jinibara peoples, the Traditional Custodians, whose lands and waters we all now share.

We recognise that these have always been places of cultural, spiritual, social and economic significance. The Traditional Custodians' unique values, and ancient and enduring cultures, deepen and enrich the life of our community.

We commit to working in partnership with the Traditional Custodians and the broader First Nations (Aboriginal and Torres Strait Islander) communities to support self-determination through economic and community development.

Truth telling is a significant part of our journey. We are committed to better understanding the collective histories of the Sunshine Coast and the experiences of First Nations peoples. Legacy issues resulting from colonisation are still experienced by Traditional Custodians and First Nations peoples.

We recognise our shared history and will continue to work in partnership to provide a foundation for building a shared future with the Kabi Kabi peoples and the Jinibara peoples.

We wish to pay respect to their Elders — past, present and emerging, and acknowledge the important role First Nations peoples continue to play within the Sunshine Coast community.

Together, we are all stronger.



Contents

Welcome	4
SECTION I - Introduction	5
Message from the Mayor	6
Message from the Chief Executive Officer	10
Our Sunshine Coast	14
Our Council	16
Councillors	17
Our corporate structure	18
SECTION II - Performance against our Corporate and Operational Plans	20
Sunshine Coast Council Corporate Plan 2022-2026	22
Our Strong Community	24
Our Environment and Liveability	32
Our Resilient Economy	38
Our Service Excellence	46
Our Outstanding Organisation	52
SECTION III - Annual disclosures	60
Corporate governance	62
Councillor information	63
Disclosures	65
Grants to community organisations and discretionary funds	70
SECTION IV - Financial information	82
Community Financial Report 2022/23	84
2022/23 Financial Statements	91

Welcome

Welcome to the Sunshine Coast Council Annual Report 2022/23. This report demonstrates how Sunshine Coast Council (Council) has progressed actions from the Corporate Plan 2022-2026 and provides service delivery highlights.

It is one of the many ways Council connects with our community to:

- Show Council's commitment to advancing our vision as Australia's most sustainable region. Healthy. Smart. Creative.
- Communicate what we have delivered for our residents, and
- Demonstrate our effectiveness.





SECTION

Message from the Mayor



Mark Jamieson
Mayor

The Annual Report provides an opportunity to pause and reflect on our achievements throughout the year and recognise the importance of our partnerships with our community, businesses and industry bodies and other levels of government to advance our vision as Australia's most sustainable region. Healthy. Smart. Creative.

Council's regional strategies, the Community Strategy 2019-2041, Environment and Liveability Strategy 2017 and the Regional Economic Development Strategy 2013-2033 provide the long-term direction and strategic priorities for our region. Throughout the year, our community was given the opportunity to share their thoughts and provide input into the review of each of the regional strategies. This engagement, undertaken through multi-channel processes, ensures that Council continues to align with our community's needs and expectations and continue to positively respond to global impacts, a rapidly growing population and the productivity of our economy.

In January 2023, Council launched its 10+10+ Legacy Vision which outlines what our region seeks to achieve from being a Delivery Partner for the Brisbane 2032 Olympic and Paralympic Games. The 10+10+ simply means that we seek to create long lasting and valuable benefit for our community, economy and environment before, during and long after the Games.

The 10+10+ Legacy Vision was developed in partnership with the Sunshine Coast 2032 Legacy Plan Community Reference Group, whose membership includes representatives across many sectors. Together we established clear aspirations for our region for the Games:

Enhanced connectivity; Resilient and actively engaged communities; Enshrine a sustainable Sunshine Coast; Positive economic impact; and A healthy, active and lifelong sporting region.

Significant planning and works to activate our region in preparation for the Games is already well underway at Council, including the: countdown community event at Sugar Bag Road Mountain Bike Park in Caloundra held in August 2022, the release of the concept design for a new 11-court Indoor Sport Centre within the Kawana Sports Precinct, and continued planning for the Sunshine Coast Stadium expansion and the Parklands Mountain Bike Centre. It is a busy and exciting time as we prepare our region to be on the world-stage.

As a Council, we know we can't do things alone. In partnership with our stakeholders, we continue to build a strong community through the goals outlined in the Community Strategy 2019-2041.

This year we relaunched our Healthy Sunshine Coast program with 46 exciting and innovative health and wellbeing activities held across the region each week. Almost 4000 people were registered with more than 1000 people of all ages and abilities regularly attending activities, including strength and stability for older people, family yoga, fitness by the lake, pilates, tai chi, and aqua aerobics.

Our Council's partnerships with our First Nations communities, including the Traditional Custodians the Kabi Kabi and Jinibara peoples, is of significant importance to our region and the nation, and we recognise our Tradition Custodians as the oldest continuing living culture in the world.

Last October, Council facilitated the First Nations Supplier Day at the Nambour Showgrounds which brought together 45 First Nations suppliers to showcase products and services. The day was a fantastic opportunity for government, non-government organisations, businesses, and the public to meet local First Nations suppliers and support collaboration between local First Nations businesses. This event is part of Council's Reconciliation Action Plan and commitment to support the economic determination of our First Nation's peoples.

We strengthened our commitment to cultural diversity and inclusion by signing on to become a member of the international Welcoming Cities Network. This important signing signifies we are a region where everyone can belong and integrate into society. Through this network, Council will have access to evidence-based research and case studies which will help us to learn and adapt our planning and continuously improve our efforts.

Like many regions in South East Queensland and across Australia, the Sunshine Coast faces housing affordability challenges, and as a Council we recognise the importance of ensuring that everyone has access to a safe and secure home. Affordable housing is a basic need for all people as well as being critical to attracting and retaining the skills and talent our local businesses require. During the year Council commenced development of the Sunshine Coast Housing and Homelessness Action Plan with the intent of building on our existing commitments to partner, advocate, deliver, and facilitate increased housing options and capacity for our region.

In recognition of the housing crisis and cost of living pressures right across South East Queensland, Council waived permit fees of \$514 for those having to temporarily live in a tent, car, caravan or mobile home located on private land and who, due to extenuating circumstances, find it difficult to meet these costs. Council will continue to strengthen connections between our most vulnerable community members and community groups and will provide information to support community-led initiatives that respond to homelessness.

With more people choosing our region as a great place to live, work and play, our Council is committed to the complex task of planning for growth in sustainable, healthy, smart and creative ways. More than 8000 people voiced their thoughts on the proposed region-wide and local planning directions for our new Planning Scheme. This is one of the largest and most successful engagements ever undertaken on the Sunshine Coast. Key community aspirations for the new planning scheme are protecting the environment; maintaining a Sunshine Coast vibe; managing growth; delivering traffic and transport

solutions alongside new development; parking needs to be adequate; improving development outcomes, and addressing affordable housing.

As our region grows, Council remains passionate about preserving and enhancing our natural environment and the liveability of our region.

The draft Master Plan for the Sunshine Coast Ecological Park aims to restore a 65 hectare site adjoining Mary Cairncross Scenic Reserve at Maleny into an ecological park that will celebrate this natural asset for generations to come whilst preserving our environment and responding to climate change.

A year on from the historic announcement of our Sunshine Coast Biosphere, the essential groundwork has now been laid to ensure the success and shared purpose of the designation. Important governance arrangements were implemented including the establishment of the Coordinating Committee and Community Advisory Group, who are progressing branding and performance measurement and management frameworks.

Through our Environment Levy, programs such as Kids in Action were delivered to increase children's environmental knowledge and understanding, while inspiring and providing opportunities for positive environmental and sustainability action. This program celebrated its tenth year and we take comfort in the future stewardship of our region with such caring and curious youth engaging in these programs.

In the face of the global climate emergency, Council is committed to providing leadership on emissions reduction, while increasing adaptive capacity and resilience through research. In July 2022, Council endorsed the Organisational Zero-Net Emissions Plan, setting the framework toward our transformational action to be a zero-net emissions organisation and low-carbon community by 2041.

Partnerships that underpin the Blue Carbon ecological restoration in the Blue Heart and our joint efforts with Noosa Shire Council to develop and implement the Regional Climate Action Roadmap exemplifies Council's commitment to a regional approach to respond to climate hazards and strengthen our region's climate resilience.

Our commitment to reduce organisational emissions is an ongoing focus for Council. Through the management of our waste and electricity, we have reduced our greenhouse gas emissions by more than 22% compared to the previous financial year. Our organisation's efforts translate to a reduction of 45,861 tonnes of carbon dioxide emissions in our atmosphere.

Council is also taking steps to move waste management into a circular economy approach, keeping products and materials circulating in the economy for as long as possible. The Nambour Waste Precinct is being upgraded to sustainably manage our region's future waste and during the year, Council progressed construction of the \$40 million Materials Recovery Facility to sort and separate recyclable material from yellow-lid bins ready for manufacturers to make new products.

Throughout the year Council's efforts in investment attraction and hosting major events has achieved an estimated economic impact of \$388.86 million and the creation of 1897 jobs in the Sunshine Coast economy, both directly and indirectly.

Our city heart – the Maroochydore City Centre – is developing well with several projects completed, under construction or in advanced planning stages. We've continued to work with SunCentral Maroochydore Pty Ltd and Walker Maroochydore Developments Pty Ltd during the year to progress development milestones, including the opening of the Sunshine Coast City Hall in December 2022.

Our region's international broadband cable has attracted data-reliant and knowledge intensive commerce. We are now home to the national Critical Infrastructure Information and Sharing Analysis Centre (CI-ISAC Australia) and boast a growing list of national and international corporate businesses.

Our programs such as Sunshine Coast Jobs Hub and Student Jobs Hub, developed in collaboration with Study Sunshine Coast and key regional employers and industry groups, spotlights the employment potential in our region's high-value industries.

By staying the course on our commitments, our inclusive, adaptive, resilient and climate ready economy is attracting investment and supporting local businesses to innovate, grow and enable diverse employment opportunities for current and future generations. This has also ensured the Sunshine Coast's economy can remain responsive to both national and global demands.

Of paramount importance in continuing to deliver for our community is the responsible management of our budget and resources. I am proud to announce that our Council achieved its fifteenth consecutive year with an unmodified audit opinion. I would like to acknowledge and thank my fellow Councillors and Council's senior executives for their commitment to prudent and disciplined management of the organisation's resources, while responding to and supporting the many facets of community life.

Council continued its unwavering commitment to shaping a stronger, better and more sustainable region with the adoption of the 2023/24 budget in June, this is the first \$1 billion budget for the region and provides yet another historic moment for the Sunshine Coast.

On behalf of my Councillor colleagues, I thank all Council employees, our partners and community volunteers who help make our region the special place that it is.

Mayor Mark Jamieson



Message from the Chief Executive Officer



Emma Thomas
Chief Executive Officer

Sunshine Coast Council has a clear organisational purpose. That is to serve our community with excellence, respect our past and position our region for the future.

Fulfilling this purpose requires inclusive and collaborative partnerships across our community, local businesses and industries as well as all levels of government. Together we can successfully advance our vision as Australia's most sustainable region. Healthy. Smart. Creative.

We pride ourselves on delivering the services and programs which enable our community to thrive. This is made possible by our 1900 plus employees who are passionate about our region and community. From parks, roads and pathways, stormwater drainage and environmental conservation, to libraries, venues, sport and recreational facilities, disaster management and much more, our organisation remains focused on engaging with the many voices in our community and finding ways to best respond to the current and future needs of our communities.

This year, Council achieved 81 per cent of the activities prioritised through the Operational Plan 2022/23 and delivered 82 per cent of the \$293 million Capital Works Program. This is an outstanding outcome given the external challenges being experienced, such as inflationary increases to prices, supply chain challenges and contractor availability that have continued to impact project delivery across South East Queensland and Australia. With careful and responsible project management we were able to deliver 1985 capital projects that directly support our community, provide work for local trades and businesses and support our key industries and lifestyle.

Placing our customers at the centre of everything we do is an important element of our organisational culture and commitment to our community. This year, more than 287,000 customers were assisted through our development and customer contact centres, with 39 per cent of customers choosing to be assisted through digital channels, signalling a shift in the way the community likes to access our services and keep informed.

As our region grows, so does the volume and value of assets under our careful management. Our beautiful parks and gardens are so important to everyone living and visiting the Sunshine Coast, this year a total of 1238 parks were managed and more than \$8.3 million was allocated for new and upgraded park facilities in various locations including Buderim Village Park, Quota Memorial Park, Nambour and Turner Park, Beerwah, just to name a few. In addition, 17,217 hectares of mowing sites were maintained along with 5216 hectares of garden beds. A phenomenal effort from our employees and contractors to keep our signature landscapes and assets in top shape.

Our local road network consists of 2633 kilometres of sealed roads and 473 kilometres of unsealed roads and the effective management of these assets is critical for the safety of our community. This year, 88 kilometres of roads, representing 161 road projects with a total delivery cost of \$21.7 million, were resurfaced and/or rehabilitated with significant works occurring in Caloundra, Valdora, Aroona and Woombye.

Through our roads program we continue to be curious about sustainability and how to create a circular economy where something old is redirected from waste and repurposed into something new. A new innovative and sustainable road trial was implemented on three local roads this year using rubber from old truck tyres mixed with asphalt to create a long-lasting surface that is more flexible, less prone to cracking and is better value for money.

Together with our partners we continued to implement activities that build an integrated, connected and smart region. In a Council-first, we launched the Smart Infrastructure Manual in April 2023, to provide guidance during the design, development and delivery of Council controlled digital infrastructure. The manual is aimed to promote quality, compliance and sustainability, minimise ongoing maintenance and ensure longevity.

In planning for our future and setting the strategic direction for our organisation over the next five years, we look to our Corporate

Plan. The updated Corporate Plan 2023-2027 was adopted in February 2023 and has been informed by consultation with our community across a broad range of activities, including the Community Satisfaction Survey 2022 and an environmental scan of key changes that have arisen since the last plan was adopted.

In May 2023, Council further advanced its goal of service excellence with the commencement of a service planning program that considers local and global trends as well as the needs of our current and future community to inform how our Council services need to adapt over the next 5-10 years to remain sustainable. This focus on continual improvement and responsibly leveraging opportunities through digital technology, process automation and investment in our people are critical to the efficiency and effectiveness of our organisation.

How we position our teams to work across our community of communities is a key ingredient to our performance. Our SCC Workplaces program continues to consider a holistic approach to the planning and management of Council's key workplace locations and includes the three administration centres of Caloundra, Maroochydore and Nambour, along with Council depots and satellite service locations.

A key highlight over the year was the official opening of our Sunshine Coast City Hall on 10 December 2022 which attracted more than 1500 residents who helped celebrate this milestone for our Council, and broader community. City Hall was built for the people of our region and is fantastic place to gather for civic activities and attend functions at the Altitude Nine function space located on the ninth floor, which accommodates 180 people for business, charity, private and corporate events. Since December 2022, approximately 830 Council employees have moved into our City Hall and are benefiting from the great design and connectivity this sustainable building provides. Approximately 200 employees remain at our Nambour Administration buildings and once the repurposing of our Caloundra Administration Building is complete, it will accommodate approximately 130 employees.

Council made great progress on our Organisational Zero-net Emissions Plan, which was adopted by Council in July 2022 to continue our leadership and commitment to contribute to the global emissions reduction challenge. Expanding our investment in rooftop renewables and developing a business case for strategic battery installations provide important opportunities and continue to demonstrate our commitment to being Australia's most sustainable region. The United Nations' Sustainable Development Goals continue to provide an important framework through which to consider our planning and performance, throughout the year we have taken every opportunity to align our new strategies and reports to these global goals.

As a Council we are committed to being a truly outstanding organisation that is marked by great people, good governance and regional leadership. Our values and behaviours are a critical part of being a great place for our employees to work, they shape how we interact with each other, our partners, and the community everyday as we deliver our services.

During the year our employees embraced a values refresh project that established new organisational values which were launched in December 2022. The new values articulate the shared intention that will underpin how our people will achieve Council's vision and create the best workplace. The new values are: Care – we care for people and place; Respect – we respect everyone; Trust – we trust and empower; Curious – we explore possibilities; and Connected – we are better together. These values will continue to be embedded into everything we do across Council and with our community.

It has been another very rewarding year to be part of such a fantastic organisation, and as one financial year closes we are quickly moving to the planning and delivery of the next year. In June 2023, Council adopted its first billion-dollar budget, set to deliver now and for the future.

The budget highlights Council's unwavering commitment to shaping a stronger, better and more sustainable region and includes: \$366

million to develop a strong community, \$327 million to maintain and enhance our environment and liveability, \$41 million to build our resilient economy, and \$156 million to deliver service excellence.

I would like to thank all of Council's employees for their efforts throughout the year whose contribution is what makes our organisation what it is and reflects our collective commitment to service on behalf of our community.

When we work together, we truly make our region the sustainable, healthy, smart and creative place that it is.

Emma Thomas
Chief Executive Officer



Our Sunshine Coast

The Sunshine Coast is widely acknowledged as a highly desirable place to live, work and play, with abundant natural resources and a unique lifestyle.

Located in South East Queensland, just north of Greater Brisbane, the Sunshine Coast Council local government area covers an area of 2291km², and is a major urban and economic centre and an emerging city-region.

The Sunshine Coast region is noted for its subtropical climate, picturesque coastline and beaches, plus extensive waterways and wetlands, as well as the hinterland mountain ranges. The natural environment and distinct landscapes influence the Sunshine Coast way of life.

The Sunshine Coast is an internationally recognised UNESCO Biosphere. This important recognition will help our Council protect and enhance our environment, culture, lifestyle and economy for future generations.

Our Council serves an estimated population of 365,073¹ people (as at 30 June 2023) with 151,120 rateable properties.


The average annual population growth for our local government area between 2016 and 2021 was 2.7 per cent², adding more than 8700 people every year. Most residents live within established urban centres along the coast, and while all age groups are well represented within the Sunshine Coast's population, the most common age cohort is people aged between 45 to 54 years and their children.

The Sunshine Coast has one of the largest economies (A\$20.96³ billion) of all regional areas in Australia and has maintained growth rates above the state average for more than 20 years. The median weekly household income on the Sunshine Coast is \$1595⁴ and the unemployment rate is 2.8 per cent⁵, which is the fifth lowest in Queensland. High-value industries include health and wellbeing, education and research, tourism, sport and leisure, food and agribusiness, clean technologies, aviation and aerospace, plus knowledge industries and professional services.

On behalf of our community the Sunshine Coast Council manages and protects:




60 kilometres of coastline



3106 kilometres of roads




8108 hectares of environmental reserves



More than 12,000 kilometres of waterways



1238 parks



1506 kilometres of pathways

¹ Queensland Government Statistician's Office, Queensland Treasury, Population Projections, June 2023

² Australian Bureau of Statistics Census of population and Housing 2021

³ National Institute of Economic and Industry Research (NIEIR) ©2022

⁴ Australian Bureau of Statistics Census Quick Stats 2021

⁵ Australian Bureau of Statistics, Labour force survey catalogue number 6202.0, and Department of Employment, Small Area Labour Markets, March quarter 2023.



Our Council

Sunshine Coast Council is served by 11 elected representatives comprising the Mayor and 10 Divisional Councillors. Their primary role is to put in place the policies, programs, local laws and service arrangements that support the needs of our community, now and into the future.

Sunshine Coast local government area divisions



Councillors

Councillors represent the community and make decisions that consider the needs of both current and future residents in the best interest of the Sunshine Coast region.

Councillors are assigned a portfolio aligned to the strategic goals and priorities of Council.



A Mayor Mark Jamieson
Portfolio: Regional
Advocacy and
Intergovernmental Relations

**B Deputy Mayor
Cr Rick Baberowski**
Division 1
Portfolio: Community

C Cr Terry Landsberg
Division 2
Portfolio: Economy

D Cr Peter Cox
Division 3
Portfolio: Environment
and Liveability

E Cr Joe Natoli
Division 4
Portfolio: Outstanding
Organisation

F Cr Winston Johnston
Division 5
Portfolio: Service
Excellence

G Cr Christian Dickson
Division 6
Portfolio: Service
Excellence

H Cr Ted Hungerford
Division 7
Portfolio: Outstanding
Organisation

I Cr Jason O'Pray
Division 8
Portfolio: Economy

J Cr Maria Suarez
Division 9
Portfolio: Environment
and Liveability

K Cr David Law
Division 10
Portfolio: Community

Our corporate structure

Our corporate structure facilitates a high performing, innovative and customer focused organisation marked by great people, good governance and strong leadership. Council's senior management, under the direction of the Chief Executive Officer, provides leadership and direction to progress the strategic outcomes determined by Council, as well as promoting excellence in our service delivery.





As of 30 June 2023.



Performance against our Corporate and Operational Plans





SECTION

PERFORMANCE

Sunshine Coast Council Corporate Plan 2022-2026

OUR VISION

Australia's most sustainable region. Healthy. Smart. Creative.

OUR PURPOSE

To serve our community with excellence, respect our past, and position our region for the future.

OUR VALUES*

Care

Respect

Trust

Curious

Connected

OUR GOALS

OUR STRONG COMMUNITY

Our communities are connected and thriving places where people are included, treated with respect and opportunities are available for all.

Strategic pathways

- Healthy and active communities
- Vibrant community places and spaces that are inclusive, accessible and adaptable
- An inclusive community, with opportunities for everyone
- Connected, resilient communities, with the capacity to respond to local issues
- Creative and innovative approaches to building a strong community.

OUR SERVICE EXCELLENCE

Our services are consistent and accessible and provide positive experiences for our customers and value to our community.

OUR OUTSTANDING ORGANISATION

Our organisation is high performing, innovative and community focused, marked by great people, good governance and regional leadership.

* Council's new corporate values were launched in December 2022.





OUR ENVIRONMENT AND LIVEABILITY

Our natural assets, healthy environment and liveability credentials are maintained and enhanced.

Strategic pathways

- A resilient region shaped by clever planning and good design
- Protection and enhancement of our natural assets and distinctive landscapes
- Responsive, accessible and well managed assets and infrastructure
- Transitioning to a sustainable and affordable way of living
- A reputation for innovation and sustainability.

Delivery pathways

- Engage with our community to inform asset management and service delivery
- Know and understand our customers
- Design accessible, flexible and innovative services that meet community needs
- Deliver consistent service levels that provide positive experiences for our community
- Assess service performance and sustainability to inform evidence-based business planning.

Delivery pathways

- Maintain a financially sustainable organisation that balances the needs of our growing region
- Provide quality information, systems and processes to deliver fit for purpose solutions
- Embrace a safe and collaborative workplace culture that attracts and retains high performing and engaged people
- Demonstrate accountable leadership, future planning, and good governance that provides confidence to our community
- Partner with community, business and government to represent and advocate the needs of our region.

OUR RESILIENT ECONOMY

Our resilient, high-value economy of choice drives business performance, investment and enduring employment.

Strategic pathways

- Strong economic leadership, collaboration and identity
- New capital investment in the region
- Investment and growth in high-value industries, innovation and entrepreneurship
- Strong local to global connections
- A natural, major and regional event destination
- Encourage investment in talent and skills.



Our Strong Community

Our communities are connected and thriving places where people are included, treated with respect and opportunities are available for all.

This goal is delivered through a focus on the following strategic pathways:

1. Healthy and active communities
2. Vibrant community places and spaces that are inclusive, accessible and adaptable
3. An inclusive community, with opportunities for all
4. Connected, resilient communities, with the capacity to respond to local issues
5. Creative and innovative approaches to building a strong community.

2022/23 Goal measures

Measure	Target	Result
Percentage of the community who report being in good health	82%	84%
Percentage of residents who are neutral, agree or strongly agree that Council's community infrastructure meets the needs of their community	Greater than or equal to 80%	82%
Overall liveability index score	63.9 (by 2026)	60.9*
Percentage of residents who agree that they can get help from friends, family, neighbours or community organisations when they need it	Greater than or equal to 85%	87%
Growth in social enterprises operating in the Sunshine Coast local government area	Greater than or equal to 22 at 2025	32% growth on previous year (total 25)
Influence the shift of transport mode share through increased passenger vehicle occupancy and use of active public transport	Less than 85% private vehicle trips Greater than 12% active transport trips Greater than 3% passenger transport trips	86.9% 11.4% 1.6%**

* This result is consistent with the Sunshine Coast 2021 baseline and is considered stable. Traffic congestion and affordable housing placed a downward pressure on overall liveability for the 2022/23 financial year. While these liveability aspects are not within Council's sole remit, it has taken actions to advocate and/or coordinate the efforts of all stakeholders to respond to these impacts on liveability.

** This result has improved since last measured in 2018 - with a 2.5% increase in active transport and 0.6% decline in private vehicle trips. Passenger transport trips were impacted by COVID-19 and reduced 2%. The 2041 target is 70:20:10 respectively.

Key highlights 2022/23

Community Strategy 2019-2041

The Sunshine Coast Community Strategy 2019-2041 outlines a framework for Council and our community to work together to advance our shared goal for a strong community through to 2041.

In 2023, Council commenced a review and refresh of the Community Strategy Action Plan to reflect current community priorities. Since the development of the last action plan in 2019, the community has changed due to the COVID-19 pandemic, a growing population, extreme weather events and, more recently, cost of living pressures.

Between 30 March and 30 May 2023, Council delivered the first stage of community engagement to inform the review, which included almost 100 people attending the Stronger Together Community Forum on 16 May 2023, the submission of more than 1600 responses through an online survey, and access to a Community Conversation Toolkit.

This annual report highlights several priorities that have been delivered over the financial year as this strategy is put into action.

1. Healthy and active communities

Delivery Partner of the Brisbane 2032 Olympic and Paralympic Games

Council is a Delivery Partner for the Brisbane 2032 Olympic and Paralympic Games. A range of activities were undertaken during the year to plan and activate our region in preparation for the Games.

On 7 August 2022, Council held a free community event at the Sugar Bag Road Mountain Bike Park in Caloundra to celebrate and acknowledge it was 10 years to go until the Games. Olympic mountain biking is one of nine events which will be held on the Sunshine Coast and our community were encouraged to #HaveaGo at the action packed day of bike demonstrations, trails and a chance to meet former world champion Janine Jungfels.

Council launched its 10+10+ Legacy Vision on 24 January 2023, which outlines what our region seeks to achieve from being a Delivery Partner for the Games. The Games present an opportunity to create lasting and valuable benefit for the community, economy and environment now, during the Games, and for the years following the event. The Legacy Vision was informed by a wide range of representative voices and was developed closely with the Sunshine Coast 2032 Legacy Plan Community Reference Group. The legacy aspirations for our region are: Enhanced connectivity; Resilient and actively engaged communities; Enshrine a sustainable Sunshine Coast; Positive economic impact; and, A healthy, active and lifelong sporting region.

Together with the Games Delivery Partners, Council revealed a concept for a new 11 court Indoor Sports Centre that will have the ability to convert to a 6000-seat court. Kawana Sports Precinct was chosen for this exciting facility that will benefit a range of groups and sports (including basketball, netball, volleyball, pickleball, futsal and badminton) and will also benefit business, tourism and allied health providers. It is expected to be up and running in 2027, with funding contributions from the Australian and Queensland governments under the Brisbane 2032 Olympic and Paralympic Games Intergovernmental Agreement. In addition, planning is well advanced with the Sunshine Coast Stadium expansion and the Parklands Mountain Bike Centre, both expected to be completed by 2026.

Healthy Sunshine Coast program

The Healthy Sunshine Coast program was relaunched in 2023 with 46 recurring, exciting and innovative health and wellbeing activities held across the region each week. Almost 4000 people were registered in the 2022/23 program, with more than 1000 people regularly attending activities on a monthly basis. Activities included strength and stability for older people, family yoga, fitness by the lake, pilates, tai chi, aqua aerobics and finding presence in nature.

In addition, seven one-off or short-term workshops were delivered, covering areas such as behaviour change, e-bike introduction, bicycle maintenance and introduction to bushwalking for young people.

The program supports and encourages our community to be active, have fun and meet new friends. The relaunch of the initiative has a renewed focus on holistic health and wellbeing for people of all ages and abilities.

Sporting facilities

Council's essential mix of world-class sporting facilities and grassroots community facilities offer opportunities to host major events within our region and importantly, provide community inclusion, connection and health and wellbeing outcomes.

Capital works upgrades were delivered across our network of facilities to provide functional, accessible, inclusive facilities for all, including:

- \$1 million at Nambour Showgrounds Indoor Equestrian Arena to support high level equestrian events and activities as well as continued local equestrian and pony club activities
- \$850,000 on field lighting at Coolum Sports Complex to benefit rugby league and cricket including First Nations rugby league activities, and
- \$550,000 on car parking and access road works at Mooloolah Valley Sports Complex to support football, softball and a range of other activities.

2. Vibrant community places and spaces that are inclusive, accessible and adaptable

Our libraries

Our library network of eight branches and two mobile libraries provide dynamic, multi-purpose



environments for learning and recreation for all genders, ages, abilities and cultures. With a membership base of 112,529 people, our libraries are welcoming hubs that bring our community together and offer access, both in person and digitally to information, programs, resources and learning opportunities while providing avenues for social interaction and inclusion.

Throughout the year, more than 830,000 people visited our libraries. A total of 1628 face-to-face programs and 211 digital programs were delivered, covering topics such as literacy, lifelong and creative learning and events with 86,156 people participating. Council launched the inclusion membership category to ensure everyone could join Council libraries, regardless of personal circumstances.

In March 2023, to pave the way for the rejuvenation of the Omrah Avenue administration building and construction of a contemporary Caloundra district library, Council's customer service centre temporarily relocated to 77 Bulcock Street, Caloundra. The new library will replace the existing library in Felicity Park and is an integral part of the Caloundra Centre Activation Project and Caloundra Centre Master Plan.

3. An inclusive community, with opportunities for all

First Nations partnerships

Through Council's Reconciliation Action Plan (RAP), Council facilitates First Nations collaborations and partnerships on the Sunshine Coast by advocating for community needs, providing First Nations policy advice and supporting engagement. RAP actions delivered during the year include:

- A First Nations Supplier Day was held at the Nambour Showgrounds on 10 October 2022. It brought together 45 First Nations suppliers to showcase products and services and was an opportunity for government, non-government organisations, businesses, and the public to meet local First Nations suppliers and support collaboration between local First Nations businesses.
- Sunshine Coast Traditional Custodians, community members and Council representatives gathered at TribalLink in Mapleton for the launch of National Reconciliation Week on 24 May 2023. The event was a great example of collaboration to support reconciliation efforts.
- Monthly meetings were undertaken throughout the year with the Sunshine Coast First Nations Accord (corporate round table) and the Sunshine Coast

Did you know?

In 2022/23:



More than 588,300 people attended community events at Council's venues across the year with an average **94% hirer and customer satisfaction score**



More than 7.5 million beachgoers attended and **more than 745 rescues** were performed by lifeguards across Sunshine Coast beaches



839,016 visits to our libraries across the region



\$5 million was allocated to the community through **1038 community grants**

First Nations community to build relationships and facilitate community conversations, with work continuing on the development of a First Nations Engagement Guideline and First Nations Cultural Protocols Guideline.

Inclusion for people with disability

Council commenced the preparation for a five-year Draft Inclusion Action Plan for People with Disability as a demonstration of our continuing commitment to improve access and inclusion for people with disability on the Sunshine Coast.

During the year, targeted consultation was undertaken with people with disability and carers, disability support workers, the Inclusion Action Plan Reference Group and internal Council groups. The Inclusion Action Plan Reference Group consists of 14 people with lived experience who shared their ideas to guide what the plan should focus on and to put forth their ideas for inclusion. They are a group of people who work together with Council to better support people with disability.

Welcoming Cities

On 26 May 2023, Council strengthened its commitment to cultural diversity and inclusion by signing the commitment to become a member of the Welcoming Cities Network. Welcoming Cities is a national network supporting local

governments to advance communities where everyone can belong and participate in social, cultural, economic and civic life.

Through the network, Council will have access to evidence-based research, resources, policies, and case studies and will assist in setting the national standard for cultural diversity and inclusion policy and practice, which assists Council with its planning and continuous improvement efforts.

Shine a Light on Racism

The 'Shine a Light on Racism' campaign launched on 22 July 2022, calling on the Sunshine Coast community to #DotheWork in responding to racism and actively learning how to become an ally. The campaign was spearheaded by seven local patrons and provided workshops to unpack and support the community to become 'anti-racist' through education and engagement.

The community co-designed campaign was backed by the South Sydney Rabbitohs and Warriors at their NRL game at the Sunshine Coast Stadium on 6 August 2022. The Rabbitohs showed their support for the campaign online, calling their supporters to 'help educate and end discrimination within our communities'.

Sunshine Coast Youth Council

The Sunshine Coast Youth Council, comprising 15 representatives, completed their two-year term in June 2023. As the first cohort to complete their Youth Council tenure, participants learnt about local government and were provided an opportunity to advocate for projects and issues that are meaningful for our region. Key achievements of the Youth Council included:

- planning and delivering a youth engagement project
- supporting the first youth 'chill out' zone at the 2022 Caloundra Music Festival
- planning for and co-leading a youth tree planting day alongside Zero Positive (a world-first, not-for-profit emissions reduction program developed specifically to empower Australian schools to become climate positive) for schools at Mary Cairncross, Maleny, and
- various input into Council engagements, plans and participation in a number of forums including the Brisbane 2032 Legacy Forum and the 2023 Sunshine Coast Infrastructure Summit.

Council also partnered with youth services and organisations to host several fun and free events throughout Youth Week held from 11 to 17 April 2023, including a skate and scooter competition at Kings Beach Youth Fest and the Beerwah Movie Night.

4. Connected, resilient communities, with the capacity to respond to local issues

Response to Homelessness

Council is progressing the development of a Sunshine Coast Housing and Homelessness Action Plan that will build on our existing commitments to provide guidance and establish new initiatives directed at achieving a more secure housing future for our community.

Council collaborated with church groups to deliver the Hope for Homes Forum held on 26 September 2022, which was attended by 130 people. Outcomes included strengthening connections between groups and providing information to support community led initiatives to respond to homelessness.

Council remains committed to its response to homelessness with front line staff participating in Homelessness Awareness Training, co-designed with QShelter in May 2023 and the continued implementation of the Responding to Homelessness Guideline. A pilot program was developed to give people with lived experience of homelessness a voice and included in the decisions that most impact them.

In recognition of the housing crisis and cost of living across South East Queensland, Council waived permit fees of \$514 for those having to temporarily live in a tent, car, caravan or mobile home located on private land and who, due to extenuating circumstances, find it difficult to pay.



Domestic and Family Violence Prevention

Council is an active participant in helping to address domestic and family violence and throughout the year worked with our community to support those impacted. Council maintains there is no place for domestic and family violence on the Sunshine Coast or anywhere in our society. Key initiatives delivered include:

- seeds of Hope Tree Planting event held in November 2022 as part of the 16 days of Activism against Gender-Based Violence
- more than 1000 purple ribbons were handed out at the Sunshine Coast Lightning game on 30 April 2023 and were made available at Council offices, libraries and venues for employees, alongside a QR code to access more information
- promotion for Domestic and Family Violence Prevention Month, which included the annual march alongside Centacare and candlelight vigil on 3 May 2023, and
- organisational training to raise awareness of domestic and family violence prevention and support available.

Grants to community organisations

More than \$5 million was awarded through 1038 grants for projects, events and partnerships that provide direct benefit to our residents and align to Council's vision and strategic priorities. The reactivation of community activity and sporting events across the region (following the COVID-19 pandemic), is reflected in the increased number of grant applications received in comparison to the previous year and the total allocated grants for the financial year.

A total of 12 grant-writing workshops were held throughout the year, attracting 212 attendees which included sector specific sessions designed to meet the needs of heritage, creative arts and multicultural community groups. Sessions explored how to plan and communicate projects, what supporting documentation to include and provided guidance on how to complete project budgets - aiming to increase the chance of application success and to build capacity of community groups.

Disaster management and resilience

On behalf of our community, Council has lead responsibility for coordinating the response to

emergency events if they occur in the region and as such, seeks to ensure there are approaches in place to appropriately prevent, prepare, respond to and recover from such events.

Throughout the year, Council conducted disaster-ready community information programs for all ages to educate our community of potential risks and hazards they may be exposed to, what they can do to prepare for a possible disaster or emergency event, and ways in which they can mitigate the effects of these events. On 3 August 2022, the Local Disaster Management Group participated in a disaster preparedness, response and recovery training exercise. The training included a fast-forming weather event which involved 100mm of rain, flash flooding, hail and storm surge, severe storms, super cells and tornadoes. Exercises such as these build knowledge and crucial skills and provides practical experience for all participants.

Council's claim of approximately \$56 million to replace flood damaged public infrastructure resulting from the significant flood and weather events of February and March 2022 was approved by the Queensland Reconstruction Authority. These works are jointly funded by the Australian and Queensland governments under the Disaster Recovery Funding Arrangements (DRFA). Works include rectification of roadside landslips; repairs to gravel and sealed roads as well as stormwater infrastructure, environmental trails and community and recreation assets; ensuring that functional and safe services are returned to the community as quickly as possible.

In addition, Council received \$243,300 in the 2022/23 financial year for a Community Recovery and Resilience Officer to undertake recovery work in areas most affected. This work is focused on hinterland towns and included the establishment of a Community Recovery sub-group to assist in street and neighbourhood level recovery and resilience activities.

Caloundra Transport Corridor Upgrade

Council is leading the delivery of the Caloundra Transport Corridor Upgrade as part of a major investment with the Australian and Queensland governments to help address Caloundra's growing transport needs. The upgrade will improve connectivity and travel choice for Caloundra by creating a new connection into the Caloundra central business district and reducing

traffic congestion at the Caloundra Road/Nicklin Way/Pelican Waters Boulevard roundabout and on the eastern end of Caloundra Road.

Section 1 of the project, from Omrah Avenue to Arthur Street is funded exclusively by Council. Section 2 of the project, between Arthur Street and Industrial Ave is currently receiving funding from the Australian Government (\$7 million) and the Queensland Government (\$7 million) in addition to \$4.2 million from Council.

Extensive stakeholder and community engagement has been undertaken for the project. Feedback during this engagement has been strongly focussed on sustainability and reducing community and environmental impacts. Other themes continuing to be at the forefront of community and stakeholder interest include active transport, community connectivity and adequate provision for private and public transport.

During the year, Council completed detailed design for the road corridor, cycling facilities and service relocations, and the analysis of options for intersection types and lane numbers.

Transport Levy

The Transport Levy helps Council to support the future transport needs of the Sunshine Coast. The levy directed funding to five key areas that aim to improve connectivity across the Sunshine Coast:

- \$3.1 million was allocated to the Transport Futures Fund to support efforts to secure other government investment in strategic transport needs for the region
- \$2.8 million invested in research, monitoring, planning and forecasting to build our knowledge through travel surveys and data collection and to progress strategic priorities including the Sunshine Coast Public Transport Project
- \$558,000 to upgrade bus stops and other improvements in the public transport network across the Sunshine Coast
- \$383,000 to develop initiatives that educate, inform and assist the travel behaviour of users, and
- \$224,000 on investigating and trialling improved public transport services to assist community areas not currently serviced by public transport.

More details are located within Council's Transport Levy Annual Report 2022/23.

RideScore Program

Council in partnership with We Ride Australia and Deakin University, continued to deliver the RideScore program encouraging active and safe travel to and from school. This pilot program is funded through the Transport Levy and is the first of its kind in the state. Bluetooth sensors attached to student's bikes enable real-time notifications to be sent to parents on the arrival and departure of students.

The program was run in collaboration with 10 schools, with more than 1800 students registered across the Sunshine Coast. In 2023 the Ride to School Day event attracted 37 schools and 2400 students, noting increased participation in both coastal and hinterland areas.

Additionally, the Bike Restoration Program saw bicycles from waste facilities and charities restored and distributed to RideScore schools for children-in-need. Council also delivered the Cycle Skills program at RideScore schools - an introductory lesson to safe cycling from local qualified cycle coaches to reinforce essential bike handling skills, road rules to assist with safe school travel behaviours, and support the promotion of active school travel.

ThinkChange

ThinkChange is Council's branded travel behaviour change program and is about helping everyone on the Sunshine Coast identify ways we can all reduce our car use so we can help achieve a healthier, more connected and sustainable Sunshine Coast.

During the year, preliminary planning commenced on initiatives to support active transport to and from the 2023 Caloundra Music Festival, including free public transport, park and ride shuttle services and a VIP bike valet service. A number of key initiatives primarily targeting Council workplaces were undertaken to encourage employees to consider travel options and commuting habits included the:

- transition of 800 employees relocating to the Sunshine Coast City Hall
- opening the new end-of-trip facility at Sunshine Coast City Hall which promotes active travel commuting and additional e-scooter parking to support e-mobility options
- delivery of the employee sustainable travel platform called MovUs to increase registrations and use of the platform, and
- collaboration with Queensland Government on

a sustainable travel promotion encouraging public transport and active travel commuting.

Active transport initiatives

Council's vision is to encourage a shift from private passenger vehicles to public and active transport, particularly for short trips, in order to maintain and improve our lifestyle, keep us healthy and contribute to the sustainability of the region.

In June 2023, Council supported Neuron Mobility to launch the trial of its e-scooters and e-bikes with a total of 400 e-scooters and 75 e-bikes available to hire from a number of designated parking stations located throughout Mooloolaba and Maroochydore. The trial of the affordable and environmentally friendly transport will explore whether electric scooters and bikes can make life on the Sunshine Coast even better.

Detailed Business Case for the Sunshine Coast Public Transport Project

Council worked collaboratively with the Queensland Government to progress the Detailed Business Case for the Sunshine Coast Public Transport Project (formerly known as the Sunshine Coast Mass Transit Project). The Detailed Business Case evaluates an enhanced public transport connection between Maroochydore and the Sunshine Coast University Hospital, with a possible extension to Caloundra.

A Memorandum of Understanding was executed in March 2023 and a combined communication campaign was prepared for the Direct Sunshine Coast (heavy rail), and the Mooloolah River Interchange and Kawana Motorway projects. It is anticipated the Detailed Business Case for the Sunshine Coast Public Transport Project will be finalised mid-2024.

5. Creative and innovative approaches to building a strong community

Arts and Heritage Levy funded activities

The Arts and Heritage Levy supports the delivery of the Sunshine Coast Heritage Plan 2021-2031 and Sunshine Coast Arts Plan 2023-2038 and funds a range of programs aligned to Council's strategic priorities. During the year, key arts projects funded included:

- \$95,600 to attract creative businesses to base themselves in the region
- \$70,000 to support the development of a culture of arts philanthropy in the region
- \$32,500 to deliver artist-in-residence programs for local artists, and
- \$33,300 to First Nations creative arts programs.

Key heritage projects funded included:

- \$471,100 to support programs that assist local museums, heritage organisations, and First Nations Peoples
- \$227,800 to Conservation initiatives to support best practice management of heritage assets, from artefacts to heritage listed homes and buildings
- \$218,600 to communication and education projects, increasing awareness of the region's heritage, and
- \$109,760 to knowledge projects which research, record, and share information about the region's heritage.

More details are located within Council's Arts and Heritage Levy Annual Report 2022/23.

Horizon Festival

The Horizon Festival 2022 returned in full swing following COVID-19 pandemic disruptions in 2020 and 2021. The uplifting, world-class festival featured 502 local acts and nationally recognised artists, across 10 days and nights between 26 August to 4 September 2022.

A total of 21,492 attendances were recorded across the 127 events, including music, visual art, performance, dance, family entertainment, spoken word, comedy and workshops. Horizon was proud to present 13 First Nations- led projects across music, dance, visual art and workshops, including the iconic Dawn Awakening event which attracted over 2000 people.

Horizon is an exciting celebration of the arts and a great example of Council and our community working together to create a festival that delights audiences.



Our Environment and Liveability

Our natural assets, healthy environment and liveability credentials are maintained and enhanced.

This goal is advanced through a focus on the following strategic pathways:

1. A resilient region shaped by clever planning and good design
2. Protection and enhancement of our natural assets and distinctive landscapes
3. Responsive, accessible and well managed assets and infrastructure
4. Transitioning to a sustainable and affordable way of living
5. A reputation for innovation and sustainability.

2022/23 Goal measures

Measure	Target	Result
Maintain the size of the Regional Inter-urban Break to its 2017 extent.	Equal to 32,034 hectares	32,034 hectares
Hectares of land per 1000 residents acquired through Environment Levy for conservation and preservation purposes maintained.	9.60 hectares per 1000 residents	11.09 hectares per 1000 residents
Hectares of land per 1000 residents for sport and recreation purposes.	5.00 hectares per 1000 residents (by 2041)*	4.62 hectares per 1000 residents*
Region's renewable energy capacity	Greater than 388.10 Megawatts (MW)	452.00 MW
Council's greenhouse gas emissions (total / per resident)+	222,524 tCO ₂ e / Less than 0.62 tCO ₂ e per resident	<ul style="list-style-type: none"> • 176,663 tCO₂e • 0.48 tCO₂e per resident
Percentage of total waste collected diverted from landfill	Equal to 40%	37%**

* This is a 2041 target. Council is progressively working towards this target, and acquired 11.95 hectares of land over the 2022/23 financial year.

+ tCO₂e = tonnes of carbon dioxide equivalent

** Recyclables continue to be affected by the Queensland Government's Container Refund Scheme and the market for garden mulch is slow across the state.

Key highlights 2022/23

Environment and Liveability Strategy 2017

Now in its sixth year of implementation, our Environment and Liveability Strategy 2017 continues to guide planning for our growing population and manage our response to climate change, while also delivering a healthy environment and liveable Sunshine Coast for our community.

During the year, Council commenced a process to review and refresh the strategy's Part A: Strategic Direction and Part B: Five-year implementation

plan, to ensure it remains future focused and continues to provide a contemporary approach. Phase one (of two) community engagement periods was undertaken in May 2023 and received 300 contributions from our community outlining what they saw as emerging issues for the region and priority actions.

The highlights below demonstrate how Council is managing our natural and built environments while supporting a strong economy and our diverse communities into the future.

1. A resilient region shaped by clever planning and good design

Cool Homes for the Sunshine Coast design guide

Council released the Cool Homes for the Sunshine Coast educational booklet and compass in July 2022 to help people understand our local sub-tropical climate and how the sun - in either winter or summer - impacts the liveability of our homes.

The project follows on from the hugely successful Sunshine Coast Design book and encourages residents to transition to a low carbon, energy and resource efficient homes that don't need air conditioning running all summer and heating all winter. The booklet and phone compass can help people understand where to put their rooms, how to let light in to warm or illuminate their home, how to let breezes through, which building materials to consider, where to put shade, and the value of gardens in helping cool our homes.

Drafting and development of a new Planning Scheme for the region

One of the largest and most successful engagements ever undertaken on the Sunshine Coast has informed the development of our new Planning Scheme for the region. With more people choosing to live in the region, Council is committed to the complex task of planning for growth in sustainable, healthy, smart and creative ways.

More than 8000 people had their say on Council's proposed region-wide and local planning directions, highlighting the range of aspirations that will shape the region's future. The preliminary consultation feedback revealed the key community aspirations for the new planning scheme as:

- protecting the environment
- maintaining a Sunshine Coast vibe
- managing growth
- delivering traffic and transport solutions alongside new development
- parking needs to be adequate
- improving development outcomes, and
- addressing affordable housing.

Blue Heart - Blue Carbon project

The Blue Heart Sunshine Coast project aims to protect and manage critical areas of the

Maroochy River floodplain by restoring important floodplain ecosystems as well as investigating new alternative land uses as the landscape transitions under rising sea levels associated with climate change.

As the wetlands in the Blue Heart are coastal and under tidal influence, the carbon they store will be blue carbon. Restoring coastal wetlands on publicly owned land will increase carbon storage and provide an opportunity to potentially generate Australian Government carbon credits.

During the year, Council progressed the following actions within our Blue Heart:

- implementation of the Blue Carbon restoration project (receiving \$2 million from the Australian Government) to gain a better understanding of blue carbon farming
- planning to support the introduction of tidal inundation on Council owned properties to establish coastal wetlands
- completed a body of research and monitoring, led by a collaboration of universities, to understand the hydrology, biodiversity, water quality and potential to capture and store carbon at the project sites
- engaged with landholders to share and gather stories and information about how we use and manage our places within the Blue Heart, and
- worked with Traditional Custodians, the Kabi Kabi peoples, across the entire Blue Heart project.

Creating our climate-ready region

In January 2023, Council, in partnership with Noosa Shire Council were awarded a \$1.1 million grant from the Queensland Reconstruction Authority under the Queensland Resilience and Risk Reduction Fund to better understand implications of cascading climate risks to both the Sunshine Coast Council and Noosa Shire Council services and critical infrastructure.

This important partnership recognises climate adaptation is a shared journey that takes place at many scales. Both organisations are collaborating to proactively plan for the future needs of our organisations and communities and together created a Regional Climate Action Roadmap. The roadmap is guiding, informing and building regional capacity to develop and prioritise local responses to climate-related risks such as sea-level rise, rain, storms, flooding, higher temperatures, bushfires, and droughts.

New streetscape design in Maleny

Council has been working with the Maleny community to review and refresh the Maleny Placemaking project. This project aims to strengthen Maleny's main street – Maple Street- and its 'sense of place' so that it can continue to be a place that is loved by residents, cared and invested in by businesses and valued as a destination.

With two stages of engagement between July and August 2022, Council sought community feedback to understand the priorities for improvement and opportunities for placemaking activation. More than 300 residents, business owners and visitors provided feedback with 279 surveys completed, four pop-up sessions, two community forums as well as 85 community members coming forward in person.

The draft Maple Street Streetscape concept plan has received overall support from the community and aims to improve functionality, comfort and safety to create an even more vibrant street economy and connections to local and cultural heritage.

Mooloolaba's Central Meeting Place

The Central Meeting Place is a project stage being implemented within the larger Mooloolaba Foreshore Revitalisation project. The Central Meeting Place precinct is located near the Brisbane Road entry point to Mooloolaba Esplanade which encompasses 6500m² of beachfront parkland and will be a place to arrive, meet, gather, celebrate and connect with nature and each other.

Two distinct designs were presented for a foreshore rejuvenation and presented to the community. Through more than 1300 surveys and conversations, the community determined 'Concept Blue' as the clear preference.

The project also involves replacing the existing 'Loo with a View' with fully inclusive public amenities that are separate from the viewing deck and meeting place. The precinct features a new shaded event and meeting space, open grassed areas, a viewing deck, new beach showers, landscaping, public artwork, a new coastal pathway, and a terraced seawall with wide steps which double as beachside seating with plants and shade trees.

In June 2023, Council was awarded \$7.95 million through the National Emergency Management Agency under round one of the Disaster Ready Fund for the new seawall. The seawall is essential to protect the Mooloolaba foreshore from coastal hazard impacts such as rising sea levels, increased storm surge and coastal inundation and will provide enhanced access to the beach including an all-abilities access ramp for people using wheelchairs, prams or mobility devices. In addition, the project will provide a premier tourism destination that contributes to our region's 10+10 Legacy Vision for the Brisbane 2032 Olympic and Paralympic Games.



Did you know?

In 2022/23:



94,565 tonnes of greenhouse gases were flared or combusted for power generation at Sunshine Coast landfills



9.5 tonnes of litter was removed from Sunshine Coast waterways



2710 street trees were planted across the year under Council's Street Tree Master Plan



10,376 hectares was managed for conservation and **1300 properties** registered under the Land for Wildlife program

2. Protection and enhancement of our natural assets and distinctive landscapes

Environment Levy funded activities

The Environment Levy supports the delivery of various transformational actions set out within the Environment and Liveability Strategy 2017. During the year, \$7.8 million was allocated to a range of actions, including:

- \$1.4 million on enhancing strategically significant land for environmental purposes
- \$967,000 in coastal protection works and dune rehabilitation
- \$739,000 for invasive species research, action and community engagement
- \$610,000 provided to 19 partnership community environmental groups, and
- \$325,000 for Landholder Environment Grants to 83 landholders to undertake on-ground projects.

More details are located within Council's Environment Levy Annual Report 2022/23.

Invasive species management

The Invasive Weeds Project 2021-2026 was implemented throughout the year, actioning a variety of weed management control options and trials at Maleny and Witta demonstration sites. The project is aimed to explore weed management practices using innovative technology for invasive plant identification, management, monitoring and surveillance and to share information with our community about trial outcomes and opportunities

available. Key activities undertaken include:

- 10,600 tubestock plants in total were planted at Maleny Community Precinct and Witta demonstration sites
- Council trialled a remote mulcher and unmanned aerial vehicle chemical applications at the Witta demonstration site
- research and trial plots were established for herbicide capsule treatment efficacy on cat's claw creeper, and
- in partnership with Queensland University of Technology, Council commenced a project to identify and map broad-leaved pepper tree distribution along the Sunshine Coast foreshore bushland reserve using drones and artificial intelligence.

Regional Inter-urban Break

Council continues to advocate for the protection of the Regional Inter-urban Break, a critical major green space separating us from the Greater Brisbane area, consisting of the heritage listed Glass House Mountains National Park, the Ramsar-listed wetlands of the Pumicestone Passage and parts of Bribie Island.

Protecting the Regional Inter-urban Break is a strategic priority and a Transformational Action of Council's Environment and Liveability Strategy 2017.

Development of Sunshine Coast Ecological Park Master Plan

Following three rounds of community engagement, Council progressed a draft Master Plan to restore a 65 hectare site adjoining Mary Cairncross

Scenic Reserve, Maleny into an ecological park. Historically the site was part of a lush subtropical rainforest ecosystem, featuring waterways and rolling hills. In recent history the site was altered for farming use through clearing of remnant vegetation and alterations to the waterways. The land parcel is within the Mountain View Major Green Space, one of the Sunshine Coast's five major green spaces which Council is protecting to preserve our environment, respond to climate change and provide spaces for people.

The draft Master Plan features numerous highlights including a treetop bridge, a forest lookout with 360 degree views over the Glass House Mountains and down to the coast, a community pavilion, operations and research facility and 'forest rooms' for play, discovery and rest. It is a space where nature is cherished, where the community learns and collaborates, and where everyone can find joy in our natural environment.

Council received approximately 700 surveys and written submissions and almost 300 face-to-face interactions across the three consultation phases which informed the final Master Plan.

3. Responsive, accessible and well managed assets and infrastructure

Nambour Waste Precinct Project

One of the ways Council is advancing our vision to be Australia's most sustainable region. Healthy. Smart. Creative is by moving towards a circular economy approach to waste management. This is where products and materials keep circulating in the economy for as long as possible.

The Nambour Waste Precinct is being upgraded to sustainably manage our region's future waste. During the year, Council progressed construction of the \$40 million Materials Recovery Facility to sort and separate recyclable material from yellow-lid bins ready for manufacturers to make new products.

Ecosystem functions mapping tool

Council and the University of the Sunshine Coast (UniSC) have teamed up to create a world-first ecosystem function mapping resource. The mapping and reporting tool shows the different ecosystem services for every location across the region.

Ecosystem services are the benefits each type of ecosystem provides, including climate regulation, pollination, food supply, water quality, habitat and more. When these functions are mapped, the visual format shows where our ecosystem functions lie across the region, and which areas are most valuable from a holistic ecological perspective. This valuable tool will assist to inform decisions that will benefit generations to come.

The project was delivered through the Regional Partnership Agreement between Council and UniSC, which supports research improving outcomes for a sustainable Sunshine Coast.

4. Transitioning to a sustainable and affordable way of living

Organisational Zero Net Emissions Plan 2022

The Organisational Zero-net Emissions Plan 2022 was adopted by Council in July 2022 to continue our leadership and commitment to contribute to the global emissions reduction challenge. Zero-net emissions refers to achieving an overall balance between the quantity of greenhouse gas emissions (GHG) produced, and the amount of GHG emissions removed from the atmosphere.

The plan provides a framework to implement GHG emission reduction under six focus areas, including waste, electricity, transport, supply chain, building and infrastructure, governance and culture change. To demonstrate our commitment to being Australia's most sustainable region, this plan has been aligned to the United Nations' Sustainable Development Goals.

During the year, several actions were implemented from the plan including, expanding its investment in rooftop renewables and undertaking business cases for strategic battery installation. In addition, Council commenced mulching green organic waste which is available to residential and commercial customers at one of Council's resource recovery centres (located in Beerwah, Caloundra, Buderim and Nambour). Diverting garden organics from landfill extends our landfill life and reduces greenhouse gases being released into the atmosphere.

Reducing our Greenhouse Gas Emissions (GHG)

Becoming a zero-net emissions organisation by 2041 is a Transformational Action of the Environment and Liveability Strategy 2017. Tracking our progress towards this target is important to understand our effectiveness in reducing emissions and what adjustments and further investments may be required.

Council's total GHG for the 2022/23 financial year was 176,663 tCO₂e (tonnes of carbon dioxide equivalent), which is a decrease of 45,861 tCO₂e or 20.6 per cent from last financial year. GHG per resident also decreased by 0.14 tCO₂e to 0.48tCO₂e per resident. Emissions from waste represent 75.1 per cent of Council's total greenhouse gas footprint and decreased by 37,788 tCO₂e or 22 per cent compared to the 2021/22 financial year.

Whilst emissions from fuel and our purchased goods and services increased with 18.5 per cent and 5.3 per cent respectively, Council saw significant emissions reductions in the areas of waste and electricity via the:

- expansion of landfill gas capture infrastructure at the Nambour landfill, and a reduction in waste quantities to landfill, resulting in an overall reduction of emissions from landfill by more than 22 per cent, and
- formal verification of Council's electricity providers which offer zero emissions electricity to Council. Additionally, Council was able to increase the number of LED streetlights to facilitate further emissions reductions of more than 49 per cent from the 2021/22 financial year.

Sunshine Coast Biosphere

A year on from the historic designation, essential groundwork was laid to ensure the success and shared purpose of our Sunshine Coast Biosphere. Community partnership projects were delivered during the year, including the Biosphere Photography Showcase and a BiospHEROES-themed Kids in Action program.

Governance arrangements were implemented including the establishment of the Coordinating Committee and Community Advisory Group, who are progressing branding and performance measurement and management frameworks.

5. A reputation for innovation and sustainability

Kids in Action

Celebrating its 10-year anniversary, the Kids in Action program is a Council environmental education initiative, funded by the Environment Levy that aims to increase children's environmental knowledge and understanding, while inspiring and providing opportunities for positive environmental and sustainability action. Two significant program events occurred during the year:

- A conference was held at Maroochy Regional Bushland Botanic Gardens on 9 September 2022, with more than 240 children attending from 20 different schools to share their environmental projects. The event provided an opportunity for the kids to learn from each other, through workshops, displays and performances.
- The Environmental Projects Day in May 2023 hosted 22 Sunshine Coast schools with students engaged in a variety of workshops to explore the theme 'BiospHEROES: connecting, caring and co-creating the future'.

Living seawalls

In a first for the Sunshine Coast region, 50 'living seawall' panels were bolted to the side of the Brightwater Lake, Mountain Creek to improve the lake's biodiversity by encouraging more seaweed to grow, create more homes for sea life and to draw more fish into the lake.

The 18-month trial is in partnership with the UniSC through the Regional Partnership Agreement with innovative panels sourced from the Sydney Institute of Marine Science. Each panel is uniquely designed to mimic a variety of natural shoreline habitats, encourage seaweed to grow and serve as a refuge for marine creatures, with additional benefits including improved water quality.

With the Sunshine Coast officially recognised as a UNESCO Biosphere, Council remains committed to projects such as this, to showcase how we can live harmoniously with nature.



Our Resilient Economy

Our resilient, high-value economy of choice drives business performance, investment and enduring employment.

This goal is advanced through a focus on the following strategic pathways:

1. Strong economic leadership, collaboration and identity
2. New capital investment in the region
3. Investment and growth in high-value industries, innovation and entrepreneurship
4. Strong local to global connections
5. A natural, major and regional event destination
6. Encourage investment in talent and skills.

2022/23 Goal measures

Measure	Target	Result
Percentage of Council's available procurement spend awarded to local business	Greater than or equal to 70%	69.5%*
Gross Regional Product**	Greater than \$18.5 billion	\$20.96 billion [^]
Percentage increase in international and domestic exports	Greater than 15.21%	18.00% [^]
Direct economic benefit from major events***	Greater than \$75 million	\$95.4 million [^]
Growth in jobs is equal to or greater than the growth in population	Greater than or equal to 0%	1.17%

* \$14.4 million increase on local spend in comparison to 2021/22 financial year, however slightly less than target due to an increase in significant project work and the necessity to spend with non-local suppliers to maintain delivery for our community.
 ** Local Government Area result (excludes Noosa Shire Council Local Government Area which was included in previous years).
 *** The major event outcomes for 2022/23 financial year have been calculated from event acquittal reports where available. In the absence of an acquittal report, the result has been assessed against sponsorship application data or past performance.
 ^ 2021/22 financial year target and result due to lag in data availability.

Key highlights 2022/23

Regional Economic Development Strategy 2013-2033

The Regional Economic Development Strategy 2013-2033 was developed to provide a 20-year vision and blueprint for sustainable economic growth in the region to 2033.

In April 2023, significant consultation occurred to inform the midpoint review of the strategy. Almost 700 local businesses shared their vision to drive opportunity and growth for the Sunshine Coast via a comprehensive survey conducted by Lucid Economics and supported by Council. The review re-positions the strategy for the next 10 years by taking into consideration the diversification of the regional economy, the region's recognition as a UNESCO Biosphere Reserve, Council's role as a key delivery partner in the Brisbane 2032 Olympic and Paralympic Games, population growth, new infrastructure in the region, changing global trade and supply chains and

the flows of capital investment to the region.

The Sunshine Coast continues to grow its reputation as a business investment destination of choice. Throughout the 2022/23 financial year, key initiatives delivered through Council's Business Investment Framework and Major Events Strategy helped secure measurable investment into the region that had an economic impact (direct and indirect) to the Sunshine Coast economy of \$388.86 million and 1897 new jobs. Significant investment and job creation opportunities have flowed to the region contributing to the overall growth of the regional economy via broader Council policies, regional positioning and infrastructure investment.

In the 2022/23 financial year, the size of the Sunshine Coast economy was more than \$20.96 billion in Gross Regional Product (GRP). The following achievements demonstrate Council's ongoing commitment to support the region's ongoing economic prosperity.

1. Strong economic leadership, collaboration and identity

Place activation

Council provides place activation activities to support a range of events and initiatives in the 'gateway precincts' of Mooloolaba, Caloundra and Nambour to build business capacity and capabilities and attract locals, visitors and investment. Throughout the year, Council delivered and supported:

- The development of a map for visitors arriving to Mooloolaba from five cruise ships; the Mooloolaba Foreshore Festival in November 2022 to celebrate the newly opened and award-winning Mooloolaba Northern Parkland; the Summer Cinema Series in the Northern Parklands; and a number of promotional campaigns.
- A free family movie and live music event at Felicity Park, Caloundra on 1 March 2023, facilitating additional trade for nearby businesses remaining open for the evening; the Christmas in Caloundra Street Party which attracted thousands of people to Bulcock Street; three days of Easter Eggstravaganza activations with shopfront improvement programs and new branding and promotion through street murals, street signage and path decals and video promotion.
- Council and the Caloundra Chamber of Commerce collaborated to win the coveted Queensland Top Tourist Town award. Council supported shop front improvements, promotional campaigns, delivery of a new branding project including street murals, street signage and path decals, and a video submission.
- Three Nambour Forecourt Live Events with 600 people attending.
- In collaboration with Nambour businesses and community groups, Council worked to develop digital material to sustainably promote living, working and shopping in Nambour. Developed to encourage locals and visitors to explore Nambour, the digital makeover included dynamic #ExploreNambour video series, e-newsletter, blogs, social media content, and a revamp of the I AM NAMBOUR website.

Collaboration and partnerships

The Sunshine Coast is home to more than 33,000 businesses which contribute to our strong and resilient economy. Council continues to support, connect and facilitate business matching and access to capability uplift programs across this growing network through its strong partnerships with industry groups, institutions, chambers of commerce, and other tiers of government.

Council's partnership with TAFE Queensland delivered the TAFE Build A Better Business Program. This practical course empowers participants to develop a focused Business Action Plan, including finance, marketing, and implementation plans. On successful completion of the course, participants receive a TAFE Certificate IV in Small Business Management.

2022 Sunshine Coast Brand Perception Survey

Undertaking research is just one of the ways Council ensures we understand what the market is thinking about our region as a business destination. Council sought feedback from target audiences outside the region between June and July 2022 through an online survey, testing the Sunshine Coast's appeal as a place to do business.

A total of 988 completed surveys were received from businesses located in Brisbane, Sydney, Melbourne and the Sunshine Coast. Results indicate that the Sunshine Coast business brand is heavily connected with the broader destination brand and 'liveability' is considered the biggest benefit of running or investing in a business on the Sunshine Coast. Other benefits highlighted that our region is more affordable than other cities, has close proximity to Brisbane, and the region offers growth potential.

Procurement support to local suppliers

In the 2022/23 financial year, 69.5 per cent of Council's total available purchasing spend went to local Sunshine Coast businesses, representing \$314 million.



2. New capital investment in the region

Sunshine Coast Investment Assistance Program (SCIAP)

The SCIAP is a component of the Sunshine Coast Economic Resurgence Plan supported by Council to help mitigate some of the economic impacts arising from the COVID-19 pandemic.

The SCIAP ran between 1 July 2020 and 31 December 2022 and with program outcomes including:

- five projects completed with a total economic impact (direct and indirect) of \$411.8 million and 1271 new jobs, and
- 12 projects remain underway with an anticipated total economic impact (direct and indirect) of \$1 billion and 3118 new jobs.

Sports Industry Development Program

The Sport Industry Development program, also known as Train Sunshine Coast, was an initiative designed by Council to advance the Sunshine Coast as Australia's premier destination for sports training, participation and competition. The program concluded at the end of 2022 and was part-funded from the 2019 Queensland Bushfires Local Economic Recovery Program to support recovery projects that produce enduring benefits and improve future resilience.

A total of 29 projects were funded as part of

the program with legacy highlights including the launch of the EventsConnect website, the Train, Play, Stay campaign, positioning the region as a premier destination for sports training, participation and competition, 14 virtual guided venue tours and more.

Maroochydore City Centre

Progress on the emerging Maroochydore City Centre continued throughout the year and once complete, will be the region's primary centre of commerce, technology, innovation, entertainment and inner-city living. Council continued to work with SunCentral Maroochydore Pty Ltd and Walker Maroochydore Developments Pty Ltd (Walker) during the year to progress development, with significant milestones including:

- 830 Council employees moved into the Sunshine Coast City Hall from December 2022
- five commercial use land parcels were settled for a total of \$17.6 million
- the second development for Evans Long "A1", was completed and fully leased ahead of opening which includes major tenant, Maropost, relocating from outside the Sunshine Coast region
- 380 residents moved into the residential 'two tower' apartments by Habitat Developments, which was fully sold ahead of completion
- Habitat Developments commenced construction on their second 'two tower', 158 residential apartment development

Did you know?

In 2022/23:



11,150 businesses accessed specialist advice and information across the year



An estimated **\$95.4 million in economic activity** was generated from **74 Council sponsored major events** that were attended by **more than 165,338 people**



More than \$22 million in revenue was generated through Sunshine Coast holiday parks



\$2.2 billion in building work approvals issued by private building certifiers



331 businesses registered with the ASPIRE circular economy program

- two new restaurants - Bottarga Italian Restaurant and Harvest Café – opened adding variety of food and dining experiences
- works commenced in February 2023 on the first eight-storey public car park in the city centre, located on Lightning Lane which will include 294 paid parking spaces, including accessible parking and electric vehicle charging spaces plus 39 motorcycle and 28 bicycle spaces and end of trip facilities, and
- Council supported a proposed amendment to the Development Scheme for the Maroochydore City Centre Priority Development Area to give effect to the revised Master Plan for the city centre prepared by Walker.

Caloundra Aerodrome Master Plan 2042

Council endorsed the Caloundra Aerodrome Master Plan 2042, which articulates Council's vision for the Caloundra Aerodrome over the next 20 years and to guide development, investment and operational management of the site.

This planning document outlines a clear value proposition for the Caloundra Aerodrome as a key aviation and aerospace industry asset within south-east Queensland. Over time, this asset will provide the capacity to support more advanced technology solutions and supply-chain requirements for the aviation sector – without necessarily expanding the scope of aircraft movements from this site.

Sunshine Coast digital connectivity

The Sunshine Coast economy continues to evolve as a modern, 'smart' economy based on sound growth across numerous high value and knowledge-based sectors, including professional business services, innovative manufacturing and numerous high-tech start-ups. These sectors are underpinned by Council's investment in the Sunshine Coast International Broadband Network, which is providing a diverse range of new technology opportunities that support the growing digitisation of our economy.

In May 2023, the Critical Infrastructure Information Sharing and Analysis Centre (CI-ISAC) established a presence in the Maroochydore City Centre. The establishment of the CI-ISAC on the Sunshine Coast unites industries and organisations in the fight against cyber-attacks. The CI-ISAC represents a world-first initiative facilitating cross-industry critical infrastructure information sharing and good practices about cyber threats and mitigation.

3. Investment and growth in high value industries, innovation and entrepreneurship

Sunshine Coast Business Investment Framework

Council continues to engage with business to attract new capital and jobs to the region, and to support the retention of youth within the community with greater and more diverse career opportunities. In the 2022/23 financial year, Council proactively assisted with attracting new business investment and reinvestment which had an estimated economic impact to the Sunshine Coast economy (direct and indirect) of \$287 million and 764 ongoing jobs. Some of these investments were supported by the Sunshine Coast Investment Assistance Program (SCIAP) which was developed and run as a component of the Sunshine Coast Economic Resurgence Plan (COVID-19 Pandemic) between 1 July 2022 and 31 December 2022.

One key reinvestment was the Country Chef Bakery Co, which consolidated four of its operations into a new purpose-built facility at the Sunshine Coast Industrial Park, Caloundra, to be one of the largest bakeries in Australia. The business is a graduate of Council's Export

and Global Capability Program, which identified real export growth opportunities to 10 countries including Japan, Canada and Singapore, which the company is now actively engaged in pursuing.

ASPIRE circular economy

Council continues to support the free ASPIRE tool to create matches between organisations based on their waste profiles and to build our Sunshine Coast circular economy. In practice, an organisation will list potential inputs they use (materials and items) alongside their outputs (unwanted waste streams). This develops a waste profile where the platform cleverly connects organisations based on the required inputs and outputs, facilitating an opportunity of circular resource exchange. The ASPIRE circular economy program membership now totals 331 businesses enabling greater opportunity to exchange goods, divert resources from landfill, save on disposal costs and develop innovative solutions for troublesome materials. The total ASPIRE ecosystem outcomes for the Sunshine Coast region this year, included:

- 1009 tonnes in total emissions savings
- 2539 tonnes in waste diverted from landfill
- 262 resources exchanged, and
- \$694,248 in earnings or savings.



Visit Sunshine Coast

Council provided \$3.9 million through a funding agreement to Visit Sunshine Coast to help promote the Sunshine Coast as a tourism destination. Funding is used to advocate for the development of tourism opportunities, investment in industry infrastructure, marketing and product development and management of accredited Visitor Information Centres.

This year, Council partnered with Visit Sunshine Coast, Tourism and Events Queensland and Reforest to develop the Sunshine Coast Sustainability Program. The program enables visitors to the Sunshine Coast to remove carbon from the atmosphere through the Reforest program. Visitors can estimate their carbon footprint using the trip CO₂ calculator and discover ways to make greener more sustainable travel choices. Local participating tourism operators contribute to the reforestation projects by planting trees to remove carbon emissions and restore ecosystems.

Holiday park infrastructure to support tourism industry

Sunshine Coast Holiday Parks are located in six prime tourist locations along our coastline, situated at Dicky Beach, Mooloolaba, Maroochydore, Cotton Tree, Mudjimba and Coolum Beach.

This year, our holiday parks experienced very high demand, resulting in an average 80 per cent occupancy and generated approximately \$22 million in revenue for Council, providing a significant return on investment which is used to improve and update public facilities and services.

Council invested more than \$5.6 million in upgrades across the holiday park network, with key projects including:

- \$3.5 million on a new amenity buildings at Coolum Beach and Mudjimba Beach holiday parks
- \$1.3 million on proactive maintenance programs, and
- \$800,000 for caravan and camping site upgrades at Coolum Beach Holiday Park.

4. Strong local to global connections

Top7 Intelligent Community recognition

For the fourth time in five years, the Sunshine Coast has been named as a Top7 Intelligent Community for 2023. This recognition was awarded by the New York based Intelligent Community Forum.

The Top7 communities are recognised for innovative models of economic and social transformation in the 21st century, demonstrating best practices in broadband deployment and use, workforce development, innovation, digital inclusion and advocacy that offer lessons to regions, cities, towns and villages around the world.

Business and supply-chain development

In August 2022, Council promoted the investment and business potential of NEXTDC SC1 Data Centre, the Maroochydore City Centre and the Sunshine Coast Airport to the New Zealand Trade and Enterprise Trade Commissioner and commercial business advisors. As a result of this visit, commercial discussions began with two New Zealand entities and Council has been invited to further collaborate with New Zealand Trade and Enterprise to progress joint venture opportunities.

The Trade Capability Program workshop series was delivered to prepare businesses to be export-ready and five local companies were supported to enter the 2023 Premier of Queensland Export Awards this year. Council adopted a revised International Relations and Trade Policy that will continue to guide initiatives that support the delivery of the Regional Economic Development Strategy 2013-2033.

Support for tech innovation

Increasing the technology capability of our region will better enable the Sunshine Coast's major industries to innovate and participate globally, at speed. Such events inspire local industry collaboration and support a dynamic and vibrant technology ecosystem.

Throughout the year, Council has supported, funded and driven the successful growth of key industry groups and associated initiatives, including the:

- Sustainable Cities and Communities category at the Sunshine Coast's seventh annual

Techstars Startup Weekend between 5-7 August 2022, where more than 100 designers, developers, students and creative minds gathered for the boot camp which ran for 54 hours and connected them with the very best mentors, investors, co-founders and sponsors

- Inaugural Forward Fest, held in September 2022, aimed to provide unique networking opportunities and practical learnings to help small to medium sized businesses become more competitive, and
- RoboRAVE annual robotics competition held at the University of the Sunshine Coast on 17 July 2022, aimed to promote an uptake of robotics and coding across the Sunshine Coast region through staff and student training days and development of skills and industry connections needed to access exciting career pathways in technology.

5. A natural, major and regional event destination

Caloundra Music Festival 2022

The Caloundra Music Festival is a world class event with the goal to attract, unite and connect locals and visitors alike in a celebration of music and local culture.

In 2022, the Caloundra Music Festival celebrated its 15th year and generated direct and incremental expenditure of \$2.9 million for the Sunshine Coast region and an additional \$750,000 to the broader Queensland economy.

This festival is an inclusive, all-ages, family-friendly music festival. More than 400 volunteers contributed to the event, with an attendance of 15,520 people over three days that generated more than 15,850 visitor nights for the accommodation sector.

Brisbane 2032 Organising Committee Board visits the Sunshine Coast

Between 6-7 October 2022, the Brisbane 2032 Organising Committee Board (Brisbane 2032 Board) visited the Sunshine Coast region over two days to experience our premium sporting venues, iconic beaches, green spaces and local food industry.

While on the Sunshine Coast, the Brisbane 2032 Board held its Board meeting, a legacy planning

workshop led by Queensland Minister for Tourism, Innovation and Sport, and Minister Assisting the Premier on Olympics and Paralympics Sport and Engagement Stirling Hinchliffe in collaboration with senior leaders across all levels of government. The workshop was one of the first steps in the consultation process to define the vision, themes and objectives that formed part of the legacy plan.

Board members toured Sunshine Coast Olympic and Paralympic Games venues and local businesses on the Sunshine Coast where directors heard from local community members, First Nations peoples, local Olympian and Paralympians and industry representatives about their aspirations for Brisbane 2032.

The Games will provide an avenue to drive economic, social, cultural and built environment opportunities that ensure lasting benefits before, during and after the Games.

Major events for our region

Council's Major Events Sponsorship Program provides a vital role in supporting the overall tourism strategy for the region, with events being key drivers of visitation, promotion of the destination and long-term brand development of the Sunshine Coast.

Council's Major Events Sponsorship Program prioritises events that provide maximum return on investment and demonstrate strong alignment to the objectives and outcomes of the Sunshine Coast Major Events Strategy 2018-2027. A total of 74 events were sponsored during the year with economic impact estimated at \$95.4 million.

Queensland Garden Expo

More than 35,000 green thumbs and novice gardeners, attended the much-loved Queensland Garden Expo, hosted at the Nambour Showgrounds between 8-10 July 2022. High attendance at the expo was considered a significant achievement in light of an increase in COVID-19 pandemic cases in early 2022, in addition to wet weather and flooding occurring interstate, restricting interstate travel to the event.

The direct economic benefit from visitor room nights and the spend in the local economy has been conservatively estimated at \$9 million for the event.

Touch Football National Youth Championships

More than 110 youth touch football teams featuring the country's best junior touch footballers competed at the 2022 National Youth Championships, held at the Sunshine Coast Stadium between 28 September and 1 October 2022.

The Council-supported event featured eight age and gender divisions and attracted more than 5500 participants and spectators, resulting in an estimated \$7 million of economic benefit to the region.

6. Encourage investment in talent and skills

Sunshine Coast Workforce Development and Skills Gap Analysis

This project, being delivered through the Regional Partnership Agreement between Council and the University of the Sunshine Coast, is assessing the region's workforce composition.

The research will deliver a regional workforce development model that supports economic development and will conduct a labour market profile and gap analysis by examining business industry activities, employment by industry, job type, income level and qualification. The review will inform industry and government on the current workforce status within the region and provide future modelling to inform associated tertiary solutions.

Thriving Through Change Business Resilience Expo

In partnership with the Queensland Government Department of Employment, Small Business and Training and the Sunshine Coast Chamber Alliance, Council supported the second annual Thriving Through Change Business Expo. Held on 23 August 2022, 350 Sunshine Coast businesses and 38 exhibitors were able to learn, connect and improve their business growth by receiving practical takeaways, strategies, tools and resources to implement.

The half-day, free event featured business exhibitions offering direct access to more than 35 local, Australian and Queensland government agencies, plus all of the region's Chambers of Commerce and industry groups.

Sunshine Coast Jobs Hub

The Sunshine Coast Jobs Hub was launched in January 2023 to connect local talent with local industry by showcasing the latest job and career opportunities within the region. The platform has been created through a partnership between Council and Study Sunshine Coast, and since launching, has had more than 5500 region-specific job opportunities listed.

This is an important initiative to boost business and industry growth and attract, retain and develop talent in the region. The platform is free for businesses to advertise their job opportunities, and also aggregates employment opportunities from other job sites to showcase roles specifically located on the Sunshine Coast, as well as allowing employers to search for job seekers registered on the site through their 'AirCVs'. The one-stop-platform also features information, insights and opportunities on the region's high value industries and employers from tourism and hospitality to health, education, manufacturing and more.

Since its launch, 115 local employers have signed-up to post jobs, 670 new job seekers have registered looking for jobs, and 37 students have signed up to search directly on the Student Hub.



Our Service Excellence

Our services are consistent and accessible and provide positive experiences for our customers and value to our community.

This goal is advanced through a focus on the following delivery pathways:

1. Engaging with our community to inform asset management and service delivery
2. Knowing and understanding our customers
3. Designing accessible, flexible and innovative services that meet community needs
4. Delivering consistent service levels that provide positive experiences for our community
5. Assessing service performance and sustainability to inform evidence-based business planning.

2022/23 Goal measures

Measure	Target	Result
Ease of business with Council	4.40 (out of 5)	4.40
Percentage of waste services collected on schedule	99%	99%
Percentage delivered of the adopted annual capital works budget	Between 90% and 95%	82%*
Percentage of development assessments undertaken within statutory timeframes	Greater than or equal to 90%	87%**
Asset sustainability ratio (the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives)	Greater than 90%	70.4%+

* Inflationary impacts and market challenges, including supply chain and contractor availability have caused a range of delays and pricing variations.

** Data accuracy has improved on the reporting of this metric, however the result remained 6% favourable to the previous year.

+ Refer to Section 4 Financial Information for more detail.

Key highlights 2022/23

1. Engaging with our community to inform asset management and service delivery

Asset transformation

As our region grows, so does the volume and value of assets under Council's management. Strategic asset management is pivotal to how we maintain, renew and acquire assets to provide value to our community. Council's Asset Management Plans are continually aligned to community expectations, Council's strategic objectives and long-term financial plans, while ensuring compliance with legislative requirements.

During the year, our Asset Management Information System was further leveraged to support service delivery through improved work

order management, asset information collection, resource allocation and financial modelling. Improvements like this enhance our ability to make informed decisions based on high quality and holistic information to consider scenarios that provide the best outcomes for our region now and into the future.

Council commenced drafting the Strategic Asset Management Plan as a foundational step to mature our Asset Management System and mature our approach to asset management planning, informing infrastructure investment to meet the required levels of service to our community. In addition, models of all of our major asset classes were developed to understand their renewal requirements over the next 10 years, providing enhanced data driven insights into decision making and long-term capital infrastructure planning.



Managing sustainable services for better outcomes

In May 2023, service leads from across Council commenced a comprehensive program of service output planning that considers drivers of change and future community needs to inform how Council services can be better delivered in the next 5-10 years to remain relevant to the needs of our community.

The Sustainable Service Planning program will also provide important insights on enterprise-wide capability uplift needed to meet community needs and to better realise opportunities in our operating environment.

2. Knowing and understanding our customers

Community education for pets

Council actively promotes responsible pet ownership through education booths at parks and beaches and education programs designed for children. During the year, Council delivered the Responsible Pet Education program through various activities, including:

- 132 public events, 12 community education sessions, 63 smart paws kindy visits, 14 school smart paws junior visits, and
- 1300 Responsible Pet Ownership booklets and 600 Cats on the Coast booklets were provided to vets, pet shops, pet parlours, dog trainers with puppy pre-school classes and real estate agents.

After a year of promoting Council's award-winning responsible pet education book, When Sammy Met Sunny, development commenced on the second book in the series 'Sammy and Sunny, with love comes responsibility', due to be launched in late-2023.

Service to our community

This year, more than 287,000 customers were assisted through our development and customer contact centres, with 39 per cent of customers choosing to be assisted through digital channels. Key initiatives and enhancements delivered include:

- enhanced customer service requests (in the form of emails, forms, and e-requests) which provide a faster, more efficient and consistent response time, including for waste management, where more than 23,000 self-service requests were received from customers
- Council's new website was launched in February 2023 to enable enhanced accessibility, improved search functionality and mobile user experience
- Council launched an online plumbing inspection booking system in June 2023 for commercial inspections, streamlining processes and providing external plumbing inspectors with a live calendar to book and lodge inspection documentation, and
- 1541 end-to-end customer experience surveys were undertaken to understand customer experience and guide service improvements.



3. Designing accessible, flexible and innovative services that meet community needs

ParkSmart program

Council introduced three ParkSmart vehicles during the year to monitor parking at various locations on the Sunshine Coast. The program aims to encourage vehicle turnover, create parking opportunities and allow equitable and safe access to parking across our region.

The new hybrid parking-monitoring vehicles are equipped with number plate recognition technology, high-speed cameras and a GPS tracking system. Upon introduction to the new program and vehicles, were conducted at the following locations:

- Birtinya, Point Cartwright, Nicklin Way and Caloundra in July 2022
- Eumundi, Nambour and the Maroochydore CBD in November 2022, and
- Maroochydore, including the Cotton Tree and Picnic Point areas, Mooloolaba and Alexandra Headland in March 2023.

Waste collection services

In July 2022, a new waste collection contract commenced with Queensland-based company JJ's Richards Waste & Recycling. The contract is valued at \$146 million over eight years, and it's introduction coincided with the start of Council's

expanded garden organics collection service, with 85,000 households now using this service to recycle their garden organics.

The transition to the new contract has continued to be delivered to a very high standard with over 99 per cent of services collected on schedule.

4. Delivering consistent service levels that provide positive experiences for our community

Community parks and open space

Council manages and maintains our region's open space network and assets for our community to enjoy and to preserve our landscape features and beautiful natural environment. During the year, 17,217 hectares of mowing sites were maintained along with 5216 hectares of garden beds.

The number of community parks that Council maintains continues to grow with our region. A total of 1238 parks were managed and renewed and more than \$8.3 million allocated for new and upgraded park facilities, including:

- \$436,000 for new playgrounds as part of stage nine of the Buderim Village Park
- \$585,000 for a three tier playground at Quota Memorial Park, Nambour
- \$423,000 for stage two upgrades at Albany Lakes Park, Sippy Downs including large play tower, softfall, shade sails large picnic shelter and BBQ and associated landscaping, and

Did you know?

In 2022/23:



6173 Megawatt hours of power generated from Council's Landfill Renewable Energy Facility



More than **287,000 customers** were assisted through our development and customer contact centres



Council issued **1178 community land permits** for a range of business and community uses



4220 hectares were treated through the aerial mosquito control program



Waste services were **collected on schedule 99% of the time**

- \$121,000 to encourage the activation of Turner Park, Beerwah via improved pathway network, recreational infrastructure and feature landscaping elements.

Roads rehabilitated and resurfaced

Council manages 2633 kilometres of sealed road network (and 473 kilometres of unsealed roads) using best practice asset management to improve the safety of these roads for our community.

During the year, 88 kilometres of roads were resurfaced and/or rehabilitated, costing a total of \$21.7 million. A total of 161 road projects were completed in the financial year, with significant works occurring on the following:

- Queen Street, Caloundra
- Valdora Road, Valdora
- Albatross Avenue, Aroona
- Blackall Range Road, Woombye
- Maroochy Boulevard, Maroochydore.

Council collaborated with Boral, Australian Flexible Pavements Association, Tyre Stewardship Australia and Melbourne Institute of Technology to develop a mix of crumb rubber asphalt concrete surfacing, which was trialled on three Council roads. The crumb rubber is sourced from old truck tyres and is added to the asphalt, repurposing the waste product to a long-lasting surface that is more flexible, less prone to cracking and is better value for money.

Development activity

In December 2022, Council adopted the updated Strategic Policy for Councillor and Council employee participation in development assessment matters, to align to changes in legislation, and more recent local government integrity reforms. The policy reinforces Council's commitment to open, transparent, efficient, effective and objective decision making in accordance with statutory requirements, while also providing for appropriate interactions and engagement by Councillors and Council employees as part of the development assessment process.

In the 2022/23 financial year, the value of construction of building approvals on the Sunshine Coast remained steady, matching the previous year's record of \$2.2 billion, reflecting a number of large-scale developments and the high cost of construction and building materials. The top five growth suburbs for building activity were Baringa/Nirimba/Banya, Maroochydore, Palmview, Buderim and Pelican Waters.

A total of 6,382 development applications were lodged with Council for assessment, 2870 lots were approved, and 1563 new lots were created and made available to the market through Council and Queensland Government approval processes.

In addition, Council answered 45,000 development enquiries and approximately 325,000 site reports were generated through the Development.i platform. Council's Development.i

platform provides the community with 24/7 access to past and current development application details and basic property information for the Sunshine Coast local government area.

5. Assessing service performance and sustainability to inform evidence-based business planning.

Smarter ways to meet community needs

Implementation of the activities to build an integrated, connected and smart region continued throughout the year and contributed to Council's Top7 Intelligent Community recognition by New York based Intelligent Community Forum. Key initiatives delivered included the:

- launch of Council's first Smart Infrastructure Manual to provide guidance during the design, development and delivery of Council controlled digital infrastructure, aimed to promote quality, compliance and sustainability, minimise ongoing maintenance and ensure longevity
- Data collected on assets such as facilities, natural area trails, mountain bike obstacles and amenities blocks is being used to inform Council decisions and planning
- Testing Tech in Paradise promotion using Council's smart infrastructure across the region (such as multi-function poles and WiFi) to enable commercial and university research facilities to test technologies before commercialisation.
- the 'Connected Worker' trial was implemented using voice-controlled headsets for hands-free and digitised management of assets and infrastructure, reducing number of employees required for field audits of Council assets, and
- longitudinal record of weather and environmental phenomena providing insights into our region's micro-climate as part of the How Cool are our Urban Green Forests project.

Capital Works Program delivery

Council manages a 10-year Capital Works Program which supports our community by investing in job-creating local infrastructure projects. The program provides work for local trades and businesses and improves access to services and facilities for our communities across the Sunshine Coast.

In the 2022/23 financial year, Council achieved

82 per cent delivery of its approved \$293 million budget, comprising 1985 individual projects.

Council makes every effort to ensure careful and responsible project management is applied to deliver best value on all capital projects. External impacts such as inflationary prices, supply chain challenges and contractor availability have all impacted on the delivery of the annual Capital Works Program.

The Capital Works Program delivers projects across our five Corporate Plan Goals including those listed below:

- Coastal Pathway
- Mooloolaba Transport Corridor Upgrade
- Nambour Aquatic Centre Splash Park
- Palmwoods Warriors Football Clubhouse, and
- Woombye Streetscape.

Coastal pathway

The coastal pathway is a critical piece of community infrastructure that, when completed, will provide a 73-kilometre-long safe and accessible pathway from Bells Creek in the south to Coolumb in the north of our region.

New works delivered during the year provided much needed missing links to our coastal pathway, including:

- \$163,000 on 983 metres from Wilson Avenue (east) to Sir Leslie Wilson Park, Dicky Beach, and
- \$142,000 on 235 metres from Harbour Parade to Point Cartwright Drive, Buddina.

In addition, Council commenced the \$2.55 million Caloundra Headland coastal pathway project in July 2022 which involves the critical update of a high priority section of the coastal pathway network. The project encompasses a new 3 metre wide, disability compliant, share path and boardwalk with viewing areas, resting areas, associated road modifications, landscaping, revegetation and turtle friendly lighting. The boardwalk design has been strategically located to take advantage of the expansive view of the ocean, Kings Beach headland and National Heritage listed Glass House Mountains, while remaining sensitive to the surrounding vegetation.

The project is receiving \$980,000 in funding through the Queensland Government's Local Government Grants and Subsidies program.

Mooloolaba Transport Corridor Upgrade

Council's \$33 million Mooloolaba Transport Corridor Upgrade (Brisbane Road) continued throughout the year, with stages two and three of the project 90 per cent completed. The project includes the widening of Brisbane Road (from two lanes to four lanes between Walan Street and Mayes Canal), intersection upgrades, landscaping and the new Mayes Canal Bridge and shared pedestrian and cycle paths on both sides.

Users are now benefiting from increased and wider traffic lanes, upgraded intersections, improved accessibility, enhanced provisions for cyclists, new landscaping and the soon to be completed new Mayes Canal Bridge. This key piece of infrastructure is helping to improve connectivity in one of the region's most popular visitor locations and once fully complete will be utilised by residents and visitors for years to come.

The Australian Government is contributing \$12 million towards stages two and three of the project through the Infrastructure Investment Program.

Nambour Aquatic Centre Splash Park

The \$3.2 million dollar Nambour Aquatic Centre Splash Park officially opened to the public on 16 September 2022, attracting more than 4000 visitors on the first school holiday weekend.

The Splash Park features more than 580 square metres of exciting water play for people and includes a new zero-depth and fully accessible splash pad, toddler slides, water jet features, tipping buckets, and two giant adventure water slides measuring 60 and 67 metres in length.

The venue will be a meeting place for many families for years to come, connecting our communities and enhancing the active and healthy lifestyle that we enjoy.

The project was supported by the Queensland Government's Covid Works for Queensland funding, in association with Council.

Palmwoods Warriors Football Clubhouse

Council completed construction of the \$560,000 Palmwoods Warriors Football Clubhouse in March 2023. This modern, inclusive clubhouse includes refurbished change areas, canteen, meeting room and office, storage area, public amenities and an extensive undercover viewing area.

The Palmwoods Warriors Football Club project was jointly funded through the Queensland Government's South East Queensland Community Stimulus Program in association with Council and Sunshine Coast Churches Soccer Association.

In addition, 300 lux LED lights were added over the Graeme Rae Oval wicket box and 200 lux LED lights were added in the outer field, greatly improving competition and training opportunities. The \$519,000 Palmwoods Cricket/AFL LED lighting project was jointly funded by Council and the Australian Government through the Local Roads and Community Infrastructure Program.

Woombye Streetscape

Council completed streetscape upgrades along Blackall Street, Woombye in June 2023, which included shady street trees, new seating areas and streetscape amenities and improvements to footpaths and crossings, making it safer to cross the street, slowing traffic and improving access for all abilities.

The \$1.9 million project transformed the area through the community's vision for an attractive and vibrant township that honours the town's charm and is a source of great pride for the local community. The project also delivered a heritage trail in cooperation with the Woombye Community and Business Association and contribution from Council's Arts and Heritage Levy.

The project was proudly supported by the Queensland Government's South East Queensland Community Stimulus Program funding, in association with Council.



Our Outstanding Organisation

Our organisation is high performing, innovative and community focused, marked by great people, good governance and regional leadership.

This goal is advanced through a focus on the following delivery pathways:

1. Maintaining a financially sustainable organisation that balances the needs of our growing region
2. Providing quality information, systems and processes to deliver fit for purpose solutions
3. Embracing a safe and collaborative workplace culture that attracts and retains high performing and engaged people
4. Demonstrating accountable leadership, future planning, and good governance that provides confidence to our community
5. Partnering with community, business and government to represent and advocate the needs of our region.

2022/23 Goal measures

Measure	Target	Result
Operating surplus ratio (extent to which operating revenues cover operating expenses)	Less than 10%	-1.1%+
Net financial liabilities ratio (extent to which Council relies on operating revenues to pay liabilities)	Less than 60%	63.1%+
Number of notifiable data breaches	0	0
Frequency rate of Lost Time Injuries of Sunshine Coast Council employees (excluding contractors)	10.08	10.27*
Percentage of people who agree or strongly agree that they can trust Sunshine Coast Council as a local government	Greater than or equal to 42%	43%
Percentage of the community who believe there are opportunities to have a say on community issues that are important to them	Greater than or equal to 70%	51%**

* The nature and complexity of injuries claimed has impacted length of recovery time. Council has undertaken a maturity assessment of its Wellbeing and Safety Program and further research to enable effectiveness and continuous improvement.
 ** 30 per cent of respondents neither agreed or disagreed that there are opportunities to have a say. Council has developed an Inclusive Engagement Guideline and internal engagement training to build awareness and in-house capabilities.
 + Refer to Section 4 Financial Information for more detail.

Key highlights 2022/23

1. Maintaining a financially sustainable organisation that balances the needs of our growing region

Our budget - services, community and sustainability

Council adopted the 2023/24 financial year budget at a Special Meeting on 22 June 2023. Services, community and sustainability were at the heart of the budget, with foreshore transformations,

road improvements, a new district library, world-class sporting precincts and preserving and celebrating the environment as key inclusions. The budget is set to deliver for our community now and into the future, investing in projects that will enrich how we live, work and play.

For the first time the budget has reached \$1 billion and includes \$366 million to develop a strong community; \$327 million to maintain and enhance our environment and liveability; \$41 million to build our resilient economy; and \$156 million to deliver service excellence.



Assistance to ratepayers and suppliers

To assist ratepayers unable to pay in full by the deadline, Council continued to offer interest-free payment arrangements for those who made an arrangement by the rates payment due date.

In addition, Council continued to pay all suppliers within seven days (regardless of payment terms) to assist with the economic recovery following the COVID-19 pandemic.

New procurement framework

In June 2023, the 2023/24 Procurement Policy and Disposal Framework was adopted by Council. The framework was improved to encompass all required aspects for effective procurement management, governance and legislative compliance relating to procurement, contract and supply functions.

Council continues to focus on positive social and economic outcomes through the various supporting guidelines such as:

- Local Preference in Procurement Guideline
- Social Benefit Procurement Guideline
- First Nations Procurement Guideline, and
- Environment and Sustainability in Procurement Guideline.

The adopted policy included new procurement thresholds, that will result in new procurement activities (with a value of \$500,000 or lower) will have only local, social or First Nations suppliers invited when identified within the market.

2. Providing quality information, systems and processes to deliver fit for purpose solutions

Protecting our data

Council continues to invest in its cyber security solutions, to provide safe and secure digital services that maintain the integrity and reputation of Council and the community. Council had zero notifiable data breaches during the year.

In February 2023, Council replaced its website, transitioning to a new platform that provides enhanced cyber security, and provides more sophisticated artificial intelligence and reporting analytics.

The new platform is an important foundation that will deliver continuous improvements for our customers and their user experience.

Transition of data to NEXTDC

Council successfully transitioned our data centre and supporting networks from Brisbane to the NEXTDC data centre in Maroochydore. This transition provides cost savings for Council while allowing for greater control over our data management and technical infrastructure, providing better performance and integrity for our digital services both internally and to the community. The transition also promotes the NEXTDC data centre at Maroochydore as a digital hub for the region, as an attractant for new digital business investment for the region.



3. Embracing a safe and collaborative workplace culture that attracts and retains high performing and engaged people

New Corporate Values

Council undertook extensive employee consultation to establish new organisational values which were launched in December 2022. The new values articulate the shared intention that will underpin how our people will achieve Council's vision and create the best workplace. The values launched include:

- Care – we care for people and place
- Respect – we respect everyone
- Trust – we trust and empower
- Curious – we explore possibilities
- Connected – we are better together

Our values and behaviours are the key to being a great place to work. They define the culture of our organisation and our behaviours shape how we interact with each other, our partners, and the community.

Wellbeing of our employees

Council provided a range of programs and training offerings to employees during the year to support the health and wellbeing outcomes of our workforce and create a positive culture.

Alongside leadership fundamentals, wellness initiatives, flu vaccinations, behavioural training and safety inductions, a key focus for the year was on the mental health of all team members. Council continued its partnership with the Thompson Institute to provide general mental health and suicide awareness training which has been offered to all employees and held at various workplace locations throughout the year.

In addition, office and frontline leaders were provided the opportunity to attend the:

- Sentis Safety Leadership course which provided learnings around safety culture including key leadership competencies, neuroscience, behavioural change, effective communication and building psychological safety within teams, and
- Leading Psychological Safety workshops to gain a more in-depth understanding about the how to create a learning environment, so employees feel engaged and safe to voice their ideas and thoughts.

Did you know?

In 2022/23:



105% of Council's electricity consumption was offset by the Sunshine Coast Solar Farm



2784 customer requests were raised via the Mayor, Deputy Mayor and Councillors offices across the year



539 offers for employment with Council were made across the year



Council received **22 national and international awards**

Sunshine Coast Council (SCC) Workplaces

The SCC Workplaces program is a holistic approach to the planning and management of Council's key workplace locations across the region. These cover the three administration centres of Caloundra, Maroochydore and Nambour, along with Council depots and satellite service locations.

There is an integrated approach being taken for these precincts in terms of scheduling, construction, resourcing and sequencing of works and managing workplace environments. This is of particular importance in the context of Council serving a rapidly growing community and making investments that improve the capacity to serve our community for many years to come. SCC Workplaces progress highlights include the:

- concept design options and feasibility work was advanced for the repurposing of Nambour Administration Buildings
- detailed design for the Caloundra District Library and Community Space was completed and progressed to tender
- business case for the proposed new Sunshine Coast Regional Gallery in Caloundra was completed and
- Sunshine Coast City Hall was officially opened on 10 December 2022. Level nine fitout was ongoing during the year and once complete will operate as a multi-function venue for hire space for business and community events.

4. Demonstrating accountable leadership, future planning, and good governance that provides confidence to our community

Corporate Plan 2023-2027

Council adopted its Corporate Plan 2023-2027 in February 2023, which will guide our directions and priorities for the region over the next five years. The Corporate Plan has been informed by consultation with our community across a broad range of activities, including the Community Satisfaction Survey 2022, and has been considered alongside an environmental scan of key changes that have arisen since the last plan was adopted. The Corporate Plan presents the following five strategic goals which provide a balanced approach to delivering the vision for the region:

- Our Strong Community
- Our Environment and Liveability
- Our Resilient Economy
- Our Service Excellence
- Our Outstanding Organisation.

These goals cascade into the Operational Plan 2023/24 and the subsequent annual and quarterly progress reports that monitor delivery.

Risk and project governance

Our region, like many around the world, is responding to challenges such as population growth, a changing climate, increased demands on our assets, rising complexities and costs of delivery, changing community expectations, and a complex statutory environment.

Throughout the year, Council commenced reviewing its governance framework to increase its agility to respond to change in a timely manner to effectively mitigate risks and realise opportunities that are in the best interests of our community.

In May 2023, Council's Audit Committee endorsed the revised Strategic Risks Framework for the organisation, which will inform and shape how we plan, manage and deliver services in a safe, sustainable and efficient manner in the years ahead.

5. Partnering with community, business and government to represent and advocate the needs of our region

Advocacy for our region

Council advocates to all levels of government for critical infrastructure investment that will support the needs of our growing community now and into the future. As a delivery partner for the Brisbane 2032 Olympic and Paralympic Games, it is important that our region has the essential public transport and economic and social infrastructure required to support the ongoing liveability and resilience of our region - not just in 2032, but for the decades beyond.

On 2 June 2023, Council partnered with the Sunshine Coast Business Council and Infrastructure Association of Queensland to host the inaugural Sunshine Coast Infrastructure Summit with attendees from all tiers of government, industry and business leaders and the community. This event provided input into establishing the priority infrastructure needs for the Sunshine Coast through to 2050.

Funding partnerships also assist in the delivery some of Council's strategic projects outlined in the Corporate Plan. Successful funding announcements during the year included:

- \$11.1 million through the Australian Government's Disaster Ready Fund for a new climate-resilient seawall at Mooloolaba foreshore and a Street Tree Planting project aimed to cool urban heat sinks
- \$2.8 million through the Queensland Government's Cycle Network Local Government Grants to construct an active transport bridge and shared path from Stringybark Road to Central Drive, Buderim
- \$810,000 through the Queensland Government's Community and Recreational Assets Recovery and Resilience Program to upgrade six sporting facilities across the region
- \$445,000 through the Queensland Government's Minor Infrastructure Program to deliver accessibility upgrades and a fitness station at Lions and Norrie Job Park, Coolum and a clubhouse amenities upgrade at Nambour-Yandina Football club.



Our award-winning organisation

Council and its employees have been recognised both nationally and internationally for outstanding performance by receiving 22 awards throughout the year.

- The **Mobility Maps project** was awarded the 2022 Productivity through Infrastructure award at the 2022 National Awards for Local Government.
- The **Excellence in Engagement Framework** was highly commended for Organisation of the Year at the IAP2 Australasian Core Values Awards.
- **Mooloolaba Foreshore Stage 1** was awarded two awards at the 2022 Institute of Public Works Engineering Australasia Excellence Awards including:
 - 2022 Project of the Year award, and
 - Projects \$10 million to \$20 million award.
- The **Construction Management and Waterway Protection Taskforce** won two awards:
 - the Excellence in Policy and Education Award at the Stormwater Queensland Awards for Excellence 2022, and
 - the National Award in Policy and Education at Stormwater Australia's 2023 National Awards for Excellence.
- The **Sunshine Coast Recreation Parks Plan 2021-2031** was awarded the 2022 Parks and Leisure Australia National Award for Strategic and Master Planning.
- The **Regional Erosion and Sediment, Education and Trial (RESET) project**, was highly commended in the Excellence for Innovation and/or Education to the erosion and sediment control industry category at the 2022 International Erosion Control Association Australasia Environmental Excellence Awards.
- The **Kings Beach Park and Community Precinct** was awarded the international 2023 Green Flag Award for being a well-managed park and green space and for setting the benchmark standard for the management of recreational outdoor spaces.
- Council's **'Kids in Action'** Program won the Excellence in Community Shaping award at the Local Government Managers Australia Awards for Excellence 2023.
- The Urban Design and Architecture Team received the Regional Award for Urban Design Architecture in the 2023 Australian Institute of Architects Awards program for the **Sunshine Coast Design and Education Campaign**.
- Two awards were received at the Australian Institute of Landscape Architects in the Parks and Open Space category:
 - **Buderim Village Park**, and
 - **The Northern Parkland (Mooloolaba Foreshore Revitalisation project)**.
- The **Caloundra Music Festival** was awarded the People's Choice Award for Festival of the Year at the 2023 Queensland Music Awards.
- In a collaboration between Council and the Caloundra Chamber of Commerce, **Caloundra** won the coveted 2023 Queensland Top Tourist Town award by the Queensland Tourism Industry Council.
- **Smart Lighting on Airport Drive, Marcoola** was awarded the Queensland Lighting Award at the Queensland Lighting Design Awards for 2022.
- **Council employee, Hannah Maloney**, Community and Animal Education Supervisor, received the Above and Beyond award for her heart-warming story 'When Sammy met Sunny' at the Local Government Managers Australia Awards for Excellence 2023.
- Council was awarded with the 2023 Queensland Regional Parks and Leisure Australia Commendation Award for Best Use of Technology for '**Clean Green Electric Mowers**' Electric Powered Small Plant.
- **Council employee, Peter Armstrong**, received international recognition from the International Erosion Control Association at the 2023 Annual Conference and Awards.
- The **Sunshine Coast Biosphere** logo received silver in the GOV Design Awards 2023 for Graphic Design - Identity and Branding.
- The **Shine a Light on Racism** campaign received silver in the 2023 GOV Awards for graphic design in the Better Future – Equity and Inclusion category.



Annual Disclosures





SECTION

Corporate governance

Council is committed to a high standard of corporate governance practice consistent with our corporate values. We operate in accordance with legislation, with a focus on ensuring ethical business activities on behalf of the community.

The Corporate Governance Framework, in conjunction with education and training programs, focuses on:

- building and maintaining awareness of organisational responsibilities and accountabilities
- strong financial stewardship and fiscal responsibility
- compliance with legislation, policy, standards and controls
- integral practices and procedures that enable ethical decision making
- continuous improvement activities and transparent reporting, and
- engaging with the community, to inform decision making and achieving collaborative outcomes.

Public sector ethics

Council's administrative procedures and management practices have proper regard to the *Public Sector Ethics Act 1994*, as well as Council's Employee Code of Conduct, policies, procedures and delegations of authority are monitored and regularly reviewed.

Code of Conduct

To support Council's vision -as 'Australia's most sustainable region: Healthy. Smart. Creative.' It is critical that all employees have a shared understanding of how we collectively work. Council has an Employee Code of Conduct (the code) based on the four ethical principles outlined in the *Public Sector Ethics Act 1994*. It is a public statement by Council of our commitment to leading the way in all that we do, supported by openness, transparency and accountability.

The code provides guidance and advice as we work for the Sunshine Coast and its communities and is in harmony with our values and culture. Everyone plays a part in creating our organisational culture, by living behaviours aligned with our values of caring for people and place, respect, trust, being curious and exploring possibilities and connecting - as we are better

together. The code reflects both the principles of the *Public Sector Ethics Act 1994* and the *Local Government Act 2009*.

All employees are provided with a copy of the code and are required to complete compulsory training on a regular basis. All Council employees are expected to be accountable and adhere to Council's core values and comply with the behavioural standards outlined in the code.

Education and training

Council offers employees the most up-to-date and relevant training to undertake their roles and perform to the high standards expected. Delivery of Council's Governance Awareness Training Program (the program) remains an essential element of this offer.

The program, which is now delivered online, emphasises the importance of working together to build a culture of ethical practice, openness, transparency and integrity. Training and development elements include - Code of Conduct, Public Sector Ethics, Delegations, Human Rights, Good Decision Making, Fraud and Corruption Control, Information Privacy, Right to Information, Conflicts of Interest, and Authorised Persons.

Sessions are also developed and delivered from time to time based on specific areas of concerns either raised by managers, identified from audits or complaint investigations, environmental scans or key messages obtained from external sources generally impacting the local government sector.

The effective implementation and administration of Council's governance framework relies on the commitment, skills and professionalism of Council employees. Council will continue to deliver education and awareness sessions as part of its commitment to good governance practices.

Risk management

Council operates in a dynamic and ever-changing environment. With the region's rapid growth, rising complexities and costs of service and project delivery and growing community expectations, it is crucial that Council sustains a working culture where risk and opportunities are considered part of normal work practices.

Council continually researches, monitors, tests and applies control measures and strategies to mitigate exposure to risk. It regularly reviews and resets its risk-tolerance levels to determine

what is acceptable to operate efficiently and with confidence. Council systematically identifies, analyses and seeks to mitigate risk at all levels (strategic, operational and project) and across all functions. This approach is supported by a risk management framework, policy, manual and a risk culture that continues to mature and is proactive in its pursuit of good governance and the achievement of Council's vision.

Strategic, operational and project risks are reviewed, monitored, updated and reported on a regular and ongoing basis to the Council, Executive Leadership Team and Audit Committee.

Councillor information

Councillor remuneration

The Mayor and Councillors were remunerated in accordance with section 247 of the Local Government Regulation 2012.

The table below sets out the remuneration paid to Sunshine Coast Councillors during the period 1 July 2022 to 30 June 2023

Councillors	Salary	Superannuation
Mayor Mark Jamieson	\$237,753	\$28,521.72
Cr Rick Baberowski (Deputy Mayor)	\$ 164,729	\$19,761.57
Cr Terry Landsberg	\$144,350	\$17,316.76
Cr Peter Cox	\$144,350	\$17,316.76
Cr Joe Natoli	\$144,350	\$17,316.76
Cr Winston Johnston	\$144,350	\$17,316.76
Cr Christian Dickson	\$144,350	\$17,316.76
Cr Ted Hungerford	\$144,350	\$17,316.76
Cr Jason O'Pray	\$144,350	\$17,316.76
Cr Maria Suarez	\$144,350	\$17,316.76
Cr David Law	\$144,350	\$17,316.76

Councillor expenses and facilities

Under section 250 of the Local Government Regulation 2012, the Councillor Expenses Reimbursement and Provision of Facilities and Support Policy provides for the payment of reasonable expenses incurred, or to be incurred, by Councillors in undertaking Council business.

The policy also outlines the facilities to be provided to Councillors to assist them in carrying out their duties, efficiently and effectively, and at a level that fulfils community expectation.

Council business is described as activities conducted on behalf of Council where a Councillor is required to undertake certain tasks to satisfy a legislative requirement, perform ceremonial activities or achieve the business objectives of Council. Council business should result in a benefit being achieved either for the local government and/or the local community.

The following table shows the total expenses incurred by Councillors under the policy in the 2022/23 financial year.

Councillors	Expenses
Mayor Mark Jamieson	\$2275
Cr Rick Baberowski (Deputy Mayor)	\$4942
Cr Terry Landsberg	\$1924
Cr Peter Cox	\$2988
Cr Joe Natoli	\$4453
Cr Winston Johnston	\$868
Cr Christian Dickson	\$1692
Cr Ted Hungerford	\$1140
Cr Jason O'Pray	\$6005
Cr Maria Suarez	\$211
Cr David Law	\$1745

Councillors were provided with the following facilities and resources to enable them to perform their duties and undertake Council business:

- Administrative support
- Office accommodation at one of three Council-owned or leased premises as well as access to meeting rooms
- Business and communication tools
- Vehicle, subject to personal use contribution or alternative arrangement.

It is recognised that community expectations and requests of the Mayor are such that all vehicle costs are deemed to be Council business.

Councillor meeting attendance

Council meetings are comprised of Ordinary and Special Meetings.

The table below shows meeting attendance for all Councillors and the Mayor.

Councillors	Ordinary Meetings	Special Meetings
Number of meetings held from 1 July 2022 to 30 June 2023:	12	1
Mayor Mark Jamieson	11	1
Cr Rick Baberowski (Deputy Mayor)	12	1
Cr Terry Landsberg	12	1
Cr Peter Cox	12	1
Cr Joe Natoli	12	1
Cr Winston Johnston	11	1
Cr Christian Dickson	11	0
Cr Ted Hungerford	12	1
Cr Jason O'Pray	10	1
Cr Maria Suarez	12	1
Cr David Law	12	1

Note: Councillors notify any absences and reasons for such. These may include competing diary commitments, medical leave, annual leave, professional development and personal commitments.

Conduct and performance of Councillors

The *Local Government Act 2009* (the Act) sets out the roles, responsibilities, and obligations of Councillors. In accordance with reporting requirements, the table below documents actions and outcomes relating to the conduct and performance of Councillors for the period of 1 July 2022 to 30 June 2023.

The following table discloses matters relating to the conduct of Councillors that were raised during the financial year.

Conduct and performance of Councillors	
Orders made under section 150I(2) of the Act	Nil
Orders made under section 150AH(1) of the Act	Nil
Decisions, orders and recommendations made under section 150AR(1) of the Act	1
The name of each Councillor for whom a decision, order or recommendation under sections 150I(2), 150AH(1) or 150AR(1) of the Act was made	Councillor Joe Natoli
A description of unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the Councillors	The councillor engaged in misconduct as defined in section 150L(1)(c)(iv) of the <i>Local Government Act 2009</i> , in that the conduct contravened section 171(3) of the Act by releasing confidential information to the Sunshine Coast Daily; namely, information relating to the Brisbane Road Car Park project at Mooloolaba that he knew or should have reasonably known was information confidential to local government.

Conduct and performance of Councillors

A summary of the decision, order or recommendation made for each Councillor	The Tribunal ordered pursuant to Section 150AR(1)(b)(iii) of the Act that: <ol style="list-style-type: none"> Councillor Natoli attend training addressing the misconduct and the management of voluminous confidential documents, the subject of this allegation. The training to be undertaken at the expense of the Councillor (section 150AR(1)(b)(iii)), The training to take place within 120 days of the date a copy of this order is provided to him by the Registrar.
Complaints referred to the assessor under section 150P(2) (a) of the Act by the local government entities for the local government	4
Matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission	Nil
Notices given under section 150R(2) of the Act	Nil
Notices given under section 150S(2)(a) of the Act	Nil
Decisions made under section 150W(1)(a), (b) and (e) of the Act	8
Referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act	Nil
Occasions information was given under section 150AF(4)(a) of the Act	Nil
Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a Councillor	Nil
Applications heard by the conduct tribunal under chapter 5A, part 3, division 6 of the Act about whether a Councillor engaged in misconduct or inappropriate conduct.	3

Disclosures

Audit Committee

The Audit Committee is established under Section 105 (2) of the *Local Government Act 2009*. As an advisory committee, its objectives are to assist the Council and the Chief Executive Officer to discharge their duties in particular:

- corporate governance and responsibilities in relation to the organisation's financial reporting, internal control structure, risk management systems and the external and internal audit functions
- maintain an independent and objective forum, promoting transparency, accountability, and an ethical culture throughout Council
- maintain, by scheduling regular meetings, open lines of communications with Council management, internal audit and external audit,

to exchange information and views

- oversee and appraise the quality and efficiency of audits conducted by both the internal and external audit functions, and
- ensure both the internal and external audit functions are independent and effective.

Four formal Audit Committee meetings were held throughout the year. Members of the committee comprised the following Councillors and independent external representatives:

- Cr Ted Hungerford
- Cr Joe Natoli
- Mr Mitchell Petrie (Independent Chair)
- Mr Pat McCallum (Independent Member)
- Ms Sue Tindal (Independent Member)

The Audit Committee also:

- monitored the Financial Statements annual preparation, process and reviewed the draft Financial Statements prior to certification
- oversaw governance reporting, including risk management and workplace health and safety
- reviewed both external and internal audit plans, reports and recommendations, and
- actively contributed to Council's culture of continuous improvement.

Audit and Assurance

Audit and assurance activities were conducted in accordance with best practice principles, including guidance issued by the Institute of Internal Auditors.

Internal audit activities for the period 1 July 2022 to 30 June 2023 included the following:

- Rates revenue for special and fire levies, and interest charges
- Landfill operations compliance with environmental authority
- Disaster recovery funding arrangements
- Tree risk-management practices
- General rates and separate levies
- Fraud risk assessment – recruitment and selection
- Council's planning assessment report.

Integrity management

Council also participated in the follow-up review on the recommendations from the review of the Office of the Information Commissioner's Compliance Audit for the Right to Information Act 2009 and the *Information Privacy Act 2009* (tabled in the Queensland Parliament on 30 November 2021). Council responded to the Information Commissioner with our progress on completing the 22 recommendations.

Remuneration packages to senior management

During 2022/23 Council's senior executive management, comprising direct reports to the Chief Executive Officer and those with senior management responsibilities, consisted of:

1 July 2022 to 31 January 2023

- Chief Executive Officer
- Five Group Executives

- Chief Strategy Officer, and
- Chief of Staff.

1 February 2023 to 28 May 2023

- Chief Executive Officer
- Six Group Executives
- Chief Strategy Officer.

29 May 2023 to 30 June 2023

- Chief Executive Officer
- Six Group Executives.

Total remuneration for these positions (including vehicles) from 1 July 2022 to 30 June 2023 was \$2,826,179.95.

Senior Executive Management (number)	Total remuneration value range
1	\$200,000 - \$300,000
5	\$300,001 - \$400,000
1	\$400,001 - \$500,000

National competition policy

Council conducted the following business activities during the 2022/23 financial year:

- Aquatic centres
- Caloundra Indoor Stadium
- Caloundra Regional Gallery
- Cemeteries
- Festivals
- Multisport complexes and showgrounds
- Off-street parking
- Quarries
- Retail electricity and the Sunshine Coast Solar Farm
- Sunshine Coast Holiday Parks
- Sunshine Coast International Broadband Cable Network
- Sunshine Coast Stadium and Kawana Sports Precinct
- Venue 114 and community spaces
- Waste and resource management.

Waste and resources management was a significant business activity and applied the competitive neutrality principle. There were no new significant business activities.

Note: No investigation notices were issued in 2022/23 by the Queensland Competition Authority for competitive neutrality complaints.

Registers

Council keeps a number of registers. These include:

- Accommodation parks register
- Asbestos register
- Asset register (Confirm Asset Management Information System)
- Biosecurity invasive plants property inspections register
- Building site delivery noise register
- Contract register
- Councillor conduct register
- Delegations register
- Development applications register (Development.i)
- Environmentally relevant activities register
- Extraordinary building work noise register
- Financial assets register
- Financial delegations register
- Fleet asset register (Maximo)
- Food business registers – fixed, mobile, temporary
- Gifts and disclosures register
- Information Asset Register
- Local laws register
- Personal appearance services register
- Registered cat register
- Registered dog register
- Register of business activities to which the competitive neutrality principle applies
- Register of general cost recovery fees and commercial charges 2022/23
- Registers of interests
- Roads register
- Temporary homes register.

Beneficial enterprises

Council participated in beneficial enterprises with four entities during the 2022/23 financial year.

Beneficial enterprises are entities that Council engages in or helps them to benefit the whole or part of the local government area. These entities were:

- SunCentral Maroochydore Pty Ltd
- Sunshine Coast Events Centre Pty Ltd
- Sunshine Coast Arts Foundation Ltd
- Visit Sunshine Coast Ltd.

Service, facility or activity

There are no details to report for the financial year under section 190(d) of the Local Government Regulation 2012, on action taken for, and expenditure on, a service, facility or activity:

- supplied by another local government under an agreement for conducting a joint government activity, and
- for which the local government levied special rates or charges for the financial year.

Administrative action complaints

Council applies its Administrative Action Complaints Management Policy to effectively manage complaints in a fair, prompt, confidential and respectful manner.

Council's Administrative Action Complaints Management Policy is available to employees via Council's intranet and the community can access the process via Council's website.

As required under section 187(2) of the Local Government Regulation 2012, the table below summarises the administrative action complaint outcomes for 2022/23.

Administrative action complaints	
Number of complaints made in 2022/23	67
Number of complaints completed*	71
Number of complaints not resolved (outstanding) by 30 June 2023	6
Number of administrative action complaints not resolved that were made in the previous financial year	0

Council dealt with 89.5% of complaint matters within the agreed timeframes identified to meet the legislative performance reporting requirements.

The management of unreasonable complainant conduct continued to be a focus during 2022/23 as we progressed with the implementation of the processes and tools developed to assist in the efficient use of resources to manage complaints and ensure a positive communication experience with all members of the community. Council has continued to build awareness and capability with its staff to encourage a proactive experience in dealing with different types of complainant conduct.

*This includes complaints received in the previous financial year.

Overseas travel

Under section 188 of the Local Government Regulation 2012, Council must provide information about any overseas travel made in a financial year by a Councillor or local government employee in an official capacity.

The below table shows overseas travel undertaken by a Councillor or Council employee during the financial year 2022/23.

Attendee	Destination	Purpose	Month	Cost
Emma Thomas, Chief Executive Officer	London, United Kingdom	Attendance at the Australian British Infrastructure Catalyst (ABIC) 2022 Conference. The program included a range of topics including public transport, place-making and region-shaping communities with direct relevance to Council. The purpose was to gain insight, share ideas and participate in discussion, with the view to bringing new perspectives and practices back to the Sunshine Coast for further exploration.	September/ October 2022	\$17,913
Councillor Terry Landsberg	Kuala Lumpur, Malaysia	Attendance at the Asian Smart Cities Conference 2022 to highlight the Sunshine Coast as a region leading the development of sustainable policies and programs in smart cities, climate action, circular and digital economy, to a focussed and targeted international audience via a keynote speech and participation in a panel discussion at the conference.	October 2022	\$443*
Michael Whereat, Coordinator Smart City Framework	Kuala Lumpur, Malaysia	Attendance at the Asian Smart Cities Conference 2022 to provide an invaluable learning experience in relation to smart cities, climate action, circular and digital economy for relevant Council officers.	October 2022	\$443*
Gabrielle Troon, Head of International Relations, Trade & Future Industries	Kuala Lumpur, Malaysia	Attendance at the Asian Smart Cities Conference 2022 to provide an invaluable learning experience in relation to smart cities, climate action, circular and digital economy for relevant Council officers.	October 2022	\$443*
Paul Skillen, Manager Business and Innovation	Ohio, USA	Attendance at the 2022 ICF Global Summit gain insights into digital connectivity as the foundation of a tech-focused smart city. Topics included driving economic growth through sustainability and building an innovation ecosystem. Paul represented Council on the 'Future of the Connected City' panel and discussion along with other 'Top7 Intelligent Community' representatives, and at the Intelligent Community Awards Ceremony.	October 2022	\$7143
Mayor Mark Jamieson	USA/Canada	Participated in the North America Mission as part of the Council of Mayors South East Queensland delegation to gain contemporary insights, partnerships and solutions for some of South East Queensland's biggest challenges and opportunities, including population growth and housing affordability; regional connectivity; sustainability; and enhancing the region's global reputation. The delegation also visited former and future Olympic and Paralympic cities to better leverage trade, investment and legacy opportunities associated with being a delivery partner of the Brisbane 2032 Olympic and Paralympic Games.	February 2023	\$12,289
Grantley Switzer, Sunshine Coast Program Lead – Brisbane 2032	USA/Canada	Participated in the North America Mission as part of the Council of Mayors South East Queensland delegation to gain contemporary insights, partnerships and solutions for some of South East Queensland's biggest challenges and opportunities, including population growth and housing affordability; regional connectivity; sustainability; and enhancing the region's global reputation. The delegation also visited former and future Olympic cities to better leverage trade, investment and legacy opportunities associated with being a delivery partner of the Brisbane 2032 Olympic and Paralympic Games.	February 2023	\$10,544

* The travel costs for attendance at the Asian Smart Cities Conference was met by the State of Selangor (Attendance by invitation - Chief Minister of Selangor, Selangor State Government, Malaysia).

Differential general rate concession

Council grants a general rates concession to land identified in section 120(1)(b) of the Local Government Regulation 2012 to the extent Council is satisfied the land is owned and directly used by an entity whose objectives do not include making a profit, or an entity that provides assistance or encouragement for arts or cultural development, and the entity meets the specific criteria detailed in the 2022/23 Revenue Statement.

Deferral of differential general rate

In accordance with sections 120 and 121 of the Local Government Regulation 2012, Council will allow deferment of up to 50 per cent of the differential general rate to assist eligible pensioner ratepayers residing in their principal place of residence. The deferment is subject to the ratepayer meeting the eligibility criteria detailed in the 2022/23 Revenue Statement.

Rates and charges debt concession

In accordance with sections 120 and 121 of the Local Government Regulation 2012, Council may grant property owners a concession by way of an agreement to pay rates and charges by instalments over a period of up to 12 months. This concession may be granted to property owners that satisfy Council that payment of rates and charges for their principal place of residence will cause them hardship. The concession is granted subject to the ratepayers meeting the eligibility criteria detailed in the 2022/23 Revenue Statement.

Pensioner rate concession

In accordance with section 120 of the Local Government Regulation 2012, Council grants a pensioner rate concession to property owners who are in receipt of either a part or full pension who meet the eligibility criteria detailed in the Queensland Government's Rate Subsidy Scheme and the additional criteria in the 2022/23 Revenue Statement. The concession is a maximum of 25 per cent of the differential general rate up to the maximum amounts detailed in the table below:

Pension rate	Sole title to the property	Joint title to the property
Maximum level of pension (full pension)	\$271 per annum maximum	\$212 per annum maximum
Not maximum level of pension (part pension)	\$136 per annum maximum	\$77 per annum maximum

Changes to tenders

Item No.	Contract No.	Contract title	Details of changes
1	SA221	Supplier Arrangement for Construction of Concrete Pathways and Bus Stops	Addition of installation works for a line item
2	ITT2214	Redevelopment Kawana Aquatic Centre - Construction Stages 1A & 1B	Change of product resulting in requirement to reprice
3	ITT2139	Cleaning Services - Building, Facilities and Events	Reduction in scope for specific site
4	ITT229	Fit out Construction - Level 8, 9 and Tenancy 6 - Sunshine Coast City Hall	Amendments to architectural specification and drawings
5	ITT2183	Headless CMS Web Development Services	Addition of data change logs to the scope of works
6	ITT228	Indoor Plant Supply and Maintenance	Reallocation of services previously nominated in Separable Portion A to Separable Portion B.
7	ITT2178	Supply and Installation of LED and Perimeter Screen - Sunshine Coast Stadium	Reduction and revision of scope

Grants to community organisations and discretionary funds

The total allocation of grants funding for the financial year was \$5,007,769. This includes \$256,633 in Councillor discretionary funding.

Council's discretionary funding for 2022/23 was as follows:

- The prescribed amount \$257,334 (defined in section 201B(5) of the Local Government Regulation 2012 to mean 0.1 per cent of Council's revenue from general rates for the previous financial year)
- Budgeted amount \$257,334 (each financial year Council may determine a budget allocation for discretionary funds, not exceeding the prescribed amount, for use by the Mayor and Councillors for the purpose of allocating it for community purposes).

Each Councillor had a budget of \$23,394 to allocate to community organisations for community purposes as detailed in the tables over the following pages.

Mayor Jamieson: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Sunshine Coast Churches Soccer Association Inc	Contribution to signage for All Abilities Program	14 July 2022	\$1000
Lions Club of Caloundra West Inc	Contribution to Welcome to Country costs and Remembrance pins for Lions District 201 Q3 Convention	14 July 2022	\$600
Caloundra RSL Sub-Branch	Contribution to the cost of placement of plinths as part of the installation of commemorative bronze statues at Kings Beach, Caloundra	14 July 2022	\$3000
Horovod Inc	Materials and decorations to make costumes for an event to celebrate Multicultural Queensland Month 2022, 'Cultural Plates'	2 August 2022	\$500
Maroochy Neighbourhood Centre	Contribution towards new playground equipment and shade structure	30 August 2022	\$3433
The Shack Community Centre Inc	Accommodation expenses for four forum speakers	2 September 2022	\$800
Act for Kids Limited	Welcome to Country and cultural performances for collaborative family fun day event to be held at Australia Zoo during Child Protection Week	14 September 2022	\$2134
FESTURI - a multicultural celebration Inc	Sound and lighting expenses for Festuri Multicultural Music Festival at Baringa on 24 September 2022	21 September 2022	\$2000
Surf Life Saving Queensland	Water safety and first aid expenses for Kozii Iron Challenge in Mooloolaba on 24 September 2022	26 September 2022	\$1000
North Shore Community Centre Inc	Purchase of new chairs for meeting room	17 October 2022	\$500
Coastal Caring Clowns Inc	Catering costs to support a free/low- cost concert event acknowledging community support for the Coastal Caring Clowns for their 21st year of operation	28 October 2022	\$1000
Christian Outreach Centre	Funding for decorations and decor, food and toiletries for the Be u Night for homeless women in Nambour, which provides an evening of basic health and beauty services for women who cannot afford them	29 November 2022	\$900
Mooloolaba Surf Life Saving Club Inc	A contribution towards AV hire for the Mooloolaba Surf Life Saving Club's Centenary Celebration	16 December 2022	\$1500

Mayor Jamieson: *Continued*

Applicant	Purpose	Month allocated	Amount (\$)
Rotary Club of Mooloolaba Inc	Contribution towards venue hire related costs for club's anniversary celebration and fundraising special event	22 February 2023	\$1500
African Diaspora Sunshine Coast	Venue and event staff support for sporting community event to celebrate Harmony Week 2023 at Sippy Downs	24 March 2023	\$500
Island Swim - Mudjimba to Mooloolaba Inc	Contribution towards entertainment, sound system and workshop costs for Island Charity Swim event activities	26 April 2023	\$500
Naradell Inc	Contribution towards lunch for Carers Roundtable event discussing matters relevant to carer parents of adult children, especially those with mental illness	22 May 2023	\$500
Sunshine Coast Basketball Association Limited	First Nations Basketball Program uniforms - 11 shorts and 22 singlets	12 June 2023	\$1127
Sunshine Coast Falcons Inc	Purchase of Indigenous designed jerseys for rugby league team to improve club's cultural awareness and inclusion as a contribution toward reconciliation	13 June 2023	\$900

Division 1 Cr Baberowski: Total 202122 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Lions Club of Caloundra West	Contribution towards first aid expenses at Lions District 201 Q3 Convention	17 August 2022	\$1000
Sunshine Coast Malayalee Association	Contribution to purchase stage decorations for Onam 2022 event	8 September 2022	\$500
FESTURI - a multicultural celebration Inc	Sound and lighting expenses for Festuri Multicultural Music Festival at Baringa on 24 September 2022	20 September 2022	\$2000
Glasshouse Country Chamber of Commerce Inc	Hire of chairs, tables and pop-up tents for the HinterWonderLand Beerwah Street Party in November 2022	21 October 2022	\$3630
FESTURI - a multicultural celebration Inc	Sound expenses at the 2022 Festuri Hinterland Annual Multicultural Music and Dance Festival	27 October 2022	\$1000
Rotary Club of Glasshouse Country Inc	Contribution towards cost of planting 100 trees in the Glass House Mountains area, to celebrate the centenary of Rotary in Queensland	15 May 2023	\$500
Landsborough School of Arts Memorial Hall Association Inc	Reconditioning works to this community facility's rear entry ramp by qualified builders to remove potential hazard caused by dry rot and improve the safety of this accessible exit	6 June 2023	\$6895
FESTURI - a multicultural celebration Inc	A contribution towards stage hire for 2023 Festuri Hinterland annual multicultural festival at Beerwah in October	13 June 2023	\$2000
Landsborough Cricket Club Inc	Contribution towards water bore drilling project	13 June 2023	\$5869

Division 2 Cr Landsberg: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Lions Club of Caloundra West Inc	Contribution towards program printing costs for Lions District 201 Q3 Convention	19 July 2022	\$1000
Caloundra RSL Sub-Branch	Manufacture of plinths as part of the installation of commemorative bronze statues at Kings Beach	19 July 2022	\$5000
Sunshine Coast Kerala Association Inc	A contribution towards catering and decorations for the Onam Pongnam one day cultural event in Caloundra West on 17 September 2022	19 August 2022	\$500
Queensland Justices Association	Venue hire for Justice of the Peace and Commissioner of Declarations training	30 August 2022	\$666
Caloundra Power Boat Club Ltd	Advertising and catering expenses for annual junior angling event on 25 September 2022 on the Pumicestone Passage, Caloundra	2 September 2022	\$1000
Night Eyes Water and Landcare Inc	Purchase of a range of volunteer resources to enable organisation to continue to ensure clean waterways, foreshores and canal developments in and around the Pumicestone Passage area	2 September 2022	\$1052
Caloundra Triathlon Club Inc	Purchase of defibrillator and first aid kit	21 September 2022	\$2323
Inner Wheel Club of Sunshine Coast Incorporated	Venue hire and a contribution towards catering for a community event supporting women networking and reducing social isolation	21 September 2022	\$300
Creative Events Incorporated	Contribution to event cleaning and security for Caloundra New Year's Eve community event	20 October 2022	\$2000
Coastal Caring Clowns Inc	Catering costs to support a free/low- cost concert event acknowledging community support for the Coastal Caring Clowns for their 21st year of operation	20 October 2022	\$700
Caloundra Woodworking Club Inc	Purchase of gravel to improve safe driveway access	20 October 2022	\$689
Caloundra Amateur Basketball Association Inc	Equipment for Academy Training Program	29 November 2022	\$1000
Roofs to Recovery	Contribution towards electrical items	4 January 2023	\$2000
Caloundra Community Kindergarten Association Inc	Contribution towards side fence upgrade project	8 February 2023	\$4000
Suncoast Seniors Recreational Kayaking Club Inc	Contribution towards promotional materials for 30th anniversary celebration	22 February 2023	\$1000

Division 3 Cr Cox: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Lions Club of Caloundra West Inc	Contribution towards program printing for Lions District 201 Q3 Convention	19 July 2022	\$400
Currimundi Catchment Care Group Inc	Generator hire to provide power for performers, stall holders etc. for Lights on the Lake 2022 on 14 December 2022	15 September 2022	\$900
Probus Club of Currimundi Combined Inc	Funds towards catering for Probus Day social picnic, to encourage fellowship of older persons	15 September 2022	\$400
Brothers Rugby Club Sunshine Coast Inc	Event management waste and fencing costs to support youth rugby union festival	28 September 2022	\$900
Currimundi United Football Club Inc	A contribution towards design fee to use artwork of First Nations artist on new club jerseys	6 October 2022	\$1200
Roofs to Recovery Inc	A contribution towards fitting out two low-cost modular houses for display purposes on land owned by a not-for-profit community group, to raise awareness and attract investment for the development of a transitional housing village for women over 55 who are experiencing or at risk of homelessness	17 October 2022	\$5000
Coastal Caring Clowns Inc	Catering costs to support a free/low-cost concert event acknowledging community support for the Coastal Caring Clowns for their 21st year of operation	17 October 2022	\$500
Kawana Water Polo Club Inc	Purchase of team uniform swimwear to support participation at upcoming Junior Countries Tournament and to strengthen newly rebuilt team	7 November 2022	\$900
Gateway Care Limited	A contribution towards developing a series of videos to create awareness of Gateway Care and its programs and services	10 November 2022	\$5000
UN Youth Queensland	A contribution to hire Sunshine Coast venue to host the UN Youth Queensland State Conference on 12 March 2023	10 November 2022	\$500
Sunshine Coast Radio Sailing Club Inc	Contribution towards portaloos hire and official race officer expenses to support the 2022 Australian RC Laser National Championships at Lake Kawana	10 November 2022	\$600
Kawana Water Polo Club Inc	Purchase of team uniform swimwear to support participation at upcoming Junior Countries Tournament and to strengthen newly rebuilt team	23 November 2022	\$1500
Rotary Club of Mooloolaba Inc	Contribution towards venue hire, catering and related costs for club's anniversary celebration and fundraising special event	9 February 2023	\$1700
Sunshine Coast Indoor Rowing Club	Contribution towards seating and sound for the 2023 Queensland Indoor Rowing Championships	10 March 2023	\$850
Sunshine Coast Basketball Association Limited	First Nations Basketball Program uniforms - 21 shorts and 16 jerseys	8 June 2023	\$1000
Currimundi Sports and Recreation Assn Inc	Contribution towards engaging contractor to repair potential leaks in back hall roofing, remedy leaking joints between toilet block and hall, and replace cracked clear roof sheeting	9 June 2023	\$1600
Kawana Park Junior Australian Football Club Inc	Purchase coarse river sand to top-dress playing fields	12 June 2023	\$400

Division 4 Cr Natoli: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Horovod Inc	Funding towards materials and decorations to make costumes for an event to celebrate Multicultural Queensland Month, 'Cultural Plates'	25 July 2022	\$1700
Arts And Culture Federation of Sunshine Coast Inc	Funding to procure a Welcome to Country by a Traditional Custodian of the Sunshine Coast and for fireworks for the 2022 Multicultural Moon Festival	16 August 2022	\$2660
Buddina Community Garden Inc	Paving to garden path	16 August 2022	\$770
Maroochy Neighbourhood Centre Inc	Contribution towards new playground equipment and shade structure	30 August 2022	\$3433
Rotary Club of Mooloolaba Inc	Contribution towards catering and signage costs for Walk for Mental Health Event in Mooloolaba	2 September 2022	\$2500
9th Battalion, The Royal Australian Regiment Association	To print 350 "Order of Service" booklets for the 55th Commemorative Service on 13 November 2022	13 September 2022	\$528
Connect Community Plus Kids	Purchase of two laptop computers to enable delivery of program for young people with autism to learn basic computer coding skills	20 September 2022	\$1445
Surf Life Saving Queensland	Funding towards water safety expenses for Kozii Iron Challenge in Mooloolaba on 24 September 2022	20 September 2022	\$500
Sunshine Coast Rotary Community Corps	Contribution towards printing costs for event to raise awareness of the work of Bloomhill Cancer Care in our community	25 October 2022	\$500
Coastal Caring Clowns Inc	Catering costs to support a free/low-cost concert event acknowledging community support for the Coastal Caring Clowns for their 21st year of operation	25 October 2022	\$300
Rotary Club of Mooloolaba	Signage and resources to raise awareness of Mooloolaba Rotary Club's charitable activities	2 December 2022	\$915
Mooloolaba Surf Life Saving Club Inc	A contribution towards the costs of stage and dance floor hire for the Mooloolaba Surf Life Saving Club's Centenary Celebration	15 December 2022	\$1000
Mooloolaba Chamber of Commerce Inc	Contribution towards costs for Mooloolaba New Year's Eve family friendly support event	16 January 2023	\$2600
Island Swim - Mudjimba to Mooloolaba Inc	Contribution towards entertainment, sound system and workshop costs for 2023 Island Charity Swim event activities at Mooloolaba	18 April 2023	\$800
North Shore Boardriders Inc	Commissioning of two pieces of surfboard art for display at North Shore Boardriders Club facility and at events	20 April 2023	\$2100
Naradell Inc	Contribution towards morning tea for Carers Roundtable event discussing matters relevant to carer parents of adult children, especially those with mental illness	15 May 2023	\$500
Kawana Waters Surf Life Saving Club Inc	Purchase of defibrillator pads for first aid equipment packs used during surf lifesaving patrols and community events	25 May 2023	\$135
Kawana Waters Surf Life Saving Club Inc	Purchase two new propellers for Inflatable Rescue Boats (IRB) outboard motors, which will be used by lifesavers for rescues at patrolled beaches	8 June 2023	\$1000

Division 5 Cr Johnston: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Woombye Community Library Inc	Funding for community library to replace books damaged by mould due to severe weather events	26 July 2022	\$1000
Sunshine Coast Animal Refuge Society	First Aid Training for 14 SCARS Volunteers	27 July 2022	\$1800
Mary River Catchment Coordination Association Inc	Water monitoring equipment to be used by volunteer groups to collect water quality data in the Upper Mary region	23 August 2022	\$2230
Mooloolah River Waterwatch and Landcare Inc	Purchase of heating beds to increase native plant production	13 September 2022	\$1800
Maleny Garden Club Inc	Catering for Maleny Garden Club's 70th Anniversary Celebrations on 25 October 2022	13 September 2022	\$900
Maleny Tennis Club Inc	Purchase of defibrillator and waterproof case	13 September 2022	\$2000
Blackall Range Woodcrafters Guild Inc	Contribution towards the cost of a new monitoring system for solar powered timber drying kiln	13 September 2022	\$2000
Arts Connect Inc	A contribution to printing expenses for Sculpture on the Edge 2022	23 September 2022	\$3500
Maleny Chamber of Commerce Inc	Funding for face painting and petting zoo hire expenses at the Maleny Late Night Christmas event in December 2022	21 October 2022	\$1000
Maleny Bowls Club	Replacement of light on bowling green	28 October 2022	\$1532
Nambour Rugby Union Football Club Inc	Purchase of tackle mats for rugby training equipment	22 February 2023	\$2000
Allocation adjustment	Return of grant funds from Maleny Tennis Club due to underspend	4 April 2023	\$124+
Range of Life Pty Ltd	Funding to hire a diesel generator for the Rangebow Festival 2023, 11-13 August 2023	1 June 2023	\$3260

+ Return of grant funding to Council



Division 6 Cr Dickson: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Wildlife Rescue Sunshine Coast Inc	Funding towards purchase of a small commercial van, which can be fitted out as a kangaroo ambulance	4 August 2022	\$10,000
Headland-Buderim Croquet Club Inc	Funding towards purchase of a greens keeper sprayer for maintaining the courts	5 September 2022	\$2753
Chancellor Park Soccer Club Inc	Purchase of commercial fridge for canteen	6 September 2022	\$1995
Legacy Club of Brisbane Limited	Purchase of cards and diaries for Legacy widows to celebrate the 2022 festive season and to mark milestones	21 September 2022	\$1400
Sunshine Coast Art Group Inc	Works to install a shade awning, a patio roof and air-conditioning to improve comfort for facility users	9 November 2022	\$5000
Sunshine Coast Contract Bridge Club Inc	Purchase and install security door and screens	21 March 2023	\$1905
Sunshine Coast Basketball Association Limited	Purchase of First Nations Basketball Program uniforms - 10 singlets	8 June 2023	\$341

Division 7 Cr Hungerford: Total 2022/23 Allocation \$22,938

Applicant	Project/Purpose	Date allocated	Amount (\$)
Buderim War Memorial Community Association Inc	Contribution towards entertainment costs for Jazz in The Park Buderim event	16 August 2022	\$2000
Maroochy Men's Shed Inc	Installation of shade sail	16 August 2022	\$6350
Eric Joseph Foote War Memorial Sanctuary Association Inc	Purchase of replacement pressure cleaner	31 August 2022	\$549
Coastal Caring Clowns Inc	Catering costs to support a free/low-cost concert event acknowledging community support for the Coastal Caring Clowns for their 21st year of operation	21 October 2022	\$500
Buderim Library Association Inc	Purchase of 100 new release books, audio, and large print books for community library	8 February 2023	\$2500
Inner Wheel Club Sunshine Coast	Contribution towards venue hire and catering for a women's service club and volunteers' event to celebrate International Women's Day	14 March 2023	\$1000
Playgroup Queensland Ltd	Contribution to clearing of vegetation and creating trails with native plant	23 March 2023	\$4000
Phoenix Model Aviators Inc	Purchase of new ride on mower	25 May 2023	\$3500
Buderim War Memorial Community Association Inc	Band fees and drum kit hire to enable a community jazz concert at Buderim Village Park on 24 September 2023	31 May 2023	\$2995

Division 8 Cr O'Pray: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Maroochy Branch Little Athletics Centre Inc	Purchase of equipment for event recording	19 July 2022	\$2500
Twin Waters Residents Association Inc	Entertainment at Christmas Carol Event	2 August 2022	\$1250
Toastmasters District 69 (Area 16)	Contribution for venue hire and printing costs for Toastmasters Area 16 Conference and Speech Contests	10 August 2022	\$500
Sunshine Coast Riding for the Disabled (RDA) Inc	Connection of water tank to mains water	29 August 2022	\$2660
North Shore Community Centre Inc	Construction of playground sunshade	28 September 2022	\$3500
Sunshine Coast Sports Hall of Fame	A contribution to AV expenses for the 2022 Sunshine Coast Sports Hall of Fame Induction Ceremony	17 November 2022	\$1500
Coastal Community Native Nursery Inc	AV equipment hire and set up to support the 2021 Sunshine Coast Sports Hall of Fame Induction Ceremony	24 November 2021	\$1500
	Contribution towards the purchase of a laptop for use by committee member volunteers	9 December 2022	\$500
Maroochy Canal Action Group Inc	Purchase of lollies and sweets for Santa to hand out to children on the Maroochy canal	14 December 2022	\$400
Mudjimba Beach Boardriders Club	Purchase of two laptops as volunteer resources to support president and secretary committee positions	7 February 2023	\$2000
PBF Australia Ltd	Purchase of video equipment for a virtual safety program to promote safe behaviour in the prevention and understanding of paraplegia	14 March 2023	\$2800
Marcoola Surf Lifesaving Club Inc	Purchase of training equipment	14 March 2023	\$1817
Mudjimba Surf Life Saving Club Inc	Equipment purchases including new foam Nipper boards and a laptop to assist with training	20 March 2023	\$1800
Island Swim - Mudjimba to Mooloolaba Inc	Contribution towards entertainment, sound system and workshop costs for 2023 Island Charity Swim event activities at Mooloolaba	17 April 2023	\$2167

Division 9 Cr Suarez: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Coolum Men's Shed Inc	Purchase of memorial plaques	30 August 2022	\$1354
Coolum Business and Tourism Inc	Contribution to screen hire and movie licensing costs for Flicks in the Park events	2 September 2022	\$2000
Verrierdale Community Group Inc	Purchase of PA system for community events	13 September 2022	\$2038
Coolum HeARTs Inc	Purchase of eight pairs of mosaic cutters and eight nibblers to replace old and worn ones	13 September 2022	\$455
Maroochy River Rowing Club Inc	Contribution towards purchase of sweep riggers for junior rowers	20 September 2022	\$2000
Coolum Cricket Club Inc	Contribution towards purchase of super sopper	21 September 2022	\$2000
Coolum Football Club Inc	Purchase of coffee machine equipment to support canteen to transition from outsourced management to club management	26 October 2022	\$1999
Coolum Beach Meals on Wheels Inc	Purchase replacement castors for kitchen mobile racks, trolleys, and benches to improve work health and safety	2 November 2022	\$1600
Coolum Common Community Garden Inc	Contribution towards community garden establishment costs	30 November 2022	\$1979
Coolum Business and Tourism Inc	Contribution towards sound, lighting, and laser light display for the 2022 Coolum Christmas Carols	7 December 2022	\$2000
Coastal Community Native Nursery Inc	Contribution towards the purchase of a laptop for use by committee member volunteers	19 December 2022	\$500
Coolum District Coast Care Group Inc	Purchase and installation of nesting boxes	25 May 2023	\$2367
Coolum Beach Junior Australian Football Club Inc	Purchase of portable gazebo to provide shade for children engaged in AFL programs	29 May 2023	\$1425

Division 10 Cr Law: Total 2022/23 Allocation \$23,394

Applicant	Project/Purpose	Date allocated	Amount (\$)
Nambour Bowls Club	Contribution towards installation of shade structure	19 July 2022	\$5000
Probus Club of North Blackall Range Inc	Contribution to transport costs to participate in 76th Anniversary of the International Day of Older Persons gathering at Margaret Olley Art Gallery	8 August 2022	\$500
Mary River Catchment Coordination Association Inc	Water monitoring equipment to be used by Waterwatch volunteers collecting water quality data in the Kenilworth area	25 August 2022	\$2230
Reimagine Nambour Inc	Funding towards security, waste, cleaning, and audio-visual costs for Retro Rocks 2022	25 August 2022	\$1500
Kenilworth Arts Council Inc	Funding towards advertising and promotional expenses for Kenilworth ArtsFest 2022	14 September 2022	\$1000
Nambour Meals on Wheels Service Inc	Funding for a local musician to perform at event celebrating International Day of Older Persons, National Seniors Month and Nambour Meals on Wheels 51st anniversary	14 October 2022	\$500
Mapleton Men's Shed Inc	Purchase of compressor	17 October 2022	\$908
Lions Club of Blackall Range Inc	Contribution towards marketing, venue hire and advertising costs for a community music event in Mapleton	8 March 2023	\$750
Nambour Rugby League Club Inc	Contribution towards live music entertainment costs for a dance event for people with disability at Nambour Crushers	10 March 2023	\$850
Kenilworth Arts Council Inc	Contribution towards events costs, including graphic design, signage, advertising, and entertainer, for the 2023 Kenilworth ArtsFest	22 March 2023	\$1000
Belli Community Hall Association Inc	Purchase and installation of flagpole	3 April 2023	\$850
African Diaspora Sunshine Coast	Sporting community event to celebrate Harmony Week 2023 at Sippy Downs	3 April 2023	\$500
Yandina School of Arts Inc	Purchase and installation of stage curtains	6 April 2023	\$4000
Amrita Australia	Equipment and non-perishable food to support volunteer organisation based at Nambour Community Centre cooking meals for those in need	6 April 2023	\$500
Sunshine Coast Bunyas Inc	Purchase of training equipment	10 May 2023	\$500
Sunshine Coast Arts Industry Precinct Inc	Supporting project material costs, artist fees and advertising for an interactive arts entertainment event, featuring a walking tour in Nambour	25 May 2023	\$1200
2nd Nambour Scout Group	Contribution towards purchase of two camping storage boxes for Scout programs	2 June 2023	\$500
Sunshine Coast Agricultural Show Society Inc	Contribution towards entertainment and event infrastructure for the opening night of the Creative Arts Exhibition at the Sunshine Coast Agricultural Show	6 June 2023	\$500



Financial information





SECTION 1

Community Financial Report 2022/23

This report provides a representation of Sunshine Coast Council's recent financial performance.

Financial statements

The financial statements consist of four reports, with accompanying notes. The notes disclose Council's accounting policies and provide additional information and greater detail on the values contained in the statements. When read in conjunction with each other, the documents provide an overall understanding of Council's financial position.

Statement of comprehensive income

The statement of comprehensive income provides information about revenues and expenses and shows if a surplus or deficit has been achieved in delivering Council services.

Statement of financial position

The statement of financial position provides information about assets and liabilities. Together they provide the net worth of Council, which has been built up over many years. This net worth is also called the Community Equity.

Statement of changes in equity

The statement of changes in equity summarises the increase (or decrease) in Council's net worth for the year.

Statement of cash flows

The statement of cash flows shows changes to cash balances and how they occurred. It differs from the statement of comprehensive income in that it excludes non-cash expenses such as depreciation, accruals and revaluation of assets such as land and buildings.

Measures of financial sustainability (ratios)

Financial sustainability ratios examine the relationships between different financial categories. These ratios are also used for comparison purposes when benchmarking with other organisations.

There are various financial sustainability measures available however Council is required to calculate its ratios in accordance with the Financial Management (Sustainability) Guideline issued by the Department of State Development, Infrastructure, Local Government and Planning. The Current Year Financial Sustainability ratios are also audited by the Auditor-General of Queensland.

Business activities – Full cost recovery performance

Council conducts a number of business activities. The full cost recovery performance reports on the value of Council's investment in these activities.

Statement of Comprehensive Income

The following figures relate to Council only for the year ended 30 June 2023, and the numbers have been rounded.

The figures do not include Council's controlled entities as per the Consolidated columns in the financial statements.

Revenue

Where did the money come from?

Council received \$554 million in recurrent operating revenue during the 2022/23 year with the major source of this revenue generated from the rates and utility charges. Total recurrent revenue increased by \$40 million (8%) on the previous year.

Revenue	%	\$'000
Rates and utilities	67.1	371,513
Fees and charges	12.6	69,710
Interest received	6.3	34,913
Grants and other	7.7	42,420
Unitywater	6.3	35,056
Total		553,612

Operating result

The Operating Result is derived from the Statement of Comprehensive Income by deducting Total Recurrent Expenses from Total Recurrent Revenue, with Council's result for 2022/23 being a deficit of \$6 million.

Statement of financial position

Assets - liabilities = community equity

Assets

What do we own?

The value of all assets we controlled as at 30 June 2023 totalled \$7.4 billion. This figure is further broken down into current assets \$324 million (4%) and non-current assets \$7.1 billion (96%). Current assets are those that are readily available to meet expenses and mainly include cash and amounts owed by customers. Non-current assets include property plant and equipment and investment in associate (Unitywater).

Assets	%	\$'000
Cash and cash equivalents	3.5	260,120
Receivables	6.2	460,895
Inventories and other	1.2	85,348
Property, plant and equipment and intangibles	81.8	6,038,887
Investments in associates	7.3	538,213
Total		7,383,462

Expenses

Where was the money spent?

Council returns the majority of revenues to the community in the form of services and community projects. Total recurrent expenses during the 2022/23 year were \$560 million which was an increase of \$52 million (10%) on the previous year.

Expenses	%	\$'000
Employee benefits	29.8	166,522
Materials and services	45.9	257,042
Finance costs	2.3	12,835
Depreciation and amortisation	21.2	118,922
Contributions to controlled entities	0.8	4,414
Total		559,735

Liabilities

What do we owe?

The value of all liabilities as at 30 June 2023 was \$674 million. This figure consists of current liabilities \$174 million (26%) and non-current liabilities of \$500 million (74%). The largest single debt owed by Council is to the Queensland Treasury Corporation (QTC) which is the state government-owned lending agency. This money is borrowed for infrastructure and large-scale region shaping projects.

Liabilities	%	\$'000
Payables	7.1	48,150
Borrowings	65.4	440,719
Provisions	14.2	95,929
Other liabilities	13.2	88,884
Total		673,682

Community equity result

The community equity result for 2022/23 as at 30 June 2023, is \$6.7 billion.

Capital expenditure (property, plant and equipment assets)

Additions to assets for the financial year.

Category	\$'000
Aerodromes	893
Buildings and Facilities	17,466
Coast and Canals	4,212
Environmental Assets	1,939
Fleet	3,817
Holiday Parks	2,181
Information Technology	872
Minor capital works	4,281
Parks and Gardens	10,121
Quarries	131
Sports Facilities	8,156
Stormwater	6,042
Transportation	68,469
Waste	48,193
Total SCC Core Capital Program	176,773
Corporate Major Projects	29,186
Strategic Land and Commercial Properties	13,109
Total Other Capital Program	42,295
Total	219,068

Capital Expenditure sits outside the normal operating costs of Council and is included in the **Property Plant and Equipment** balance on the **statement of financial position**.

Capital expenditure includes infrastructure costs such as construction of the new City Hall and Multi-Deck Car Park in Maroochydore City Centre, the Caloundra Centre Indoor Sports Stadium and the Kawana Waters Regional Aquatic Centre. It also includes work on core Council assets such as buildings, roads, landfill and waste facilities, stormwater etc. Capital costs appear in the operating statement as a **depreciation expense** over the life of the asset.

The amounts in the table include capital expenditure only and exclude project costs of an operating nature.

Community equity

What is our net worth?

Assets (what we own) less liabilities (what we owe) equal Council's net worth (Community Equity). **As at 30 June 2023, the Community Equity for Council was \$6.7 billion, an increase of \$426 million compared to the prior year.**

Statement of changes in equity

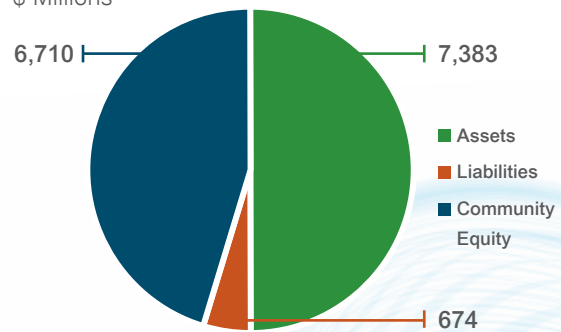
The increase in Community Equity is due to an increase to Council's Retained Surplus of \$265 million, along with an increase in the value of Council's assets of \$160 million.

Council's total community equity (\$6.7 billion) is made up of:

- **Retained surplus** being the initial and ongoing investment of the Community along with the profit or loss results of all financial years (\$5.2 billion).
- **Asset revaluation surplus** which is the accumulated value of the assets in excess of what we have paid for them (\$1.5 billion).

Council's total community equity (Assets less liabilities)

\$ Millions



Statement of cash flows

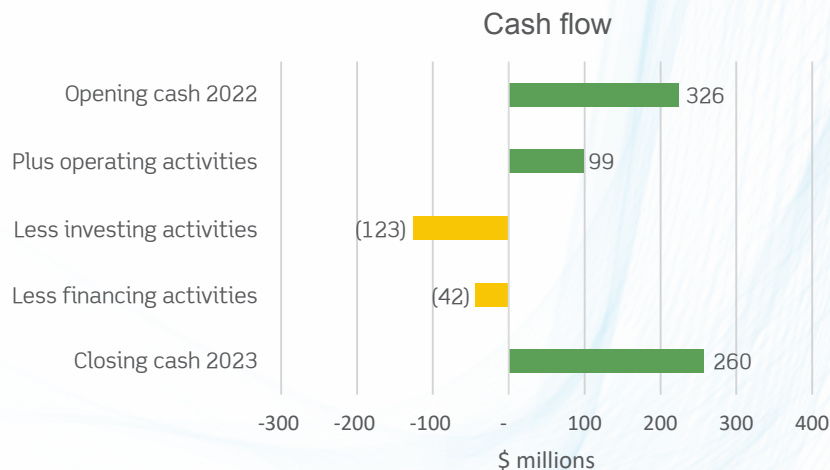
Cash flow

Cash in, cash out.

Council's total cash as at 30 June 2023 was \$260 million.

There are three types of activities that have an impact on cash balances.

1. **Operating activities** including receipts from customers and payments to suppliers, interest and dividends, grants, and the cost of borrowings.
2. **Investing activities** include investments made in property, plant and equipment, proceeds from sale of assets, and contributions.
3. **Financing activities** include the cash movement from borrowings proceeds received, less repayment commitments.



Overall cash balances for Council decreased by \$66 million (20%) for the financial year.

Business activities – full cost recovery performance

Council's Financial Sustainability Plan requires the performance of Council's business activities be published annually in the Community Financial Report.

2022/23 financial data	Waste and Resource Management	Sunshine Coast Holiday Parks	Quarries Business Unit
	\$'000	\$'000	\$'000
Operating revenue	96,117	23,079	1,480
Community service obligations	1,650	-	231
Total operating revenue	97,767	23,079	1,712
Operating expenditure excluding interest	65,060	11,066	*(4,368)
Depreciation	7,082	1,157	255
Competitive neutrality costs excluding income tax equivalent	423	676	48
Total operating expenditure	72,565	12,899	(4,066)
Earnings before interest and tax (EBIT)	25,202	10,180	5,777
Return (pre-tax nominal)%	18.7%	11.6%	115.3%
Target return	9,916	4,859	427
Weighted average cost of capital %	7.0%	10.0%	8.8%
Income tax expense	6,544	2,559	1,684
Surplus/(Shortfall) EBIT to target return	15,286	5,321	5,350
Value of Council's investment in the Business Activity	90,108	54,852	4,883

Note: Weighted average cost of capital and return on capital are calculated on a pre-tax nominal basis.

Value of Council's investment in the Business Activity is made up of property, plant and equipment assets excluding strategic land holdings.

*Quarry's Business Unit operating expenditure includes an adjustment for the quarry rehabilitation provision associated with anticipated future rehabilitation of the site. The adjustment is due to the reassessment of long-term inflationary expectations as per the Reserve Bank of Australia (RBA) together with an increase in the interest rate movements.

Measures of financial sustainability (ratios)

Ratios – long-term sustainability statement (Council)

Ratio	Target	Actuals	Forward estimates									
		30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	
Operating surplus ratio*	Between 0% and 10%	-1.1%	4.2%	4.7%	6.2%	6.1%	6.4%	6.7%	7.4%	7.6%	7.2%	
Asset sustainability ratio	Greater than 90%	70.4%	88.0%	78.7%	69.6%	72.3%	70.2%	67.2%	66.2%	61.2%	60.2%	
Net financial liabilities ratio	Not greater than 60%	63.1%	78.6%	91.7%	89.6%	87.9%	79.1%	70.6%	60.0%	49.8%	43.3%	

Operating surplus ratio - Measures the extent to which operating revenues raised cover operational expenses.

Asset sustainability ratio - Measures the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.

Net financial liabilities ratio - Measures the extent to which the net financial liabilities of Council can be repaid from operating revenue.

Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

The above forward estimates are aligned with Council's Long-Term Financial Forecast, Financial Plan, Corporate Plan, Operational Plan and the Department of State Development, Infrastructure, Local Government and Planning financial sustainability measures.

The Operating Surplus Ratio, indicating the extent to which revenues cover operational expenses only, remains within the target range in Council's forward estimates.

The Asset Sustainability Ratio (reflecting the ongoing development of Council's asset management plans) is a strong result considering Council's relatively young asset base and reflects Council's ongoing commitment to the renewal of its assets.

The Sunshine Coast region has experienced exponential growth in recent periods, leading to an increase in new and contributed assets. The influx of new assets is reducing the collective age of Council's assets, lowering the requirement of renewals expenditure and the Asset Sustainability Ratio forecast. Sunshine Coast Council's renewal program is based on asset management plans and is completed in conjunction with a stringent scheduled maintenance program.

Although the Asset Sustainability Ratio does not meet the 2022/23 target of > 90%, the 2023 Financial Management (Sustainability) Guideline effective from the 2023/24 financial year, includes a target of > 60% for Sunshine Coast Council. This new target is based on remoteness and population and is more achievable for growth councils.

The Net Financial Liabilities Ratio (reflecting the extent to which the net financial liabilities of Council can be repaid from operating revenue) exceeds the target range up to year 2029. The ratio reflects Council's refinanced debt portfolio, which provides inter-generational equity for the funding of long term infrastructure projects.

2022/23 Financial Statements

For the year ended 30 June 2023

Contents

1. FINANCIAL STATEMENTS	92
Statements of Comprehensive Income.....	92
Statements of Financial Position.....	94
Statements of Changes in Equity.....	95
Statements of Cash Flows.....	96
2. NOTES TO THE FINANCIAL STATEMENTS.....	97
1. Information about these financial statements.....	97
2. Analysis of results by function.....	102
3. Revenue.....	103
4. Grants, subsidies, contributions, donations and other.....	105
5. Interest revenue.....	107
6. Employee benefits.....	107
7. Materials and services.....	108
8. Finance costs.....	109
9. Contributions to controlled entities.....	109
10. Non-recurrent expenses.....	109
11. Cash and cash equivalents.....	110
12. Receivables.....	111
13. Inventories.....	112
14. Equity accounted investment.....	113
15. Other assets.....	115
16. Non-current assets held for sale.....	115
17. Property, plant and equipment.....	116
18. Intangible assets.....	121
19. Payables.....	121
20. Leases.....	122
21. Contract liabilities.....	124
22. Borrowings.....	125
23. Provisions.....	126
24. Other liabilities.....	128
25. Commitments for expenditure.....	128
26. Contingencies.....	129
27. Superannuation.....	131
28. Controlled entities.....	132
29. Trust funds.....	132
30. Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities.....	133
31. Reconciliation of liabilities arising from financing activities.....	134
32. Financial instruments and financial risk management.....	134
33. National competition policy.....	138
34. Related party disclosures.....	139
35. Restated balances.....	142
3. MANAGEMENT CERTIFICATE.....	145
4. INDEPENDENT AUDITOR'S REPORT	146
5. CURRENT YEAR FINANCIAL SUSTAINABILITY STATEMENT.....	150
Certificate of Accuracy - for the Current Year Financial Sustainability Statement.....	150
Independent Auditor's Report (Current Year Financial Sustainability Statement).....	151
6. UNAUDITED LONG TERM FINANCIAL SUSTAINABILITY STATEMENT.....	154
Certificate of Accuracy - for the Long Term Financial Sustainability Statement.....	154

1. FINANCIAL STATEMENTS

Statements of Comprehensive Income

For the year ended 30 June 2023

	Note	Consolidated		Council	
		2023	Restated 2022	2023	Restated 2022
		\$'000	\$'000	\$'000	\$'000
Income					
Revenue					
Recurrent revenue					
Net rates, levies and utility charges	3(a)	371,424	343,568	371,513	343,878
Fees and charges	3(b)	72,198	72,432	69,710	70,804
Sales from contracts and recoverable works	3(c)	15,670	15,882	15,670	15,882
Grants, subsidies, contributions, donations and other	4(a)	21,662	21,278	21,596	21,212
		480,955	453,160	478,489	451,775
Share of tax equivalents of equity accounted investment	3(d)	10,517	16,883	10,517	16,883
Dividend income equity accounted investment	3(e)	-	-	24,539	15,155
Interest revenue	5(a)	30,405	20,411	30,283	20,389
Gain on early extinguishment of debt	5(b)	4,630	5,108	4,630	5,108
Rental income	20	5,402	3,997	5,155	3,827
Profit from equity accounted investment	14	51,589	57,440	-	-
		102,543	103,839	75,124	61,363
Total recurrent revenue		583,498	556,999	553,612	513,138
Non-recurrent revenue					
Grants, subsidies, contributions, donations and other	4(b)	154,880	187,657	154,880	187,657*
Sales from contracts	4(c)	12,115	1,293	12,115	1,293
Total non-recurrent revenue		166,995	188,950	166,995	188,950*
Total income		750,493	745,949	720,607	702,088*
Expenses					
Recurrent expenses					
Employee benefits	6	(170,060)	(160,144)	(166,522)	(157,223)*
Materials and services	7	(259,898)	(233,193)	(257,042)	(230,486)*
Finance costs	8	(12,897)	(12,982)	(12,835)	(12,939)*
Contributions to controlled entities	9	-	-	(4,414)	(3,615)
Depreciation and amortisation					
Property, plant and equipment	17	(115,311)	(99,816)	(115,306)	(99,809)*
Intangible assets	18	(320)	(677)	(320)	(677)
Right-of-use assets	20	(3,319)	(3,534)	(3,295)	(3,476)
Total recurrent expenses		(561,806)	(510,345)	(559,735)	(508,224)*

	Note	Consolidated		Council	
		2023	Restated 2022	2023	Restated 2022
		\$'000	\$'000	\$'000	\$'000
Non-recurrent expenses					
Loss on disposal property, plant and equipment and intangibles	10	(9,534)	(4,634)	(9,534)	(4,634)*
Movements in landfill and quarry provisions	23	9,032	(10,824)	9,032	(10,824)
Total non-recurrent expenses		(502)	(15,459)	(502)	(15,459)*
Total expenses		(562,309)	(525,804)	(560,237)	(523,682)*
Net result		188,184	220,145	160,370	178,405*
Other comprehensive income					
Increase/(decrease) in asset revaluation surplus	17(a)	265,246	553,263	265,246	553,263*
Total other comprehensive income		265,246	553,263	265,246	553,263*
Total comprehensive income for the year		453,430	773,408	425,616	731,667*

*Comparative figures have been restated. Refer to Note 35 for details.

1. FINANCIAL STATEMENTS

Statements of Financial Position

As at 30 June 2023

	Note	Consolidated		Council	
		2023 \$'000	Restated 2022 \$'000	2023 \$'000	Restated 2022 \$'000
Assets					
Current assets					
Cash and cash equivalents	11	262,350	328,267	260,120	325,877*
Receivables	12	22,633	49,782	22,627	49,822
Inventories	13	4,051	10,155	4,006	10,122
Other assets	15	33,551	22,165	33,447	22,137
Non-current assets held for sale	16	4,078	9,325	4,078	9,325
Total current assets		326,662	419,695	324,279	417,284
Non-current assets					
Loans to associates other receivables	12	437,780	434,393	438,267	434,893
Inventories	13	36,568	36,568	36,568	36,568
Equity accounted investment	14	907,314	880,264	538,213	538,213
Property, plant and equipment	17	6,037,120	5,593,786	6,037,093	5,594,591'
Intangible assets	18	1,794	3,022	1,794	3,022*
Right-of-use assets	20	7,371	6,166	7,248	6,166
Total non-current assets		7,427,947	6,954,200	7,059,183	6,613,454*
Total assets		7,754,609	7,373,895	7,383,462	7,030,737*
Liabilities					
Current liabilities					
Payables	19	48,440	78,967	48,150	78,738*
Lease liabilities	20	3,115	2,672	3,067	2,672
Contract liabilities	21	21,938	14,861	21,938	14,861
Borrowings	22	27,811	27,537	27,811	27,537
Provisions	23	46,716	41,071	46,536	40,760
Other liabilities	24	26,573	25,899	26,490	25,851
Total current liabilities		174,594	191,007	173,992	190,420
Non-current liabilities					
Lease liabilities	20	4,481	3,725	4,401	3,725
Borrowings	22	412,907	455,693	412,907	455,693
Provisions	23	49,645	63,286	49,393	63,113
Other liabilities	24	32,989	33,621	32,989	33,621
Total non-current liabilities		500,021	556,325	499,690	556,152
Total liabilities		674,615	747,332	673,682	746,572
Net community assets		7,079,994	6,626,563	6,709,781	6,284,165*
Community equity					
Asset revaluation surplus		1,476,733	1,211,487	1,476,733	1,211,487
Retained surplus		5,603,260	5,415,076	5,233,048	5,072,678*
Total community equity		7,079,994	6,626,563	6,709,781	6,284,165*

*Comparative figures have been restated. Refer to Note 35 for details.

1. FINANCIAL STATEMENTS

Statements of Changes in Equity

For the year ended 30 June 2023

Consolidated

	Note	Asset revaluation surplus \$'000	Retained surplus \$'000	Total \$'000
<u>For the year ended 30 June 2023</u>				
Balance as at 1 July 2022		1,211,487	5,415,076	6,626,563
Net result		265,246	188,184	453,430
Balance as at 30 June 2023		1,476,733	5,603,261	7,079,994

For the year ended 30 June 2022 (Restated)

Balance as at 1 July 2021		658,224	5,182,790	5,841,014
Prior year adjustment	35	-	12,141	12,141*
Net result		553,263	220,145	773,408*
Balance as at 30 June 2022		1,211,487	5,415,076	6,626,563*

Council

	Note	Asset revaluation surplus \$'000	Retained surplus \$'000	Total \$'000
<u>For the year ended 30 June 2023</u>				
Balance as at 1 July 2022		1,211,487	5,072,678	6,284,165
Net result		265,246	160,370	425,616
Balance as at 30 June 2023		1,476,733	5,233,048	6,709,781

For the year ended 30 June 2022 (Restated)

Balance as at 1 July 2021		658,224	4,882,133	5,540,357
Prior year adjustment	35	-	12,141	12,141*
Net result		553,263	178,405	731,667*
Balance as at 30 June 2022		1,211,487	5,072,678	6,284,165*

*Comparative figures have been restated. Refer to Note 35 for details.

1. FINANCIAL STATEMENTS

Statements of Cash Flows

For the year ended 30 June 2023

	Note	Consolidated		Council	
		2023	Restated 2022	2023	Restated 2022
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Receipts from customers		481,915	735,457	474,558	733,462
Payments to suppliers and employees		(458,230)	(301,888)	(450,644)	(299,395)*
		23,684	433,569	23,914	434,068*
Interest and dividends received	3(d,e), 5(a)	65,453	52,428	65,339	52,428
Recurrent grants, subsidies, contributions and donations	4(a)	21,596	21,212	21,596	21,212
Finance costs	8	(12,290)	(13,543)	(12,290)	(13,558)
Net cash inflow/(outflow) from operating activities	30	98,443	493,666	98,559	494,149*
Cash flows from investing activities					
Payments for property, plant and equipment		(219,093)	(238,490)	(219,068)	(239,302)*
Proceeds from sale of property, plant and equipment		7,676	8,234	7,676	8,234
Net Proceeds from sale of inventory		17,800	1,293	17,800	1,293
Non-recurrent grants, subsidies, contributions and donations	4(b)	70,908	49,858	70,908	49,858
Net cash inflow/(outflow) from investing activities		(122,709)	(179,105)	(122,685)	(179,917)*
Cash flows from financing activities					
Proceeds from borrowings		6,200	87,061	6,200	87,061
Repayment of borrowings		(44,300)	(277,923)	(44,300)	(277,923)
Repayments made on leases (principal only)		(3,552)	(3,751)	(3,532)	(3,692)
Net cash inflow/(outflow) from financing activities		(41,651)	(194,613)	(41,632)	(194,554)
Net increase/(decrease) in cash and cash equivalents held		(65,917)	119,948	(65,758)	119,679
Cash and cash equivalents at beginning of financial year		328,268	208,320	325,877	206,199
Cash and cash equivalents at end of the financial year	11	262,351	328,268	260,120	325,877*

*Comparative figures have been restated. Refer to Note 35 for details.

2. NOTES TO FINANCIAL STATEMENTS

For the year ended 30 June 2023

1. Information about these financial statements

1.01. Basis of preparation

These general purpose financial statements are for the period 1 July 2022 to 30 June 2023. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for items measured at fair value including contributed assets, revaluation of some items of property, plant and equipment, and Council's loan from the Department of State Development, Infrastructure, Local Government and Planning (Economic Development Queensland).

1.02. Recurrent/non-recurrent classification

Revenue and expenditure are presented as "recurrent" or "non-recurrent" in the Statements of Comprehensive Income on the following basis:

- Non-recurrent revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.
- Costs incurred on assets that will be transferred to and controlled by third parties are included in "Non-recurrent expenses".
- The following transactions are classified as either "Non-recurrent revenue" or "Non-recurrent expenses" depending on whether they result in accounting gains or losses:
 - disposal of non-current assets
 - movements in landfill and quarry provisions
 - revaluations of property, plant and equipment
 - financial impacts of the Sunshine Coast Airport Expansion Project and Maroochydore City Centre land sales

All other revenue and expenses have been classified as "recurrent".

1.03. Basis of consolidation

Council and its controlled entities together form the consolidated entity. The financial statements of controlled entities are included in the consolidated financial statements where material by size or nature, from the date when control commences until the date when control ceases.

Council had an interest in three (3) entities during the year being Sunshine Coast Events Centre Pty Ltd, SunCentral Maroochydore Pty Ltd and the Sunshine Coast Arts Foundation Ltd. Council wholly owns the issued shares of Sunshine Coast Events Centre Pty Ltd and SunCentral Maroochydore Pty Ltd, and is currently the main financial contributor to the Sunshine Coast Arts Foundation Ltd.

Transactions between Council and both Sunshine Coast Events Centre Pty Ltd and SunCentral Maroochydore Pty Ltd have been eliminated when preparing consolidated accounts.

In addition, the accounting policies of these controlled entities have been adjusted on consolidation where necessary, to ensure the financial statements of the consolidated entity is prepared using accounting policies that are consistent with those of the Council. The main policy inconsistency relates to the valuation of property, plant and equipment assets. Council uses fair value where the controlled entities use historical cost, however the impact is not material.

Sunshine Coast Arts Foundation Ltd is not consolidated into Council's financial statements because its transactions and balances are not material. Information on controlled entities is included in Note 28.

1.04. Constitution

The council is constituted under the *Queensland Local Government Act 2009* and is domiciled in Australia.

1.05. New and revised accounting standards adopted during the year

Council adopted all standards which became mandatory effective for annual reporting periods beginning on 1 July 2022. None of the standards had a material impact on reported position, performance and cash flows.

1.06. Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023. These standards have not been adopted by Council and will be included in the financial statements on their effective date if their application is material to Council.

AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates.
Effective from 2023/24.

AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.
Effective from 2024/25.

1.07. Estimates and judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

Note	Item	Description
4(b)	Grants, subsidies, contributions and donations	Fair value estimation of contributed assets.
12	Trade and other receivables	Estimated impairment of receivables and loans.
17	Depreciation and amortisation	Estimated useful lives of property, plant and equipment.
17	Property, plant and equipment	Fair value estimation of contributed assets.
23	Provisions	Long service leave provision involves estimates of projected future pay increases and the probability of employees remaining in Council along with estimated cash flows discounted using the Commonwealth Bond yield rates. Landfill and quarry rehabilitation provision calculation involves judgement around the application of environmental legislation, site

		closure dates, available technologies and engineering cost estimates.
26	Contingencies	Judgement regarding legal claims.
32	Financial instruments and financial risk management	Expected credit loss assessment of trade receivables.

1.08. Rounding and comparatives

Amounts included in the financial statements are in Australian dollars (AUD) and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard. Restated balances are detailed in Note 35 and indicated with an asterisk (*) throughout the financial statements.

1.09. Disclosure of other comprehensive income for equity accounting investments

Where Council has an equity accounted investment (associate or joint venture) with Other Comprehensive Income, Council's share of that other comprehensive income is reflected in the relevant section of the Statements of Other Comprehensive Income.

1.10. Volunteer services

Council works with a diverse range of Sunshine Coast community members and organisations to deliver services and programs to the community including community and major events, environment and wildlife protection, regional heritage, libraries and arts, and the Caloundra Music Festival. The volunteer services associated with the Caloundra Music Festival and Sunshine Coast Stadium are recognised in the Statement of Comprehensive Income with remaining volunteer services not recognised as they are either not material or would not have been purchased if not donated.

1.11. Taxation

Council is exempt from income tax, however Council is subject to Fringe Benefits Tax (FBT), Goods and Services Tax (GST) and payroll tax on certain activities. The net amount of GST recoverable from the Australian Taxation Office (ATO) or payable to the ATO is shown as an asset or liability respectively.

2 (a). Analysis of Results by Function

Components of Council Functions

The activities relating to the Council's components reported on in Note 2(b) are as follows:

Offices of the CEO and the Mayor

The Offices of the CEO and the Mayor provide support and advice to the Mayor, Councillors, Chief Executive Officer (CEO), and Executive Leadership Team and deliver key functions for the organisation including:

- CEO Support Services
- Councillor information

Civic Governance Group

The newly established Civic Governance Group will provide the opportunity to simplify and streamline executive reporting arrangements and provide enhanced visibility and clarity in relation to Council's core governance functions. The functional areas of the Group are:

- Audit & Assurance
- Corporate Governance
- Corporate Planning and Performance
- Legal Services
- Major Projects

These functions were in the Offices of the CEO and the Mayor in 2022.

Built Infrastructure Group

The Built Infrastructure Group is focussed on managing and maintaining the region's built infrastructure. Key functions include:

- Asset Management
- Civil Asset Management
- Parks and Gardens
- Transport Infrastructure Management
- Disaster Management

Business Performance Group

The Business Performance Group is focussed on developing and managing the core capabilities that underpin the effective and efficient operation of the organisation.

Key functions include:

- Business and Innovation
- Digital and Information Services
- Finance
- People and Culture
- Property Management
- *Communications
- *Strategic Property

**Part of Offices of the CEO and the Mayor in 2022.*

Customer and Planning Services Group

The Customer Engagement and Planning Services Group is focussed on delivering positive customer experiences to business and the community, particularly land use planning, development and regulatory enforcement. Key functions include:

- Customer Response
- Development Services
- Strategic Planning
- Urban Growth Projects
- *Strategic Infrastructure Planning and Policy
- **Urban Design and Architecture

**Formerly Transport Infrastructure Planning Branch in Built Infrastructure Group*

***New team formed from existing positions and functions from both Customer and Planning Services and Liveability and Natural Assets Groups*

Economic and Community Development Group

The Economic and Community Development Group aims to drive the identification of new economic opportunities for the region while ensuring a balanced focus on developing, supporting and/or delivering opportunities (social, cultural and economic) that each of the region's many communities expect to enjoy. Key functions include:

- Arts Heritage and Library
- Community Planning and Development
- Economic Development
- Sports and Community Venues
- Brisbane 2032 Olympic and Paralympic Games

Liveability and Natural Assets Group

The Liveability and Natural Assets Group is focussed on taking a balanced approach to planning and delivery of sustainable environmental and infrastructure development to meet the needs of the growing population and maintain the liveability of the region.

Key functions include:

- Design and Placemaking Services
- Environmental and Sustainability Policy
- Environmental Operations
- Project Delivery
- SCC Workplaces
- Waste and Resource Management

Region Shaping Projects

Region Shaping Projects includes Council's current major projects being Maroochydore City Centre and the Sunshine Coast International Broadband Network.

2 (b). Analysis of Results by Function

Notes to financial statements For the year ended 30 June 2023 2 (b) Analysis of results by function																		
	Gross program income		Elimination of inter-function transactions		Total income		Gross program expense		Elimination of inter-function transactions		Total expenses		Net result from recurrent operations		Net result		Assets	
	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
1 Built Infrastructure	25,613	43,438	(19,069)	48,882	(243,337)	4,810	35,343	(203,184)	(153,203)	4,582,147								
2 Customer and Planning Services	55,802	3,491	(19,876)	39,416	(104,819)	-	34,058	(70,761)	(34,835)	145,609								
3 Economic and Community Development	48,308	3,030	(13,176)	38,162	(124,557)	(5,065)	28,958	(100,664)	(62,502)	298,019								
4 Liveability and Natural Assets	123,061	13,688	(11,448)	125,302	(147,969)	(88)	23,368	(124,671)	(12,970)	593,555								
6 Region Shaping Projects	4,654	16,077	-	20,730	(10,787)	(903)	66	(11,623)	(6,066)	165,708								
5 Business Performance	429,783	87,271	(70,208)	446,845	(60,385)	744	17,387	(42,254)	316,576	1,589,616								
8 Civic Governance	9,130	-	(8,958)	172	(11,530)	-	4,725	(6,805)	(6,633)	8,808								
12 Offices of the CEO and the Mayor	2,208	-	(2,211)	(3)	(1,289)	-	1,014	(274)	(277)	-								
Total Council	698,559	166,995	(144,947)	720,607	(704,672)	(502)	144,937	(560,237)	(6,123)	7,383,462								
Controlled entities net of eliminations	29,886	-	-	29,886	(2,071)	-	-	(2,071)	27,815	371,146								
Total Consolidated	728,445	166,995	(144,947)	750,493	(706,743)	(502)	144,937	(562,309)	21,692	7,754,609								

Notes to financial statements For the year ended 30 June 2022 (restated) 2 (b) Analysis of results by function																		
	Gross program income		Elimination of inter-function transactions		Total income		Gross program expense		Elimination of inter-function transactions		Total expenses		Net result from recurrent operations		Net result		Assets	
	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Built Infrastructure	33,902	77,501	(20,543)	90,860	(233,667)	(14,371)	37,467	(210,571)	(119,711)	4,168,317								
Customer and Planning Services	48,651	-	(18,500)	30,151	(86,223)	-	29,228	(56,995)	(26,844)	15,372								
Economic and Community Development	33,206	2,020	(1,069)	34,127	(104,871)	(838)	16,274	(89,436)	(56,491)	248,554								
Liveability and Natural Assets	112,518	9,513	(11,280)	110,750	(135,979)	-	22,798	(113,181)	(11,943)	479,284								
Region Shaping Projects	5,338	1,404	-	6,742	(12,963)	(257)	189	(13,031)	(7,436)	176,069								
Business Performance	392,117	98,510	(61,420)	429,207	(51,236)	8	17,361	(33,867)	296,821	1,870,165								
Civic Governance	13,837	-	(13,613)	224	(5,260)	-	2,755	(2,281)	(2,281)	72,976								
Offices of the CEO and the Mayor	3,314	-	(3,287)	27	(7,645)	-	3,547	(4,098)	(4,071)	-								
Total Council	642,883	188,950	(129,744)	702,087	(637,844)	(15,459)	129,620	(523,682)	4,914	7,030,738								
Controlled entities net of eliminations	43,861	-	-	43,861	(2,121)	-	-	(2,121)	41,740	343,157								
Total Consolidated	686,743	188,950	(129,744)	745,949	(639,965)	(15,459)	129,620	(525,804)	46,654	7,373,895								

*Comparative figures have been restated. Refer to Note 35 for details.

3. Revenue

(a) Net rates, levies and utility charges

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a liability until the beginning of the rating period.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
General rates	276,592	257,040	276,680	257,349
Waste management	77,219	69,696	77,219	69,696
Environment levy	12,150	11,905	12,150	11,905
Tourism and special levies	9,822	9,104	9,822	9,104
Rural fire levy	620	576	620	576
Valuation fees	93	82	93	82
Total rates, levies and utility charges revenue	376,496	348,402	376,585	348,712
Less: pensioner remissions	(3,876)	(3,770)	(3,876)	(3,770)
Less: rebates	(1,196)	(1,065)	(1,196)	(1,065)
	(5,072)	(4,835)	(5,072)	(4,835)
Net rates, levies and utility charges	371,424	343,568	371,513	343,878

(b) Fees and charges

Revenue arising from fees and charges is recognised at the point in time when the performance obligation is completed, and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example holiday parks. There is no material obligation for Council in relation to refunds or returns. Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of infringement notice.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Holiday parks	22,062	20,321	22,062	20,321
Refuse tip fees	10,677	9,468	10,677	9,468
Application fees (development)	10,323	10,968	10,323	10,968
Development services	7,999	9,989	7,999	9,989
Fines and penalties	2,720	2,573	2,720	2,573
Registration fees	1,863	1,525	1,863	1,525
Permits and licences	1,855	1,809	1,855	1,809
Search fees	1,608	1,988	1,608	1,988
Venue hire	1,485	1,180	1,485	1,180
Cemetery fees	1,382	1,091	1,382	1,091
Parking fees	1,322	1,251	1,322	1,251
Change of ownership fees	855	1,115	855	1,115
Waste service charges	448	502	448	502
Other fees and charges	7,600	8,652	5,112	7,024
	72,198	72,432	69,710	70,804

(c) Sales from contracts and recoverable works

Sale of goods revenue is recognised at the point in time that the customer obtains control of the goods, generally at delivery. Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in contract liabilities and is recognised as revenue in the period when the service is performed. The contract work carried out is not subject to retentions.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Recoverable works	1,271	1,358	1,271	1,358
Sale of recyclables	4,854	5,494	4,854	5,494
Solar Farm generation revenue	1,511	2,186	1,511	2,186
Other revenue	8,033	6,844	8,033	6,844
	15,670	15,882	15,670	15,882

(d) Share of tax equivalents of equity accounted investment

Unitywater Group is subject to the Local Government Tax Equivalents Regime (LGTER). Under the LGTER Unitywater Group is required to make income tax equivalent payments to the Participating Councils in accordance with the requirement of its Participation Agreement.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
	10,517	16,883	10,517	16,883

(e) Dividend income of equity accounted investment

Dividend income represents the participation return from Council's share in Unitywater as per the Participation Agreement. Dividends are recognised once they are formally declared by Unitywater, which is an associate of Council.

Consolidated		Council	
2023	2022	2023	2022
\$'000	\$'000	\$'000	\$'000
-	-	24,539	15,155

4. Grants, subsidies, contribution, donations and other

Grant income under AASB 15 Revenue from contracts with customers

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

The performance obligations vary in each agreement but include library projects, trainee funding and events. Payment terms vary depending on the terms of the grant. Cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, revenue is recognised using either costs or time incurred.

Capital (non-recurrent) grants

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as construction progresses or when the purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Grant income under AASB 1058 Income of not-for-profit entities

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded, and income then is recognised for any remaining asset value at the time that the asset is received.

Contributions and donations

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council.

Contributions and donations are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Physical assets contributed to Council by developers in the form of land, transport, stormwater and other infrastructure are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions with a value in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

(a) Recurrent grants, subsidies, contributions, donations and other

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Government grants and subsidies commonwealth	15,618	16,510	15,618	16,510
Government grants and subsidies state	5,735	4,353	5,735	4,353
Grants and subsidies other	-	45	-	45
Contributions and donations	309	370	243	304
	21,662	21,278	21,596	21,212

(b) Non-recurrent grants, subsidies, contributions, donations and other

Non-recurrent revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investments in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

	Consolidated		Council	
	2023 \$'000	<i>Restated</i> 2022 \$'000	2023 \$'000	<i>Restated</i> 2022 \$'000
Government grants and subsidies commonwealth	17,894	9,175	17,894	9,175
Government grants and subsidies state	16,968	9,388	16,968	9,388
Developer contributions	36,783	31,606	36,783	31,606
Infrastructure from developers at fair value	83,972	137,799	83,972	137,799*
	155,618	187,968	155,618	187,968*
Less: discount allowed developer contributions	(738)	(311)	(738)	(311)
	154,880	187,657	154,880	187,657*

*Comparative figures have been restated. Refer to Note 35 for details.

(c) Sales from contracts

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Sunshine Coast Airport Expansion Project	-	463	-	463
Maroochydore City Centre land sales	12,115	830	12,115	830
	12,115	1,293	12,115	1,293

(d) Revenue recognition timing

Consolidated and Council	Note	2023		Restated 2022	
		\$'000	\$'000	\$'000	\$'000
		Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Net rates, levies and charges (excluding those related to services)	3(a)	371,424	-	343,568	-
Fees and charges (excluding infringements)	3(b)	69,478	-	69,859	-
Infringements	3(b)	2,720	-	2,573	-
Sales from contracts and recoverable works	3(c), 4(c)	27,785	-	16,712	463
Grants, subsidies, contributions, donations and other	4 (a,b)	137,381	39,162	190,690	18,245*
		608,788	39,162	623,402	18,708*

*Comparative figures have been restated. Refer to Note 35 for details.

5. Interest revenue

(a) Interest revenue is calculated using the effective interest rate method

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Loan to associate	17,420	17,811	17,420	17,811
Cash and term deposits	12,361	2,034	12,239	2,012
Overdue rates and utility charges	625	566	625	566
	30,405	20,411	30,283	20,389
(b) Gain on early extinguishment of debt	4,630	5,108	4,630	5,108

6. Employee benefits

Employee benefit expenses are recorded when the service has been provided by the employee.

	Note	Consolidated		Council	
		2023 \$'000	Restated 2022 \$'000	2023 \$'000	Restated 2022 \$'000
Total wages and salaries		146,404	137,935	143,294	135,221*
Councillors' remuneration**		1,898	1,876	1,898	1,876
Annual, sick and long service leave entitlements		18,731	16,994	18,536	16,994
Superannuation	27	17,440	16,572	17,207	16,365
		184,473	173,377	180,935	170,456*
Other employee related expenses		3,779	3,382	3,779	3,382
		188,251	176,759	184,714	173,838*
Less: Capitalised employee expenses		(18,191)	(16,615)	(18,191)	(16,615)
		170,060	160,144	166,522	157,223*

**Councillor remuneration represents salary, superannuation contributions and other allowances paid in respect of carrying out their duties.

*Comparative figures have been restated. Refer to Note 35 for details.

<u>Total Council full time equivalent employees at the reporting date:</u>	Consolidated		Council	
	2023	2022	2023	2022
Elected Members	11	11	11	11
Staff	1,797	1,842	1,767	1,813
Total full time equivalent employees	1,808	1,853	1,778	1,824

7. Materials and services

Expenses are recorded on an accrual basis as Council receives the goods or services.

	Consolidated		Council	
	<i>Restated</i>		<i>Restated</i>	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Advertising	1,662	1,709	1,662	1,709
External audit fees**	334	263	325	234
Consultancy fees	6,490	5,704	6,490	5,704
Commissions paid	3,768	3,247	3,768	3,247
Contract services parks and gardens	23,762	18,944	23,762	18,944
Contract services waste collection	46,462	39,933	46,462	39,933
Contract services environmental operations	15,308	12,729	15,308	12,729
Contract services property management	10,466	8,513	10,466	8,513
Contract services sport and community venues	9,556	9,059	9,556	9,059
Contract services civil asset management	9,475	9,413	9,475	9,413
Contract services transport infrastructure management	3,131	2,944	3,131	2,944
Contract services art, heritage and libraries	3,217	3,185	3,217	3,185
Contract services other	24,464	17,527	24,296	17,378 *
Donations	4,969	5,623	4,969	5,623
Electricity	8,655	8,492	8,370	8,372
Entertainment and hospitality	561	550	561	550
Equipment < \$5,000	979	914	979	914
Fuel	3,079	2,911	3,079	2,911
Grants to community organisations	8,925	8,461	8,925	8,461
Insurance	3,297	3,211	3,297	3,211
Legal fees	3,191	2,714	3,191	2,714
Levy and licence fees****	7,525	7,588	7,525	7,588
Library resources	1,567	1,585	1,567	1,585
Materials road base	811	878	811	878
Operating leases - short-term and low value	6,792	5,382	6,792	5,382
Plant and equipment hire	9,883	7,812	9,883	7,812
Security services	1,839	1,940	1,839	1,940
Software and maintenance	12,803	11,489	12,803	11,489
Telecommunications	3,145	2,441	3,145	2,441
Water and sewerage charges	4,826	4,725	4,826	4,725
All other materials and services***	18,956	23,308	16,561	20,899*
	259,898	233,193	257,042	230,486*

**Total consolidated audit fees quoted by the Queensland Audit Office relating to the 2022/23 financial statements are \$327,600 (2022: \$283,500). Other external audit fees relate to the audit of special purpose financial reports.

***Internal costs transferred to third parties are now included with All other materials and services.

****Levy and licence fees were previously included in All other materials and services.

*Comparative figures have been restated. Refer to Note 35 for details.

8. Finance costs

	Note	Consolidated		Council	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Borrowing costs charged by the Queensland Treasury Corporation**		10,746	11,303	10,746	11,303*
Bank charges and credit card fees		1,207	1,258	1,145	1,216
Interest on leases	20	225	147	225	147
Unwinding of discount on provisions and borrowings	22,23	319	287	319	287
Impairment of receivables and loans		307	(205)	307	(205)
Other finance costs		93	192	93	192
		12,897	12,982	12,835	12,939*

**Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset. Capitalised borrowing costs comprise \$1,286 million (2022: \$1,002 million) for Sunshine Coast City Hall.

*Comparative figures have been restated. Refer to Note 35 for details.

9. Contributions to controlled entities

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
SunCentral Maroochydore Pty Ltd	-	-	2,625	2,033
Sunshine Coast Events Centre Pty Ltd	-	-	1,789	1,582
	-	-	4,414	3,615

10. Non-recurrent expenses

Gain/(Loss) on disposal of non-current assets

Consolidated and Council	Restated	
	2023 \$'000	2022 \$'000
Proceeds from the sale of plant and equipment	404	342
Less carrying amount sold	(244)	(180)
Less carrying amount disposed and written-off	(452)	(21)
	(292)	141
Proceeds from the sale of property and land	7,272	7,891
Less carrying amount sold	(5,296)	(8,150)
Less carrying amount disposed and written-off	(6,804)	(152)
	(4,828)	(411)

	2023	<i>Restated</i> 2022
	\$'000	\$'000
Replacement of roads, stormwater and other infrastructure		
Less carrying amount:		
Replaced and renewed	(3,146)	(3,731)
Disposed and written-off	(284)	(634)
	(3,429)	(4,365)
Replacement of intangibles		
Less carrying amount:		
Replaced and renewed	-	-
Disposed and written-off	(985)	-
	(985)	-
Loss on disposal of property, plant and equipment	(9,534)	(4,634)*

*Comparative figures have been restated. Refer to Note 35 for details.

11. Cash and cash equivalents

For the purposes of the Statements of Financial Position and the Statements of Cash Flows, cash and cash equivalents include cash on hand as well as deposits at call with financial institutions. It also includes other short term highly liquid investments with short periods to maturity that are readily convertible to cash at Council's option and that are subject to a low risk of changes in value.

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash on hand, deposits on call	14,592	5,015	13,362	2,625
QTC Cash Fund	64,239	281,433	64,239	281,433
Short term investments, term deposits	183,519	41,819	182,519	41,819
Balance as per Statements of Financial Position	262,350	328,267	260,120	325,877

Council may be exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed.

Other investments are held with financial institutions, which are rated A-1+ to A-3 based on rating agency S&P Global Ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.

<u>Restricted and unrestricted cash</u>	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	262,350	328,267	260,120	325,877
Externally imposed expenditure restrictions	(111,205)	(75,662)	(111,205)	(75,662)
Unrestricted cash	151,145	252,606	148,915	250,216

Council's cash and cash equivalents are subject to a number of internal allocations and external restrictions that limit amounts available for discretionary or future use. These include:

(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Constrained works	67,902	42,011	67,902	42,011
General	5,189	3,686	5,189	3,686
Levy funded	36,322	28,414	36,322	28,414
Special purpose	1,791	1,552	1,791	1,552
Total externally imposed restrictions on cash assets	111,205	75,662	111,205	75,662

(ii) Internally imposed expenditure allocations at the reporting date:

Constrained works	61,385	61,385	61,385	61,385
General	15,422	41,141	15,422	41,141
Total internally allocated cash	76,807	102,526	76,807	102,526

Internal allocations of cash may be lifted by Council with a resolution.

12. Receivables

Receivables and loans are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery or advance. Settlement of receivables is generally required within 30 days after invoice date.

Receivables and loans are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

The impairment loss on receivables and loans is recognised in finance costs.

Interest is charged on outstanding rates at 8.17% per annum (2022: 8.03%). No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Rates and utility charges	4,838	6,339	4,838	6,339
Infringements	2,634	2,574	2,634	2,574
Infrastructure charges and developer fees	6,348	5,011	6,348	5,011
Other regulatory fees	1,057	746	1,057	746
Trade and other debtors	7,840	35,155	7,835	35,195
Less allowance for impairment	(85)	(43)	(85)	(43)
	22,633	49,782	22,627	49,822

Movement in accumulated impairment losses is as follows:

Opening balance at 1 July 2022	(43)	(607)	(43)	(607)
Impairment debts written off during the year	255	391	255	391
Increase/(decrease) in impairments recognised	(297)	173	(297)	173
Closing balance at 30 June 2023	(85)	(43)	(85)	(43)

Disclosure - credit risk exposure and impairment of receivables

Council uses an allowance matrix to measure the expected credit losses of receivables on trade and other debtors, and in limited circumstances, statutory charges. Loss rates are determined giving consideration to individual debtor recovery issues and Council's past experience. Although expected credit losses are not material, disclosure is being made for the purpose of public interest and transparency.

Because Council is empowered under the provision of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair any rates receivables.

All amounts that were written off during the reporting period and are no longer subject to enforcement activity.

	Note	Consolidated		Council	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Non-Current					
Loan to associate - subordinated debt Shares in controlled entities	14	434,393	434,393	434,393	434,393
Other debtors		3,387	-	3,374	-
		437,780	434,393	438,267	434,893

Other debtors in non-current include land and infrastructure charges that are not due to be settled until 2025.

The subordinated interest only loan terminates on 30 June 2033 with the interest rate to be set by QTC annually. Applicable interest rate for 2023 was 4.01% (2022: 4.10%).

13. Inventories

Stores and raw materials are valued at the lower of cost and net realisable value and include, where applicable, expenditure incurred in acquiring inventories and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost except for land where the costs are allocated to the relevant parcel.

Land acquired with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. Inventory land being developed and held for resale within the next twelve months is classified as current inventory assets. Inventory land held for resale in future years is classified as non-current inventory assets. Such land is accounted for under *AASB 102 Inventories*.

Profit arising upon sale of land is recognised as revenue in the Statements of Comprehensive Income on settlement.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current				
Equipment, stores and quarries**	1,202	1,044	1,157	1,011
Land ready for resale				
Finished Goods	2,849	9,111	2,849	9,111
Closing current inventories at 30 June	4,051	10,155	4,006	10,122

**Hand held equipment, stores and quarries are internal stocks verified by annual stocktake.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Non-current</u>				
Land held for future development and resale				
Work in Progress	36,568	36,568	36,568	36,568
Closing non-current inventories at 30 June	36,568	36,568	36,568	36,568

14. Equity accounted investment

Associates are entities that Council has significant influence over. Significant influence is the power to participate in the financial, operating and policy decisions. Investments in the consolidated financial statements are accounted for using the equity method and in the separate Council financial statements using the cost method. Under the equity method, the consolidated entity's share of post-acquisition profits and losses of associates is recognised in the Statements of Comprehensive Income and the interest in the equity of the associates is recognised in the Statements of Financial Position. The cumulative post acquisition movements are adjusted against the cost of the investment.

Council had an interest in one (1) associate during the year being Unitywater. Council has no other joint ventures, joint arrangements or interests in other entities.

Name of Associate:	Northern SEQ Distributor-Retailer Authority (trading as Unitywater)
Principal Activity:	Provision of Water and Wastewater Services
Principal Place of Business:	Ground Floor 33 King Street Caboolture Qld 4510
Proportion of Ownership Interest:	37.51% (2022: 37.51%)

(1) Background

The *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* (the Act) established the Northern SEQ Distributor-Retailer Authority (Unitywater) trading as Unitywater on 25 June 2010.

Unitywater was set up to deliver water and wastewater services to customers within the local government areas of the now three (3) participating Councils - Sunshine Coast Regional, Moreton Bay Regional and Noosa Shire Councils.

Under the Act, governance arrangements for Unitywater are established in a Participation Agreement. The agreement provides for participation rights to be held by the participating Councils, with Sunshine Coast Regional Council holding 37.51% of these rights.

Unitywater's Board is comprised of independent directors, with no individual Council having the ability to dominate the Unitywater's decision making to obtain greater benefits from its activities than any other of the participants.

(2) Contractual Agreements

Council provides some contracted services to Unitywater, mainly around the collection of infrastructure charges relating to the construction of water and wastewater assets, which are remitted to Unitywater.

(3) Returns to Council

Council provided two loans to Unitywater from 1 July 2010 under Participating Local Government Fixed Rate Loan Agreements (Senior and Subordinated Debt) with monthly interest-only payments for three years to 30 June 2013.

Council agreed to extend the loans with a Participating Local Government (PLG) Loan Agreement between Council and Unitywater duly executed on 21 June 2013. This new loan was subject to an annual reset rate (to be determined by Queensland Treasury Corporation in accordance with the credit rating assigned for Unitywater) with quarterly interest-only payments for twenty years to 30 June 2033. The rate to 30 June 2023 is 4.01% (2021: 4.10%).

Any repayment of principal or refinancing of the loan shall be subject to the prior written approval and on terms agreed by the Treasurer or Under Treasurer of Queensland.

Unitywater operates under a tax equivalent regime, with the equivalent tax being distributed pro-rata to the participating Councils based on their participation rights. Tax is payable monthly based on a percentage of the Unitywater's gross revenue.

(4) Participation Rights

Participation rights in Unitywater are recognised at initial value plus share of undistributed profits.

	Note	Consolidated		Council	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Movement in carrying amount					
Investment		880,264	837,979	538,213	538,213
Share of profits after tax and before dividends		51,589	57,440	-	-
Participation returns	3(e)	(24,539)	(15,155)	-	-
Carrying amount at the end of the financial year		907,314	880,264	538,213	538,213

Unitywater is not a publicly listed entity and consequently does not have published price quotations.

Summary financial information for Unitywater, not adjusted for the percentage ownership held by Council, as reflected in their 30 June 2023 financial statements is detailed below.

Extract from Unitywater's Statement of Comprehensive Income

	2023 \$'000	2022 \$'000
Total revenues	759,809	758,325
Total ordinary expenses	(570,359)	(539,627)
Profit before income tax equivalent	189,450	218,698
Income tax equivalent expense	(51,917)	(65,566)
Total profit (after tax)	137,533	153,132
Share of Profit of equity accounted investment	51,589	57,440
Total assets	4,474,102	4,321,415
Total liabilities	(2,058,861)	(1,965,185)
Net assets	2,415,241	2,356,230

15. Other assets

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<u>Current</u>				
Prepayments	10,008	6,121	9,986	6,092
GST recoverable**	3,262	-	3,189	-
Accrued revenue	20,280	16,044	20,272	16,044
	33,551	22,165	33,447	22,137

**GST was recognised as a payable in 2022, refer Note 19.

16. Non-current assets held for sale

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Land held for sale	4,078	9,325	4,078	9,325
	4,078	9,325	4,078	9,325

Council has decided to sell excess land no longer required. The fair value of the land was determined using the market approach. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation are price per square metre. The land is categorised as a level 2 valuation. Disposal costs were estimated based on commission rates charged by the real estate agents that have been engaged and legal costs by Council's solicitors.

17(a) Property, plant and equipment

Council	Land	Buildings	Plant and Equipment	Transportation Network	Stormwater Network	Other Infrastructure	Capital Works in Progress	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
For the year ended 30 June 2023									
Gross value / cost	968,715	615,566	39,806	3,311,030	1,692,898	834,174	429,460	7,891,649	
Less accumulated depreciation	-	(191,995)	(23,094)	(978,679)	(358,952)	(301,836)	-	(1,854,556)	
Book value as at 30 June 2023	968,715	423,571	16,712	2,332,351	1,333,946	532,338	429,460	6,037,093	
For the year ended 30 June 2022 restated									
Gross value / cost	969,982	426,584	53,486	2,986,415	1,558,510	723,646	488,073	7,206,696	
Less accumulated depreciation	-	(160,124)	(33,699)	(842,176)	(319,554)	(256,552)	-	(1,612,105)	
Book value as at 30 June 2022	969,982	266,460	19,787	2,144,239	1,238,956	467,094	488,073	5,594,591 *	
Basis of measurement									
Fair value category	Fair Value Level 2 & 3 \$'000	Fair Value Levels 2 & 3 \$'000	Cost n/a \$'000	Fair Value Level 3 \$'000	Fair Value Level 3 \$'000	Fair Value Level 3 \$'000	Capital Works in Progress Cost n/a \$'000	2023 Total \$'000	Restated 2022 Total \$'000
Opening net value as at 1 July 2022	969,982	266,460	19,787	2,144,239	1,238,956	467,094	488,073	5,594,591	4,787,924
Reclassification from/(to) operating expense	136	-	-	-	-	-	-	136	-
Plus capital expenses	-	-	-	-	-	-	218,851	218,851	238,863
Transfers from capital works in progress	11,162	157,482	4,768	47,132	(1,796)	58,715	(277,464)	-	-
Transfers from inventory	581	-	-	-	-	-	-	581	1,253
Plus contributed assets	39,772	395	-	20,698	21,998	1,109	-	83,972	137,799
Less disposals	(2,064)	(4,789)	(696)	(1,986)	(888)	(566)	-	(10,978)	(15,140)
Less depreciation expense	-	(15,956)	(2,252)	(58,505)	(14,331)	(24,262)	-	(115,306)	(99,911)
Revaluation adjustments to asset revaluation surplus	(50,853)	16,994	-	176,450	89,950	32,705	-	265,246	553,263
Transfer (to)/from intangibles	-	-	-	-	-	-	-	-	(135)
Transfer to held for sale	-	-	-	-	-	-	-	-	(9,325)
Transfer between classes	-	2,985	(4,894)	4,321	57	(2,467)	-	-	-
Book value as at 30 June 2023	968,715	423,571	16,712	2,332,351	1,333,946	532,338	429,460	6,037,093	5,594,591 *
Range of estimated useful lives in years	unlimited	2-100	2-60	5-unlimited	5-unlimited	5-135			

*Comparative figures have been restated. Refer to Note 35 for details.

(b) Recognition

Purchases of property, plant and equipment are recognised as assets unless the items are below the asset recognition threshold of the asset class in which they belong, or the expenditure relates to maintenance.

Replacement and purchases of separately identifiable components of an asset to renew or increase its service potential, or extend its useful life, are capitalised and recognised as an individual asset. Routine operating maintenance, repairs and minor renewals costs to maintain the operational capacity and useful life of the assets are expensed as incurred.

Expenditure incurred in accordance with Disaster Recovery Funding Arrangements 2018 on assets is analysed to determine whether the expenditure is capital in nature. Expenditure that extends the useful life or increases the service potential of the asset is capitalised.

Land under the road network that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is controlled by Queensland State Government and not recognised in these financial statements.

(c) Measurement

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of consideration plus costs directly related and incidental to the acquisition and incurred in preparing the asset for use as intended by Council. Subsequent to initial measurement, each asset class is stated at fair value or cost less, where applicable, any accumulated depreciation or accumulated impairment loss, as shown in Note 17(a).

The cost of property, plant and equipment being constructed by Council includes the cost of materials and direct labour, an appropriate portion of overheads incurred, and any other costs directly attributable to bringing the assets to a working condition for their intended use. These costs are treated as capital expenditure.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenue at fair value by Council valuation.

(d) Depreciation

Assets are depreciated from the date of acquisition or when an asset is ready for use by Council.

Land, work in progress, and formation/earthworks associated with roads, constructed waterbodies, and stormwater basins are not depreciated.

Depreciation, where applicable, is calculated on a straight-line basis, less its estimated residual value if appropriate, progressively over the asset's estimated useful life to Council. Management believe that the straight line basis appropriately reflects the pattern of consumption of all Council assets.

Where assets have separately identifiable components that are subject to renewal, these components have separately assigned useful lives. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the new estimated useful life.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical obsolescence, technical or commercial obsolescence, or management intentions. Condition assessments are performed as part of standard asset management practices as well as annual revaluation processes which are used to estimate the useful and remaining lives of assessed assets. Details of the range of estimated useful lives for each class of asset are shown in Note 17(a).

(e) Impairment

Property, plant and equipment held at cost is assessed annually for indicators of impairment. If an indicator of impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(f) Valuation and fair value measurement

Land, buildings, transportation, stormwater and other infrastructure asset classes are measured at fair value, and are revalued in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*. All other non-current assets, and capital works in progress are measured at cost.

Council assesses the carrying amount of its property plant and equipment on an annual basis compared to fair value and makes adjustments where these materially differ. Council performs full comprehensive revaluations either internally by suitably qualified officers, engaging external professionally qualified valuation firms, or other consultants. The asset classes are comprehensively revalued at regular intervals every three to five years or when material movement in a class has been identified.

In the interim years to a comprehensive valuation, Council engages suitably qualified external consultants to provide cost movement indices for infrastructure assets, relevant for the local region and specific asset types, as well as internal engineers and asset managers' assessment of asset conditions and cost assumptions. For the land and buildings, Council engages external valuers to analyse the local area cost movements and external market forces and determines suitable indices to be applied.

Any revaluation increments arising from the revaluation of an asset class are recognised in other comprehensive income and presented in the asset revaluation surplus in equity. A decrease in the carrying amount on revaluation is charged as an expense to the extent that it exceeds the balance of previously recognised revaluation increments for that asset class. Where there is not sufficient amount available in the asset revaluation surplus, the decrease is recognised in the statement of comprehensive income. Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the statement of comprehensive income.

On revaluation, accumulated depreciation is restated proportionately with the change in carrying amount of the asset and any change in the estimated remaining useful life.

Current replacement cost is measured by reference to the lowest cost at which the gross future economic benefits of the asset could be obtained in the normal operations of Council. Where existing assets were over designed, had excess capacity, or were redundant, an adjustment has been made so that the resulting valuation reflects the cost of replacing the existing function based on efficient modern equivalent assets to achieve the required level of service for Council.

In accordance with AASB 13 *Fair Value Measurement*, fair value measurements are categorised into three levels as follows:

- Level 1** – fair value is based on quoted prices (unadjusted) in active markets for identical assets
- Level 2** – fair value is estimated using inputs that are directly or indirectly observable for the asset, such as prices for similar assets
- Level 3** – fair value is estimated using unobservable inputs for the asset

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

Fair values of all of Council's assets are calculated and valued based on their "highest and best use".

There were no material transfers between levels during the reporting period.

The table below represents Council's assets measured and recognised at fair value at 30 June 2023. All fair value measurements are recurrent and categorised as either level 2 or level 3 in the fair value hierarchy.

Property, plant and equipment fair value hierarchy

**Comparative figures have been restated. Refer to Note 35 for details.*

	Level 2		Level 3		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Land	174,810	168,147	793,905	801,835	968,715	969,982*
Buildings	3,841	3,793	419,730	262,667	423,571	266,460*
Transportation	-	-	2,332,351	2,144,239	2,332,351	2,144,239*
Stormwater	-	-	1,333,946	1,238,956	1,333,946	1,238,956*
Other Infrastructure	-	-	532,338	467,094	532,338	467,094*
	178,651	171,940	5,412,270	4,914,792	5,590,921	5,086,732*

Council holds assets from the land and buildings classes at level 2 where assets are identified as non-specialised in nature and exist within an active market and could be made available for sale. All other assets are considered to be level 3 as there is no active comparable market for sale and key assumptions, adjustments and inputs into the values derived are primarily unobservable in the market.

Recent price increases for construction costs have significantly impacted the unit rates used to determine the current replacement cost of assets.

17(g) Fair values derived from valuation

Asset class and fair value hierarchy	Valuation approach	Comprehensive valuation date	Valuer engaged	Key assumptions and estimates as at the comprehensive revaluation date	Index range applied	Interim valuation adjustment
Land (Level 2)	Market approach	30 June 2023	Australis Asset Advisory Group Pty Ltd	Current zoning and sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as land size. Valuation techniques used in the determination of fair values maximises the use of observable data where available and relies as little as possible on entity specifics.	NA	NA
Land (Level 3)	Market approach	30 June 2023	Australis Asset Advisory Group Pty Ltd	Sunshine Coast Planning Scheme 2014, current zoning, use or significant restriction, case law and sales analysis. Sales price per square metre (database of recent sales) adjusted for restrictions and key attributes such as land size.		
Buildings (Level 2)	Market approach	30 June 2020	Australis Asset Advisory Group Pty Ltd	Sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as condition and gross building area.	5.35% - 6.95%	Cost movement analysis Index changes in regional market evidence and constructions costs, published indices and cost movements as assessed by the valuer
Buildings (Level 3)	Current replacement cost	30 June 2020	Australis Asset Advisory Group Pty Ltd	Gross replacement cost. Unit rates per square metre for construction derived from industry standard cost guides, project costs from recently completed buildings and other data available. Accumulated depreciation. Useful life estimates based on construction standards, engineering advice. Remaining useful lives based on planned demolition and renewals, condition assessments, completed valuations and age.		
Transportation network (Level 3)	Current replacement cost	30 June 2019	Santec Australia Pty Ltd (formerly Cardno (Old) Pty Ltd)	Gross replacement cost Unit rates for construction derived from industry standard cost guides, Council supplier management contract rates for materials and services, internal labour rates, recently completed projects and other data available. Accumulated depreciation. Useful life estimates based on construction standards, engineering advice, average lives of disposed assets, road traffic volumes and review of lives applied by neighbouring Councils. Remaining useful lives based on age, condition assessments, planned renewals and physical obsolescence.	6.37% - 8.99%	Cost movement analysis Estimated changes in costs of construction and market rates for material and labour, as reflected in relevant indices issued by the Australian Bureau of Statistics (ABS) and the Queensland Government Statisticians Office, which have been assessed by valuer and reviewed by asset managers. Review of condition assessments where available may also impact revaluation adjustments
Stormwater network (Level 3)	Current replacement cost	30 June 2016	Santec Australia Pty Ltd (formerly Cardno (Old) Pty Ltd)	Gross replacement cost. Unit rates for construction per linear metre, square metre, cubic metre, or per item, which are derived from available information such as industry standard cost guides, internal labour rates and project management costs, recently completed capital projects and other available data, including development bonding schedules, and depth factors. Accumulated depreciation. Useful life estimates based on engineering and asset management advice, construction standards, installation conditions (e.g. soil factors), average lives of disposed assets, and review of lives applied by neighbouring councils. Remaining useful lives based on age, condition assessments, relining and renewal programs, and physical obsolescence.	7.53%	Cost movement analysis Estimated changes in costs of construction and market rates for material and labour as reflected in the Queensland Treasury Asset Revaluation Index for non-residential construction Queensland.
Other infrastructure (Level 3)	Current replacement cost	30 June 2015 30 June 2017 (Waste Landfill Assets)	Australis Asset Advisory Group Pty Ltd Santec Australia Pty Ltd (formerly Cardno (Old) Pty Ltd)	Gross replacement cost. Unit rates for construction per item, linear metre, square meter or cubic metre derived from available information such as industry standard cost guides, costs from recently completed capital projects, internal labour rates and project management costs, supplier costs and other available data, including development bonding schedules and asset manager information. Accumulated depreciation. Useful life estimates based on engineering advice and asset management advice, manufacturer and construction standards, average lives of disposed assets, and review of useful lives applied by neighbouring councils. Remaining useful lives based on age, park and precinct service levels, condition assessments, planned renewals, physical obsolescence and remaining capacity of landfill cells.	7.53%	Cost movement analysis Estimated changes in costs of construction and market rates for material and labour as reflected in the Queensland Treasury Asset Revaluation Index for non-residential construction Queensland.

18. Intangible assets

Intangible assets are recognised at cost, and subsequent to initial recognition are held at historical cost. The financial recognition threshold for items of intangible assets is \$5,000, with items with a lesser value being expensed. Intangible assets are predominantly made up of computer software.

Costs associated with intangible assets are capitalised and then amortised on a straight-line basis over the period of expected benefit to Council. Intangible assets are assessed for indicators of impairment annually.

Consolidated and Council	Intangible	Capital Works in Progress	2023	Restated 2022
			Total	Total
	Note	\$'000	\$'000	\$'000
Opening net value as at 1 July		2,426	3,022	3,024*
Plus capital expenses		-	78	438
Less disposals		(985)	(985)	-
Less amortisation provided in period		(320)	(320)	(575)*
Transfer (to)/from property, plant and equipment	17(a)	-	-	135
Book value as at 30 June		1,120	1,794	3,022*
Range of estimated useful lives in years		6-25		

*Comparative figures have been restated. Refer to Note 35 for details.

19. Payables

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and were generally settled on payment terms between 7 and 30 days.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Current</u>				
Creditors and accruals	44,084	50,302	43,846	50,074
Accrued salaries and wages	3,514	3,377	3,470	3,377
Other employee entitlements	843	772	834	772
GST payable**	-	24,516	-	24,516
	48,440	78,967	48,150	78,738

**GST in 2022 was a payable due to the final payment of the Airport Runway Construction project. GST is recognised in other assets for 2023, refer Note 15.

20. Leases

Council as a lessee

Council has leases in place over buildings, vehicles and equipment.

Where Council assesses that an agreement contains a lease, a right-of-use asset and lease liability is recognised on inception of the lease. Council separates non-lease components for buildings.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured where there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has elected to measure the right-of-use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

Terms and conditions of leases

Buildings

Council has two long term leases from the Department of Resources for Sunshine Coast Holiday Parks.

Vehicles

Council leases vehicles and trucks which are used for operational purposes, they generally have a lease term of between 3 and 8 years. The lease payments are generally fixed for the term of the lease.

Equipment

Council leases a number of items of equipment, a number of the assets are considered low value and are therefore not subject to lease accounting.

Right-of-use assets

Consolidated and Council	Vehicles	Buildings	Equipment	Total
	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000
Opening balance 1 July 2022	5,525	641	-	6,166
Additions to right-of-use assets	1,699	-	2,826	4,525
Amortisation	(2,711)	(254)	(355)	(3,319)
Closing balance at 30 June 2023	4,513	387	2,471	7,371
	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000
Opening balance 1 July 2021	6,594	1,118	-	7,711
Additions to right-of-use assets	2,026	-	-	2,026
Adjustments to right-of-use assets due to re-measurement of lease liability	(38)	-	-	(38)
Amortisation	(3,057)	(477)	-	(3,534)
Closing balance at 30 June 2022	5,525	641	-	6,166

Lease liabilities

The table below shows the maturity analysis of the lease liabilities based on contractual cash flows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

Consolidated and Council	< 1 year	1-5 years	Total	Total per statement of financial position
	\$'000	\$'000	\$'000	\$'000
2023	3,272	4,626	7,898	7,595
2022	2,780	3,809	6,589	6,397

Liabilities - extension options

For building leases, Council includes extension options which can be exercised at Council's discretion. At each reporting date Council assesses whether it is reasonably certain that the extension options will be exercised based on current operations and Council strategy.

Amounts included in the statement of comprehensive income related to leases

The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee.

Consolidated and Council	2023 \$'000	2022 \$'000
Interest on lease liabilities	225	147
Amortisation of right-of-use assets	3,319	3,534
Expenses relating to short-term and low value leases	6,792	5,382
	10,337	9,063
Total cash outflows for leases	10,344	9,074

Leases at significantly below market value - concessionary / peppercorn leases

Council has a number of leases at significantly below market value for land and buildings which are used for community halls and sporting grounds.

The leases are generally between 2 and 50 years and require payments between \$1 and \$10,000 per annum. The use of the right-of-use asset is restricted by the lessors to specified community services which Council must provide. These services are detailed in the leases.

Council as a lessor

Leases

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

Rent from investment and other property is recognised as income on a periodic straight line basis over the lease term. Rent payable as per the terms of the 99 year lease of the airport is based on 5% of gross airport revenue \$1.693 million (2022:\$0.970 million).

	Consolidated and Council	
	2023	2022
	\$'000	\$'000
Rental income (excluding variable lease payments not dependent on an index or rate)	5,402	3,827
Direct operating expenses from property that generated rental income	(6,111)	(4,306)

The minimum lease receipts arising from operating leases are as follows:

	Consolidated and Council	
	2023	2022
	\$'000	\$'000
Not later than one year	4,330	2,922
One to five years	4,463	5,102
Later than five years	4,898	5,118
	13,691	13,142

21. Contract liabilities

	Consolidated and Council	
	2023	2022
	\$'000	\$'000
Development assessment fees and infrastructure charges paid in advance	5,678	5,989
Deposits received in advance for performance obligations in grants	11,800	4,482
Deposits received in advance of services provided (e.g. holiday park fees, events)	4,460	4,390
	21,938	14,861

Satisfaction of contract liabilities

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. Grants for 2023 include \$11 million from QRA (Queensland Reconstruction Authority) to improve resilience in the community, including Disaster Ready and Emergency Response funds. All Council's contract liabilities are current liabilities and are expected to be recognised as income in the following year.

Revenue recognised that was included in the contract liability balance at the beginning of the year

	Consolidated and Council	
	2023 \$'000	2022 \$'000
Deposits received in advance of services provided (e.g. holiday park fees, events, performance obligations in grants)	11,436	7,007

22. Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. For loans from Queensland Treasury Corporation (QTC), principal and interest repayments are made semi-annually in arrears with interest being expensed as it accrues. For other loans, principal and interest (if applicable) payments are made as per the relevant loan agreements.

In accordance with the *Local Government Regulation 2012* Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensures that sustainability indicators remain within acceptable levels at all times.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Current</u>				
Loans Queensland Treasury Corporation (QTC)	26,971	26,697	26,971	26,697
Loans other	840	840	840	840
	27,811	27,537	27,811	27,537
<u>Non-current</u>				
Loans Queensland Treasury Corporation (QTC)	407,223	449,387	407,223	449,387
Loans other	5,685	6,306	5,685	6,306
	412,907	455,693	412,907	455,693

The market value of QTC borrowings represents the value of the debt if Council repaid the debt as at 30 June 2023. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts. The weighted average borrowing rate for the year was 2.664% (2022: 2.622%).

	Consolidated		Council	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Balance at the end of the year (Market Value)	<u>369,079</u>	<u>415,877</u>	<u>369,079</u>	<u>415,877</u>

Loans Other

"Loans other" comprises the Economic Development Queensland (EDQ) interest free loan.

In June 2017, Council received a \$12.6 million interest free loan from the Department of State Development, Infrastructure, Local Government and Planning (Economic Development Queensland) as part of the Catalyst Infrastructure Program. The loan is to assist with the cost of infrastructure to promote and progress development in the Maroochydore City Centre Priority Development Area, specifically roadworks and three priority intersections to access Stages 1 and 2 of the city centre. The loan is unsecured and is repayable over time with full repayment to be made by June 2032.

No assets have been pledged as security by the council for any loans, however all loans are guaranteed by the Queensland State Government. There have been no defaults or breaches of the loan agreement during the 2022/23 or 2021/22 financial years.

23. Provisions

Liabilities are recognised for employee benefits such as annual and long service leave in respect of services provided by the employees up to the reporting date.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

(i) Annual leave and leave in lieu represent the amount which Council has a present obligation to pay resulting from employees' services provided up to the reporting date. The accrual is based on the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As Council does not have an unconditional right to defer settlement of the annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

(ii) Long service leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the council's employment or other associated employment which would result in Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The provision is discounted using the Commonwealth Bond yield rates as at the calculation date with a term matching as closely as possible to the term of the long service leave liabilities.

(iii) Landfill and quarry rehabilitation

Where it is probable that Council has either a legal or constructive obligation, provision is made for the cost of rehabilitation of landfill and quarry sites when the use of the facilities is complete.

The landfill rehabilitation provision represents the present value of the anticipated future costs associated with the closure of the landfill sites, decontamination and monitoring of historical residues and leaching on these sites.

The quarry rehabilitation provision represents the present value of the anticipated future costs associated with the closure of the quarries, refilling the basin, and reclamation and rehabilitation of these sites.

The calculation of these provisions requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. The most significant uncertainty in estimating the provision, is the costs that will be incurred. This is due to the long term nature of the liability. The provisions recognised are reviewed at least annually and updated based on the facts and circumstances available at the time, and discounted to present value.

Provisions	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Current</u>				
(i) Annual Leave	16,053	14,808	15,873	14,808
(ii) Long service leave	23,120	23,409	23,120	23,098
(iii) Landfill and quarry rehabilitation	7,543	2,854	7,543	2,854
	46,716	41,071	46,536	40,760
<u>Non-current</u>				
(ii) Long service leave	4,104	4,025	3,852	3,852
(iii) Landfill and quarry rehabilitation	45,541	59,261	45,541	59,261
	49,645	63,286	49,393	63,113

Movements in non-employee benefit provisions:

Landfill and Quarry rehabilitation

Consolidated and Council	Note	2023 \$'000	2022 \$'000
Balance at beginning of financial year		62,116	51,292
Increase/(decrease) in provision due to effect of interest rate movement**		(2,669)	(54,491)
Increase/(decrease) in provision due to unwinding of discount	8	101	50
Increase/(decrease) in provision due to change in estimate**		(4,912)	70,415
Increase/(decrease) in provision as a result of actual expenditure incurred during the year		(1,552)	(5,150)
Balance at end of financial year		53,084	62,116

**Increased estimates for landfill capping, offset by a reassessment of long-term inflationary expectations as per the Reserve Bank of Australia (RBA), together with an increase in the interest rate movements to 4.03% (2022: 3.66%) resulted in a decrease in the provision of \$9.032 million (2022 \$10.823 million increase).

Landfill site	Post closure monitoring cost completion year
Buderim	2040
Coolum	2040
Pierce Avenue, Caloundra	2061
Nambour Landfill	2071

At 30 June 2023 the net present value of the projected costs over the next 30 years has been assessed as \$45.234 million for landfill (2022: \$38.361 million) and \$1.727 million for the quarry rehabilitation (2022: \$2.38 million).

The landfill and quarry rehabilitation was discounted using the Commonwealth bond yield 10 year rate of 4.03% for 2023 (2022 3.66%).

24. Other liabilities

Non policy developer contributions reflect cash contributions for which related service obligations have yet to be fulfilled by Council.

Revenue is classified as unearned if it relates to an obligation to supply specific goods and services in future periods. Unearned revenue includes cemetery and rent prepayments.

	Consolidated		Council	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Current</u>				
Unearned revenue**	12,829	13,632	12,746	13,584
Prepaid rates	13,744	12,267	13,744	12,267
	26,573	25,899	26,490	25,851
<u>Non-current</u>				
Unearned revenue**	32,989	33,621	32,989	33,621
	32,989	33,621	32,989	33,621

**Unearned revenue includes an advanced payment of \$44.2 million for the State Government waste levy. The 4 year payment covering the years 2022/23 to 2025/26, was made in advance to assist Council in making investment decisions to help reduce waste generation and increase resource recovery.

25. Commitments for expenditure

Contractual commitments

Contractual commitments at balance date but not recognised in the financial statements are as follows:

	Consolidated		Council	
	2023 \$'000	Restated 2022 \$'000	2023 \$'000	Restated 2022 \$'000
Street lighting (expires 2028)	107,362	70,664	107,362	70,664
Parks and gardens maintenance	30,837	34,310	30,837	34,310
Waste collection services (expires July 2030)	136,464	193,111	136,464	193,111
Other materials and services	35,163	39,179	35,153	39,179

Software licences and maintenance agreements	23,734	20,993	23,734	20,993
Cleaning open spaces and buildings	34,837	25,461	34,837	25,461
	368,397	383,717	368,386	383,717

Capital commitments

Commitments for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:

	Consolidated		Council	
	2023 \$'000	Restated 2022 \$'000	2023 \$'000	Restated 2022 \$'000
Aerodromes	35	5	35	5
Buildings and Facilities	9,490	4,831	9,490	4,831
Coast and Canals	677	2,883	677	2,883
Corporate Major Projects	16,695	30,065	16,695	30,065
Environmental Assets	578	507	578	507
Fleet	4,355	2,617	4,355	2,617
Holiday Parks	309	2,148	309	2,148
Information Technology	992	1,382	992	1,382
Minor Capital Works	809	2,141	809	2,141
Parks and Gardens	1,373	7,410	1,373	7,410*
Quarries	88	278	88	278
Sports Facilities	1,309	1,701	1,309	1,701*
Stormwater	1,705	3,038	1,705	3,038
Strategic Land and Commercial Properties	224	515	224	515
Sunshine Coast Airport	290	2,432	290	2,432
Transportation	26,727	32,706	26,727	32,706
Waste	17,116	25,862	17,116	25,862
Total	82,771	120,520	82,771	120,520

*Comparative figures have been restated. A new category for Sports Facilities has been introduced. This was previously part of Parks and Gardens.

26. Contingencies

Contingent assets

On 9 February 2017 Council entered into an agreement with Palisade Investment Partners to lease the Sunshine Coast Airport land and building assets to Palisade, and for Council to construct a new runway. Under the 99 year lease, which commenced on 1 December 2017, Council is entitled to 5% of gross airport revenue per annum. It is not possible to reliably estimate the amount of gross revenue from the airport for the 99 year lease period, as it is significantly impacted by the uncertainty of flight schedules and therefore the amount to be received is a contingent asset at 30 June 2023.

Council received \$1.693 million (2022: \$0.970 million) from the Sunshine Coast Airport, being \$0.478 million higher than original forecast. Future revenue payments of \$1.964 million are included in Council's 2023/24 Adopted Original Budget. The future payments may exceed or be less than these estimates, depending on future airport activities.

Contingent liabilities	Consolidated		Council	
	2023	2022	2023	2022
Details and estimates of maximum amounts of contingent liabilities are as follows:	\$'000	\$'000	\$'000	\$'000
At 30 June 2023 there are 69 insurance claims with Council's public liability insurer, Local Government Mutual (LGM) (2022: 80). The amount required assuming the claims proceed to settlement is:	742	544	742	544
At 30 June 2023 there are 27 compulsory land acquisition claims (2022: 18) pending and are not expected to exceed:	21,224	11,220	21,224	11,220
As at 30 June 2023 Council may be required by the Department of Environment and Science (DES) to undertake regular monitoring of groundwater in the vicinity of three mounds of surplus soil, concrete and asphalt waste which have been treated for per- and poly-fluoroalkyl substances (PFAS). The amount required in the event of a legal requirement is estimated at \$600,000 spread over 10 years.	600	600	600	600
Total Contingent liabilities	22,566	12,364	22,566	12,364

Based on advice from Council's solicitors, there are no additional claims (2022: 6 claims totalling \$933,744) that may result in future settlements being made by Council.

Local Government Workcare

Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities.

Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. Council's maximum exposure to the bank guarantee is \$3.779 million (2022: \$3.459 million), which includes \$15,557 from SunCentral Maroochydore Pty Ltd (2022: \$16,720) and \$38,306 for the Sunshine Coast Events Centre Pty Ltd (2022: \$28,346). The latest audited financial statements for Local Government Workcare are as at 30 June 2022 and show accumulated member funds (equity) of \$14.973 million (2021: 32.894 million).

Local Government Mutual

Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the

individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

The latest audited financial statements for Local Government Mutual Queensland are as at 30 June 2022 and show accumulated member funds (equity) of \$69.456 million (2021: \$79.618 million), and it is not anticipated any liability will arise.

27. Superannuation

Council contributes to the LGIASuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIASuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*. The scheme is managed by the LGIASuper trustee as trustee for LGIASuper trading as Brighter Super.

The scheme is a pooled defined benefit plan, and it is not in accordance with the deed to allocate obligations, plan assets and costs at the Council level.

Any amount by which the scheme is over or under funded may affect future contribution rate obligations but has not been recognised as an asset or liability of Council.

Technically Council can be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGIASuper trust deed changes to Council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2021. The actuary indicated that "At the valuation date of 1 July 2021, the net assets of the scheme exceeded the vested benefits, and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date

No changes have been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is due 1 July 2024.

The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

- Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.
- Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

The amount of superannuation contributions paid by Council to the superannuation scheme in this period for the benefit of employees was:

	Note	Consolidated		Council	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Superannuation contributions made to the Regional Defined Benefits Fund		971	1,335	971	1,335
Other superannuation contributions for employees		17,440	15,237	17,207	15,030
Total superannuation contributions paid by Council for employees	6	18,411	16,572	18,178	16,365

28. Controlled entities

Consolidated controlled entities

Council has 100% controlling interests in Sunshine Coast Events Centre Pty Ltd and SunCentral Maroochydore Pty Ltd.

The Sunshine Coast Events Centre at Caloundra specialises in staging corporate events and has a range of performance and function spaces available for hire.

SunCentral Maroochydore Pty Ltd is responsible for providing development management services for the Maroochydore City Centre project.

The following table shows revenue and expenses before consolidating eliminations.

Controlled entity	SunCentral Maroochydore Pty Ltd		Sunshine Coast Events Centre Pty Ltd	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Revenue	2,902	2,910	4,573	3,497
Expense	(2,993)	(2,672)	(4,530)	(3,468)
Surplus/(deficit)	(91)	239	43	29

Controlled entities that have not been consolidated

Council has 100% controlling interest in Sunshine Coast Arts Foundation Ltd, however because of its size and nature it is not material to Council's operations and has not been consolidated into Council's accounts.

The principal objects of the foundation are for the public charitable purposes of promoting and advancing arts, craft, design, visual arts, movable cultural heritage, Aboriginal arts, and community arts. The net profit for the foundation in 2023 was \$2,301 (2022: \$73,310).

29. Trust funds

	Consolidated		Council	
	2023 \$'000	<i>Restated</i> 2022 \$'000	2023 \$'000	<i>Restated</i> 2022 \$'000
	22,819	19,119	21,840	18,048*

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties.

Council performs only a custodial role in respect of these monies. As these funds cannot be used by the Council, they are not brought to account in these financial statements.

30. Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities

	Note	Consolidated		Council	
		2023 \$'000	Restated 2022 \$'000	2023 \$'000	Restated 2022 \$'000
Net result		188,184	220,145	160,370	178,405*
Non-cash items					
Depreciation and amortisation	17,18,20	118,951	104,027	118,922	103,962*
Share of net profit of equity accounted investment		(27,050)	(42,285)	-	-
Unwinding of discount on provisions and below market borrowings		443	383	443	383
Infrastructure from developers at fair value		(83,972)	(137,799)	(83,972)	(137,799)
		<u>8,372</u>	<u>(75,673)</u>	<u>35,393</u>	<u>(33,454)*</u>
Investing activities					
Net loss on disposal of property, plant and equipment		9,534	4,634	9,534	4,634*
Non-recurrent sale from contracts		(17,800)	(1,293)	(17,800)	(1,293)
Non-recurrent grants and contributions		(70,908)	(49,858)	(70,908)	(49,858)*
Early repayment adjustment	5(b)	(4,630)	(5,108)	(4,630)	(5,108)
		<u>(83,803)</u>	<u>(51,625)</u>	<u>(83,803)</u>	<u>(51,625)*</u>
Changes in operating assets and liabilities					
(Increase)/decrease in receivables		23,816	294,881	23,821	294,820*
(Increase)/decrease other assets		(11,333)	4,786	(11,310)	4,780
(Increase)/decrease in inventory		5,528	3,596	5,538	3,596
Increase/(decrease) in payables		(31,305)	39,020	(30,589)	39,110
Increase/(decrease) contract liabilities		7,077	4,610	7,077	4,610
Increase/(decrease) other liabilities		42	46,262	6	46,245
Increase/(decrease) in other provisions		(8,134)	7,664	(7,944)	7,665
		<u>(14,310)</u>	<u>400,819</u>	<u>(13,401)</u>	<u>400,826*</u>
Net cash inflow from operating activities		98,443	493,666	98,559	494,149*

*Comparative figures have been restated. Refer to Note 35 for details.

31. Reconciliation of liabilities arising from financing activities

Consolidated and Council	Note	Opening Balance 1 July \$'000	Cash flows \$'000	Non-cash changes \$'000	Non-cash changes (Fair Value) \$'000	Closing Balance 30 June \$'000
2023						
Borrowings	22	483,230	(38,100)	(4,630)	218	440,719
Lease Liabilities	20	6,397	(3,552)	4,524	225	7,595
		489,627	(41,651)	(105)	443	448,314
2022						
Borrowings	22	678,963	(190,862)	(5,108)	237	483,230
Lease Liabilities	20	8,004	(3,751)	1,997	147	6,397
		686,967	(194,613)	(3,111)	383	489,627

32. Financial instruments and financial risk management

Council has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

Risk Management Framework

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies specifically for managing credit, liquidity and market risk.

Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. Council aims to manage volatility to minimise potential adverse effects on the financial performance of Council.

Council's Audit Committee oversees how management monitors compliance with Council's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by Council. Council's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Council does not currently enter into derivatives.

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state/commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

No collateral is held as security relating to the financial assets held by the Council.

The exposure to credit risk for trade receivables by type of counterparty was as follows:

	Note	Consolidated		Council	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Rates, utility and other statutory charges	12	14,877	14,670	14,877	14,670
Trade and other debtors	12	11,142	35,112	11,124	35,152
Loans to associate	14	434,393	434,393	434,893	434,893
Total		460,412	484,175	460,895	484,716

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for Council. Refer Note 12.

Liquidity risk

Liquidity risk refers to the situation where Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the council's reputation.

Council is exposed to liquidity risk through its normal course of business and through its borrowings from Queensland Treasury Corporation and other institutions.

Council manages its exposure to liquidity risk by maintaining sufficient cash deposits, both short and long term, to cater for unexpected volatility in cash flows.

Council is also exposed to liquidity risk through the Participating Local Government Fixed Rate Loan Agreement (Subordinated Debt) between Council and Northern SEQ Distributor-Retailer Authority (trading as Unitywater). Under the Agreement the borrower may request the lender to capitalise all or part of the interest payable, thereby representing a risk to securing cash flow anticipated by Council.

The following sets out the liquidity risk of financial liabilities (excluding lease liabilities for 2023, refer Note 20) held by Council. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date:

Consolidated and Council	Note	0 to 1	1 to 5	Over 5	Total
		year	years	years	
		\$'000	\$'000	\$'000	\$'000
2023					
Trade and other payables	19	44,084	-	-	44,084
Loans - Queensland Treasury Corporation	22	34,422	137,284	363,256	534,962
Loan - Economic Development Queensland	22	840	3,360	3,360	7,560
		79,346	140,644	366,616	586,606
2022					
Trade and other payables	19	74,818	-	-	74,818
Loans - Queensland Treasury Corporation	22	34,765	141,586	416,652	593,003
Loan - Economic Development Queensland	22	840	3,360	4,200	8,400
		110,423	144,946	420,852	676,220

The outflows in the above tables are not expected to occur significantly earlier and are not expected to be for significantly different amounts than indicated in the table.

Market risk

Market risk is the risk that changes in market indices, such as interest rates, will affect Council's income or the value of its holdings of financial instruments.

Interest rate risk

Council is exposed to interest rate risk through its borrowings from the Queensland Treasury Corporation, investments held with other financial institutions and shareholder loans with the Northern SEQ Distributor Retailer Authority (Unitywater).

Council also has access to a mix of variable and fixed rate funding options through Queensland Treasury Corporation so that interest rate risk exposure can be minimised.

Council's loan from Economic Development Queensland is interest free and therefore not subject to interest rate risk.

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

Council accounts for the interest free loan from Economic Development Queensland at amortised cost.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

Consolidated and Council	Net carrying amount		Effect on Net Result 1% increase/(decrease)		Effect on Equity 1% increase/(decrease)	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and Cash Equivalents	262,350	334,682	2,623	3,347	2,623	3,347
Queensland Treasury Corporation Loans	(434,194)	(476,084)	-	-	-	-
Other Loans	(7,560)	(8,400)	-	-	-	-
Net total	(179,404)	(149,802)	2,623	3,347	2,623	3,347

The risk in borrowing is effectively managed by borrowing from the Queensland Treasury Corporation, with all borrowings at a fixed rate.

In its management of interest rate risk associated with Unitywater shareholder loans, Council has a number of options available to mitigate risk from market interest rate movements including:

- Principal reduction for corresponding external loan liabilities
- Conversion of current external loan liabilities from principal and interest repayments to payment of interest only with terms negotiated to match the review periods with Unitywater shareholder loans; or
- Undertake interest rate hedging through Queensland Treasury Corporation to protect against market fluctuations in interest rates payable by Unitywater.

The fair value of interest bearing loans and borrowings is calculated based on the discounted expected future cash flows. The fair values of the loans and borrowings, together with their carrying amounts, are as follows:

	Carrying Amount		Fair Value	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Queensland Treasury Corporation (QTC) borrowings	434,194	476,084	369,079	415,877
Economic Development Queensland borrowings	7,560	8,400	6,525	7,146
	441,754	484,484	375,604	423,023

Fair value

The fair value of receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market rate is provided by QTC and is disclosed in Note 22.

QTC applies a book rate approach in the management of debt and interest rate risk to limit the impact of market value movements to Council's cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

33. National competition policy

The competitive neutrality principle provides that a government entity conducting a business activity in competition with the private sector should not enjoy a net advantage over its competitors only because it is in the public sector.

Competition reforms must be applied to significant business activities and may be applied to prescribed business activities.

(a) Significant business activities

The expenditure threshold for identifying a "significant business activity" for the 2022/23 financial year is \$9.70 million.

Council has resolved to apply the competitive neutrality principle to the Waste and Resources Management significant business activity through full cost pricing.

This requires charging for goods or services at the full cost of providing the goods or service in accordance with the pricing provisions and identifying the cost of community service obligations (CSO).

Full cost pricing in simple terms means that, on average, prices should fully recover all the relevant costs of supplying a product or service and total revenue received by the business should equal the sum of:

- a) operational costs;
- b) administrative and overhead costs;
- c) cost of resources;
- d) depreciation expense;
- e) equivalents for Commonwealth or State taxes;
- f) equivalents for the cost of funds advantage Council obtains because of State guarantees on borrowings;
- g) return on capital (i.e. cost of debt plus return on equity invested in the business).

The CSO value is determined by Council and represents an activity's costs(s) which would not be incurred if the primary objective of the activity was to make a profit.

Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be a CSO.

Full cost pricing is successfully applied if the total expected revenue from providing all of the activity's goods and services, including any CSO, is enough to meet expected total costs as defined above.

(b) Activities to which the code of competitive conduct is applied

The expenditure threshold for identifying a "prescribed business activity" for the 2022/23 financial year is \$340,000.

Council has resolved to apply the Code of Competitive Conduct to the following business activities:

- a) Sunshine Coast Holiday Parks
- b) Quarries

This requires the application of the competitive neutrality principle, the pricing provisions and identifying any CSO.

(c) Business activity statements

The following activity statements are for activities subject to the competitive neutrality principle:

	Sunshine Coast Holiday Parks 2023 \$'000	Quarry Business Activity 2023 \$'000	Waste and Resource Management 2023 \$'000
Revenue for services provided to Council	801	1,297	1,236
Revenue for services provided to external clients	22,279	184	94,880
Community Service Obligations (CSOs)	-	231	1,650
	23,079	1,712	97,767
Less : Expenditure	15,795	(2,219)	82,499
Surplus / (deficit)	7,285	3,930	15,268

Description of CSO's provided to business activities:	Net cost 2023 \$'000	Net cost 2023 \$'000
Margin applied to internal sales	231	-
Waste collection and disposal charges for charitable organisations	-	1,650

34. Related party disclosures

The group consists of Sunshine Coast Regional Council, its wholly owned entities and one associate. Details of subsidiaries and associates are disclosed in Note 1.03.

(a) Transactions with Subsidiaries

<u>SunCentral Maroochydore Pty Ltd (controlled entity)</u>	2023 \$'000	2022 \$'000
Revenue		
Recoupment of operating costs paid on behalf of the subsidiary	2	-
Expenditure		
Purchase of materials and services from subsidiary	(1)	(1)
Payment of operating costs on behalf of the subsidiary	(1)	-
Annual development management fee paid to subsidiary	(2,625)	(2,033)
Maroochydore City Centre development costs paid to the subsidiary in accordance with established Development Service Contracts	(152)	(904)
	(2,778)	(2,938)

SunCentral Maroochydore Pty Ltd is dependent on funding provided by Council. Funding support has been agreed to by Council for the 2023/24 financial year. No SunCentral employees are related parties of Council.

<u>Sunshine Coast Events Centre Pty Ltd (controlled entity)</u>	2023	2022
	\$'000	\$'000
Revenue		
Recoupment of operating costs paid on behalf of the subsidiary	350	187
Recoupment of internal service costs from the subsidiary	89	89
Expenditure		
Operational funding paid to subsidiary	(1,789)	(1,582)
Purchase of materials and services from subsidiary	-	(47)
Maintenance and equipment provided to subsidiary	(224)	(350)
Payment of operating costs on behalf of the subsidiary	(357)	(216)
Provision of internal services to the subsidiary	(624)	(615)
Capital expenditure incurred on the property	(18)	(171)
	(2,574)	(2,705)

Sunshine Coast Events Centre Pty Ltd is dependent on funding provided by Council. Funding support has been agreed to by Council for the 2023/24 financial year. No Events Centre employees are related parties of Council.

<u>Sunshine Coast Arts Foundation Ltd (controlled entity)</u>	2023	2022
	\$'000	\$'000
Expenditure		
Operational funding paid to subsidiary	(70)	(106)
	(70)	(106)

The Sunshine Coast Arts Foundation Ltd is currently dependent on funding provided by Council as part of a three year funding agreement via the Arts Program of the Arts and Heritage Levy expiring in 2024/25.

Cr Baberowski, a member of Council's Key Management Personnel, was appointed as a director of the foundation by a resolution of the Sunshine Coast Council in August 2018, and does not receive any additional remuneration for this purpose.

The Sunshine Coast Arts Foundation Ltd does not have any employees.

(b) Transactions with associates

<u>Unitywater (associate)</u>	2023	2022
	\$'000	\$'000
Revenue		
Interest paid to Council	17,420	17,811
Recoupment of Unitywater expenses incurred by Council	343	379
Participation returns (dividends) paid to Council	24,539	15,155
Tax equivalent paid to Council	10,517	16,883
Expenditure		
Water and sewerage charges for Council properties	(4,672)	(4,534)
Purchase of materials and services	(143)	(240)
	48,004	45,454

Further detail regarding Unitywater is contained in Note 14 Equity accounted investment.

(c) Transactions with Key Management Personnel

Key Management Personnel include the Mayor and Councillors, Chief Executive Officer and members of the Executive Leadership Team. Compensation paid to Key Management Personnel comprises:

	2023	2022
	\$'000	\$'000
Short term employee benefits	(4,421)	(4,738)
Post-employment benefits	(424)	(463)
Long term employee benefits	(95)	(103)
Termination benefits	-	(190)
	(4,940)	(5,495)

The reduction compared to the prior year is due to staff vacancies throughout the year.

Detailed remuneration disclosures for Councillors are provided in the annual report.

(d) Transactions with other related parties

Other related parties include the close family members of Key Management Personnel and any entities controlled or jointly controlled by Key Management Personnel or their close family members. Close family members include a spouse, child and dependent of a member of Key Management Personnel or their spouse.

Details of transactions between Council and other related parties are disclosed below.

	2023	2022
	\$'000	\$'000
(i) Employee expenses for close family members of key management personnel	(130)	(48)
(ii) Development applications submitted by related parties of Council	-	3
	(130)	(45)

- (i) All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with Council's Certified Agreement and relevant awards.
- (ii) All development applications are assessed in accordance with relevant legislative requirements and paid for by applicants as per Council's adopted Fees & Charges. Council received 17,952 (2022: 19,050) development applications during the year, none (2022: 8) of which were from related parties.

(e) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with other parties.

Receivables	2023	2022
	\$'000	\$'000
Past due	-	11
Write-offs	9	-

(f) Loans and guarantees to/from related parties

Details	2023 \$'000	2022 \$'000
Loan to associate (Unitywater) - subordinated debt	434,393	434,393

Refer to Note 32 Financial instruments and financial risk management.

(g) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Sunshine Coast region. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Use of Council swimming pools
- Payment of animal registration
- Attendance at a Council event

Council has not included these types of transactions in its disclosure, where they are made on the same terms and conditions available to the general public.

35. Restated balances

30 June 2022

- (a) During 2022/23, Council identified a prior period error that related to contributed assets that had acquisition dates prior to 1 July 2022. As a result, Council had understated its property, plant and equipment by \$46.866 million, contributed revenue by \$40.664 million (2021: \$8.482 million) and applicable depreciation expense of \$2.28 million (2022). To correct the impact of the prior period error, Council has adjusted the 2021/22 comparative amounts in the Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity and notes where indicated.
- (b) During 2022/23, Council identified a prior period error that relates to operating expenditure held in works in progress, and finance costs for capitalised interest prior to 1 July 2022. As a result, Council had overstated its property, plant and equipment by \$3.250 million (2021: (\$2.723) million) and understated the operating expenses by \$0.527 million (2022). To correct the impact of the prior period error, Council has adjusted the 2021/22 comparative amounts in the Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity and notes where indicated.
- (c) During 2022/23, Council identified a prior period error that relates to assets not previously recognised due to information not being available, incomplete, or inaccurate asset records being maintained. As a result, Council had understated its property, plant and equipment and intangible assets to a combined total of \$6.192 million, applicable depreciation and amortisation expense by \$0.243 million and loss on disposal by \$0.054 million. To correct the impact of the prior period error, Council has adjusted the 2021/22 comparative amounts in the Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity and notes where indicated.

<u>Consolidated</u>		Actual	Adjustments	Restated Actual
<i>Statement of Comprehensive Income (Extract)</i>		2022	2022	2022
	Note	\$'000	\$'000	\$'000
Non-recurrent revenue				
Grants, subsidies, contributions, donations and other	4(b)	146,993	40,664	187,657
Total non-recurrent revenue		148,286	40,664	188,950
Total income		705,285	40,664	745,949
Recurrent expenses				
Employee benefits	6	160,000	144	160,144
Materials and services*	7	231,808	1,385	233,193
Finance costs	8	13,984	(1,002)	12,982
Depreciation and amortisation - property, plant and equipment; intangibles	17,18	97,970	2,523	100,493
Total recurrent expenses		507,295	3,050	510,345
*Internal costs transferred to third parties now included with all other materials				
Non-recurrent expenses				
Loss on disposal property, plant and equipment and intangibles		4,688	(54)	4,634
Total non-recurrent expenses		15,513	(54)	15,459
Net result / (deficiency)		182,477	37,668	220,145
Total comprehensive income for the year		735,740	37,668	773,408
<i>Statement of Financial Position (Extract)</i>				
Non-current assets				
Property, plant and equipment	17	5,543,464	50,322	5,593,786
Intangibles	18	3,535	(513)	3,022
Total non-current assets		6,904,391	49,809	6,954,200
Total assets		7,324,086	49,809	7,373,895
Community equity				
Retained surplus/(deficiency)		5,365,267	49,809	5,415,076
Total community equity		6,576,754	49,809	6,626,563

Council		Actual	Adjustments	Restated Actual
Statement of Comprehensive Income (Extract)		2022	2022	2022
	Note	\$'000	\$'000	\$'000
Non-recurrent revenue				
Grants, subsidies, contributions, donations and other	4(b)	146,993	40,664	187,657
Total non-recurrent revenue		148,286	40,664	188,950
Total income		661,424	40,664	702,088

Recurrent expenses				
Employee benefits	6	157,079	144	157,223
Materials and services*	7	229,101	1,385	230,486
Finance costs	8	13,941	(1,002)	12,939
Depreciation and amortisation - property, plant and equipment; intangibles	17,18	97,963	2,523	100,486
Total recurrent expenses		505,175	3,050	508,224

*Internal costs transferred to third parties now included with all other materials

Non-recurrent expenses				
Loss on disposal property, plant and equipment and intangibles		4,688	(54)	4,634
Total non-recurrent expenses		15,512	(54)	15,459
Net result / (deficiency)		140,737	37,668	178,405
Total comprehensive income for the year		694,000	37,668	731,667

Statement of Financial Position (Extract)

Non-current assets				
Property, plant and equipment	17	5,544,269	50,322	5,594,591
Intangibles	18	3,535	(513)	3,022
Total non-current assets		6,563,645	49,809	6,613,454
Total assets		6,980,928	49,809	7,030,737
Community equity				
Retained surplus/(deficiency)		5,022,869	49,809	5,072,678
Total community equity		6,234,357	49,809	6,284,165

3. MANAGEMENT CERTIFICATE



Financial Statements For the year ended 30 June 2023

MANAGEMENT CERTIFICATE For the year ended 30 June 2023

These general purpose financial statements have been prepared pursuant to section 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with Section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements present a true and fair view, in accordance with Australian Accounting Standards, of Council's and the consolidated entity's transactions for the financial year and financial position at the end of the year.

A handwritten signature in black ink, appearing to read "Mark Jamieson", written over a horizontal dotted line.

Cr Mark Jamieson
Mayor
Sunshine Coast Regional Council

Dated: 6 October 2023

A handwritten signature in black ink, appearing to read "Greg Laverty", written in a cursive style.

Greg Laverty
Chief Executive Officer (Acting)
Sunshine Coast Regional Council

Dated: 6 October 2023

4. INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

To Councillors of Sunshine Coast Regional Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Sunshine Coast Regional Council (the council) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the council's and group's financial position as at 30 June 2023, and of their financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2023, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in the audit of the financial statements. I addressed these matters in the context of the audit of the financial report as a whole and in forming my opinion. I do not provide a separate opinion on these matters.

Infrastructure assets valued using current replacement cost (\$4.2 billion)

Refer to Note 17 in the financial report.

Key audit matter	How my audit addressed the key audit matter
<p>Council's infrastructure assets (Transportation Network, Stormwater Network and Other Infrastructure) are measured at fair value at balance date using the Cost Approach (Current Replacement Cost) method.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> • gross replacement cost, less • accumulated depreciation. <p>Council estimates the gross replacement cost of its infrastructure assets with reference to the cost at which it could acquire or construct a substitute asset of comparable utility in the normal course of business.</p> <p>Council has engaged independent experts and valuers to provide appropriate indices which in their professional judgement are representative of the movements in the estimated costs of the relevant asset's construction since the date of the last revaluation.</p> <p>Council have assessed the reasonableness of these indices and then applied them to the gross carrying amounts, accumulated depreciation and carrying amounts of items of property, plant and equipment at the date of revaluation so to restate carrying amounts to their estimated fair value as at the end of the reporting period.</p> <p>In measuring accumulated depreciation, council's engineers and asset managers use significant judgement for estimating how long asset components will last. Asset lives are dependent on a range of factors including construction materials and construction methods, obsolescence, environmental factors, degradation through use, management intentions, and fiscal availability.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<p>My procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • assessing the adequacy of management's review of the valuation process • obtaining an understanding of the valuation techniques and methodology used and assessing its design, integrity, and appropriateness with reference to common industry practice • assessing the competence, capability and objectivity of the experts used by council • evaluating the relevance and reliability of the indices provided by the engaged independent expert/valuer by comparing to other relevant observable external indices where available • reviewing the appropriate application of these indices to the infrastructure assets • reviewing management's annual assessment of useful lives • comparing council's infrastructure useful life assumptions between similar assets held by council, and with to other local councils.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Sunshine Coast Regional Council's annual report for the year ended 30 June 2023 was the current year financial sustainability statement and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the current year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the financial report

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the council's and group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the group.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's or group's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the council.
- Conclude on the appropriateness of the council's and group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's or group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council or group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to form an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2023:

- a) I received all the information and explanations I required
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council's or group's transactions and account balances to enable the preparation of a true and fair financial report.



David Adams
as delegate of the Auditor-General

11 October 2023

Queensland Audit Office
Brisbane

5. CURRENT YEAR FINANCIAL SUSTAINABILITY STATEMENT

Certificate of Accuracy – for the Current Year Financial Sustainability Statement

Current Year Financial Sustainability Statement

Sunshine Coast Regional Council

For the year ended 30 June 2023

Measures of Financial Sustainability

Council's performance at 30 June 2023 against key financial ratios and targets:

		Consolidated 2023	Council 2023	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	3.7%	-1.1%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	70.4%	70.4%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	59.6%	63.1%	Not greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2023.

Certificate of Accuracy

For the year ended 30 June 2023

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Cr Mark Jamieson
Mayor
Sunshine Coast Regional Council

Dated: 6 October 2023



Greg Laverty
Chief Executive Officer (Acting)
Sunshine Coast Regional Council

Dated: 6 October 2023

5. CURRENT YEAR FINANCIAL SUSTAINABILITY STATEMENT

Independent Auditors Report (Current Year Financial Sustainability Statement)



INDEPENDENT AUDITOR'S REPORT

To the Councillors of Sunshine Coast Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Sunshine Coast Regional Council for the year ended 30 June 2023, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Sunshine Coast Regional Council for the year ended 30 June 2023 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Sunshine Coast Regional Council's annual report for the year ended 30 June 2023 was the general purpose financial statements and long-term financial sustainability statement.

The councillors are responsible for the other information.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the current year financial sustainability statement

The councillors are responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Local Government Regulation 2012. The councillors responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the council.



- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in black ink, appearing to read "D Adams".

11 October 2023

David Adams
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

6. UNAUDITED LONG-TERM FINANCIAL SUSTAINABILITY STATEMENT

Unaudited Long-Term Financial Sustainability Statement

Sunshine Coast Regional Council

For the year ended 30 June 2023

Measures of Financial Sustainability Council	Measure	Target	Actuals at 30 June 2023	Forward Estimates									
				30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	Between 0% and 10%	-1.1%	4.2%	4.7%	6.2%	6.1%	6.4%	6.7%	7.4%	7.6%	7.2%	
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	70.4%	88.0%	78.7%	69.6%	72.3%	70.2%	67.2%	66.2%	61.2%	60.2%	
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	not greater than 60%	63.1%	78.6%	91.7%	89.6%	87.9%	79.1%	70.6%	60.0%	49.8%	43.3%	

Sunshine Coast Regional Council's Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

The above forward estimates are aligned with Council's Long Term Financial Forecast, Financial Plan, Corporate Plan, Operational Plan and the Department of Infrastructure, Local Government and Planning financial sustainability measures.

The Operating Surplus Ratio, indicating the extent to which revenues cover operational expenses only, is outside the target range for 2022/23, however remains within the target range in Council's forward estimates.

The Asset Sustainability Ratio (reflecting the ongoing development of Council's asset management plans) is a strong result considering Council's relatively young asset base and reflects Council's ongoing commitment to the renewal of its assets.

The Sunshine Coast region has experienced significant growth in recent periods, leading to an increase in new and contributed assets. The influx of new assets is reducing the collective age of Council's assets, lowering the requirement of renewals expenditure and the Asset Sustainability Ratio forecast. Sunshine Coast Council's renewal program is based on asset management plans and is completed in conjunction with a stringent scheduled maintenance program.

Although the Asset Sustainability Ratio does not meet the 2022/23 target of > 90%; the 2023 Financial Management (Sustainability) Guideline effective from the 2023/24 financial year, includes a target of > 60% for Sunshine Coast Council. This new target is based on remoteness and population and is more achievable for growth councils.


The Net Financial Liabilities Ratio (reflecting the extent to which the net financial liabilities of Council can be repaid from operating revenue) exceeds the target range up to year 2029. The ratio reflects Council's refinanced debt portfolio, which provides inter-generational equity for the funding of long term infrastructure projects.

Certificate of Accuracy

For the year ended 30 June 2023

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.



Cr Mark Jamieson
Mayor
Sunshine Coast Regional Council

Dated: 6 October 2023



Greg Laverty
Chief Executive Officer (Acting)
Sunshine Coast Regional Council

Dated: 6 October 2023





Our region.
Healthy.

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