

Agenda

Ordinary Meeting

Thursday, 15 June 2017

commencing at 11.00am

Council Chambers, Corner Currie and Bury Streets, Nambour

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1 DECLARATION OF OPENING

On establishing there is a quorum, the Chair will declare the meeting open.

2 WELCOME AND OPENING PRAYER**3 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE****4 RECEIPT AND CONFIRMATION OF MINUTES**

That the Minutes of the Ordinary Meeting held on 18 May 2017 and the Special Meeting (Sunshine Coast Airport Quarterly Update) held on 18 May 2017 be received and confirmed.

5 OBLIGATIONS OF COUNCILLORS**5.1 DECLARATION OF MATERIAL PERSONAL INTEREST ON ANY ITEM OF BUSINESS**

Pursuant to Section 172 of the *Local Government Act 2009*, a councillor who has a material personal interest in an issue to be considered at a meeting of the local government, or any of its committees must –

- (a) inform the meeting of the councillor's material personal interest in the matter; and
- (b) leave the meeting room (including any area set aside for the public), and stay out of the meeting room while the matter is being discussed and voted on.

5.2 DECLARATION OF CONFLICT OF INTEREST ON ANY ITEM OF BUSINESS

Pursuant to Section 173 of the *Local Government Act 2009*, a councillor who has a real or perceived conflict of interest in a matter to be considered at a meeting of the local government, or any of its committees must inform the meeting about the councillor's personal interest the matter and if the councillor participates in the meeting in relation to the matter, how the councillor intends to deal with the real or perceived conflict of interest.

6 MAYORAL MINUTE**7 PRESENTATIONS / COUNCILLOR REPORTS**

8 REPORTS DIRECT TO COUNCIL**8.1 INFRASTRUCTURE SERVICES****8.1.1 NAMBOUR HERITAGE TRAMWAY PROJECT UPDATE****File No:** Council Meetings**Author:** Project Officer
Infrastructure Services Department**Attachments:** Att 1 - HoA Nambour Heritage Tramway V2.3 - May 17 2017 .5/383
Att 2 - The Nambour Tramway Company Business Case21/383
Att 3 - NSRF300282 Draft Deed of Agreement V187/383
Att 4 - Prelim Plan for Relocation of on-street car parking 28 Mill
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Tramway Project383/383

PURPOSE

This report provides a project update as per Council's Resolution (OM16/33) in relation to The Nambour Heritage Tramway project. It also makes recommendations to council on funding, leasing and procurement matters that best align with the success of the project.

EXECUTIVE SUMMARY

At the Council's Ordinary meeting 25 February 2016 the Chief Executive Officer was requested to provide a project update outlining progress on the Heads of Agreement, show project expenditure and costing, present an updated business case and summarise fund raising and grant funding status.

In addition five hold points need to be achieved for works to commence on construction of the depot and terminus facilities, track and intersection works by Council and before the land at 28 Mill Street can be committed to the project. The status of the hold point performance is summarised later in this report.

Some of the key requirements of previous resolutions for the project:

1. Resolution OM 15/52 (d) requires that:
 - that the Nambour Tramway Group is responsible for the purchase of the tram and is to act as the Infrastructure Manager and rail Transport Operator of the tramway
 - council is responsible for land acquisition, buildings, tram track and signaling upgrade
2. Resolution OM 15/52 (f) provides for council to allocate \$500,000 in each of the financial years 2015/16, 2016/17 and 2017/18, and that these funds represent the maximum funding allocations for this project by Council
3. Resolution OM 15/15 (g) requires that The Nambour Tramway Company Ltd. (TNTCo) is to raise \$600,000 via a combination of fund raising and grants and for it to be fully realizable by 30 June 2017.

Progress has been made on all aspects of the project and can be summarised as follows:

- The Heads of Agreement has been prepared, and subject to direction from council is able to be signed by both TNTCo and the Nambour Alliance Inc. (NA) (see attachment 1 – Heads of Agreement).
- The Nambour Tramway Company Ltd.'s business case is provided (see attachment 2 – TNTCo Business Case).
- Council's total current funds available after expenditure and commitments for the project as at 30 April 2017 are \$876,093 of the \$1,000,000 budgeted by Council to date.
- TNTCo has approximately \$100,000 available from its fund raising activities to spend on a tram and is hopeful of a further \$300,000 from the Queensland Tourism Demand Driver Infrastructure grant. Additional grants are being pursued and fundraising is continuing.
- TNTCo in partnership with the Nambour Alliance Inc. has raised a total of \$654,522.83 (including the \$500,000 National Stronger Regions Fund [NSRF] grant) as at 31 January 2017 meeting their obligation to raise \$600,000 on or before 30 June 2017.
- TNTCo's business case shows their estimated project cost to be \$2.10 million (refer attachment 2 – TNTCo Business Case).
- Council's preliminary estimate with applied appropriate stage/phase contingencies indicate the project costs could be up to \$2.59 million (refer attachment 7 – Council estimate of capital costs for Nambour Heritage Tramway Project).
- TNTCo's business case proposes to establish a western terminus at 28 Mill Street, Nambour. Draft plans for the western terminus are included in the TNTCo Business Case. The proposed Terminus building consists of a ticket office with kitchenette, PWD public toilet, entry area, main platform, workshop with capacity for three additional trams, storage room, staff lunch room, staff toilets and display area.(see attachment 2 – TNTCo Business Case). It is a larger structure than originally proposed.
- Due to councils commitment to match the NSRF grant dollar for dollar, \$500,000 of councils funds are now committed to the construction of the terminal building. NA are in discussions with the Commonwealth regarding use of the grant money on other fixed infrastructure for the project.
- TNTCo's business case requires that the lease of 28 Mill St be a community lease. This requires Council support as the zoning of the land is Major Centre Zone and council may forgo significant sale or commercial rent revenue. Sensitivity testing of TNTCo's business case shows that the paying a commercial rate as described later in this report is not sustainable beyond two years of operation.
- It is proposed that council consider TNTCo as a specialised supplier for the construction of the terminus and associated infrastructure to take advantage of donated labour and resources which should bring down the cost of construction.
- TNTCo have not yet procured a suitable tram and will likely require additional time to raise sufficient funds to do so. The estimated cost of a tram is approximately \$500,000.
- Concept plans for the heritage tram are included in TNTCo Business Case (see attachment 2 – TNTCo Business Case).
- TNTCo has made application to the Department of Transport and Main Roads for Rail Safety and Rail Operating Accreditation. All fees have been paid and RFI's have been sent by the department to TNTCo as part of the assessment process.
- To reduce the financial risk to council no construction should begin until all required accreditation has been received by TNTCo and TNTCo have procured a suitable tram for the project. The progress of these matters should be reported to council in a future project update report.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Nambour Heritage Tramway Project Update”
- (b) request the Chief Executive Officer to finalise the Heads of Agreement document in accordance with the position outlined in this report
- (c) receive and note The Nambour Tramway Company Ltd.’s Business Case
- (d) request the Chief Executive Officer to proceed with the preparation and offer of a lease agreement with The Nambour Tramway Company Ltd for 28 Mill St, Nambour on the basis of the The Nambour Tramway Company Ltd business case requiring a community lease rate to be viable, to be subject to a future report to Council
- (e) adopt The Nambour Tramway Company Ltd as a specialised supplier for the construction of the terminus and track infrastructure within the 28 Mill Street Nambour site, and request the Chief Executive Officer prepare an appropriate funding agreement to encompass the administration, supervision and acquittal of Council funds for the proposed capital works
- (f) note that The Nambour Tramway Company has raised over \$600,000 funding towards the project but recognise this funding is not able to purchase the tram which is a requirement of previous Council resolution and project hold point
- (g) in recognition of the efforts stated in recommendation (f):
 - (i) provide The Nambour Tramway Company until 30 June 2018 to raise the necessary funding to purchase the tram and to also materially meet the estimated project costs of \$2.59 million
 - (ii) commit to allocate a further \$500,000 towards the project in the 2017/18 financial year in accordance with Council resolution (OM15/52[f]) and to complete Council’s commitment to the project totaling \$1.5 million
 - (iii) request the Chief Executive Officer to proceed with the preparation of the detailed designs and refined cost estimates for the project, to guide the future construction works timing and staging
 - (iv) delegate to the Chief Executive Officer to authorise any applications to be submitted for any approvals required to enable the tram, ancillary buildings and operations to be considered by the relevant authority
- (h) request the Chief Executive Officer to provide a project update to Council in March 2018 on:
 - (i) detail design and estimates of all project infrastructure
 - (ii) status of The Nambour Tramway Company’s rail safety and rail operations accreditation
 - (iii) status of The Nambour Tramway Company’s tram procurement and associated fund raising status and
 - (iv) The Nambour Tramway Company revised business plan.

FINANCE AND RESOURCING

As identified in the Feasibility Analysis of the Nambour Heritage Tramway report that was presented to Council in April 2015 an amount of at least \$2.1 million may be required to deliver the project, and it would require a considerable on-going operational and maintenance commitment. Any lease agreement should require that all repairs and maintenance to be the sole responsibility of TNTCo, otherwise the cost implications to council if a lease arrangement entered into does not, council will incur costs that could be expected to be 2% of the estimated value of the building which equates to a dollar value of approximately \$21,760 annually for repairs and maintenance based on the current building proposal.

The capital fund allocations as per Resolution (OM15/52) are summarised in **Table 1** below.

Table 1 – Nambour Heritage Tramway project committed funding sources, as of May 2017

Funding amount	Source
\$500,000	Council capital works budget 2015/16 (B3798)
\$500,000	Council capital works budget 2016/17 (B3798)
\$500,000	Council draft capital works budget 2017/18 (ID18565) for consideration by Council
Minimum of \$600,000	Fund raising and grants to be sourced by the Tramway Company by no later than 30 June 2017
Ongoing	Fund raising and grants to be sourced by the Tramway Company after 30 June 2017

TNTCo funding status

TNTCo has been actively seeking grant funding and undertaking other fund raising activities.

TNTCo in association with the Nambour Alliance Inc. has been successful in securing a \$500,000 grant under the Round 3 National Stronger Regions Fund for the purposes of constructing the western terminus. The unconditional dollar-for-dollar matching funds are provided for through the \$500,000 in Council's 2016/17 budget. Refer **Table 2** for funding summary

Table 2 – Nambour Heritage Tramway project funding – Nambour Tramway Company Ltd. funding balance as at 31 January 2017.

Total Raised	\$654,522.83
<u>2015/16</u>	
<i>Total raised 2015/16 financial year - \$121,944.53*</i>	
<u>2016/17</u>	
<i>Nambour Tramway Company Ltd. minor grants and general fundraising activities – earnings for July to November 2016 - \$23,328.16**</i>	
<i>Nambour Tramway Company Ltd. general fundraising activities December to January 2017 - \$9,250.14***</i>	
<i>National Stronger Regions Fund Grant (NSRF) (via Nambour Alliance)- \$500,000.00 (Western Terminus)</i>	
Total expenditure	\$50,202.44

<i>NSRF - \$0</i>	
<i>Minor grants and general fundraising activities 2015-16 - \$27,075.00*</i>	
<i>Minor grants and general fundraising activities July to November 2016 - \$3,602.11**</i>	
<i>Minor grants and general fundraising activities December to January 2017 - \$19,525.33***</i>	
Balance	\$604,320.39
Total Commitments	\$1,427.71
<i>NSRF - \$0</i>	
<i>Minor grants and general fundraising activities as at 31 January 2017 \$1,427.71***</i>	
Available funds	\$602,892.68

*source - The Nambour Tramway Company Ltd – Financial Statements and Audit Report for the year ended 30th June 2016.

**source - The Nambour Tramway Company Ltd – Financial Statements and Audit Report for the year ended 30th November 2016.

**Unaudited

Council funding status

In the 2015/16 and 2016/17 budgets council has allocated \$1,000,000 to the project with some expenditure taking place as shown in **Table 3**.

Table 3 – Nambour Heritage Tramway - Council funding balance as at 18 May 2017

2016/17 Budget	\$941,247.74
Actual Expenditure YTD	\$ 56,734.37
Commitments YTD	\$ 8,420.00
Available YTD	\$876,093.37

Capital costing (source TNTCo business case)

The Nambour Tramway Company Ltd.'s business case shows their preliminary estimated project cost to be \$2.10M. (see attachment 2 – The Nambour Tramway Company Business Case – Note 8 of the Cash flow Statement). It takes into consideration voluntary work to mitigate costs, does not include costs for the acquisition of land and does not allow for an overall project contingency preferring instead to include contingencies into individual costs. The estimate is summarised in Table 4.

This estimate presents a mismatch with current and future funding from council (\$1.5 million) and the Commonwealth's NSRF grant (\$500,000) totaling \$2 million (to be spent on infrastructure only) in addition to the approximate \$500,000 to be raised by TNTCo to purchase the tram. i.e \$2.5 million.

Table 4 – Summary of Nambour Heritage Tramway project capital expenditure estimate (as per the TNT Co Business Case)

Category	Amount
Property Acquisition (lease establishment)	\$5,000
Heritage Tram*	\$573,328
Track	\$165,000
Extra for loco operation	\$120,000
Stations – Heritage themed (inc Terminus)	\$807,897
Civil Works – Mill Lane	\$185,800
Miscellaneous	\$120,000
Other <ul style="list-style-type: none"> ○ <i>Design</i> ○ <i>Project Management/Supervision</i> ○ <i>Safety Accreditation</i> ○ <i>Rail Accreditation application fee</i> 	\$11,000
Contingency 5.75%	\$113,679
Total	\$2,101,704

*exchange rate from £UK to \$AU of 1.64 applied to some items.

Note: for a more detailed cost estimate refer to attachment 2 – The Nambour Tramway Company Business Case – Note 8 of the Cash flow Statement).

Assessment of capital costing (Council)

Council has undertaken a review of the estimate, applied actual costs and quotes where available and added an overall contingency appropriate for an estimate in the project's stage/phase. This comparative estimate is summarised in **Table 5a and 5b**.

Council's estimate differs from TNTCo's estimate mainly due to the inclusion of a 20% contingency on the construction of the terminus and other infrastructure which is at a preliminary design stage. For a more detailed cost estimate refer to the Council estimate of capital costs for Nambour Heritage Tramway Project shown in attachment 7.

This estimate breakdown shows a requirement of \$ 2.02M for infrastructure which can be funded by current and future funding from council (\$1.5 million) and the Commonwealth's NSRF (\$500,000). The purchasing of a tram and other related costs to be funded by TNTCo requires \$575,944 of which they have \$102,892 available for the tram purchase as at 31 January 2017.

Table 5a – Summary of Nambour Heritage Tramway project capital expenditure comparative estimate prepared by council.

Category	Council Amount	TNTCo Amount
Property acquisition and access	\$7,500	
Heritage Tram*		\$469,953
Track	\$287,500	
Stations – Heritage themed (inc Terminus)- based on the TNTCo estimate of delivery – not commercial rates	\$821,247	\$10,000
Civil Works – Mill Lane**	\$176,800	
Rail Operations Accreditation	\$45,000	
Signalisation	\$140,000	
Miscellaneous	\$14,170	
Other <ul style="list-style-type: none"> o Design o Project Management/Supervision 	\$224,541	
Contingency (Terminus) 20%	\$143,679	
Contingency (Balance of works) 20%	\$154,764	\$95,991
Sub Totals	\$2,015,202	\$575,944
Combined Total		\$2,591,146

*exchange rate from £UK to \$AU of 1.64 applied to some items.

** (see attachment 4 – Relocation of Public Parking 28 Mill St Nambour)

***Transfer to operational budget

Table 5b – Summary of Nambour Heritage Tramway project estimated financial commitments required by each contributor.

Estimated financial commitments required	Amount
TNTCo	\$575,944
NA/Commonwealth NSRF grant	\$500,000
Sunshine Coast Council	\$1,515,202
Total	\$2,591,146

Operating cash-flow (source TNTCo business case)

Nambour Tramway Company Ltd.'s operational costs are detailed in the projected cash flow statement which forms part of the Business Case. The cash flow statement allows for a community lease arrangement and nominal costs for the repairs and maintenance and graffiti removal to the building. (see attachment 2 - Nambour Tramway Company Ltd. Business Case).

The revised cashflow statement differs greatly from the original CChange feasibility analysis presented to Council in 2015. (see attachment 6 - Feasibility Analysis of the Nambour Heritage Tramway-C_Change).

Table 6 – Cash flow statement reproduced from TNTCo's business plan.

THE NAMBOUR TRAMWAY COMPANY LTD												
PROJECTED CASHFLOW STATEMENT												
NAMBOUR HERITAGE TRAMWAY PROJECT												
	Yr1 \$	Yr2 \$	Yr3 \$	Yr4 \$	Yr5 \$	Yr6 \$	Yr7 \$	Yr8 \$	Yr9 \$	Yr10 \$	Yr11 \$	
OPERATING FUND	NOTE											
<i>Opening Balance of Operating Fund</i>		99,401	122,938	142,498	162,965	185,170	206,841	229,457	253,898	276,855	300,275	326,603
Revenues												
Daily Ticketing		32,506	32,506	32,506	33,676	33,676	33,676	34,879	34,879	34,879	36,127	36,127
Annual passes		30,000	30,000	30,000	30,900	30,900	30,900	31,850	31,850	31,850	32,805	32,805
Merchandising/Shopper Dockets		5,500	8,000	8,500	8,500	8,500	10,000	10,000	10,000	10,000	10,000	10,000
Advertising/Sponsorship		28,500	28,500	28,500	29,400	29,400	30,280	30,280	30,280	30,280	31,200	31,200
Tramfest		25,000	25,000	25,000	25,900	25,900	26,825	26,825	26,825	26,825	27,785	27,785
Interest Income	5	2,982	3,688	4,275	4,889	5,555	6,205	6,884	7,617	8,306	9,008	9,798
Total Revenues	10	124,488	127,694	128,781	133,265	133,931	136,081	140,717	141,451	142,139	146,925	147,715
Operating Costs												
Labour		45,000	45,000	45,000	46,350	46,350	46,350	47,740	47,740	47,740	49,175	49,175
Utilities		4,000	4,000	4,000	4,120	4,120	4,120	4,244	4,244	4,244	4,370	4,370
Rail Accreditation		-	-	-	-	-	-	-	-	-	-	-
Security		2,700	2,700	2,700	2,781	2,781	2,781	2,865	2,865	2,865	2,950	2,950
Promotions		20,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	10,000	10,000	10,000
Maintenance		4,000	5,000	5,000	6,000	6,000	6,000	8,000	9,000	7,000	7,000	20,000
Insurance		4,000	4,120	4,235	4,362	4,492	4,627	4,765	4,908	5,055	5,206	5,362
Lease of Terminus Land	7	250	254	258	261	265	269	273	277	282	286	290
Workcover Insurance		2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688
Sundries		4,000	2,000	2,000	2,000	2,000	3,000	2,000	2,000	2,000	2,000	5,000
Total Operating Costs	9	85,950	73,134	73,314	76,060	76,259	77,466	80,275	81,494	81,719	83,596	99,835
Net Annual Surplus		38,538	54,560	55,466	57,205	57,672	58,615	60,442	59,956	60,420	63,329	47,880
Initial setup costs		15,000										
Less transfer to Sinking Fund		-	10,000	10,000	10,000	11,000	11,000	11,000	12,000	12,000	12,000	14,000
Less transfer to Future Fund		-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Closing Balance of Operating Fund		122,938	142,498	162,965	185,170	206,841	229,457	253,898	276,855	300,275	326,603	335,483

Lease scenario comparisons

TNTCo's business case assumes that the lease of 28 Mill St will be a community lease. This requires Council support, as the zoning of the land is Major Centre Zone and council will forfeit potential annual revenue as shown in table 7 or potential revenue for the sale of the land of approximately \$620,000 if it proceeds. (refer also to Lease of Land section in this report).

Table 7 - Comparison of Lease Scenarios (28 Mill St, Nambour)

	Option 1	Option 2		Option 3		Option 4		Option 5*
	Lease building and whole of block at commercial rate	Lease building and required portion of block at commercial rate	Potential revenue from lease of balance of land at commercial rate	Lease building and required portion of block at community rate	Potential revenue from commercial lease of balance of land	Lease building and required portion of block at community rate	Potential revenue from community lease of balance of land	Lease building and whole of block at community rate
Yr1 \$	\$101,491	\$75,388		\$250		\$250		\$250
Yr2 \$	\$103,013	\$76,519		\$254		\$254		\$254
Yr3 \$	\$104,559	\$77,667	\$26,153	\$258	\$26,153	\$258	\$250	\$258
Yr4 \$	\$106,127	\$78,832	\$26,545	\$261	\$26,545	\$261	\$254	\$261
Yr5 \$	\$107,719	\$80,014	\$26,943	\$265	\$26,943	\$265	\$258	\$265
Yr6 \$	\$109,335	\$81,214	\$27,348	\$269	\$27,348	\$269	\$261	\$269
Yr7 \$	\$110,975	\$82,433	\$27,758	\$273	\$27,758	\$273	\$265	\$273
Yr8 \$	\$112,639	\$83,669	\$28,174	\$277	\$28,174	\$277	\$269	\$277
Yr9 \$	\$114,329	\$84,924	\$28,597	\$282	\$28,597	\$282	\$273	\$282
Yr10 \$	\$116,044	\$86,198	\$29,026	\$286	\$29,026	\$286	\$277	\$286
Sub-Total	\$1,086,230	\$806,857	\$220,544	\$2,676	\$220,544	\$2,676	\$2,108	\$2,676
Total	<u>\$1,086,230</u>	<u>\$1,027,401</u>		<u>\$223,220</u>		<u>\$4,784</u>		\$2,676
Potential revenue forfeited by council compared to highest yield over 10 year period.	\$0	\$58,829		\$863,010		\$1,081,446		\$1,083,554

Notes

- Option 5 is TNTCo's preferred option under the current business plan
- Option 5 - lease of the whole block at a community rate results in potential for forfeited revenue by council is estimated to be in the vicinity of \$1,083,554 over 10 year period
- CPI increase of 1.5% applied annually to all scenarios
- Period of two years applied to balance of land before leasing in Options 2, 3 & 4 to allow time to find suitable client.
- Commercial lease refers to rates provided by Property Management elsewhere in report

- Community lease refers to Community Groups Occupying Council Owned or Council Controlled Land /or Infrastructure Policy which states that the annual rent for a community group is set at one unit of \$250 inclusive of GST in accordance with Council's Fees and Charges Policy for 2016/2017.
- All rental rates may be subject to change due to final valuation of land.

CORPORATE PLAN

Corporate Plan Goal: *A strong community*

Outcome: 2.3 - Culture, heritage and diversity are valued and embraced

Operational Activity: 2.3.2 - Progress approvals, and ongoing project development for the Nambour Heritage Tramway

CONSULTATION

Portfolio Councillor Consultation

Place Portfolio Councillor

Internal Consultation

- Divisional and Place Portfolio Councillor
- Transport and Infrastructure Policy (Regional Strategy and Planning)
- Transport and Infrastructure Management (Infrastructure Services)
- Project Delivery (Infrastructure Services)
- Procurement and Contracts (Corporate Services)
- Legal Services (Office of Mayor and CEO)
- Development Services (Regional Strategy and Planning)
- Communications (Corporate Strategy and Delivery)
- Corporate Governance (Corporate Services)
- Property Management (Corporate Services)
- Office of Strategic Property (Economic Development)
- Strategic Planning (Regional Strategy and Planning)
- Environment and Sustainability (Regional Strategy and Planning)
- Community Facilities and Planning (Community Services)
- Human Resources - Health and Safety (Corporate Services)
- Finance
- Corporate Services Department request that it be noted that Corporate Services Department does not support the issuance of a community lease for this commercial site (28 Mill St) as:
 - it is not current practice to issue community leases on similarly zoned commercial land;
 - it may set a precedent for requests for community leases on other Council commercial land; and
 - the foregone annual and future revenue is significant.

External Consultation

- Nambour Tramway Company Ltd (The Nambour Heritage Tramway Group at the time of reporting to Council in April 2015)
- Nambour Alliance
- Queensland Department of Environment and Heritage Protection
- Queensland Department of Transport and Main Roads
- Australian Government Department of Infrastructure and Regional Development

Community Engagement

Extensive community engagement was undertaken during the development of the feasibility study which was presented to Council on 23 April 2015, and also as part of the development of the Nambour Activation Plan that was adopted by Council on 15 October 2015.

The Tramfest events remain a highly effective and successful community engagement tool as is The Friends of the Tram group who maintain a Facebook presence and issue monthly newsletters.

It's been agreed that milestone-related media and messaging will be carried out by Council while the Nambour Tramway Company Ltd and The Friends of the Tram group will continue communications and community engagement in relation to fund raising and maintaining project profile and community support.

PROPOSAL

Background

The Nambour Heritage Tramway project is designed to re-activate the heritage listed tram line that was initially established to transport sugar cane through the centre of Nambour.

The project is an element of the Nambour Activation Plan which is a joint initiative between the Sunshine Coast Council and the Nambour Alliance Inc., the town's peak business and community representative body. This Plan, adopted by Council in October 2015 for implementation, aims to provide a framework to activate Nambour to enable local businesses and communities to energise their township and celebrate their place.

The Nambour Heritage Tramway project scope includes the purchase of the world's first battery powered, solar generated, two foot (610 mm) gauge heritage style tram, along with the provision of depot and terminus facility, and intersection and signal upgrades as necessary. The operating model, as currently proposed, includes running half hourly, at least six days a week, with up to 28 passengers. The business model relies primarily on volunteer workforce for maintenance of the rolling stock and operation of the tramway scheme.

At the Ordinary Meeting of Council on 23 April 2015 (OM15/52) Council resolved to support the Nambour Heritage Tramway project via a joint funding and partnership arrangement with the Nambour Heritage Tramway Group (now the Nambour Tramway Company Ltd./TNTCo).

TNTCo is to act as Rail Infrastructure Manager and Rail Transport Operator, and as such will be required to obtain Rail Safety accreditation to satisfy the requirements of the relevant Queensland legislation.

As identified in the Feasibility Analysis of the Nambour Heritage Tramway report, an amount of at least \$2.1 million may be required to deliver the project, and an on-going operational funding commitment will be required from TNTCo to operate and maintain the tram.

As per Resolution (OM15/52) Council have allocated \$500,000 in each of the 2015/16 and 2016/17 approved capital works budgets and will include a further \$500,000 in the 2017/18 draft budget for consideration. A further \$600,000 is to come from TNTCo through fund raising and grant funding by no later than 30 June 2017.

At the Council's Ordinary meeting 25 February 2016 the Chief Executive Officer was requested to provide a project update outlining progress on the heads of agreement, show project expenditure and costing, present an updated business case and update fund raising and grant funding status.

Heads of Agreement

The Heads of Agreement has been prepared, and subject to direction from council is able to be signed by both TNTCo and the Nambour Alliance Inc. (NA) (see attachment 1 – Heads of Agreement).

As TNTCo were successful with the NA in their recent National Stronger Regions Fund grant application, the NA have also been made a signatory to the Heads of Agreement.

Business Case

The Nambour Tramway Company Ltd.'s business case is provided with the assumption that that this will be a community lease arrangement with operational, repairs and maintenance to be carried out by volunteers and working bees to minimise expenses. (see attachment 2 – TNTCo Business Case). The business case in summary covers a lease of land and terminal at 28 Mill Street and a six day a week operational service from this terminal down Howard St approximately 1km to midway between Smith St and Aspland St, and back again.

The operational aspects of the project reside with the TNTCo. Contained within the business case is further detail on how the TNTCo intend to operate staff and manage the tram operation. The Nambour Tramway Company Ltd.'s Directors have demonstrable experience of setting up and establishing volunteer operations.

Fund Raising and Grant Funding Status

The Nambour Tramway Company has been actively seeking grant funding, and undertaking additional fundraising activities. In association with the Nambour Alliance it has been successful in securing a \$500,000 National Stronger Regions Fund grant. (see attachment 3 – Draft Deed of Agreement). This grant may only be spent on the western terminus. The infrastructure built with the grant funding will be owned by council.

Significantly, through fund raising and grant activities, TNTCo.in partnership with the Nambour Alliance Inc. has raised a total of \$654,522.83 (including the \$500,000 Stronger Regions grant) as at 31 January 2017 meeting their obligation to raise \$600,000 on or before 30 June 2017. The NSRF grant, secured through strong support from the Federal Member for Fairfax is for infrastructure and requires dollar for dollar support by the Sunshine Coast Regional Council.

Additionally, TNTCo has upgraded and re-submitted a new application for a Queensland Tourism Demand Driver Infrastructure grant for \$300,000 (to be matched dollar for dollar by council). A decision on this grant is expected prior to June 2017.

Heritage Tram

TNTCo has made extensive enquiries in Australia and overseas in regards to the procurement of a heritage themed tram to meet their business needs. Initial quotes indicate the cost of the preferred tram to be around \$500,000 - \$600,000 (subject to current exchange rates). Pricing on an alternative heritage tram is continuing to be sought. In the event a preferred tram has not been able to be sourced by the time TNTCo receives its Rail Safety Accreditation an alternative will be utilised (of which a number have been cited as available for use by The Nambour Tramway Company Ltd.) in the interim.

TNTCo has approximately \$100,000 available from its fund raising activities to spend on the tram and is hopeful of a further \$300,000 from the Queensland Tourism Demand Driver Infrastructure grant. Additional grants are being pursued and fundraising is continuing.

Concept plans for the heritage tram are included in TNTCo Business Case (see attachment 2 – TNTCo Business Case).

TNTCo proposal for Council to procure Heritage Tram

Noting that the western terminus should become a Council owned asset, TNTCo have proposed that in consideration of the contribution of \$500,000 made towards the construction of the terminus via the NSRF grant, Council could consider purchasing the tram (assuming the cost of a tram to be approximately \$500,000) and either gifting or leasing the tram to TNTCo. Alternatively Council could consider granting \$500,000 to TNTCo to purchase the tram.

This alternative presents actions and risks as outlined in table 8 and additional external legal advice has been sought.

Table 8 – Actions and Risks associated with Council funding the tram.

Scenario	Actions	Risks
Council to purchase tram and grant tram to TNTCo	<ul style="list-style-type: none"> • Noting this action would be inconsistent with Council's previous resolution, repeal part of existing resolution or make a new resolution to this effect. • Tram purchase would need to be undertaken in accordance with council's procurement policy. • Council would be responsible for all necessary tram specification and certification that may be required. • A legally binding formal deed of agreement would need to be prepared to ensure the tram is used for the purposes it was granted for. • Agreement between all parties would need to be made as the Nambour Alliance were the successful grant recipients. • Terms of grant would need to transfer all associated liability to TNTCo. • Council would need to address issues under Local Government legislation with regard to disposal of a valuable non-current asset. • Council would need to consider the Community Grants Policy. 	<ul style="list-style-type: none"> • An approximate \$500,000 shortfall in the project budget requiring council to increase its contribution beyond the previously committed \$1.5 million to a possible \$2 million (based on councils estimate). • A suitable tram may not be found within the available budget of \$500,000. • Costs of project managing the preparation of specifications, certifications and procurement will impact on the project budget. • The NA may have issues being an intermediary to an agreement between Council and TNTCo. • Council may not be able to absolve itself of all liability. • Seeking exemptions under legislation may set a precedent with other community groups who are successful with grants but wishing to purchase ineligible equipment. • Working outside the Community Grants Policy may undermine its intent. • Lack of open opportunity / competitiveness with other community groups.
Council to purchase tram and lease tram to TNTCo	<ul style="list-style-type: none"> • As per 'purchase and grant' actions except Council would need to address issues under Local Government legislation with regard to lease of a valuable non-current asset. 	<ul style="list-style-type: none"> • As per 'purchase and grant' risks except as tram owner Council may not be able to absolve itself of all liability.

Scenario	Actions	Risks
Council to grant TNTCo \$500,000	<ul style="list-style-type: none"> • Amend previous Council resolution • TNTCo would be responsible for all necessary tram specification and certification that may be required • A legally binding formal deed of agreement would need to be prepared to ensure the tram is used for the purposes it was granted for • Agreement between all parties would need to be made as the Nambour Alliance were the successful grant recipients. • Terms of grant would need to transfer all associated liability to TNTCo • Council would need to consider the Community Grants Policy 	<ul style="list-style-type: none"> • An approximate \$500,000 shortfall in the project budget requiring council to increase its contribution beyond the previously committed \$1.5 million to a possible \$2 million (based on councils estimate). • The NA may have issues being an intermediary to an agreement between Council and TNTCo. • Council may not be able to absolve itself of all liability. • Seeking exemptions under legislation may set a precedent with other community groups. • Working outside the Community Grants Policy may undermine its intent. • Lack of open opportunity / competitiveness with other community groups

Due to the implications on budgets and additional risks to Council, this possible way forward has not been recommended at this stage. As TNTCo are still awaiting the outcome of the \$300,000 Queensland Tourism Demand Driver Infrastructure grant it is suggested that this matter, if still relevant, be reported on in detail as per recommendation (h)(iii).

Implementation

The commitment of the council owned 28 Mill Street to the Nambour Heritage Tramway project, construction of depot and terminus facilities track and intersection works by Council shall be subject to the successful achievement of the hold points identified in OM 16/33.

Original Hold Points and Reporting	Updated Commentary	Status
<p>Hold Point 1 - Preparation and execution of the Heads of Agreement between Council and the Nambour Tramway Company subject to ratification by Council</p>	<p>The Heads of Agreement that has been prepared jointly by all parties to be signatories is ready to be signed by both TNTCo and the NA.</p> <p>This report now recommends that the legally binding Heads of Agreement be ratified and signed by council completing the requirements of hold point 1.</p>	<p>In progress, completion subject to this report - resolution (b).</p>

<p>Hold Point 2 - The Nambour Tramway Company submitting an updated business case analysis to demonstrate its ability to operate the scheme into the future.</p>	<p>TNTCo has presented an updated Business Case.</p> <p>The business case presents a sustainable business model over a 10 year period based on a community lease of 28 Mill St.</p>	<p>In progress, completion subject to this report - resolution (c).</p>
<p>Hold Point 3 - Nambour Tramway Company to secure \$600,000</p>	<p>As of 31 Jan 2017 TNTCo.in Partnership with the Nambour Alliance Inc. has raised \$654,522.83 through grants and fundraising activities, completing the requirements of hold point 3.</p>	<p>In progress, progression subject to this report resolution (g (i))</p>
<p>Hold Point 4 - Parking requirements for and access to 28 Mill Street secured through neighboring land as required.</p>	<p>The footprint of the western terminus will be modified to remove the need for access through adjoining land. The proposed leased area for the terminus will allow for continued access to surplus land within the overall allotment for potential usage by Council.</p>	<p>Complete</p>
<p>Hold Point 5 – acquisition of a suitable property and appropriate access to allow construction of the east terminus</p>	<p>An establishment of an eastern terminus is no longer within the scope of the initial stage of the project. Therefore hold point 5 is no longer relevant. However TNTCo still need to secure tenure over 28 Mill St as identified in the business plan.</p>	<p>In progress, completion subject to this report - resolution (d).</p>

Governance and delivery model

The governance and delivery model adopted by Council (OM15/52 April 2015) is summarised in **Table 9**.

Table 9 – Governance and delivery model

	Tramway Company	Council
Purchase/construct and own	Rolling stock	Land, buildings, tracks, and signals
		Fixed assets to be leased to the Tramway Company for the purpose of the operation of the tramway scheme
Roles and responsibilities	Design, specification and procurement of rolling stock	Design, specifications and construction of buildings, stops, track refurbishment, intersection upgrades, and signalization
	Act as Rail Infrastructure Manager and Rail Transport Operator	
Accreditation, permits, approvals	Rail Safety accreditation and associated safety management systems	Provide support to the Company to obtain necessary accreditation
	Interface agreements with DTMR and Council (shared responsibility with Council)	Provide support to the Company to negotiate the interface agreements
		DTMR approval for Currie Street / Howard Street intersection
	Translink approval is required in acknowledgement that the tramway is not a public transport scheme	Provide support to the Company
	Provide support to Council	Compliance with QLD Heritage Acts and Regulations
	Provide support to Council	Development Applications for the development of the west terminus site
Funding	\$600,000 fully realisable by 30 June 2017 (or such other earlier date)	Support the Tramway Company with funding applications
		\$500,000 in 15/16 and \$500,000 in 16/17 with \$500,000 to be considered in the 17/18 budget

	Tramway Company	Council
Public Relations	Community engagement in relation to fund raising and to maintain project profile and community support	Milestone related media and messaging
Insurance	In accordance with accreditation	

The Resolution requires that the above framework be formalised in the form of a Heads of Agreement.

Land and infrastructure requirements

This section describes the land and infrastructure requirements to support the proposed tramway scheme. **Figure 1** shows the alignment of the 900 m long track.

The track alignment maximises the use of the existing track. The condition of the track and the traffic management requirements for each intersection will be assessed by an appropriately qualified consultant.

Figure 1 – Tram alignment



Western Terminus

The Nambour Tramway Company Ltd.’s current business case proposes to establish a western terminus at 28 Mill Street, Nambour. This block of land is owned by Council. It is requested that Council retains ownership of this block and lease all or part of it to TNTCo to be developed as the tramway western terminus site. Draft plans for the western terminus are included in the TNTCo Business Case (see attachment 2 – TNTCo Business Case).

The original estimate of construction (shown in Attachment 5 - Nambour Heritage Tramway Terminus QS - commercial rate cost) shows a commercial cost for constructing the terminus on a 353m2 floor area (not the current reduced floor area of 317m2) of \$1,088,742.

TNTCo proposes that it can draw on the support for the Tramway project to construct the terminus with a floor are of 353m2 (not the current reduced floor area of 317m2) for

\$799,982 by receiving donated materials, sponsorship and in-kind labour to complete the terminus and track construction.

Table 10 – Comparison table - commercial vs utilisation of in-kind contributions for construction of terminus.

<u>Western Terminus Estimate</u> commercial vs utilisation of in-kind contributions		
Trade	Full Cost \$	Proposed Cost with Volunteer Contributions \$
Preliminaries	85,000	65,000
Substructure	115,885	110,885
Frame	139,315	177,208
Roof	62,521	incl in Frame
External Walls	90,464	incl in Frame
Windows and External Doors	27,665	incl in Frame
Internal Walls	13,156	13,156
Internal Doors	4,411	4,411
Wall Finishes	20,902	20,901
Floor Finishes	24,511	19,510
Ceiling Finishes	12,172	12,172
Fixtures and Fittings	14,465	14,465
Painting	15,307	15,307
Hydraulics	74,690	74,690
Electrical and Dry Fire Services	84,000	75,000
Mechanical Services	17,435	15,435
External Works	100,843	85,843
Contingency	186,000	96,000
Total Cost excl GST	1,088,742	799,982
Adjusted from 353m2 to 317m2 on a m2 rate for estimating purposes	977,709	718,397

It is proposed that council should adopt TNTCo as a specialised supplier for the construction of the terminus and associated infrastructure to take advantage of donated labour and resources.

The Local Government Regulation 2012 provides processes for Council to establish contractual arrangements for the provision of goods and services, including works. An exception to the general provisions exists where Council determines that a supplier is a specialised supplier. To be a specialised supplier, Council must resolve that because of the specialised or confidential nature of the service to be provided, it would be impractical or disadvantageous to invite quotes or tenders.

TNTCo will be entering into a lease for the site where the western terminus is to be established. Once executed, this will require TNTCo to finalise design, construct and establish the western terminus and manage the site for the term of the lease.

It is the intention of TNTCo to rely heavily on donated materials, sponsorship and in-kind labour to complete the terminus and track construction.

The benefit of this arrangement can be demonstrated by comparing the estimated cost of constructing the terminus using donated materials and labour with the original estimate of construction in table 9 above. The difference represents a potential saving of \$259,312 on the adopted floor area of 317m².

The nominated builder for the construction would be Peter Clark (QBCC License Number 17136) who is a director of The Nambour Tramway Company Ltd.

A funding agreement will need to be prepared based on the proposed estimate to allow TNTCo to claim payments at set construction progress points. Council will need to supervise the terminal construction to assess claims and ensure payment only on works properly completed.

As TNTCo is the only entity capable of receiving the donated materials and labour for this work on a site that they will be the leaseholders for, it would be impractical and disadvantageous to invite tenders from any other entity. As a result, Council may be satisfied that the TNTCo in this instance is a specialised supplier.

The terminus is fully funded through the National Stronger Regions Fund grant and Council's fifty percent matched commitment.

Lease of Land

The land that is described as Lot 2 on RP 224422 is a freehold site and has an area of 1137m², is currently owned by Sunshine Coast Regional Council. This site formerly housed the Nambour C & K Kindergarten. The buildings have now been demolished and the land stands vacant.

The land is currently zoned as Community Facility Zone, and has been included in the amendments to the Master Plan for rezoning to Major Centre Zone. This rezoning is likely to be determined by June 2017.

Should the land be re-zoned to Major Centre Zone the land would attract a commercial rental value.

When considering the options of the terms of tenure and conditions that are available for this site for the purpose outlined in the TNTCo.'s proposal a lease is the most beneficial option for mutual tenure security. The lease will need to be under a Commercial or Community arrangement with the terms to be considered outlined below.

The current land has a land value of \$620,000.

A vacant land lease at a 10% return is estimated at \$62,000 p.a or \$54.53 m² for the whole site, however this is subject to a formal valuation being obtained

The proposed customised building measures 317m² comprising of the following areas:-

Table 11 – Breakdown of floor area by function.

<i>Ticket Office</i>	<i>18 m²</i>
<i>Entry & Platform</i>	<i>96.5m²</i>
<i>Workshop</i>	<i>174 m²</i>
<i>Lunch Room</i>	<i>18 m²</i>
<i>Store</i>	<i>10.5m²</i>
<i>Total</i>	<i>317m²</i>

Commercial rates that could be attained for this embellished site, including the building will largely depend upon the level of finish and expected deliverables.

For the purpose of this exercise, Council would draw on comparable rates from both showroom leases and industrial leases over high roof sheds with workshops/work pits and offices integrated into the structure.

An estimate of \$150m² for the building footprint is provided subject to a full feasibility if a commercial lease is to be actioned.

Commercial lease option

Base rent and rental reviews

The base rent of a commercial lease arrangement would be determined by a registered valuer on council's registered valuers panel. Valuations take into consideration properties in the surrounding location and the market supply and demand requirements.

Council would implement a CPI increase each year and rent reviews to be carried out every 3 years of a current lease arrangement or at the commencement of a new tenure arrangement.

Council would ensure that the rent is consistent with the current market trends. Rent reviews are based around rent paid by tenants in similar properties in the surrounding location, and are influenced by the supply and demand of properties within the area.

Lease terms and options for renewal

It would be in the interest of both council and the TNTCo for tenure security to enter into a 10 year commercial lease arrangement with 2 x 5 year options. This arrangement would see a long term offering to the TNTCo with the establishment of the tramway operations and progressive revenue opportunity for council into the future.

Maintenance (schedule) and operational responsibilities

Council has two options for consideration in the responsibility of repairs and maintenance in a commercial lease agreement. They are detailed below for council's consideration.

Option 1

As the lessor council would retain the responsibility of repairs and maintenance for all plant and equipment such as heating, ventilation, air-conditioning and all statutory maintenance such as fire and electrical RCD testing.

The TNTCo as the lessee must then take ownership for the operational costs, and repairs and maintenance on the rented premises such as the walls, floors and fixtures.

As a non-complex structure at a minimum the estimated maintenance costs that could be expected are likely to be 2% of the estimated value of the building which equates to a dollar value of \$21,760 annually for the repairs and maintenance. Taking into consideration council and the TNTCo being responsible both parties would need to budget an estimated \$10,880 annually each to meet responsibilities under this option.

Option 2

Council require that the TNTCo take full responsibility of all operational costs, repairs and maintenance for plant and equipment such as heating, ventilation, air-conditioning and all statutory maintenance such as fire and electrical RCD testing. The TNTCo would also be responsible for the repairs and maintenance on the rented premises such as the walls, floors and fixtures.

As a non-complex structure at a minimum the estimated maintenance costs that could be expected are likely to be 2% of the estimated value of the building which equates to a dollar value of \$21,760 annually for repairs and maintenance.

Financial records

The TNTCo would be required to provide council with financial reporting statements ensuring that they can demonstrate the ability to meet all financial and operational obligations pursuant to the occupancy arrangement.

The following table outlines the commercial leasing charges attributable subject to a formal valuation being obtained

Table 12 – Commercial leasing charges attributable by use

Area	Area m ²	Rental Value	Calculated Rent m ² per annum	GST on Rent	Total
Building Foot Print	317 m ²	\$150 m ²	\$47,550	\$4,755	\$52,305
Curtilage Area - <i>the enclosed land around a house or other building</i> (Carparks)	384 m ²	\$54.53 m ²	\$20,940	\$2,094	\$23,033
Remaining area	436 m ²	\$54.53 m ²	\$23,775	\$2,378	\$26,153
Total	1137m ²				\$101,491

Community lease option

As TNTCo. is a company limited by guarantee, it is considered that TNTCo are considered to be a not for profit group.

Base rent and rental reviews

Should council determine that a community lease be the preferred way forward, councils' endorsed policy for *Community Groups Occupying Council Owned or Council Controlled Land /or Infrastructure Policy* would guide the terms of the lease. The rent for a community group is currently set at one unit of \$250 inclusive of GST in accordance with *Council's Fees and Charges Policy* for 2016/2017.

The rent review for a community lease is carried out annually and is in accordance with *Council's Fees and Charges Policy*.

Lease terms and options for renewal

The standard length of tenure for a community lease is 10 years with no options to extend the lease.

For a community lease to be entered into Council will be required to provide a resolution with an exception under the *Local Government Regulation 2012*, section 224(6) provides that "the grant of a lease over land or buildings" is a disposal of a valuable non-current asset. This disposal must be by way of written tender or auction and that is detailed in another section of the regulation (Section 227) however it also leads to Section 236(1) that lists allowable exceptions to the tender or auction provision. Community organisations are excepted under section 236(1) (b), "if the local government has decided by resolution, that the exception may apply" under section 236(2).

Maintenance (schedule) and operational responsibilities

All community leasing tenure arrangements will specify that the lessee as solely responsible for all costs of maintaining, repairing and replacing improvements within the tenure area.

As a non-complex structure at a minimum the estimated maintenance costs that could be expected are likely to be 2% of the estimated value of the building which equates to a dollar value of \$21,760 annually for repairs and maintenance and would be the sole responsibility of the TNTCo.

Financial records

The TNTCo would be required to provide council with financial reporting statements ensuring that they can demonstrate the ability to meet all financial and operational obligations pursuant to the occupancy arrangement.

The factors of a community or commercial lease are detailed above and aim to inform Council in determining the preferred application of lease type arrangement.

Consultancy Requirements

There will be a range of consultancy services required for the assessment of the tracks and intersections and to develop the design for the terminus facilities. These design services (traffic engineering, civil, storm water etc.) will be procured by Council.

The tram design, specification services and rail accreditation will be procured directly by the Nambour Tramway Company Ltd.

Rail Accreditation

Application has been made to the Department of Transport and Main Roads for Rail Safety Accreditation. All fees have been paid and acknowledgement that the application is being processed has been received. Determination of the accreditation application is expected before the end of the 2016/17 financial year. It is recommended that no construction begin until proper accreditation has been received by TNTCo.

Legal

The Heads of Agreement between Council, Nambour Tramway Company Ltd. and Nambour Alliance Inc. formally recognises the parties' roles and responsibilities, including governance, insurance coverage, and key project hold points and confirmation of project funds contributed by the parties.

The Nambour Alliance have been included in this Heads of Agreement as they have been successful in applying for a National Stronger Regions Funding grant, with the Australian Government Department of Infrastructure and Regional Development, for the purposes of assisting in the funding of the tramway infrastructure.

The NSRF agreement from the Commonwealth Government requires the funds to be used only for the building of the terminus, and not for plant and equipment i.e. the tram. This has been clarified with the Commonwealth. Council is required to match the grant funding 50/50 and therefore has committed \$500,000 to the building of the terminus.

Specific legal considerations for this project include the following:

The Nambour Heritage Tramway Group has now been incorporated as the Nambour Tramway Company Ltd., as a not-for-profit entity

Compliance with all relevant legislation and regulations is the responsibility of the Nambour Tramway Company Ltd., as Rail Infrastructure Manager and Rail Transport Operator

Contractual arrangements between TNTCo.as the Rail Infrastructure Manager and Rail Transport Operator and the State, e.g. interface agreement for the operational management of the Currie Street / Howard Street signalised intersection

Contractual arrangements with Council including leases for use of Council land and various fixed assets, as well as interface agreements for Howard Street and Mill Street

Insurance: as TNTCo is an incorporated body, Council's insurer LGM QLD cannot provide coverage under scheme rules. TNTCo will take out its own insurance to cover public liability, professional indemnity, workers compensation, volunteer workers and other needs. There is a Community Organisation Insurance Scheme specifically established to provide a range of insurance policies to meet the needs of community groups at a reduced price. All buildings owned by Council are insured. Where a Council owned building is leased to a community organisation the cost of insurance to Council is recoverable under the lease arrangement if required.

Policy

Nambour Activation Plan 2015

Regional Economic Development Strategy 2013 – 2033

Social Infrastructure Strategy 2014

Risk

Risk	Mitigation
The Nambour Tramway Company Ltd is not able to raise the required funds.	Only progress with design and approvals; any construction of terminus facilities and intersections to be subject to the required funds being secured by the Tramway Company and all other Hold Points. Noting that this may see a write off of costs for the design
Grant funding for the tram becoming available before Hold Points are achieved	Negotiate grant funding agreement conditions if possible
Nambour Tramway Company Ltd fail to receive accreditation to act as Rail Infrastructure Manager and Rail Transport Operator	Only progress with design and approvals; any construction of terminus facilities and intersections to be subject to the required accreditation being secured
Car parking availability and access to 28 Mill Street cannot be successfully negotiated with neighboring land owners	Mitigated by reducing the footprint of the terminus building.
Adequacy of business case assumptions such as forecast patronage, capital and operating costs	Feasibility and viability to be revisited during project development; need to look at scenarios where assumed patronage numbers are not achieved
Collision with road vehicles, injuries to passengers /staff or pedestrians; even low impact incidents may result in impacts on services, poor publicity, potential impact on patronage, increases in insurance costs and potential loss of accreditation	The Nambour Tramway Company Ltd, as Rail Transport Manager and Rail Transport Operator, is to ensure that the design, signage, operation and maintenance, and staff and volunteer training are adequate; public awareness campaigns are to be conducted

Risk	Mitigation
The volunteer base may decline over time and the community organization (the Nambour Tramway Company Ltd) would be unable to keep the scheme running; there is a potential that there will be community expectation that Council should 'take over' the operation at its own cost	On-going management of community expectations and clarity about the role of Council; On-going relationship management with the volunteers and the Friends of the Tram

Previous Council Resolution

Ordinary Meeting 25 February 2016 – Council Resolution (OM16/33)

That Council:

- (a) *receive and note the report titled “Nambour Heritage Tramway Project Update”*
- (b) *request the Chief Executive Officer to provide a project update to Council on the execution of the heads of agreement, project costing, business case, fund raising and grant funding status and*
- (c) *note the works will continue to progress on the design development and associated approvals.*

Ordinary Meeting 15 October 2015 – Council Resolution (OM15/174)

That Council:

- (a) *receive and note the report titled “**Nambour Activation Plan**”*
- (b) *adopt the Nambour Activation Plan (Appendix A) and*
- (c) *refer a funding request to undertake a feasibility study for the establishment of a water splash park in association with the Nambour Aquatic Centre to the 2016/17 budget considerations.*

Ordinary Meeting 23 April 2015 – Council Resolution (OM15/52)

That Council:

- (a) *receive and note the report titled “**Nambour Heritage Tramway Feasibility Assessment Report**”*
- (b) *note the Feasibility Analysis of the Nambour Heritage Tramway report*
- (c) *note that an amount of at least \$2.1 million in funding may be needed to deliver the project*
- (d) *support the Nambour Heritage Tramway project via joint funding and partnership arrangement with the Nambour Heritage Tramway Group (the Group), whereby the Group is responsible for the purchase of the tram, is the act as the Infrastructure Manager and Rail Transport Operator of the Tramway; with the Council responsible for land acquisition, buildings, tram tracks and signalling upgrading*
- (e) *note that considerable work has been completed and that additional work is required between Council and the Group to complete overall project governance and funding, key project hold points for future decision by Council and joint partnership*

arrangements, before a final project funding arrangement, project start date, can be confirmed by Council

- (f) request the Chief Executive Officer to include an allocation of \$500,000 in the 2015/16 draft Budget for future consideration by Council and further, that an additional amount of \$500,000 be included in each for the 2016/17 and 2017/18 draft Budgets for consideration by Council at the time. Further that these funds represent the maximum funding allocation by Council for this project and further that such funding is to be available for land acquisition, building and other associated capital works approved from time to time by the Chief Executive Officer*
- (g) pending funding as per (f) above, being included in the 2015/16 budget request the Chief Executive Officer to draft a Heads of Agreement document in consultation with the Group, to formally recognise the parties' roles and responsibilities including the governance, funding and key project hold points described above; confirmation of the \$600,000 project funds to come from the Group via a combination of fund raising and grants from other governments fully realisable by 30 June 2017 or such other earlier date; agreed assets and operations insurance coverage; recognition that Council supports the Group in any application for funding to other governments, provides support to the Group to obtain necessary accreditation and an Infrastructure Manager and Rail Transport Operator and continues to provide support and advice and*
- (h) pending funding as per (f) above, being included in the 2015/16 budget request the Chief Executive Officer to provide a project report to Council by 31 December 2015 on the status of key project hold points, project milestones, potential funding arrangements and the status of the Heads of Agreement document with the Group.*

Ordinary Meeting 27 February 2014 – Council Resolution (OM14/18)

That Council:

- (a) receive and note the report titled "Nambour Heritage Tramway Issues Paper Report"*
- (b) receive the Nambour Heritage Tramway Issues Paper (Appendix A)*
- (c) give in principle support for the re-activation of the existing heritage listed tramway line, located in Howard, Currie and Mill Streets Nambour, to accommodate the future running of an electric tram and all associated historic rail vehicles*
- (d) request the Chief Executive Officer to have further due diligence assessment carried out considering:
 - (i) detailed costings, including asset condition reports of existing infrastructure and rolling stock*
 - (ii) funding sources*
 - (iii) cost-benefit / financial viability analysis*
 - (iv) Council's legal and financial liability*
 - (v) extent of community capacity and capability to support the project in terms of volunteers, sponsorship and funding from all sources and potential legacy implications for council**
- (e) reallocate up to \$50,000 from the 2013/2014 Division 10 Councillor Emergent Capital Works and Minor Operational Works Policy funding allocations for the due diligence assessment of the project and*
- (f) allocate further funds from the Division 10 Councillor funds in the 2014/2015 financial year should they be required to complete the due diligence assessment.*

Ordinary Meeting 13 December 2012 – Council Resolution (OM12/197)

Notice of Motion – Nambour Tramway Development

That Council request the Chief Executive Officer, in consultation with the Divisional Councillor, to bring to Council a report including an issues paper for the development of the Nambour Tramway utilising the existing heritage listed sugar cane locomotive line with such reports to cover the following:

- *outline of the proposal*
- *proposed ownership and operations of rolling stock*
- *route alignment*
- *property tenure issues*
- *essential infrastructure required*
- *planning and approval issues*
- *key stakeholders and any agreements required*
- *community aspirations and limitations*
- *cost estimates for:*
 - *construction (Capital Costs)*
 - *operating costs*
 - *revenue potential and*
- *other items as relevant.*

Related Documentation

Feasibility Analysis of the Nambour Heritage Tramway, October 2014

Sunshine Coast Tourism Region - Destination Tourism Plan, August 2014

Sunshine Coast Council - Nambour Activation Plan October 2015

Critical Dates

The National Stronger Regions Fund agreement requires the recipient to commence construction required for the Activity within twelve months of the date of the signing of the agreement;

Implementation

The five hold points identified in OM 16/33 will either be satisfied or no longer relevant pending council's decisions on the recommendations made in this report. Subject to councils adoption of recommendation (f) the project will move into full design stage.

8.1.2 GARDNER'S FALLS

File No: D-3546
Author: Senior Scoping Officer
Infrastructure Services Department

PURPOSE

In response to Council Resolution (OM17/43) this report has been prepared to provide a process to:

- address public safety issues at Gardner's Falls Maleny including emergency vehicle access
- Investigate closing the car park at night to prevent camping and anti-social behaviour, and
- Investigate the creation of a management plan for Gardner's Falls.

This report seeks approval and funding to address the Council Resolution (OM17/43) through the development of a Landscape Plan and Management Plan for Gardner's Falls, Maleny.

EXECUTIVE SUMMARY

Gardner's Falls, Maleny is a Riparian Corridor owned and managed by Sunshine Coast Council. The Obi Obi Creek and waterfall have a high environmental and recreation value and are a popular destination for locals and visitors to the area, primarily from November to March on public holidays, school holidays and weekends. Gardner's Falls is a narrow tract of land, highly constrained by the creek corridor and vegetated banks. Popularity, combined with the limited recreation space available often result in overcrowding during peak periods which has led to public safety issues in regard to emergency vehicle access and reports of anti-social behavior.

Council has embarked on data gathering and preliminary investigation to holistically understand the issues in order to determine an appropriate outcome for the site and community. Council's current understanding of the issues and potential solutions are outlined below.

The report proposes further analysis of the data, followed by development of a Landscape Plan that will encapsulate a civil and landscape and design response to the issues, and a Management Plan that will guide the ongoing development and management of the site.

To achieve this, funding allocations will need to be considered via the appropriate Budget Review process in 2017/18 financial year. A \$20,000 budget is proposed for the Investigation and Design component and a \$50,000 budget for short term interim works as determined by the design process.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Gardner's Falls"**
- (b) refer an amount of \$20,000 to the first Budget Review for 2017/18 for council consideration, for the development of a Landscape Plan and Management Plan to guide the future development and management of the site to address public safety issues and anti-social behavior concerns and**

- (c) note that subsequent implementation funds will need to be considered in a future budget review for critical matters identified as priority outcomes of the Landscape Plan.

FINANCE AND RESOURCING

The development of a Landscape Plan and subsequent design development of priority outcomes, along with the site Management Plan, will require funding from the Capital Works Program in order to develop the documentation in accordance with both Council's and the Melany community's expectations. Approximately \$20,000 will be required to achieve these outcomes, which in turn will provide a clear understanding of implementation budgets required.

Should it be confirmed via the design development process that the provision of line marking for the road and car park, consolidation of signage, and possibly an access gate should be installed in the short term, it is estimated this would cost approximately \$50,000.

Therefore it is proposed that the following funding allocations be considered via the appropriate Budget Review process in 2017/18 financial year:

Investigation and Design	\$20,000
Short term interim works (as determined by the design process)	\$50,000
Total	\$70,000

CORPORATE PLAN

Corporate Plan Goal:	<i>A healthy environment</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S16 - Recreation parks, trails and facilities - providing design, maintenance and management of council's public open space for active and passive recreation

CONSULTATION

Portfolio Councillor Consultation

Councillor J McKay is the Community and Environment Portfolio Councillor. Councillor McKay is strongly committed to ensuring Gardner's Falls has safe and functional access and facilities in order to complement its patronage of both locals and visitors alike as they enjoy this remarkable environment.

Internal Consultation

Input from Council's various departments, units and teams has been sought to ensure a holistic understanding of the public safety issues and anti-social behaviour concerns at Gardner's Falls.

An on-site meeting was conducted with key internal stakeholders to better understand the attributes of the site and to discuss opportunities.

Collection and preliminary examination of site data from 2010 to present has occurred, resulting in the following information:

- Customer Requests and responses have totalled 49 (approximately 7 per year) which encompass matters related to:
 - Cleanliness: smelly toilets, vandalism, graffiti, broken bollards / barriers / gates / glass, litter issues including illegal dumping, water quality (animal death)

- Non-compliance issues: dogs, camping, fires, illegal parking, signage both prohibition & education
- Overcrowding, including emergency vehicle access being hindered as a result
- Anti-social behaviour, drunken behaviour

Staff who work in the Gardner's Falls area are also aware of other incidences that may not have been captured via a Customer Service Requests

- Property Management toilet block maintenance Work Orders total 53, mostly regarding cleaning however 3 of which were directly related to vandalism
- Insurance Claims including damage and injury, and
- Infringements of non-compliant activities

Information has been sought from various representatives including:

- Commercial, Economic Development and Major Projects
- Community Response, Community Services
- Communication, Economic Development and Major Projects
- Community Planning & Development, Community Services
- Chief Legal Officer, Office of Mayor and CEO
- Property Management, Corporate Services
- Corporate Governance, Corporate Services
- Information Communication Technology Services, Corporate Services
- Transport Infrastructure Management, Infrastructure Services
- Waste and Resource Management, Infrastructure Services
- Civil Asset Management, Infrastructure Services
- Parks and Gardens, Infrastructure Services
- Environmental Operations, Infrastructure Services

External Consultation

External consultation has been sought to collect, externally sourced site data including criminal activity and emergency access incidents. Initial investigation of the data has been undertaken and further data will be sought to fully understand the issues. Input has been sought from the following external stakeholders:

- Queensland Police Service (QPS)
- Queensland Ambulance Service (QAS)
- Fire and Emergency Services (FES)
- Unity Water
- Tamarind - Spicer's Retreat (adjacent land owner)

Statistics for Gardner's Falls from the QPS On-Line Crime Map are relatively low, however, QPS have noted that Gardner's Falls is a 'hot spot' for the Maleny Police Station and the location does rank highly regarding 'calls for service'. Statistics are low because 'calls for service' do not do not always result in a recorded crime. Council staff will continue to work with the QPS as per the outcomes of the proposed Landscape and Management Plans and ongoing management of the site.

Community Engagement

Official community engagement is proposed to be undertaken as part of the Landscape Plan development process, however staff continue to monitor and capture community social media pages and customer request that contain relevant commentary and information for use in the landscape planning process.

PROPOSAL

Background

Gardner’s Falls is an iconic waterfall located on Obi Obi Creek within walking distance from Maleny. The area features a rich array of plant and animal life supported by the creek and riparian habitat. Numerous Platypus burrows occur in the banks of pools found along the Obi Obi, and Platypus are often seen foraging up and down stretches of the creek above and below Gardner’s Falls. The rainforest along the banks of the Obi Obi and all around Gardner’s Falls grows out of rich basalt soil supporting a wide variety of plant and animal life including the endangered Richmond Birdwing Butterfly. The endangered Mary River Cod has also been sighted recently in pools just downstream of Gardner’s Falls.

The falls are a popular destination for locals and visitors who enjoy the gentle walking trails, waterfalls, swimming holes and shaded picnic areas in a natural bushland setting. Facilities include a small car park area, a composting toilet, rubbish bins, signage, picnic tables and seating.

Unity Water regularly test water from creek to monitor water quality as the creek is associated with the upstream Maleny Sewerage Treatment Plant.

Gardner’s Falls, Maleny is SCC owned estate in fee simple. The area is classified as a Riparian Corridor in the SSC Open Space Strategy 2011. The car park and toilet block fall within road reserve and together with the small section of Environmental Reserve and the Riparian Corridor, are serviced by Parks and Gardens. The site is bound by private land.

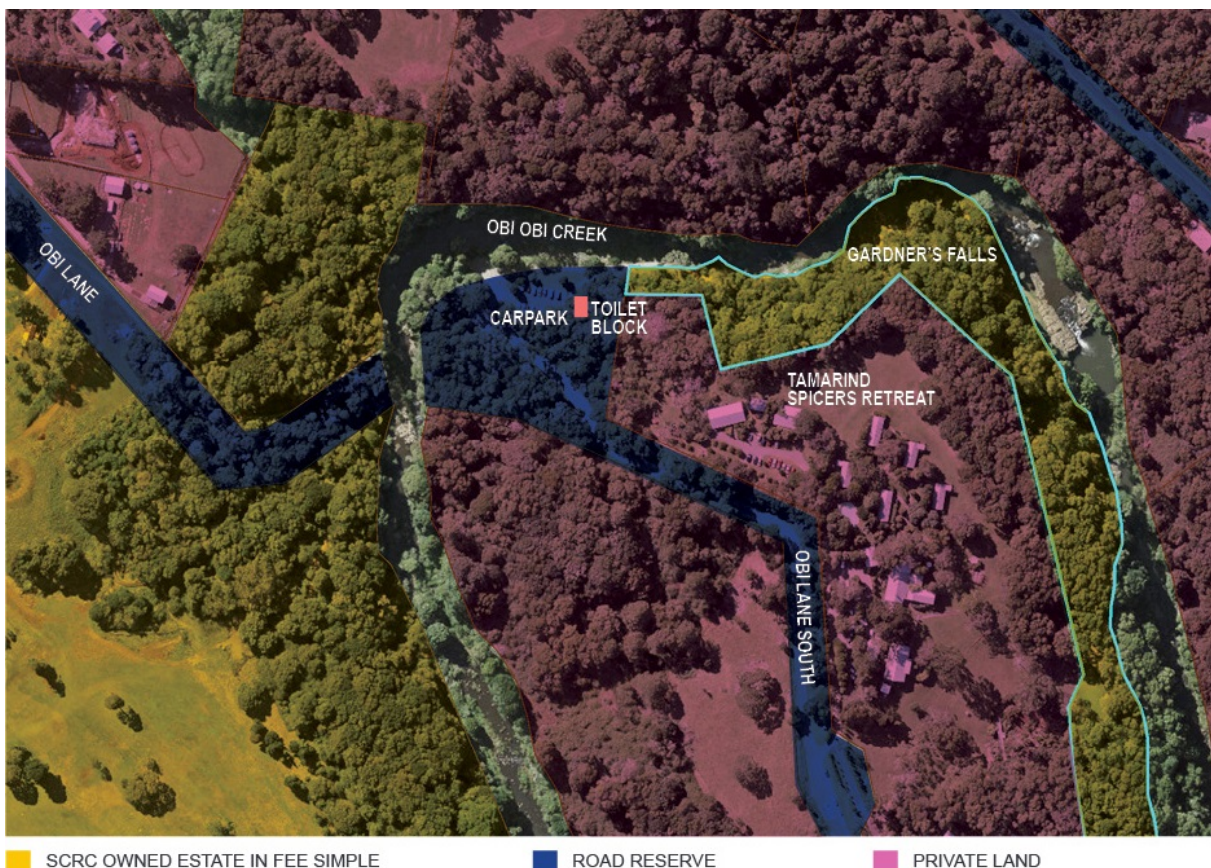


Figure 1. Site context

Complaints

Community concerns have been raised over perceived public safety issues and reports of anti-social behavior. Over the years council has received and has sought to address customer requests regarding:

- cleanliness – rubbish, broken glass, cigarette butts and smelly toilet
- anti-social behaviour – loud music, swinging off rope swings
- non-compliance issues – car parking on verges resulting in obstructing traffic flow, dogs, alcohol consumption, and
- overcrowding

In early 2017, council received further customer requests and complaints through print and social media and an online petition regarding public safety and anti-social behavior.

In response, at the Council Ordinary Meeting 23 March 2017, Council Resolution (OM17/43) was made.

That council:

- a) *Request a report to the June Ordinary Meeting addressing the public safety issues at Gardiner's Falls, Maleny and consider the installation of appropriate road infrastructure to allow unimpeded access for ambulances and other emergency vehicles to the car park area at Gardner's Falls*
- b) *Examine the potential for closing the car parking area at night to prevent camping and anti-social behaviour*
- c) *Investigate the creation of a management plan for Gardner's Falls which will ensure the ongoing safety of the public and help to restrict anti-social behaviour, enabling council to meet its duty of care.*

Proposal

This report proposes to develop a Landscape Plan and Management Plan for Gardner's Falls that will be used to holistically guide future development and management of the area. Preparation of the Landscape Plan and Management Plan will involve a thorough interrogation of the collected site data, site analysis, constraints and opportunities investigation, landscape and civil design concept development, estimation of costs and the management plan.

The Landscape Plan and Management Plan will address the following issues, including but not limited to:

1. Public Safety
 - Emergency vehicle access
 - Car parking
 - Closing the car parking area at night
 - Rubbish removal and cleaning – including consideration of smart bin sensor technology
2. Anti-social Behaviour
 - Crime Prevention Through Environmental Design Assessment
 - Access to help – signage
 - Park signage and environmental education
3. Compliance
 - Local law enforcement
 - Regulatory Signage – parking, dogs and littering
 - Enforcement – resources and ongoing costs
 - State law enforcement

4. Site Capacity
5. Implementation
 - Capital costs including whole of life
 - Operational ongoing costs
 - Cost benefit analysis of recommendations

Public Safety

Emergency vehicle access

Gardner’s Falls are accessed via Obi Lane South, which has a bitumen surface with gravel and grassed verges to either side. The total road reserve width varies, the bitumen width is no less than 3m along the length of the road. As car parking in the designated car park is limited, at busy times cars currently park on the verges to either side of the carriageway. As the verge width varies and is quite narrow in places, this results in a reduced overall carriageway width and could prevent emergency vehicles from accessing the falls in an emergency. Safe vehicle and pedestrian movement, desired site capacity, vegetation and creek protection will need to be considered in the road design. Options will be explored during the landscape and civil design process. The three following preliminary options indicate the scope of considerations.



Figure 2. Option 1. One way carriageway with parking limited to 1 side. Passing vehicles must utilize the no parking side.



Figure 3. Option 2. Two way carriageway allows safe movement for vehicles. No parking. Bitumen surface would require widening.



Figure 4. Option 3. Two way carriageway allows safe movement for vehicles. Parking to both sides of lane. New pedestrian path. Would potentially require land acquisition and tree removal and replacement.

Car parking

Car spaces in the designated car park area are currently unmarked. Capacity could be increased by introducing formal line marked spaces.



Figure 5. Car park - unmarked

Closing the car parking area at night

Council has received reports of occasional overnight camping in the car park area. This will be investigated further and options will be explored including an option to incorporate a vehicle gate just beyond the Tamarind - Spicer's Retreat Restaurant entry enabling the closure a portion of the lane and car park at night.

Rubbish removal and cleaning

Council has received complaints regarding litter and rubbish removal. Parks & Gardens have provided an immediate response by increasing the litter collection area from the car park and toilet area to extend to the water hole and to increase the quantity of rubbish bins from 2 to 4. The bin collection service has also been increased to 3 times/week. Rubbish collection is being monitored and bin placement will be reviewed through the landscape design process including consideration of smart bin sensor technology.

Anti-social Behavior

Crime Prevention through Environmental Design Assessment

A Safety Assessment will be conducted by Councils Community Safety Officer to identify safety issues to be addressed through the landscape design (Landscape Plan) and Management Plan.

Park signage and environmental education

The car park area is currently cluttered with assorted signs. The signs need to be consolidated and assessed to ensure positive and meaningful messaging.

Well designed and located signage can help to increase legibility, wayfinding and relate appropriate behavior for the place. Environmental information could be integrated within signage to help raise awareness, understanding and value of the area.



Figure 7.8.9. Existing signage to be reviewed and consolidated.

Compliance

Local law regulatory signage relating to parking, dogs and littering will need to be improved so that the desired outcomes can be achieved through enforcement.

Council resources to facilitate enforcement will need to be allocated and funded.

State and territory police services are responsible for community safety and protection. Council will work closely with QPS to determine appropriate support to reduce anti-social behavior.

Site capacity

Gardner's Falls experiences peak visitation on major public holidays such as Boxing Day, New Year's Day, Australia Day, during school holidays and on weekends. Visitation decreases during the cooler months.

Like other popular open spaces, reports of anti-social behavior generally coincide with these busy periods.

At Gardner's Falls the available area for recreating is limited due to the natural lay of the land, creek and vegetation. Over time, overcrowding could lead to degradation of the area. Understanding the sustainable capacity of the site will help to guide the verge car parking design and management plan.

Implementation

A cost estimate will be carried out including design, construction and whole of life operational costs associated with the recommendations.

Legal

It is intended that all necessary Legal obligations will be identified and addressed within the development of the Landscape Plan and site Management Plan, and subsequent implementation.

Policy

The strategic outcomes outlined in Sunshine Coast Council Open Space Strategy (2011) will be the primary driver for the outcomes of the proposed Landscape Plan and site Management Plan. Further to the Open Space Strategy, several other council strategic documentation will assist in the development of these proposed Plans and their objectives. These strategic documents include:

- Sunshine Coast Sustainable Transport Strategy 2011-2031
- Sunshine Coast Biodiversity Strategy 2010-2020
- Sunshine Coast Waste Strategy 2015-2025
- Sunshine Coast Active Transport Plan 2011-2031
- Sunshine Coast Recreational Trail Plan 2012
- Access and Inclusion Policy 2011
- Community Safety Policy 2014
- Compliance and Enforcement Policy 2009

Risk

It is proposed that by the development of the above recommended Landscape Plan and site Management Plan for Gardner's Falls, that Council's risk exposure will be reduced, through:

- Implementing Crime Prevention Through Environmental Design (CPTED) principles
- Designing to legislative and best practice requirements to avoid council's exposure to a potential claim
- Active engagement and involvement with QPS, QAS, FES and the community during design development, construction and ongoing management of the area

Landscape planning reduces the risk of short term ad-hoc development, ensuring future improvements align with the long term vision for the area.

Previous Council Resolution

Council Resolution (OM17/43)

That council:

- a) *Request a report to the June Ordinary Meeting addressing the public safety issues at Gardiner's Falls, Maleny and consider the installation of appropriate road infrastructure to allow unimpeded access for ambulances and other emergency vehicles to the car park area at Gardner's Falls*
- b) *Examine the potential for closing the car parking area at night to prevent camping and anti-social behaviour*
- c) *Investigate the creation of a management plan for Gardner's Falls which will ensure the ongoing safety of the public and help to restrict anti-social behaviour, enabling council to meet its duty of care.*

Critical Dates

There are no critical dates for this report.

Implementation

Subject to Council approval of this report's recommendation and future budget allocations, the following actions will occur:

- Development of the Landscape Plan and site Management Plan by the Parks & Gardens' Landscape Planning & Design team
- Implementation of the Landscape Plan in accordance with capital works funding provisions

8.2 COMMUNITY SERVICES

8.2.1 KINGS BEACH LIFE SAVING FACILITY DEVELOPMENT PLAN

File No: 180517

Authors: Sport and Recreation Officer
Community Services Department
Team Leader Sports Planning and Development
Community Services Department

Appendices: App A - Kings Beach Life Saving Facility Development Plan51
App B - Kings Beach Life Saving Facility Dilapidation Review .95

PURPOSE

The purpose of this report is to seek council's endorsement of the Kings Beach Life Saving Facility Development Plan (Appendix A).

EXECUTIVE SUMMARY

The purpose of this report is to present the Kings Beach Life Saving Facility Development Plan (the Plan), including concept designs and indicative costings to upgrade the Kings Beach Life Saving Facility, also known as 'the Boatshed'. The concept designs deliver a solution that meets current and future requirements of Surf Life Saving Queensland, the Metropolitan Caloundra Surf Life Saving Club and the community.

Project funding of \$20,000 was allocated and approved in council's capital works program for the development of the Kings Beach Life Saving Facility Development Plan.

The proposed upgrade to the Kings Beach Life Saving Facility is critical to catering for the expected population growth in the southern end of our region. As Kings Beach is the closest patrolled surf beach to a significant portion of our region's new residential development (Caloundra South), a large number of residents are expected to utilise the surf life saving infrastructure and services available from this location.

Two options were devised during the development of the Plan including:

- Option 1 - Refurbishment and Reconfiguration. Delivering a gross floor area of 627m² at an indicative gross project cost of \$2,759,900 (including GST); or
- Option 2 – Rebuild. Delivering a gross floor area of 883m² at an indicative gross project cost of \$3,169,100 (including GST).

The Plan's conclusion indicates that Option 1 provides insufficient storage area, patron and member space and amenity for future requirements, has minimal cost saving advantage and complicates the design and building process. Option 2 provides sufficient storage, ensures the best design outcome maximising the sites potential, delivers improved value for money and will shorten the period of disruption to life saving and lifeguard activities during construction.

Through the process of developing the Plan, consideration has been given to on-site constraints and opportunities, policy positions and recommendations within key council plans and strategies, community needs, population projections and emerging sport and recreation trends and issues.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Kings Beach Life Saving Facility Development Plan”
- (b) endorse the “Kings Beach Life Saving Facility Development Plan” (Appendix A)
- (c) endorse Option 2 – Rebuild as the preferred concept for the Kings Beach Life Saving Facility and
- (d) note that future stages of development for the Kings Beach Life Saving Facility will be determined in accordance with potential funding from the Caloundra South Community Development Infrastructure Fund, Surf Life Saving Queensland, Metropolitan Caloundra Surf Life Saving Club, Council’s 10 Year Capital Works Program and successful applications for external funding.

FINANCE AND RESOURCING

The cost of implementing the recommendations of the Plan is beyond the capacity of council to fund in its own right. The adoption of the Plan provides relevant stakeholders and council with a strategic direction to implement improvements in a clear and focused way, and provides a foundation for grant applications and facility planning.

The indicative-only schematic design estimate of Option 2 – rebuild, is as follows:

• Preliminaries	\$ 255,900
• Building cost	\$1,820,400
• Site works	\$ 263,700
• External Services	\$ 44,000
• Cost escalation	\$ 124,000
• Contingency	\$ 72,000
• <u>Professional fees</u>	<u>\$ 301,000</u>
• Sub-Total	\$2,881,000
• + GST	\$ 288,100
• <u>Total</u>	<u>\$3,169,100</u>

Project funding of \$20,000 was allocated in council’s capital works program for the development of the Kings Beach Life Saving Facility Development Plan. Future allocation towards the implementation of the Plan will be considered through Council’s 10 Year Capital Works Program, the Caloundra South Community Development Infrastructure Fund (CSCDIF) and external funding partnerships and opportunities.

The CSCDIF includes contributions towards community infrastructure to service the community needs of Aura residents. The fund’s operational guidelines are currently under development and cannot apply to one infrastructure project. Consultation with Department of State Development and the Developer (Stockland) is required however, council is the deciding authority.

Given Kings Beach will be the closest patrolled bathing area to Aura, it is expected that most residents will utilise this precinct for safe swimming opportunities. Therefore, the CSCDIF is a potential contributing funding source for improvements to the Kings Beach Life Saving Facility. The CSCDIF seeks to:

- Contribute to community infrastructure that council determines will benefit residents within Caloundra South and surrounding areas including Caloundra North and Glasshouse Country Statistical Local Areas.
- Minimise the potential impacts of the Caloundra South residents on council provided infrastructure outside of the Priority Development Area which are not provided such as regional community and transport associated facilities.

Nominated projects will be required to demonstrate the relationship between the demand from Caloundra South and the proposed project/ infrastructure.

The CSCDIF is funded through a financial contribution of \$555.00 per lot (annually adjusted) and is limited to a maximum value of \$10,000,000. Current forecasts envisage this could be achieved by 2032, however, this forecast is subject to market sales demand.

Council's 10 Year Capital Works Program does not provide any allocations for this facility development. Given the broad community benefit, increased need and improved safety elements, this project aligns to a number of state and federal government funding programs.

CORPORATE PLAN

Corporate Plan Goal:	<i>A strong community</i>
Outcome:	2.1 - Safe and healthy communities
Operational Activity:	2.1.5 - Implement prioritised projects from community facility master plans and facility development plans.

CONSULTATION

Portfolio Councillor Consultation

- Councillor O'Pray – Portfolio Councillor for Tourism, Events and Sport
- Councillor Rogerson – Portfolio for Local Infrastructure Delivery, Councillor assisting Tourism, Events and Sport.

Internal Consultation

Internal consultation occurred throughout the development of the Plan including:

- Division 2 Councillor
- Manager, Sport & Community Venues
- Coordinator, Sports Venues & Development
- Manager, Property Management
- Senior Property Officer, Property Management
- Senior Facility Officer, Property Management
- Coordinator Coastal Construction, Water and Planning, Environmental Operations
- Recreation Trails Activation Officer, Environmental Operations
- Manager, Parks and Gardens
- Principal Landscape Architect, Parks & Gardens
- Senior Technical Design Officer, Parks & Gardens

- Coordinator Open Space and Social Policy, Environment and Sustainability Policy
- Senior Open Space and Recreation Planner, Environment and Sustainability Policy
- Coordinator Holiday Parks and Lifeguard Services, Economic Development and Major Projects.

In December 2016, an internal Request for Comments (RFC) process was undertaken seeking comment from senior officers on the Plan. Key themes received in favour of the upgrade included:

- an improved outcome that provides additional storage for rescue craft and surf equipment;
- population growth must be met by contemporary and fit for purpose facilities;
- the upgrade will cater for the needs of the future, including population growth that will put further pressure on Kings Beach and lifesaving services;
- increased gross floor area and more functional layout design; and
- an important community service for the health and safety of beach users.

Key themes not supporting the upgrade of the facility included:

- the proposed facility indicates a net loss of public open space – the Rebuild option maximises use of Lot 187 (upon which the facility currently spans) extending the facility's boundary approximately five metres to the south;
- there should be no loss of vegetation for shading and amenity in the surrounding area;
- additional on-street car parking should be sought to meet the needs in order to alleviate the need to extend the existing boundary to the south; and
- options to expand the function of the facility without increasing the footprint should be examined.

External Consultation

Consultation occurred with the following key stakeholders throughout the development of the Plan including:

- Surf Life Saving Queensland (including management, Lifeguard Services and Support Services); and
- Metropolitan Caloundra Surf Life Saving Club (including senior and junior / nipper activities).

Community Engagement

Consultants from Mode Design conducted targeted consultation with key stakeholders throughout the Plan's development to provide opportunities for review and feedback of documentation. Two workshops were held with the Metropolitan Caloundra Surf Life Saving Club and Surf Life Saving Queensland to determine the priorities and functions of the facility.

The outcomes from these workshops concluded that the preferred option for redevelopment was Option 2 – rebuild. A subsequent meeting held with Surf Life Saving Queensland's Chief Executive Officer and Sunshine Coast Regional Manager in March 2017 supported this approach. Attendees noted an interest to progress the redevelopment of the Kings Beach Life Saving Facility as a statewide priority through available government funding opportunities.

PROPOSAL

The purpose of the Kings Beach Life Saving Facility Development Plan ('the Plan') is to provide conceptual designs and preliminary costings for a proposed upgrade of the Kings Beach Life Saving Facility (also known as 'the Boatshed'). The facility is located at Ormonde Terrace, Kings Beach, Caloundra spanning four land parcels (Lots 187-190 on RP42595). In a relatively unusual occurrence along coastal foreshore frontage, these and adjacent land parcels are all owned freehold by Sunshine Coast Council.

Due to the age of the facility, increased population growth and pressure on surf life saving operations (Kings Beach attracts approximately 120,000 visitations per summer season), there is a need to upgrade the Kings Beach Life Saving Facility to improve the functionality and capacity of the asset. The Plan acknowledges the constraints of the existing facility and explores redevelopment opportunities which aim to improve beach safety service delivery outcomes.

Surf Life Saving Queensland have tenure over the Kings Beach Life Saving Facility. A new agreement is currently under negotiation with Surf Life Saving Queensland with the previous agreement expiring in April 2017. The Licence Agreement acknowledges that part of the premises is occupied by the Metropolitan Caloundra Surf Life Saving Club.

Previous to this arrangement, the facility was shared by the Council Lifeguard Service and the Metropolitan Caloundra Surf Life Saving Club, with a management agreement pertaining to the lower level of the facility for their junior activities and storage requirements.

The Metropolitan Caloundra Surf Life Saving Club began patrols of Kings Beach in 1933, with their main clubhouse located at the northern end of Kings Beach - 1 Spender Lane. In addition to the main clubhouse, the Metropolitan Surf Life Saving Club also jointly occupy part of the premises located at Ormonde Terrace with Surf Life Saving Queensland. Services provided from the Ormonde Terrace facility ('the Boatshed') include:

- Surf Life Saving Queensland Lifeguard services – daily operations, storage and office;
- Surf Life Saving Queensland support services;
- Metropolitan Caloundra Surf Life Saving Club Junior (nipper) activities; and
- Metropolitan Caloundra Surf Life Saving Club Senior activities – patrol services, storage, first aid.

Current membership of the Metropolitan Caloundra Surf Life Saving Club is in excess of 610 members. Junior membership (nippers) makes up a large percentage of the Surf Club's members, and over the last five years nipper membership has varied between 250 and 300 children however, this membership is expected to increase given the predicted population growth particularly in the southern area of the Sunshine Coast.

Both the Metropolitan Surf Life Saving Club and Surf Life Saving Queensland have commented that the existing facility does not adequately meet their operational requirements due to the following:

- storage is inadequate, particularly given the increased resourcing requirements and competing demands of users of the facility (i.e. jet ski, surf boats, roving patrol vehicle, trailers and other surf craft and equipment provision for junior and senior patrons);
- facility layout is not suitable for the mix of uses;
- the facility does not comply with current legislative/code requirements; and
- privacy and safety concerns, particularly the shared use of amenities by children and adults.

In the 2015/16 capital works budget, council allocated an amount of \$20,000 to enable the preparation of the Kings Beach Life Saving Facility Development Plan. Mode Design were subsequently engaged to undertake designs and costings giving consideration to a range of uses (specifically surf life saving operations) for broad community benefit. The Plan considers, but is not limited to:

- how the facility is best utilised in the long term (over a 15 year horizon) by Surf Life Saving Queensland, Metropolitan Caloundra Surf Life Saving Club and the community;
- appropriate refurbishment, maintenance or enhancements for the facility; and
- quantity survey estimates for concept design outcomes.

The current facility is a two story building approximately 25 years old and includes:

- kitchen/ canteen area
- first aid room
- nippers area including storage
- boat and motorised craft storage
- lifeguard office and surveillance area
- balcony.

In May 2015, Council's Property Management Branch conducted a dilapidation review on the Kings Beach Life Saving Facility (Appendix B). The review indicated that the building was showing signs of deterioration to the external finishes. The report concluded that the severe corrosive coastal environment would cause structural damage if preventative maintenance was not completed. To address these issues, council's Property Management Branch undertook immediate remedial works as recommended in the report. The report also recommended that given the age of the asset, there will be a requirement for ongoing programmed maintenance to provide useable amenity for the foreseeable future.

Legal

There are no legal implications relevant to this report other than those involved in the current tenure negotiations. Legal Services will be engaged in the development of the new tenure agreement and conditions.

Policy

The *Sunshine Coast Sport and Active Recreation Plan 2011-2026*, *Social Infrastructure Strategy 2011* and *Open Space Strategy 2011* form council's policy position relevant to this report. These documents have been reviewed and used to guide the recommendations of the Facility Development Plan.

Sunshine Coast Sport and Active Recreation Plan 2011 - 2026

The adoption of the *Sunshine Coast Sport and Active Recreation Plan 2011-2026* provides recommendations including:

'paying particular attention to ensuring that high growth areas have adequate land and community facilities'.

Social Infrastructure Strategy 2011

The adoption of the *Sunshine Coast Social Infrastructure Strategy 2011* is supported by desired outcomes which align to the proposed upgrade of the Kings Beach Life Saving Facility, including:

- Maximising economic benefit – the proposed facility is located and designed to complement local businesses and services and is adaptable to the changing needs of the community. The design also incorporates principles that reduce cost and duplication.
- Well-designed spaces and places – the facility is designed to respond to the surrounding natural and built environment which reflects the character and identity of the local community. The facility is resource efficient, contributing to sustainable outcomes.
- Well-resourced communities – the facility responds to the diverse and changing needs of the community. Given the improved layout and modern design attributes, the community will feel a sense of pride and ownership of the proposed building.

Open Space Strategy 2011

The adoption of the *Sunshine Coast Open Space Strategy 2011* provides guidance on the Sunshine Coast's Open Space network blueprint. Recommendations relevant to this proposal include:

'Biodiversity values and ecological process are protected and enhanced for future generations.

Our sport grounds, recreation parks and trails are accessible, responsive to community needs and are sustainable'.

Risk

The Facility Development Plan reduces the risk of ad-hoc development, which may be to the detriment of future service provision and uses.

Failure to adequately plan for the life saving facility and club's current and future uses will likely result in ongoing community disharmony and potential reduction in beach safety services provided to the community. In addition, failure to maintain an adequate level of service for sport and active recreation facilities may result in increased future costs and lead to community dissatisfaction.

The raising of community expectations without adequate funding options available to implement recommendations could result in community dissatisfaction.

Previous Council Resolution

At General Meeting Thursday 6 August 1998, Caloundra City Council endorsed the Kings Beach Master Plan Report supporting a significantly expanded surf life saving facility footprint dedicating most of the open space along Ormonde Terrace to car parking and built infrastructure.

File No.: 426-122-001

That:-

- (a) the Master Plan on the redevelopment of Kings Beach be received;*
- (b) the Steering Committee continue the consultation process with the community; and*
- (c) the Steering Committee report back to Council with the recommended implementation program for the Master Plan. This report to include funding sources and proposals.*

Related Documentation

- *Land Act 1994*
- Sunshine Coast Council Planning Scheme 2014
- Sunshine Coast Corporate Plan 2017 - 2021
- Sunshine Coast Open Space Strategy 2011
- Sunshine Coast Sport and Active Recreation Plan 2011-2026
- Sunshine Coast Social Infrastructure Strategy 2011
- Sunshine Coast Biodiversity Strategy 2010-2020
- Sunshine Coast Waterways and Coastal Management Strategy 2011-2021
- Sunshine Coast Council Draft Coastal Pathway Master Plan.

Critical Dates

There are no critical dates relevant to this report.

Implementation

It is acknowledged that the cost of implementing the recommendations within the Plan are beyond the capacity of council to fund in its own right. Future allocations towards the implementation of the Plan will be considered through Council's 10 Year Capital Works Program, the Caloundra South Community Development Infrastructure Fund, Surf Life Saving Queensland, Metropolitan Caloundra Surf Life Saving Club and funding sought either by council or user groups through available state and federal government grant opportunities.

8.2.2 PEST SURVEY PROGRAM

File No:	F2016/210350
Author:	Coordinator Healthy Places Community Services Department
Appendices:	App A - Surveillance Program for Sunshine Coast Council - Biosecurity Act 2014 115

PURPOSE

This report seeks Council endorsement to conduct a pest survey program. The Program is scheduled to commence on 1 July 2017 and end on 30 June 2018 and will be implemented by council's Vector and Pest Plant Education and Control Team.

EXECUTIVE SUMMARY

A pest survey program is proposed to occur from 1 July 2017 to 30 June 2018 *Surveillance Program for Sunshine Coast Council* (the Program). The Program requires authorisation from Council under section 235 of the *Biosecurity Act 2014* (the Act) to lawfully conduct this work in the management of pest plants (invasive biosecurity matter).

The Program will target specific pest plants listed in the Act such as groundsel bush, rat's tail grasses, parthenium and salvinia. Work under the Program involves confirming the presence, absence, extent and/or magnitude of certain pest plants. The work also includes monitoring compliance activities and measures that prevent and/or control them.

Council authorisation of the Program gives authorised persons (council officers) power to enter private property without consent. However, council officers will make efforts to locate the landholder and provide information and education to assist them with the management of pest plants. Council also offers access to free weed control equipment to assist the landholder to comply. The Program is a necessary initial step before other compliance work under the Act can occur such as issuing a Biosecurity Order.

The 2017/2018 budget allocation provides sufficient finance and resources to undertake the proposed Program. The Program is consistent with Council's *Corporate Plan 2017-2021* goals, and provides an instrument for the implementation of actions specified in the *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*.

The *Sunshine Coast Local Government Area Pest Management Plan 2012-2016* is a transitional document for this Program and will be replaced by new Sunshine Coast Local Government Area Biosecurity Plan 2017- 2021. This new plan is currently under development and will require the endorsement of Council.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Pest Survey Program"**
- (b) adopt the 1 July 2017 to 30 June 2018 *Surveillance Program for Sunshine Coast Council* in accordance with section 235 of the *Biosecurity Act 2014***
- (c) authorise the carrying out of the 1 July 2017 to 30 June 2018 *Surveillance Program for Sunshine Coast Council* (Appendix A) in accordance with section 235 of the *Biosecurity Act 2014* and**

- (d) note the following details of the *1 July 2017 to 30 June 2018 Surveillance Program for Sunshine Coast Council* (which are required to be specified in this authorisation under Section 236 *Biosecurity Act 2014*):
- (i) relates to invasive biosecurity matter – invasive plants that are prohibited or restricted matter as defined in the *Biosecurity Act 2014*
 - (ii) purpose is to monitor for compliance with the *Biosecurity Act 2014* and monitor the presence and extent of invasive biosecurity matter – invasive plants that are prohibited or restricted matter as defined in the *Biosecurity Act 2014*
 - (iii) the period over which the program is carried out is from 1 July 2017 to 30 June 2018
 - (iv) is for monitoring compliance with the *Biosecurity Act 2014* and places that will be entered and inspected are privately owned land within the Sunshine Coast Council Local Government Area and are properties with land size equal to or greater than 4,000m²
 - (v) is for determining the presence or extent of the spread of invasive biosecurity matter – invasive plants that are prohibited or restricted matter as defined in the *Biosecurity Act 2014* and applies to privately owned land within the Sunshine Coast Council Local Government Area and are properties with land size equal to or greater than 4,000m²
 - (vi) surveillance in the localities of Beerwah, Booroobin, Conondale, Diamond Valley, Doonan, Dulong, Glenview, Harper Creek, Hunchy, Kiels Mountain, Landsborough, Meridan Plains, Mooloolah Valley, Palmview, Peachester, Perwillowen, West Woombye, Weyba Downs and Wootha and
 - (vii) Individual properties also previously known to harbour invasive biosecurity matter will be surveyed for ongoing compliance.

FINANCE AND RESOURCING

The 2017/2018 budget allocated to address pest plant issues through the pest survey program is \$377,956 allocated as follows:-

- Salaries \$ 286,455
- Materials and services \$ 6,657
- Vehicles and plant \$ 59,767
- Internal materials and services \$ 25,077

This equates to 3.5 x full time equivalent persons allocating their time to this program:-

- 2.7 x full time equivalent positions conduct the proactive inspections, management and administration (around 3,000 per year) and
- 0.8 x full time equivalent positions responding reactively to complaints (around 330 customer requests per year) lodged by the community on pest plants.

The 2017/2018 budget allocation is sufficient to undertake the proposed program under the *Biosecurity Act 2014*.

CORPORATE PLAN

Corporate Plan Goal: *Service excellence*

Outcome: 4.3 - Service quality assessed by performance and value to customers

Operational Activity: 4.3.1 - Administer and review council's local laws and relevant State legislation in a manner that supports council's economic, community and environmental goals for the region and is consistent with statutory obligations.

CONSULTATION

Portfolio Councillor Consultation

- Councillor McKay – Portfolio Councillor for Community and Environment

Internal Consultation

The following internal stakeholders contributed to the development of this report:

- Team Leader Vector and Pest Plant Education and Control

External Consultation

The following external stakeholders were consulted:

- Principal Biosecurity Officer, Biosecurity Queensland – Maroochy Research Facility
- The Chief Executive Officer of the Department of Agriculture and Fisheries was consulted and provided a response to council to inform the drafting of the Surveillance Program.

Community Engagement

There has been no community engagement undertaken in relation to this report.

PROPOSAL

Biosecurity matter is defined in full in the *Biosecurity Act 2014*, but in brief is a living plant or animal, pathogen, disease, or contaminant. The Program is targeting specific pest plants listed in the Act such as groundsel bush, rat's tail grasses, parthenium and salvinia.

The proposed Program under the *Biosecurity Act 2014* must be authorised by Council to allow the carrying out of the following activities:

- monitoring compliance with the *Biosecurity Act 2014*;
- confirming the presence, absence, and/or the extent of invasive biosecurity matter (pest plants);
- monitoring the effectiveness of measures taken in response to a biosecurity risk;
- monitoring compliance with requirements about prohibited matter or restricted matter (as defined in the Act); and
- monitoring levels of biosecurity matter (pest plants), including a carrier (e.g. feed contaminated with pest plants).

Council authorisation of the Program gives authorised persons (council officers) power to enter private property without consent. However council officers will actively work towards contacting the landholder in the first instance to help address any identified issues with the provision of information and education to assist them with the management of pest plants.

Part of this education process will include assisting the person in understanding their “general biosecurity obligation”, noting that the person who is control of the property *has an obligation to take all reasonable and practical measures to prevent or minimize the biosecurity risk* (section 23(2)) of the Act.

Council also offers access to free weed control equipment to assist the landholder to comply. The Program is a necessary initial step before compliance work under the Act can occur such as issuing a Biosecurity Order.

The Program will continue work that council has previously delivered under previous pest survey programs. Based on historical data from council’s work in pest survey programs:

- 7.5% of properties proactively inspected contained declared plants
- 3.5% of landholders entered into a voluntary pest management plan with council to undertake certain actions within certain agreed timeframes
- 3.5% of landholders received a pest control notice and the vast majority complied before the compliance period expired and
- Less than 1% of properties inspected resulted in council engaging a contractor to enter and clear the property.

Legal

Authorisation of the proposed Program by a resolution of the local government is required in accordance with section 235 *Biosecurity Act 2014*.

Section 236 of the *Biosecurity Act 2014* outlines what must be stated in the program authorisation for a biosecurity program.

The authorisation of the program enlivens a number of specific powers under the Act including section 261 (Power to enter place under biosecurity program), section 262 (Power to enter place to check compliance with biosecurity order) and section 270 (Entry of place under sections 261 and 262).

Policy

Local governments in Queensland have a biosecurity obligation to control invasive biosecurity matter within their local government area in compliance with the *Biosecurity Act 2014* (section 48). The Program contributes to the outcomes of the *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*.

The *Sunshine Coast Local Government Area Pest Management Plan 2012-2016* is a transitional document for this Program and will be replaced by new Sunshine Coast Local Government Area Biosecurity Plan 2017- 2021. This new plan is currently under development and requires the endorsement of Council.

Risk

With increasing numbers of residents moving to our hinterland with limited understanding of rural land management, invasive plants have the potential to present a problem on large and small acreage as well as urban fringe areas. Failure to endorse the *1 July 2017 to 30 June 2018 Surveillance Program for Sunshine Coast Council* may mean:

- that Councils is not meeting its obligations under the Act
- the risks associated with not controlling pest plants throughout the region are increased

- lead to potential significant environmental damage and the resulting loss of biodiversity
- that stock and domestic animals are exposed to threat and
- lead to the potential loss of agricultural productivity and community amenity.

Under section 50 of the Act the state government minister responsible for biosecurity may direct by issue of a formal notice to the local government to perform a biosecurity function or obligation. The local government must comply with this notice.

Previous Council Resolution

Ordinary Meeting 25 January 2017 (OM17/9)

That Council:

- (a) receive and note the report titled "Pest Survey Program"*
- (b) adopt the 13 February to 30 June 2017 Surveillance Program for Sunshine Coast Council in accordance with section 235 of the Biosecurity Act 2014*
- (c) authorise the carrying out of the 13 February to 30 June 2017 Surveillance Program for Sunshine Coast Council (Appendix A) in accordance with section 235 of the Biosecurity Act 2014 and*
- (d) note the following details of the 13 February to 30 June 2017 Surveillance Program for Sunshine Coast Council (which are required to be specified in this authorisation under Section 236 Biosecurity Act 2014):*
 - i. relates to invasive biosecurity matter – invasive plants that are prohibited or restricted matter as defined in the Biosecurity Act 2014*
 - ii. purpose is to monitor for compliance with the Biosecurity Act 2014 and monitor the presence and extent of invasive biosecurity matter – invasive plants that are prohibited or restricted matter as defined in the Biosecurity Act 2014*
 - iii. the period over which the program is carried out is from 13 February 2017 to 30 June 2017*
 - iv. is for monitoring compliance with the Biosecurity Act 2014 and places that will be entered and inspected are privately owned land within the Sunshine Coast Council Local Government Area and are properties with land size equal to or greater than 4,000m²*
 - v. is for determining the presence or extent of the spread of invasive biosecurity matter – invasive plants that are prohibited or restricted matter as defined in the Biosecurity Act 2014 and applies to privately owned land within the Sunshine Coast Council Local Government Area and are properties with land size equal to or greater than 4,000m²*
 - vi. surveillance in the localities of Beerwah, Booroobin, Conondale, Diamond Valley, Doonan, Dulong, Glenview, Harper Creek, Hunchy, Kiels Mountain, Landsborough, Meridan Plains, Mooloolah Valley, Palmview, Peachester, Perwillowen, West Woombye, Weyba Downs and Wootha and*
 - vii. Individual properties also previously known to harbour invasive biosecurity matter will be surveyed for ongoing compliance.*

Related Documentation

- *Local Government Act 2009*
- *Biosecurity Act 2014*
- *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*

Critical Dates

The Program has been scheduled to commence monitoring activities from 1 July 2017 to 30 June 2018. Notice of the Program must be given at least 14 days prior to the commencement of the program. The notification would be raised no later than 17 June 2017.

Implementation

The Program will be available at all Customer Service Centres and will be published on the council website at least 14 days before commencement. The Program is a necessary initial step before council can undertake compliance and enforcement work can commence to prevent and control pest plants.

The Program will be implemented by council's Vector and Pest Plant Education Team in correlation to council land management schedules from 1 July 2017 to 30 June 2018. This ensures an efficient delivery for maximum benefit to both community and council's assets. Council has a number of tools to be used in the education, surveillance, compliance and enforcement work including an entry notice and fact sheet that will be supplied to the owner outlining the requirements of the legislation and their options.

A number of resources including educational booklets, a smartphone application, fact sheets, and public notices will be provided to rural and peri-urban landholders via social media, mail outs and surveys. Information is also available online at council's website and Biosecurity Queensland's website.

Council's Vector and Pest Plant Control Officers will seek voluntary compliance and collaborate with landholders/land managers wherever possible to facilitate the control of pest plants. The Program will:-

- allow the confirmation of the presence of pest plants on a property;
- allow Council to communicate and inform a person about their biosecurity general obligation; and
- assess whether to issue a Biosecurity Order to a person for failure to discharge their general biosecurity obligation (which may require the person to undertake management action – such as prevention or control).

If a landholder/land manager fails to comply, (or the occupier fails to allow the owner to comply) the authorised Program under the *Biosecurity Act 2014* provides for the property to be entered and for council to undertake the work required (section 263). Costs can be recovered from the person that has failed to comply (section 380).

8.2.3 FERAL ANIMAL PREVENTION AND CONTROL PROGRAM

File No:	F2016/210486
Author:	Coordinator Healthy Places Community Services Department
Appendices:	App A - Prevention and Control Program - Feral Animals - Biosecurity Act 2014 127

PURPOSE

This report seeks Council endorsement to conduct a feral animal prevention and control program. The Program is scheduled to commence on 1 July 2017 and end on 30 June 2018 and will be implemented by council's Feral Animal Education and Control Team.

EXECUTIVE SUMMARY

A feral animal prevention and control program is proposed and shall be known as the *1 July 2017 to 30 June 2018 Prevention and Control Program for feral animals under the Biosecurity Act 2014 for the Sunshine Coast Council area* (the Program). The Program requires authorisation from Council under section 235 of the Act to lawfully conduct this work in the management of feral animals (invasive biosecurity matter).

The Program is targeting specific feral animals throughout the Sunshine Coast Council area namely wild dogs (other than a domestic dog), feral pigs, feral goats, feral cats (other than a domestic cat), feral deer, European foxes, European rabbits and Indian Myna Birds.

Work under the Program involves confirming the presence, absence, extent and/or magnitude of certain feral animals and the capture and destruction of them.

Council authorisation of the Program gives authorised persons (council officers) power to enter private property without consent. However, council officers will make efforts to locate the occupier and provide information and education to assist them with the management of feral animals. Council offers assistance through training, advice and on-ground support to occupiers of properties to assist them with feral animals which includes trapping and baiting programs.

Council officers respond to hundreds of requests for service regarding feral animals and this Program will support this service. This Program will also support the community led partnerships such as the Community Wild Dog Baiting Programs and operate on both council owned or controlled lands and private properties.

The 2017/2018 budget allocation provides sufficient finance and resources to undertake the proposed Program. The Program is consistent with the *Corporate Plan 2017-2021* goals, and provides an instrument for the implementation of actions specified in the *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*.

The *Sunshine Coast Local Government Area Pest Management Plan 2012-2016* is a transitional document for this Program and will be replaced by the new Sunshine Coast Local Government Area Biosecurity Plan 2017- 2021. This new plan is currently under development and requires the endorsement of Council.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Feral Animal Prevention and Control Program”
- (b) adopt the *1 July 2017 to 30 June 2018 Prevention and Control Program for feral animals under the Biosecurity Act 2014 for the Sunshine Coast Council area* in accordance with section 235 of the *Biosecurity Act 2014* and
- (c) authorise the carrying out of the *1 July 2017 to 30 June 2018 Prevention and Control Program for feral animals under the Biosecurity Act 2014 for the Sunshine Coast Council area (Appendix A)* in accordance with section 235 of the *Biosecurity Act 2014*.

FINANCE AND RESOURCING

The budget allocated to address feral animal issues through the prevention and control program for 2017/2018 is \$960,829, allocated as follows:

Salaries	\$569,682
Materials and services	\$273,820
Vehicles and plant	\$85,871
Internal materials and services	\$31,456

This equates to 7 full time equivalent persons allocating their time to this program.

The budget allocation is sufficient and on track to undertake the proposed Program under the *Biosecurity Act 2014*.

CORPORATE PLAN

Corporate Plan Goal: *Service excellence*

Outcome: 4.1 - Respecting and valuing our customers

Operational Activity: 4.1.5 - Administer and review council's local laws and relevant State legislation in a manner that supports council's economic, community and environmental goals for the region and is consistent with statutory obligations

CONSULTATION**Portfolio Councillor Consultation**

- Cr McKay – Portfolio Councillor for Community and Environment

Internal Consultation

The following internal stakeholders contributed to the development of this report:

- Team Leader Feral Animal Education and Control

External Consultation

The following external stakeholders were consulted:

- The Chief Executive Officer of the Department of Agriculture and Fisheries

Community Engagement

There has been no community engagement undertaken in relation to this report.

PROPOSAL

Biosecurity matter is defined in full in the *Biosecurity Act 2014*, but in brief is a living plant or animal, pathogen, disease, or contaminant. The Program is targeting specific feral animals namely wild dogs (other than a domestic dog), feral pigs, feral goats, feral cats (other than a domestic cat), feral deer, European foxes, European rabbits and Indian Myna Birds.

The proposed Program under the *Biosecurity Act 2014* must be authorised by Council to allow the carrying out of the following activities:-

1. provide information and education to an occupier of a place;
2. undertake property assessments to determine the travel routes or harbourage areas of the feral animals being targeted in the program;
3. collect information from occupiers of properties to inform the program to maximise its functioning;
4. establish monitoring cameras, sand pads or other animal detection devices on a property to determine the presence of roaming domestic animals or feral animals;
5. install traps and or deploy poisons (1080 and strychnine) in line with regulatory controls including humane destruction;
6. install warning signage on the property to alert the public to the actions being conducted;
7. visit the property at varying hours to attend to traps or other devices;
8. visit the property at varying hours to undertake removal/destruction of feral animals in line with regulatory controls and humane destruction;
9. undertake the use of firearms for feral animal destruction purposes within the regulatory controls;
10. engage a veterinarian for animal care or destruction purposes where required.

Council authorisation of the Program gives authorised persons (council officers) power to enter private property without consent. However council officers will make efforts to locate the landholder and provide information and education to assist them with the management of feral animals.

Part of this education process will include assisting the person in understanding their "general biosecurity obligation". The person who is control of the property *has an obligation to take all reasonable and practical measures to prevent or minimize the biosecurity risk* (section 23.(2) of the Act).

Council also offers access to free training and feral animal control equipment to assist the occupier to comply.

Legal

Authorisation of the proposed Program by a resolution of the local government is required in accordance with section 235 of the Act. Section 236 of the Act outlines what must be stated in the program authorisation for a biosecurity program.

The authorisation of the Program enlivens a number of specific powers under the Act including section 261 (Power to enter place under biosecurity program), section 262 (Power to enter place to check compliance with biosecurity order) and section 270 (Entry of place under sections 261 and 262).

Policy

Local governments in Queensland have a biosecurity obligation to control invasive biosecurity matter within their local government area in compliance with the *Biosecurity Act 2014* (section 48). The Program contributes to the outcomes of the *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*.

The *Sunshine Coast Local Government Area Pest Management Plan 2012-2016* is a transitional document for this Program and will be replaced by the new Sunshine Coast Local Government Area Biosecurity Plan 2017- 2021. This new plan is currently under development and requires the endorsement of Council.

Risk

The activities conducted to address feral animals include a number of risks. In response to the risks the following treatments have been instituted:

1. council officers collect information and data from local residents and install monitoring cameras to ensure that the trapping programs do not result in the capture of off target species (e.g. domestic animals);
2. council officers are utilising telemetry cameras and remotely activated traps that alert officers immediately to animal captures which improves humane outcomes;
3. firearms stored and licensed in line with Queensland Police/Weapons Licensing requirements and regularly audited;
4. council's Group Licence Holder and Senior Workplace Health and Safety Officer conduct regular audits of the firearms storage;
5. firearms officers have successfully completed firearms safety courses, humane destruction courses and have been issued with occupational weapons licenses from Weapons Licensing after endorsement from council's Chief Executive Officer;
6. all firearms officers attend regular firearms range training;
7. council is continuing to work with leaders in firearms to ensure that control techniques including calibre selection and weapon of choice ensures the best humane outcome for the feral animal and minimising the potential for other risks to present;
8. council has visited a number of other councils and state government agencies within Queensland and New South Wales to ensure that the control techniques are best practice;
9. council has developed and implemented an additional *Firearms Procedure Manual* as an added level of safety and rigour;
10. council is currently securing chemical capture firearms (dart guns) to reduce risks and improve safety;
11. firearms officers are required to undertake an extensive induction program of 18 months before being granted approval;
12. all properties where a firearm is to be discharged are assessed before undertaking the activity;
13. all authorised officers dispensing 1080 poison and strychnine attend training and must pass exams every two years and are approved by Biosecurity Queensland and Queensland Health;
14. council's mapping; monitoring and data collection; policies and documentation; and communication applied to the community for the baiting programs is best practice and has been recognised by the state government and other councils as a leader in his field;
15. council has developed a 1080 use document that meets biosecurity requirements;
16. council is currently employing the services of an occupational therapist to produce a manual handling document and deliver the training to staff to reduce injuries that could be sustained from undertaking these duties (e.g. installation of heavy livestock panel fencing to build a feral pig trap);
17. all officers are issued with personal EPIRBs to meet *Work Health and Safety Act 2011* remote worker requirements;

18. vehicles and equipment have been selected and developed to be fit for purpose and reduce the potential of harm to officers; and
19. the Feral Deer Officer has been issued a satellite mobile phone due to significant network coverage issues to ensure that he can communicate when the need arises.

Previous Council Resolution

Ordinary Meeting 25 January 2017 (OM17/8)

That Council:

- (a) *receive and note the report titled "Feral Animal Prevention and Control Program"*
- (b) *adopt the 13 February to 30 June 2017 Prevention and Control Program for feral animals under the Biosecurity Act 2014 for the Sunshine Coast Council area (Appendix A) in accordance with section 235 of the Biosecurity Act 2014 and*
- (c) *authorise the carrying out of the 13 February to 30 June 2017 Prevention and Control Program for feral animals under the Biosecurity Act 2014 for the Sunshine Coast Council area (Appendix A) in accordance with section 235 of the Biosecurity Act 2014.*

Related Documentation

- *Local Government Act 2009*
- *Biosecurity Act 2014*
- *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*
- *Work Health and Safety Act 2011*

Critical Dates

The Program has been scheduled to commence prevention and control activities from 1 July 2017 to 30 June 2018.

Notice of the Program must be given at least 14 days prior to the commencement of the program. The notification would be raised no later than 17 June 2017.

Implementation

The Program will be available at all Customer Service Centres and will be published on the council website at least 14 days before commencement. The Program is a necessary initial step before council can undertake compliance and enforcement work can commence to prevent and control feral animals.

The Program will be implemented by council's Feral Animal Education and Control Team in correlation to council land management schedules. This ensures an efficient delivery for maximum benefit to both community and council's assets. Council has a number of tools to be used in the education, surveillance, compliance and enforcement work including an entry notice and fact sheet that will be supplied to the occupier outlining the requirements of the legislation and their options.

A number of resources including educational booklets, a smartphone application, fact sheets, and public notices will be provided to occupiers of property via social media, mail outs and surveys. Information is also available online at council's website and Biosecurity Queensland's website.

The Program will:-

1. allow the confirmation of the presence of feral animals on a property
2. allow council to communicate and inform a person about their biosecurity general obligation;
3. assess whether to issue a Biosecurity Order to a person for failure to discharge their general biosecurity obligation (which may require the person to undertake management action – such as prevention or control)
4. ensure Sunshine Coast Council is meeting its general biosecurity obligation to manage invasive biosecurity matter – invasive animals that are prohibited or restricted matter in the Sunshine Coast Council local government area to reduce the impacts on human health, social amenity, the economy or the environment (section 48 of the Act)
5. assist in capacity building of the occupiers of properties to minimise the impacts from invasive animals – prohibited or restricted matter on pets, animals and livestock or agricultural crops
6. determine the extent of invasive animals – prohibited or restricted matter in identified locations
7. collect data and undertake research to assist in determining trends in invasive animals – prohibited or restricted matter populations and better understand how to manage these populations whilst reducing their impacts including refining and enhancing current programs and services
8. determine the effectiveness of education, community/council partnerships and on-ground treatment programs
9. permit the deployment of data collection methods such as sand pads, monitoring cameras and infield infrared site surveys
10. permit the deployment of trapping systems, Canid Pest Ejectors, tied and buried 1080 meat baits, manufactured 1080 baits and strychnine providing these deployments are within the regulatory controls
11. the provision of 1080 manufactured and or meat baits to landholders to use for approved feral animal control programs and
12. permit the destruction of invasive animals – prohibited or restricted matter subject to meeting regulatory controls including humane destruction under animal welfare legislation.

8.3 PLANNING AND ENVIRONMENT**8.3.1 DEVELOPMENT APPLICATION - CONCURRENCE AGENCY REFERRAL TO COUNCIL FOR BUILDING WORK - 11 CARWOOLA CRESCENT, MOOLOOLABA**

File No: Council Meetings
 Author/Presenter: Senior Building Certifier
 Planning and Environment Department
 Attachments: Att 1 - Site Plan & Elevation Carport 11 Carwoola Crescent,
 Mooloolaba143

Link to PD Online:

<http://pdonline.sunshinecoast.qld.gov.au/MasterView/Modules/Applicationmaster/default.aspx?page=wrapper&key=1908211>

SUMMARY SHEET	
APPLICATION DETAILS	
Applicant:	Suncoast Building Approvals
Proposal:	Concurrence Agency Referral to Council for Building Work – Residential Carport Within 6.0m of the Front Road Boundary Set-Back
Properly Made Date:	28 April 2017
Information Request Date:	N/A
Information Response Received Date:	N/A
Decision Due Date	5 August 2017
Number of Submissions	N/A
PROPERTY DETAILS	
Division:	4
Property Address:	11 Carwoola Crescent, Mooloolaba, Qld, 4557
RP Description:	Lot 60 AM 83316
Land Area:	703 m ²
Existing Use of Land:	Residential
STATUTORY DETAILS – FOR USE WITH APPLICATIONS UNDER SUNSHINE COAST PLANNING SCHEME	
Planning Scheme:	Sunshine Coast Planning Scheme 2014
SEQRP Designation:	Urban Footprint
Zone:	Low Density Residential
Planning Area / Locality:	Mooloolaba / Alexandra Headland Local Plan Area
Assessment Type:	Concurrence Agency Assessment

PURPOSE

The purpose of this report is to seek council's determination of a concurrence agency referral ("boundary relaxation application") for building work comprising of a residential carport constructed within the 6.0m road frontage boundary at 11 Carwoola Crescent, Mooloolaba.

The application is before council at the request of the Divisional Councillor.

EXECUTIVE SUMMARY

A concurrence agency referral has been lodged seeking council consent for the carport at the front of the property, constructed 0.188m from the road frontage boundary in lieu of the required 6.0m set-back.

The referral is lodged under the provisions of the *Sustainable Planning Act 2009* and *Building Act 1975* for assessment against the performance outcomes of the Sunshine Coast Planning Scheme 2014 – Dwelling House Code where council has prescribed alternate siting provisions for carports, garages and sheds.

This application has been assessed against the Performance Outcomes of the Dwelling House Code and does not comply with performance outcomes – PO2(a), (b) and (d) in that there are no other similar carports approved or existed in the street, the carport is inconsistent with the visual continuity and pattern of building in the street, and the carport appears to dominate the streetscape.

The carport is located over a Unitywater sewer. Pursuant to the Queensland Development Code Part MP 1.4, (Building over or near relevant infrastructure), the carport does not require referral to Unitywater as it has been assessed as a light-weight class 10a building not impacting the infrastructure.

This application is therefore recommended for refusal.

OFFICER RECOMMENDATION

That Council Refuse Concurrence Agency Referral No. RAB17/0257 for Building Works – Carport within 6.0m of the Road Frontage Boundary at 11 Carwoola Crescent, Mooloolaba for the following reason:

- (1) The carport does not comply with the Sunshine Coast Planning Scheme 2014 – Dwelling House Code in that it dominates the streetscape and it is inconsistent with visual continuity and pattern of buildings within the street.**

FINANCE AND RESOURCING

Payment of the applicable concurrence agency referral fee for building work under council's Fees and Charges Register 2016-17.

PROPOSAL

The applicant is seeking council support as a concurrence agency for a carport constructed 0.188m from the road frontage boundary in lieu of the required 6.0m set-back. The carport has the following overall dimensions—

- 7.8m width (fronting the street)
- 5.7m depth
- 4.0m height approx.

An inspection of the carport revealed that it is well constructed using high quality materials and finishes.

SITE DETAILS

Background/Site History

Following a complaint to council, an investigation revealed the existing carport had been constructed without a building development permit. It was identified the carport had been constructed within the 6.0 m road frontage boundary without council consent. Significant alterations and additions were approved and undertaken to the dwelling in 2016, however the carport was not included. Advice provided by the owner was that the carport was a last minute consideration.

Following council notification, the property owner lodged a concurrence agency referral ("relaxation application") to council which was refused by councils delegate on 25 November 2016 on the basis that it does not comply with Performance Outcomes – PO2(a), (b) and (d) of the Dwelling House Code.

The owners subsequently appealed council's decision to the Building and Development Disputes Resolution Committee who generally agreed with council and upheld the refusal. (BDDRC Appeal No. 53 – 16, Decided on 22 December 2016).

Vehicle parking on the property includes a double garage with additional space to park two vehicles on the driveway in front of the garage. This would achieve double the mandatory number of vehicle parking spaces on the allotment.

Council's previous concurrence agency assessment identified no other similar carports existed in the street. The assessment concluded that the carport was inconsistent with the visual continuity and pattern of building in the street. Furthermore, the assessment revealed the carport dominated the streetscape and could be seen for a considerable distance.



Carport located over Unitywater sewer (orange line)



View of carport from Carwoola Crescent



Front elevation of carport

Site Description

The allotment has an area of 703 m² and a frontage of 20.1m. This section of Carwoola Crescent can be best described as premiere canal-front living predominately consisting of prestige single detached dwellings. As the allotment is virtually flat there are no restrictions in relation to driveway gradient and access. The allotment is not restricted by easements or covenants.



Aerial view of carport

Surrounding Land Uses

11 Carwoola Crescent and the surrounding allotments are zoned Low Density Residential under the Sunshine Coast Planning Scheme 2014. The immediate neighbourhood and street consist predominantly of single detached dwellings.

ASSESSMENT

Framework for Assessment

Pursuant to the provisions of the *Sustainable Planning Act 2009*, *Building Act 1975* and the Sunshine Coast Planning Scheme 2014, council has prescribed alternate siting provisions for carports, garages and sheds. These alternate provisions are contained in the Dwelling House Code and relate to the location, maximum size and maximum height of these

buildings for the purpose of ensuring a high quality and attractive built environment to the benefit of residents.

Prior to an assessment manager (private building certifier) issuing a building development permit, a concurrence agency referral must be submitted to council for assessment against the alternate siting provisions. Council is required to assess the proposal against the performance outcomes of the Dwelling House Code. The assessment manager is then compelled to act upon council's direction by issuing a decision notice either approving or refusing the proposal.

The following is an extract from the Dwelling House Code—

Garages, Carports and Sheds			
PO2	Garages, carports and sheds:- (a) preserve the amenity of adjacent land and dwelling houses; (b) do not dominate the <i>streetscape</i> ; (c) maintain an adequate area suitable for landscapes adjacent to the road <i>frontage</i> ; and (d) maintain the visual continuity and pattern of buildings and landscape elements within the street.	AO2.1	Where located on a lot in a <i>residential zone</i> , a garage, carport or shed:- (a) is <i>setback</i> at least 6 metres from any road <i>frontage</i> ; (b) does not exceed a height of 3.6 metres; and (c) has a total floor area that does not exceed 56m ² . Note—AO2.1(b) and (c) do not apply to a garage under the main roof of a <i>dwelling house</i> .

An assessment against the performance provisions has concluded the proposal does not comply with performance outcomes – PO2(a), (b) and (d) of the Dwelling House Code

Council's assessment has identified no other similar carports had been approved or existed in the street. The assessment concluded the carport is inconsistent with the visual continuity and pattern of building in the street. Furthermore, the assessment revealed the carport appears to dominate the streetscape and can be seen for a considerable distance.

CONSULTATION

IDAS Referral Agencies

In this case, council are concurrence agency for the application on the basis that the proposal does not comply with the acceptable outcomes of the Dwelling House Code.

Other Referrals

The carport is constructed over a Unitywater sewer. Pursuant to the Queensland Development Code, Part MP 4.1, the class 10a carport (light-weight building) will not require referral to Unitywater as it has no impact on the infrastructure.

Public Notification

Public notification is not required for the carport pursuant to the *Sustainable Planning Act 2009*.

CONCLUSION

The applicant is seeking council support as a concurrence agency for a carport constructed 0.188m from the road frontage boundary in lieu of the required 6.0m set-back. The referral has been assessed for compliance with the Dwelling House Code and found to conflict with the Performance Outcomes of the Dwelling House Code.

It is recommended that the application be refused.

8.3.2 DRAFT PUMICESTONE PASSAGE CATCHMENT ACTION PLAN 2017-2020

File No:	PPCAP2
Author:	Coordinator Biodiversity and Waterways Planning and Environment Department
Appendices:	App A - Draft Pumicestone Passage Catchment action Plan 2017-2020 153 App B - Proposed Council-led actions in the Draft Pumicestone Passage Catchment Action Plan 2017-2020 173
Attachments:	Att 1 - Government and industry catchment management roles and responsibilities 175

PURPOSE

The purpose of this report is to seek Council's in-principle endorsement of the Draft Pumicestone Passage and Catchment Action Plan 2017–2020, and endorsement of the actions for which Council is responsible.

EXECUTIVE SUMMARY

Catchment and waterways management are critical to the *protection and enhancement of our natural assets and distinctive landscapes* — a strategic pathway towards the goal of a *healthy environment* in Council's Corporate Plan.

In support of this strategic pathway, a *Draft Pumicestone Passage Catchment Action Plan 2017–2020 (Appendix A)* has been prepared to provide a tailored management response to local catchment issues impacting on the health of the Pumicestone Passage and its catchment. This new draft plan follows the successful implementation of an inaugural 2013–2016 catchment action plan.

The Pumicestone Passage is an important waterway where locals and visitors can reconnect with nature. Its diverse habitats sustain regional fisheries, marine turtles, dugong and more bird species than Kakadu. The catchment boasts the spectacular Glasshouse Mountains, Bribie Island and the Moreton Bay-Sunshine Coast Regional Inter-Urban Break. It is also home to about 60,000 people and supports regionally significant forestry and farming.

Managing the catchment is a complex task, with many different agencies responsible for their diverse land and water zones (**Attachment 1**).

The draft plan has been prepared through a collaborative approach led by officers from the Sunshine Coast and Moreton Bay Regional Councils, and underpinned by the Pumicestone Catchment Network — a group of more than thirty community, industry and government organisations working together to improve the health of the Passage and its catchment.

This collaborative approach to catchment planning and action ensures that our combined resources are used efficiently and it provides a forum for management issues to be addressed and opportunities to be pursued cooperatively. This process has also attracted ongoing funding and fostered participation from the State Government.

Twenty-nine of the 41 actions of the original plan (2013–2016) were completed as planned and seven further were implemented but with a revised scope. Four of only five incomplete actions have been carried forward. The substantial actions delivered included:

- innovative practices to reduce nitrogen and sediment export from farmlands identified as water quality hotspots
- major investments in landfill management, stormwater quality treatment and urban sewerage upgrades to improve water quality in the northern Pumicestone Passage
- restoration of seven kilometres of streamside habitat along Bells Creek and other wetland and riparian areas in rural areas
- development of scientific and planning tools and catchment stories to better understand, promote and manage the catchment and waterways
- innovative environmental projects in the Aura urban development area and forestry areas to preserve habitats, water quality and amenity.

Under this second catchment action plan, partners of the Pumicestone Catchment Network have committed to thirty-two wide-ranging actions for the 2017–2020 period, under five broad goals including:

1. Improve water quality
2. Enhance habitats and biodiversity
3. Increase industry benefits and stewardship
4. Increase community benefits and stewardship and
5. Strengthen our knowledge, planning and advocacy.

Of the 32 proposed actions, Council is listed as:

- the lead partner for 5 actions and joint-lead partner for 10 actions (Appendix B) and
- a support partner for a further 8 actions.

(subject to annual budget and resource considerations).

The Pumicestone Catchment Network will continue to meet every six months, share information and resources and collaborate to implement this second action plan.

Because many proposed actions are subject to funding and resource commitments from other stakeholders, only in-principle endorsement is being sought from Council for the overall plan. However, full endorsement is being sought for the sub-set of actions for which Council is the proposed lead or joint-lead partner (**Appendix B**).

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Draft Pumicestone Passage Catchment Action Plan 2017–2020”**
- (b) endorse in principle the “Draft Pumicestone Passage Catchment Action Plan 2017–2020” (Appendix A) and**
- (c) endorse the “Proposed Council-led actions in the Draft Pumicestone Passage Catchment Action Plan” (Appendix B) subject to annual budget and resource considerations.**

FINANCE AND RESOURCING

Council is identified as a lead partner for 5 actions and joint-lead partner for 10 actions in the Action Plan (Appendix B).

The following budgets have been proposed for the 2017/18 financial year to deliver projects under the Action Plan:

- \$793,000 from the Capital Works — Stormwater program:
 - \$248,000 for a gross pollutant trap in Caloundra (Arthur St)
 - \$450,000 for a stormwater sediment basin at Caloundra Rd (Duck Holes Ck)
 - \$25,000 for revised flood studies and models for Pumicestone Passage and creeks
 - \$70,000 for an expanded flood warning system in Caloundra South
- \$950,000 from the Capital Works (Waste) program for Caloundra Landfill water quality projects:
 - \$300,000 for a vehicle wash at exit of unsealed areas
 - \$500,000 for a biobasin to reduce nutrient loads from green waste operations
 - \$150,000 to connect Cell 8 to sewer
- \$30,000 from the Environment Levy for Bells Creek rehabilitation project (maintenance)
- \$99,000 from Operational allocations to new projects:
 - \$60,000 for an Outdoor Recreation Study in the regional inter-urban break
 - \$30,000 for water quality modelling and catchment target setting
 - \$9,000 for Phases 1 and 2 of a Coastal Hazard Adaptation Strategy (14% of State contribution).

Project management and technical input into these projects will come from existing Council staff resource allocations in the relevant operational areas. Projects in Appendix B that have no listed budget allocations are proposed to be undertaken within existing staff resources and recurring operational program budgets.

Funding in 2018–2019 and 2019–2020 for proposed Council-led actions and contribution to other projects as a support partner will be subject to annual budget and resource considerations.

CORPORATE PLAN

Corporate Plan Goal:	<i>A healthy environment</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S17 - Rivers, streams, estuaries and water bodies - providing policy and programs, maintenance of stormwater quality devices, water quality monitoring, litter collection and riverbank rehabilitation

CONSULTATION

Portfolio Councillor Consultation

The Environment Portfolio Councillor has been briefed on the planning process and the draft Catchment Action Plan.

Internal Consultation

Sunshine Coast Division 1 and 2 Councillors have participated in Pumicestone Catchment Network meetings during the implementation of the first Catchment Action Plan and development of this draft second Catchment Action Plan.

As part of the project team, Environmental Operations Branch (Infrastructure Services) staff have contributed to the catchment planning and implementation processes.

Relevant staff and managers with a responsibility to lead proposed actions have been consulted, including

- Environmental Operations (Infrastructure Services)
- Waste & Resource Management (Infrastructure Services)
- Civil Asset Management (Infrastructure Services)
- Development Services (Planning and Environment)
- Transport and Infrastructure Policy (Planning and Environment)
- Project Delivery (Infrastructure Services)
- Community Response (Community Services)

External Consultation

Moreton Bay Division 1 Councillor and Moreton Bay Regional Council staff have participated during the implementation of the first plan and development of this second plan.

The project team engaged representatives from more than thirty stakeholder organisations or agencies through the Catchment Network meetings to develop this draft plan, including

Community

- Bribie Island Environmental Protection Association; Coochin Creek Bushland Group; Jinibara Traditional People Aboriginal Corporation; Kabi Kabi People; Night eyes Water and Land Care Group; Sunfish; Sunshine Coast Environment Council; Take Action for Pumicestone Passage.

Industry and commerce

- Caloundra Chamber of Commerce and Industry; DigsFish Services; Donnybrook Progress Association; Glasshouse Country Chamber of Commerce; Glasshouse Mountains Advancement Network; Golden Beach Progress Association; HQ Plantations; Pelican Waters; Stockland; Toorbul Progress Association; Unitywater.

Primary producers

- Australian Pineapples; Growcom; Queensland Chicken Growers Association; Queensland Strawberries; Turf Queensland; Woodlands Chickens.

State Government Departments

- Agriculture and Fisheries; Environment and Heritage Protection; National Parks, Sport and Recreation (Queensland Parks and Wildlife Service); Science, Information Technology and Innovation; Transport and Main Roads (Maritime Safety Queensland).

Natural resource management and research

- Healthy Land and Water; Pumicestone Region Catchment Coordinating Association; University of the Sunshine Coast.

Community Engagement

Community engagement is limited to the input and active participation of the representatives of the Catchment Network.

PROPOSAL

Background—The Pumicestone Passage and its catchment

The Pumicestone Passage catchment is an area of land of 736 km², above mean high water, that drains into the Passage. Approximately sixty percent of the land (430 km²) is in the Sunshine Coast Council local government area and the remaining forty percent is in the Moreton Bay Regional Council local government area. State and local governments control the Glass House Mountains National Park, Bribie Island Recreation Area and many smaller parks and reserves, and about a third of the catchment is leased State Forest. Almost all of the remaining land tenure is private freehold for urban or rural purposes.

The Passage is approximately 45 km long, winding north–south between the mainland to its west and Bribie Island to its east. It covers an area of 48 km² and most of it is less than two metres deep. It provides a unique environment, with its calm marine waters, extensive intertidal areas and diverse habitat zones. The passage has high amenity, cultural and ecological values. It is listed as an internationally important wetland site for migratory birds, is a declared Fish Habitat Area and is mostly zoned conservation park or marine national park within the Moreton Bay Marine Park.

The present day population living within the Pumicestone Passage catchment is about 60,000 people, mainly within the Caloundra and southern Bribie Island areas and hinterland towns along the railway line. The northern catchment also includes the approved major developments of Caloundra South (Aura) and Pelican Waters Town Centre and Marina.

The Pumicestone Passage and its catchment, including the National Heritage-listed Glasshouse Mountains, are recognised as a playground for locals and visitors, providing diverse opportunities for land and water based recreation. This underpins local lifestyles and tourism. The Pumicestone Passage catchment also features the Moreton Bay-Sunshine Coast Regional Inter-Urban Break, which is a critical landscape feature to be preserved.

Rural areas of the catchment support significant and diverse agricultural production, with major industries including poultry, strawberries, pineapples, turf, nurseries and macadamias, as well as a major commercial forestry plantation that covers about a third of the catchment.

Objectives of the planning process

Management of the Pumicestone Passage and its catchment is a complex task, with many different agencies responsible for their diverse land and water management areas (see **Attachment 1**). Within this context, since 2011, the Sunshine Coast and Moreton Bay Regional Councils have led a program of catchment planning and action to preserve these natural assets. This has enabled our councils to align the considerable catchment management work that the councils undertake with complementary work by many other stakeholders.

The ongoing objectives of the catchment management program are to:

- coordinate the work undertaken by numerous groups, to ensure that current resources are used as efficiently as possible and applied to priority issues and
- increase investment into identified priority issues and opportunities through strategic planning, strong local partnerships and successful action.

The first catchment action plan (2013–2016)

After the Pumicestone Passage estuary received a “poor” report card rating in the 2010 Healthy Waterways Report Card, Sunshine Coast and Moreton Bay Regional Councils have led a catchment management program that has been supported by a diverse group of community, industry and government stakeholders.

From 2011–2013, the councils and partners:

- compiled a comprehensive knowledge of the catchment and local issues

- developed an agreed body of achievable work over three years that would make progress to addressing those key issues
- secured greater investment in catchment management, most notably, a high investment by the State Government into local wetlands and agricultural practices
- established the Pumicestone Catchment Network — made up of representatives from more than 30 organisations and agencies who have given a pledge of support to work together to preserve and enhance the values of the catchment and waterways.

From these foundations, the Network developed and successfully implemented the *Pumicestone Passage and Catchment Action Plan 2013–2016*. Twenty-nine its 41 listed actions were completed as planned and seven further were implemented but with a revised scope. Four of only five incomplete actions have been carried forward.

Key successes of the plan were the continued strengthening of partnerships between stakeholders, as well as the substantial actions undertaken, including:

- innovative practices to reduce nitrogen and sediment export from farmlands identified as water quality hotspots
- major investments in landfill management, stormwater quality treatment and urban sewerage upgrades to improve water quality in the northern Pumicestone Passage
- restoration of seven kilometres of streamside habitat along Bells Creek and other wetland and riparian areas in rural areas
- development of scientific and planning tools and catchment stories to better understand, promote and manage the catchment and waterways
- innovative environmental projects in the Aura urban development area and forestry areas to preserve habitats, water quality and amenity.

This draft second catchment action plan (2017–2020)

The highly collaborative process that underpinned the success of the first catchment action plan has continued in the planning and development of the *draft Pumicestone Passage Catchment Action Plan 2017–2020* (Appendix A). This process accommodates the diverse values and uses across the catchment, as well as the complex management and legislative context.

Under this second catchment action plan, partners of the Pumicestone Catchment Network have committed to thirty-two wide-ranging actions for the 2017–2020 period, under five broad goals:

1. **Improve water quality —**
Reversing the trend of declining water quality is a high priority to support the diverse ecological, social and economic values of the waterways.
2. **Enhance habitats and biodiversity —**
Consolidating a network of bushland and in-stream habitats is critical to preserve plant and animal communities and ecosystem services across the catchment.
3. **Increase industry benefits and stewardship —**
The catchment and its waterways sustain tourism, local businesses, fisheries, forestry and primary production. Action is required to support these industries while minimising their impacts on the natural environment.
4. **Increase community benefits and stewardship —**
Action is needed to preserve the recreational, social and cultural values of the catchment and waterways and inspire locals and visitors to benefit from them widely but sustainably.
5. **Strengthen our knowledge, planning and advocacy —**
Maintaining and building on current monitoring, research, communication, advocacy and planning is needed to strengthen the platform for strategic, coordinated and well-resourced management responses.

Of the 32 proposed actions, Council is listed as (subject to annual budget and resource consideration):

- the lead partner for 5 actions and joint lead partner for 10 actions (Appendix B); and
- a support partner for a further 8 actions.

Because many proposed actions are subject to funding and resource commitments from other stakeholders, only in-principle endorsement is being sought from Council for the overall plan. However, full endorsement is being sought for the sub-set of actions for which Council is the proposed lead partner (Appendix B).

Legal

There are no legal implications of this report.

Policy

Catchment and waterways management are critical to the *protection and enhancement of our natural assets and distinctive landscapes* — a strategic pathway towards the goal of a *healthy environment* in Council's Corporate Plan.

Development of catchment action plans is also identified as a key mechanism to achieve the strategic outcomes and directions of the *Sunshine Coast Waterways and Coastal Management Strategy 2011–2021* and the *draft Sunshine Coast Environment and Liveability Strategy*.

Risk

If the catchment is not managed actively and cooperatively, through initiatives such as this Action Plan, there is the risk of:

- continued decline in water quality and wildlife habitat in the Pumicestone Passage and its catchment and
- lack of coordination and greater conflict between stakeholders in the catchment and less efficient investment in and management of local catchment issues.

Previous Council Resolution

Ordinary Meeting – 27 March 2014 – Council Resolution (OM14/31)

That Council:

- receive and note the report titled "Draft Pumicestone Passage and Catchment Action Plan"*
- endorse in principle the document titled "Draft Pumicestone Passage and Catchment Action Plan 2013 – 2016" (Appendix A)*
- endorse the actions for which Council is listed as a leading partner, identified in Appendix B, subject to annual budget and resource considerations and*
- Request the Mayor to write to the Queensland Premier and the Minister for Environment and Heritage Protection on behalf of the Pumicestone Passage Catchment Network to highlight the importance of protecting the Pumicestone Passage and its catchment as outlined in the Draft Action Plan.*

Related Documentation

- Sunshine Coast Waterways and Coastal Management Strategy 2011–2021
- Draft Sunshine Coast Environment and Liveability Strategy
- Pumicestone Passage and Catchment Action Plan 2013-2016
- Implementing the Pumicestone Passage and Catchment Action Plan 2013-2016

Critical Dates

Moreton Bay Regional Council staff have indicated that they will present the plan to their Council for parallel endorsement in the coming months.

Implementation

It is proposed that the Action Plan will be implemented cooperatively by Sunshine Coast and Moreton Bay Regional Councils and the full range of stakeholders named as lead or support partners to actions in the plan, by:

- maintaining the Sunshine Coast and Moreton Bay Regional Council-resourced project team
- continuing to hold meetings of the Pumicestone Catchment Network every six months, including representatives from the numerous community, industry and government supporting organisations
- reporting on progress and workshopping emerging issues and opportunities at the Network meetings
- accommodating new or revised actions through annual revision of the actions list and endorsement by the Network.

All efforts will be made to continue the good will and operational momentum embodied in the Pumicestone Catchment Network, through implementation of this plan and broader collaboration on catchment and waterway management issues.

8.3.3 INFILL DEVELOPMENT INCENTIVES POLICY

File No: Council meetings

Author: Manager Transport and Infrastructure Policy
Planning and Environment Department

To be provided

8.3.4 THE HISTORIC YANDINA RAILWAY 'GATEHOUSE COTTAGE'

File No: Council meetings

Author: Director
Planning and Environment Department

To be provided

8.4 CORPORATE SERVICES

8.4.1 DEBT POLICY FOR 2017/18

File No: Budget Development

Author: Coordinator Financial Services
Corporate Services Department

Appendices: App A - 2017/18 Debt Policy185

PURPOSE

This report seeks the adoption of the Debt Policy to apply for the 2017/18 financial year.

EXECUTIVE SUMMARY

The *Local Government Regulation 2012*, section 192 requires council to prepare a Debt Policy annually.

This policy forms part of the council's overall system of financial management, as required under section 104(5)(c)(ii) of the *Local Government Act 2009*.

The Debt Policy outlines borrowing forecasts for the new budget along with the next nine years.

There have been no changes to the existing policy, save for updates to the borrowings schedule to reflect the proposed 2017/18 Capital Works Program.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Debt Policy for 2017/18" and
- (b) adopt the 2017/18 Debt Policy (Appendix A).

FINANCE AND RESOURCING

The proposed borrowings and associated finance costs are included in the budget. New loans are generally not drawn down until late in the financial year to minimise interest expenses during that year, with normal repayments commencing in the following period.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*

Outcome: 5.3 - A financially sustainable organisation

Operational Activity: 5.3.7 - Sustainable financial position maintained.

CONSULTATION

Portfolio Councillor Consultation

The Portfolio Councillor has received advice of this report through the Budget Development process.

Internal Consultation

Internal consultation was conducted with Councillors and the Executive Leadership Team during the budget development process.

External Consultation

External consultation was conducted with Queensland Treasury Corporation (QTC).

Community Engagement

No community engagement was required for this report.

PROPOSAL

The *Local Government Regulation 2012*, section 192 requires Council to prepare a Debt Policy annually. This policy forms part of the council's overall system of financial management, as required under section 104(5)(c)(ii) of the *Local Government Act 2009*.

Council's borrowing activities are governed by the *Statutory Bodies Financial Arrangements Act 1982*, and the Debt Policy provides clear guidelines for loan raising, requiring an assessment of the impact of any borrowing decision on Council's long-term financial sustainability.

All borrowing proposals remain subject to evaluation by the Department of Infrastructure, Local Government and Planning and periodic Credit Reviews are undertaken by Queensland Treasury Corporation.

The schedule of proposed loan borrowing will be presented to Council along with final budget forecasts for adoption in June 2017. This schedule will outline proposed borrowing over a ten year period, and will be guided by recent decisions around the nature and scope of the proposed capital works program over that period.

There have been no changes to the existing policy.

Legal

The adoption of these policies satisfies Council's legislative obligations.

Policy

The Debt Policy is reviewed annually as part of the budget development process.

Risk

The Debt Policy provides the opportunity for restructure of the debt portfolio in the event of significant fluctuations in borrowing interest rates. Further, borrowing is restricted to Queensland Treasury Corporation under legislation without specific approval from the Treasurer under the advice of the Department of Infrastructure, Local Government and Planning.

Previous Council Resolution

The Debt Policy for 2016/17 was adopted by Council under resolution SM16/3 at the Special Budget Meeting held on 9 June 2016.

That Council:

- (a) receive and note the report titled "**Debt Policy 2016/17**"
- (b) adopt the 2016/17 Debt Policy (Appendix A).

Related Documentation

There is no related documentation for this report.

Critical Dates

This policy underpins elements of the 2017/18 budget which will be presented to Council for final adoption at the Special Meeting (Budget Adoption) to be held 15 June 2017.

Implementation

There are no implementation details to include in this report.

8.4.2 EXCEPTIONS UNDER LOCAL GOVERNMENT REGULATION 2012 FOR SEWERAGE EASEMENTS WITHIN LOT 800 ON SP243716 AND LOT 100 ON RP854227

File No:	F2017/30337 & F2017/20472
Author:	Senior Property Officer Corporate Services Department
Attachments:	Att 1 - Easement on Lot 800/SP243716 193 Att 2 - Easement on Lot 100/RP854227 195

PURPOSE

The purpose of this report is to seek exceptions from Council, in accordance with the *Local Government Regulation 2012*, from the tender/auction process to allow registration of two easements over separate properties, owned by Council.

EXECUTIVE SUMMARY

Council has received two unrelated requests to allow sewerage infrastructure to be constructed on Council land. Once the works are completed to the standards required by Unitywater, Unitywater will accept easements over the infrastructure and be responsible for ongoing maintenance of the sewerage services.

One request is from AVID Property Group, seeking Council consent to an easement through Council's Lot 800 on SP243716, to facilitate the construction of the sewer rising main to the Kawana Treatment Plant, in accordance with the Palmview Infrastructure Agreement. The location of this proposed easement is shown on Attachment 1.

The other request is from Formia Project Management, undertaking a subdivision development on behalf of Victory Services Pty Ltd at 10 Rosella Place, Nambour and seeking to connect to infrastructure by traversing Council's Lot 100 on RP854227. The location of this proposed easement is shown on Attachment 2.

The *Local Government Regulation 2012* provides the process by which a local government may dispose of a valuable non-current asset, which includes land or an interest in land (including an easement). It provides that a disposal, other than by tender or auction, may occur if an exception applies. Section 236(1)(b)(i) provides for an exception if the disposal is to a government agency, in this instance to Unitywater.

Section 236(2) provides that a local government must decide by resolution that an exception may apply.

This report seeks exceptions for the purposes of granting easements to accommodate the new sewer rising main to the Kawana Treatment Plant and the development at 10 Rosella Place, Nambour.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Exceptions Under Local Government Regulation 2012 for sewerage easements within Lot 800 on SP243716 and Lot 100 on RP854227” and
- (b) resolve, pursuant to section 236(2) of the *Local Government Regulation 2012*, that an exception to dispose of an easement in Lot 800 on SP243716 and an easement in Lot 100 on RP854227, other than by tender or auction be applied, as the disposal is, pursuant to section 236(1)(b)(i), to a government agency.

FINANCE AND RESOURCING

It is standard practice to charge for the land value of any easement granted. Registered valuers were commissioned to assess the market values for these easements.

The easement through Lot 800 on SP 243716 covers 5469m² and has been valued at \$12,500. Attachment 1 depicts the alignment of this easement.

The easement through Lot 100 on RP854227 covers 86m² and has been valued at \$1,500. Attachment 2 depicts the alignment of this easement.

Council will seek reimbursement from the requesting parties for the costs of obtaining the valuation reports as well as the full land value as compensation.

CORPORATE PLAN

Corporate Plan Goal: *Service excellence*
Outcome: We serve our community by providing this great service
Operational Activity: S24 - Property management - comprehensive management of Council's land and building assets to ensure that Council's property dealings are optimised, centrally managed, and support Council's objectives.

CONSULTATION

Portfolio Councillor Consultation

No consultation was undertaken with the Portfolio Councillor for Planning and Development, Councillor C Dickson, given the minor nature of these matters.

Internal Consultation

No internal consultation was undertaken in regard to sewer main through Lot 800 to the Kawana Treatment Plant, as the construction of this infrastructure is a requirement of the Palmview Infrastructure Agreement.

A detailed Request for Comments process was undertaken in regard to the easement through Lot 100 and no adverse comments or objections were received. The proposal was circulated to the following:

Manager Economic Development
Manager Community Planning
Coordinator Regional Planning and Advocacy
Coordinator Technical Services
Coordinator Stormwater Management
Environmental Operations Project Officer
Coordinator Property Projects & Development
Divisional Councillor, Councillor Greg Rogerson

External Consultation

There has been no external consultation undertaken in relation to this report.

Community Engagement

There has been no community engagement undertaken as part of this report.

PROPOSAL

Council has received two unrelated requests to allow sewerage infrastructure to be constructed on Council land. One is from AVID Property Group, requesting Council consent to an easement through Lot 800 on SP243716 (freehold land), to facilitate the construction of the sewer rising main to the Kawana Treatment Plant, in accordance with the Palmview Infrastructure Agreement. The works are exempt development under the Palmview Structure Plan, but a Unitywater connection approval was required and has been granted. The alignment of this proposed easement has been consolidated with the existing 10 metre sewerage easement, resulting in a total width of 16 metres. The proposed sewerage easement, shown on Attachment 1, will be over 5,469m² and has been valued at \$12,500. AVID Property Group has agreed to pay this amount to Council as compensation, and will also pay all other associated costs, including the cost of preparing the valuation.

AVID Property Group must also comply with special conditions for construction of the easement, particularly those requiring engagement with Council's Natural Areas Operations Officer, both pre and post construction, to ensure reinstatement and rectification works are completed to Council's satisfaction.

The other request is from Formia Project Management, who are undertaking a subdivision development on behalf of Victory Services Pty Ltd, at 10 Rosella Place, Nambour. Development Approval was granted on 24 March 2017, and the developer will be required to reinstate the area following construction works, as a condition of granting the easement. The proposal is to connect to sewer infrastructure, by traversing Council's land being Lot 100 on RP854227. Council's land is designated as a drainage reserve, and the proposed easement is over 86m². The location of the easement is shown on Attachment 2. Being in the south eastern corner of the lot, it will have little impact on the site. The compensation payable to Council has been assessed at \$1,500. Victory Services Pty Ltd will also pay all costs associated with the registration of the easement, including the valuation costs.

The *Local Government Regulation 2012* provides the process by which a local government may dispose of a valuable non-current asset, which includes land or an interest in land (including an easement). It provides that a disposal, other than by tender or auction, may occur if an exception applies. Section 236(1)(b)(i) provides for an exception if the disposal is to a government agency. In this instance to Unitywater.

Section 236(2) provides that a local government must decide by resolution that an exception may apply.

This report seeks exceptions for the purposes of granting easements to accommodate the new sewer rising main and the development at 10 Rosella Place, Nambour.

Legal

Legal Services Branch has been consulted on the application of section 236 of the *Local Government Regulation 2012*.

Policy

This report was drafted in accordance with the Procurement Policy in relation to the disposal of Council assets.

Risk

There is no risk related documentation relevant to this report.

Previous Council Resolution

There is no previous resolution relevant to this report.

Related Documentation

There is no related documentation relevant to this report.

Critical Dates

While there are no specific critical dates, both entities are eager for the easements to be registered as soon as possible, so that works may commence.

Implementation

Should Council resolve that exceptions apply, the sewerage easement documents and plans will be executed and registered on the titles.

8.4.3 APRIL 2017 FINANCIAL PERFORMANCE REPORT

File No:	Financial Reports
Author:	Coordinator Financial Services Corporate Services Department
Attachments:	Att 1 - April Financial Performance Report 205

PURPOSE

To meet Council's legislative obligations, a monthly report is to be presented to Council on its financial performance and investments.

EXECUTIVE SUMMARY

This monthly financial performance report provides Council with a summary of performance against budget as at 30 April 2017 in terms of the operating result and delivery of the capital program.

The April results incorporate budget amendments made through Budget Review 3.

The operating result at 30 April 2017 shows a positive variance of \$5.0 million compared to the forecast position.

Operating Performance**Table 1: Operating Result as at 30 April 2017**

April 2017	Current Budget \$000	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Operating Revenue	418,101	377,466	383,333	5,867	1.6
Operating Expenses	395,282	315,447	316,351	903	0.3
Operating Result	22,819	62,019	66,983	4,963	8.0

Achievement of the full year budgeted operating result will allow Council to meet its debt repayments and capital expenditure commitments.

As at 30 April 2017, \$153.9 million (67.7%) of Council's \$227.4 million 2016/17 Capital Works Program was financially expended.

The core Council Capital Program has progressed 68.6% of budget, an actual spend of \$99.2 million.

Council's investment portfolio remains within the guidelines established under the Investment Policy.

OFFICER RECOMMENDATION

That Council receive and note the report titled "April 2017 Financial Performance Report".

FINANCE AND RESOURCING

There are no finance and resourcing implications from this report.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*
Outcome: 5.3 - A financially sustainable organisation
Operational Activity: 5.3.7 - Sustainable financial position maintained.

CONSULTATION

Portfolio Councillor Consultation

Consultation has been undertaken with the Portfolio Councillor.

Internal Consultation

All departments and branches participated in the formation of the recommendations associated with this report.

External Consultation

No external consultation is required for this report.

Community Engagement

No community engagement is required for this report.

PROPOSAL

Achievement of the full year budgeted operating result of \$22.8 million will allow Council to meet its debt repayments and capital expenditure commitments.

The operating result at 30 April 2017 shows a positive variance of \$5 million compared to the forecast position.

Operating Revenue

Year to date revenues as at 30 April 2017 of \$383.3 million shows a positive variance of \$5.9 million.

Table 2: Substantial Revenue variances as at 30 April 2017

Operating Revenue Large Variances	YTD Current Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Fees and Charges	56,222	58,191	1,970	3.5
Other Revenue	10,330	11,365	1,035	10.0
Internal Sales/Recoveries	5,241	6,657	1,416	27.0

Fees and Charges

Fees and charges revenue of \$58.2 million, is \$2 million ahead of year to date budget.

Significant variances include:

- \$581,000 relates to increased revenues at the Sunshine Coast Holiday Parks with some associated increased expenditure. Revenues continue to exceed expectations following Budget Review 3 and the April result is indicative of the year end position based on prior year trends.
- \$448,000 across the Community Response Branch, predominantly relating to infringements. This variance is partially offset by higher employee costs.
- \$272,000 is attributable to development service revenue being ahead of budget and equates to 2% of the year to date budget. This relates to market driven volumes continuing above expectation following budget review 3.
- \$230,000 relates to increased revenue at Council's refuse tip centres.

Other Revenue

Other revenue has exceeded the year to date budget by \$1 million, this is made up of:

- Higher sales of recoverable materials at the Waste facilities by \$278,000
- \$196,000 across the organisation for recoupment of expenditure
- \$151,000 associated with Road Maintenance Levies
- \$148,000 in higher Lease Revenue

Internal Sales/Recoveries

The variance to budget as at 30 April 2017 predominantly relates to higher recoveries from capital for the sale of Quarry products of \$1 million. Associated increased expenditure has also been incurred to generate product and manage stock piling.

Operating Expenses

Year to date expenditure as at 30 April 2017 of \$316.4 million shows a variance over budget of \$903,000.

Employee Costs

As at 30 April 2017 employee costs were above budget by \$766,000. Employee expenditure to deliver projects across capital, operating and region making is above budget by \$637,000, whereby funding is balanced at project level.

Core employee costs were above budget by \$129,000 or 0.1%.

Materials and Services

As at 30 April 2017, materials and services costs were below budget by \$781,000 or 0.6%.

Projects are predominantly underspent and offset by higher costs associated with timing issues in Region Making Projects. Core materials expenditure is also under budget across all departments.

Finance Costs

Finance costs are ahead of budget by \$690,000 as a result of interest associated with Region Making Projects being expensed to operating.

Capital Revenue

Contributed assets account for most of the year to date variance in Capital Revenue of \$50.4 million at 30 April 2017. Cash contributions are also ahead of budget at 30 April 2017 accounting for \$4 million of the variance.

Capital Expenditure

As at 30 April 2017, \$153.9 million (67.7%) of Council's \$227.4 million 2016/17 Capital Works Program was financially expended.

The core Council Capital Program has progressed with an actual spend of \$99.2 million, which is 68.6% of the \$144.6 million program.

Table 4: Capital expenditure variances by program as at 30 April 2017

Capital Works Program	Forecast Budget \$000	YTD Forecast Budget \$000	YTD Actual \$000	YTD Variance	% Variance on YTD budget
Aerodromes	212	130	148	18	13.4
Buildings and Facilities	11,457	7,624	7,527	(98)	(1.3)
Coast and Canals	1,620	1,242	1,319	77	6.2
Divisional Allocations	3,765	1,297	1,384	87	6.7
Environmental Assets	4,971	4,830	4,866	36	0.7
Fleet	3,066	1,807	1,703	(104)	(5.7)
Holiday Parks	3,121	2,639	2,676	37	1.4
Information Technology	2,524	1,333	1,893	560	42.0
Parks and Gardens	16,495	12,600	13,060	459	3.6
Quarries	459	109	185	76	69.1
Stormwater	4,737	2,123	2,223	100	4.7
Strategic Land and Commercial Properties	19,157	10,345	10,430	85	0.8
Sunshine Coast Airport	4,726	2,521	2,633	112	4.4
Transportation	57,632	39,982	40,984	1,002	2.5
Waste	10,653	8,352	8,127	(225)	(2.7)
Total SCC Core Capital Program	144,595	96,936	99,158	2,223	2.3
Corporate Major Projects	9,542	4,993	4,529	(464)	(9.3)
Maroochydore City Centre	24,485	12,439	12,191	(248)	(2.0)
Solar Farm	34,495	32,688	32,687	(0)	(0.0)
Sunshine Coast Airport Runway	14,331	5,471	5,363	(108)	(2.0)
Total Other Capital Program	82,852	55,591	54,771	(820)	(1.5)
TOTAL	227,447	152,526	153,929	1,402	0.9

Table 5: Projects by status (SCC Base Only)

Project summary by Job status	Number of Capital Jobs	%	Current Budget \$000	%
Not Started	29	2.6	1,988	1.4
Works in Progress	484	43.3	82,297	56.9
Complete	556	49.7	59,507	41.2
On Hold/Cancelled	49	4.4	802	0.6
Total	1,118		144,595	

The targeted capital completion rate for 2016/17 is 81.3%. This is due to a number of multi-year projects and whole of region accounts.

During April, 74 jobs progressed to completed status with 484 jobs in progress. This equates to 56.9% of the core capital budget. The following chart shows the phase these projects have progressed to.

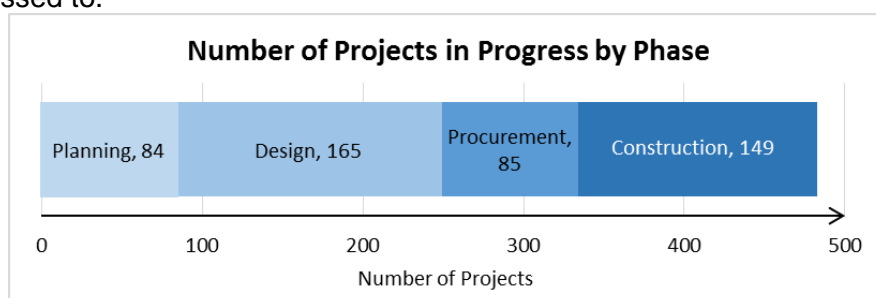
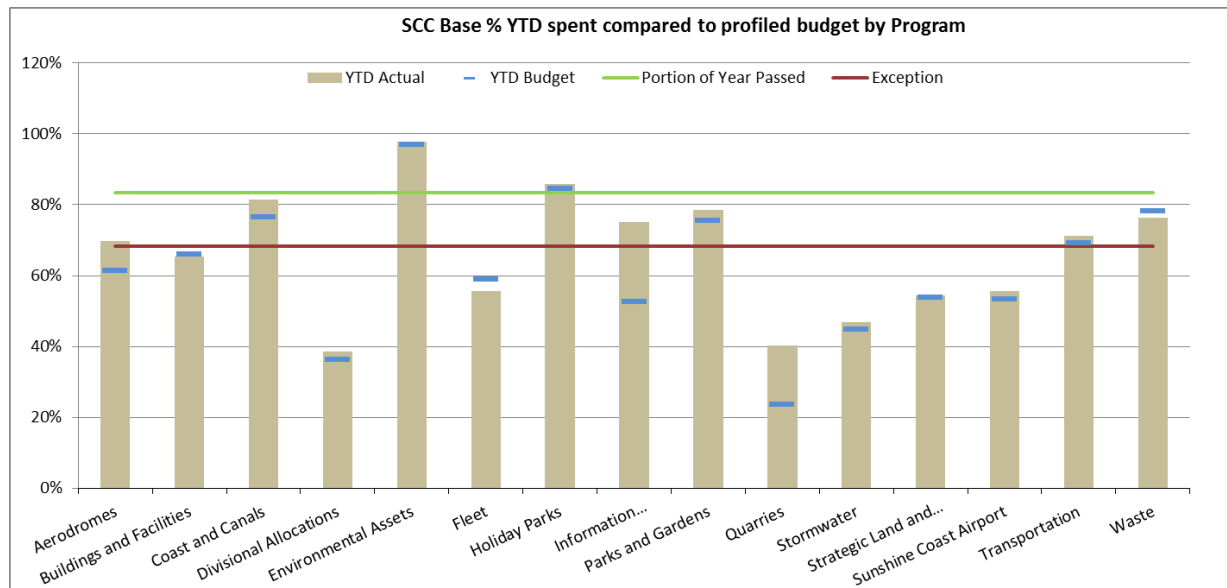


Table 6: Capital Exceptions Graph



Buildings and Facilities

Construction on half of the \$11.5 million program has been completed, with construction in progress on a further \$2.1 million and procurement being finalised on projects budgeted at \$1.2 million.

Fleet

56% of the \$3.1 million Fleet program has been delivered to date following expenditure in March of \$588,000. Further commitments have been raised equating to 33% of the program. This is due to the long lead time required to procure plant and indicates that the 2016/17 program will be finalised by the end of the financial year.

Stormwater

Of the \$4.7 million program 30% of the Stormwater projects are either under construction or finalised. Two major projects make up a further 30% and are currently progressing through procurement, with relining of damaged stormwater and First Ave, Maroochydore drainage works to be delivered during May/June.

Strategic Land and Commercial Properties

Budget Review 3 recognised significant increases in land acquisitions, all of which are expected to settle by 30 June 2017.

Sunshine Coast Airport

The \$4.7 million program has progressed with 55.7% expended as at 30 April 2017. All projects have commenced and 20% completed.

Investment Performance

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 30 April 2017 Council had \$316 million cash (excluding Trust Fund) with an average interest rate of 2.72%, being 0.91% above benchmark. This is compared to the same period last year with \$324 million cash (excluding Trust Fund) where the average interest rate was 2.92%, being 0.71% above benchmark.

- The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill Index (BAUBIL) and the Bank Bill Swap Rate (BBSW) for term deposits.

Legal

This report ensures that Council complies with its legislative obligations with respect to financial reporting in accordance with Section 204 of the *Local Government Regulation 2012*.

Investment of funds is in accordance with the provisions of the *Statutory Bodies Financial Arrangements Act 1982* and the associated Regulations and the *Local Government Act 2009*.

Policy

Council's 2016/17 Investment Policy.

Risk

Failure to achieve the budgeted operating result will negatively impact Council's capacity to complete its capital expenditure program.

Previous Council Resolution

Special Meeting Budget 16 June 2016 (SM16/16)

That Council:

- receive and note the report titled "Adoption of the 2016/2017 Budget and Forward Estimates for the 2017/2018 to 2025/2026 Financial Years"*
- adopt the 2016/2017 Budget Schedules (Appendix A) including Forward Estimates and*
- adopt the 2016/2017 Capital Works Program, endorse the indicative four-year program for the period 2017/2018 to 2020/2021, and note the five-year program for the period 2021/2022 to 2025/2026 (Appendix B).*

Ordinary Meeting Budget 15 September 2016 (OM16/163)

That Council:

- receive and note the report titled "Budget Review 1 2016/17 "* and
- adopt the amended 2016/17 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A).*

Ordinary Meeting 8 December 2016 (OM16/221)

That Council:

- receive and note the report titled "Budget Review 2 2016/17"*
- adopt the amended 2016/17 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A) and*
- in addition to (b), amend the 2016/17 budget to include the additional sum of \$50,000 for the Maroochy Basketball Extension.*

Ordinary Meeting 20 April 2017 (OM17/59)

That Council:

- receive and note the report titled "Budget Review 3 2016/17" and*
- adopt the amended 2016/17 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A).*

Ordinary Meeting 18 May 2017 (OM17/74)

That Council:

- (a) receive and note the report titled "March 2017 Financial Performance Report"*
- (b) amend the 2016/17 budget to include the additional sum of \$2.85 million for the Solar Farm Project*
- (c) amend the 2016/17 budget to include the additional sum of \$970,000 for the acquisition of land and*
- (d) amend the 2016/17 budget to reflect gross proceeds from the sale of land of \$1.2 million.*

Related Documentation

2016/17 Adopted Budget

Critical Dates

There are no critical dates for this report.

Implementation

There are no implementation details to include in this report.

8.5 ECONOMIC DEVELOPMENT AND MAJOR PROJECTS**8.5.1 APPLICATION OF NATIONAL COMPETITION POLICY REFORM 2017-2018**

File No:	Council Meetings
Author:	Coordinator Commercial Analysis Economic Development and Major Projects Department
Attachments:	Att 1 - Reform Options and Key Differences.....219
	Att 2 - Business Activity Identification 2017/2018221
	Att 3 - Business Activity Full Cost Recovery Performance 2015/2016225

PURPOSE

The purpose of this report is to make recommendations for the application of National Competition Policy reforms for the 2017/2018 financial year.

EXECUTIVE SUMMARY

The key recommendations for the 2017/2018 financial year resulting from the annual review of the application of National Competition Policy reforms to Council's business activities are outlined in this report.

The recommended business activity structure for 2017/2018 is as follows:

- Apply Full Cost Pricing to the Waste & Resources Management significant business activity
- Apply the Code of Competitive Conduct to Sunshine Coast Airport, Sunshine Coast Holiday Parks, and Quarries business activities.

The reform options and key differences between Full Cost Pricing, Commercialisation, Code of Competitive Conduct, and cost-recovery pricing principles are outlined in **Attachment 1**.

Legislative requirements and the process for business activity identification are illustrated in **Attachment 2**. At a point in time during the first quarter of 2017/2018, it is expected that the Sunshine Coast Airport will transfer from Council to the new entity and will no longer be a business activity of Council. Sunshine Coast Solar Farm will be assessed as a business activity following the first year of operation. Accordingly, the Sunshine Coast Solar Farm has not been identified as a business activity of Council for 2017/2018.

Business activity full cost pricing performance for 2015-2016 is shown in **Attachment 3**.

OFFICER RECOMMENDATION

That Council:

- receive and note the report titled "Application of National Competition Policy Reform 2017-2018"**
- apply Full Cost Pricing to the Waste and Resource Management significant business activity for the 2017/2018 financial year in accordance with section 44(1)(b) of the Local Government Act 2009**

- (c) apply the Code of Competitive Conduct to the following business activities, for the 2017/2018 financial year, in accordance with section 47 of the Local Government Act 2009:
- (i) Sunshine Coast Holiday Parks
 - (ii) Quarries and
- (d) apply the Code of Competitive Conduct to the Sunshine Coast Airport business activity, for the first part of the 2017/2018 financial year until it transfers to the new entity, in accordance with section 47 of the Local Government Act 2009.

FINANCE AND RESOURCING

The finance and resourcing implications of applying the National Competition Policy reforms primarily relate to competitive neutrality and cost reflective pricing for Council's business activities.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*
Outcome: 5.3 - A financially sustainable organisation
Operational Activity: 5.3.7 - Sustainable financial position maintained.

CONSULTATION

Internal Consultation

Manager Commercial
Manager Civil Asset Management
Manager Finance
Manager Fleet and Quarry
Manager Waste and Resources Management
General Manager Sunshine Coast Airport
Coordinator Sunshine Coast Holiday Parks
Chief Legal Officer

PROPOSAL

In the mid to late 1990s, a suite of market and economic reforms were introduced to stimulate growth and job creation in Australia. For local governments in Queensland these reforms revolved around the following:

1. The extension of the trade practices laws prohibiting anti-competitive activities to all businesses including local government businesses
2. The introduction of competitive neutrality so that private businesses could compete on an equal footing with those owned by local government
3. The review and reform of all laws that restrict competition
4. Specific reform and price monitoring of the water industry.

National Competition Policy reforms are applied to various identified 'business activities' of the Council. **Attachment 1** outlines the reform options and the key differences between Commercialisation, Full Cost Pricing, Code of Competitive Conduct, and cost recovery pricing principles.

Attachment 2 sets out the legislative requirements, threshold analysis of Council's business activities and the process for annual business activity identification.

Attachment 3 shows business activity full cost pricing performance based on 2015/2016 audited actual results.

Classification of Council's Business Activities

Business activities are classified against expenditure thresholds set each financial year. For significant business activities, expenditure for this purpose is the operating expenditure less depreciation and any expenditure to achieve competitive neutrality which is not actually incurred plus loan redemption payments. The 2017/2018 thresholds are as follows:

- Significant business activities (SBA) have expenditure over the \$9.35 million threshold
- Business activities (BA) have expenditure over the \$328,000 threshold.

The classification of Council's business activities are listed in the Table 1 below for 2016/2017 and 2017/2018.

Business Activity	2016/2017 Current Classification	2017/2018 Proposed Classification
Waste and Resources Management	SBA	SBA
Sunshine Coast Airport	BA	BA
Sunshine Coast Holiday Parks	BA	BA
Quarries	BA	BA

Table 1: Current and Proposed Business Activity Classification

A public benefit assessment is required when business activities move classification from a business activity to a Significant Business Activity. A public benefit assessment determines which reform option will achieve the greatest net community benefit.

Summary Outcomes of Business Activity Review

The recommended 2017/2018 business activity structure based on the annual business activity review and identification conducted in accordance with the legislation is to:

1. apply the Full Cost Pricing in accordance with section 44(1)(b) of the *Local Government Act 2009* to the Waste and Resource Management significant business activity and
2. apply the Code of Competitive Conduct to the Sunshine Coast Holiday Parks, Sunshine Coast Airport, and Quarries business activities, in accordance with sections 47 of the *Local Government Act 2009*.

Council's Annual Budget

The intent of the legislation is to enhance transparency regarding the financial performance of business activities, requiring them to be reported separately from other Council activities in the budgeted financial reports. Income and expense statements are to be published in the budget separately for commercialised business units, significant business activities operating under full cost pricing, as well as other business activities in accordance with the reporting formats consistent with those contained in the organisational policy. Details regarding community service obligations are also required to be published for each business activity.

The budget process for significant business activities and business activities under the code of competitive conduct includes the following key stages:

- Revenue requirements are determined from long term financial plans and full cost pricing models (that includes recovery of efficient operating costs, return of capital and return on capital).

- Activity based costing analysis is undertaken to determine outputs for products and services provided by each business activity
- An overarching price strategy is determined regarding accepted level of cost recovery.
- Council is informed regarding price strategy for each business activity to achieve full cost recovery.
- Approved pricing strategy and activity based costing outputs used to inform increases in utility charges / fees and charges.

Council's Annual Report

The annual report of Council requires the inclusion of business activity identification and performance. As the annual financial statements are included in Council's annual report, business activity identification and performance are to be contained in the body of the financial statements in line with legislative requirements (and reporting formats consistent with those contained in the organisational policy).

Taxation

Annual State and income tax equivalent returns for Sunshine Coast Airport are completed and submitted in accordance with the requirements of the tax equivalents manual. Currently, State tax equivalent returns are required to be submitted to the Office of State Revenue by 31 October each year, and income tax equivalent returns submitted to the tax assessor (currently KPMG) by 1 December each year.

Audit

Queensland Audit Office undertakes annual compliance and financial statement audits that incorporate competition reform compliance and reporting.

Legal

In accordance with Chapter 3 of the *Local Government Act 2009* and the *Local Government Regulation 2012*, Council is required each year to identify any new 'financially significant' business activities, and also to identify its business activities.

There are no legal implications with applying the National Competition Policy reforms.

Attachment 2 describes the current statutory requirements.

Policy

The organisational policy on Competition Reform Compliance sets out a framework outlining annual compliance requirements in relation to the application of competition policy principles to Council's nominated business activities in accordance with applicable legislative requirements.

Council would not be complying with the key legislative National Competition Policy principles contained in the *Local Government Act 2009* and *Local Government Regulation 2012* if the National Competition Policy reforms are not applied.

Risk

Council would not be complying with the key legislative National Competition Policy principles contained in the *Local Government Act 2009* and *Local Government Regulation 2012* if the National Competition Policy reforms are not applied.

Previous Council Resolution

Council applied the National Competition Policy reforms for the 2016/2017 financial year as resolved at the Ordinary Meeting of 16 June 2016.

Council Resolution (OM16/103)

That Council:

- (a) *receive and note the report titled “Application of National Competition Policy Reform 2016-2017”; and*
- (b) *apply Full Cost Pricing to the Waste and Resource Management significant business activity for the 2016-2017 financial year in accordance with section 44(1)(b) of the Local Government Act 2009; and*
- (c) *apply the Code of Competitive Conduct to the following business activities, for the 2016-2017 financial year in accordance with section 47 of the Local Government Act 2009:*
 - (i) *Sunshine Coast Airport*
 - (ii) *Holiday Parks*
 - (iii) *Quarries.*

Related Documentation

There is no related documentation relevant to this report.

Critical Dates

The resolution applies to the 2017/2018 financial year.

Implementation

The revised National Competition Policy reforms will be applied for the 2017/2018 financial year. As the recommended business activity structure for 2017/2018 is the same as the business activity structure currently in place, there are no significant changes in process required other than noting the transfer of the Sunshine Coast Airport to the new entity.

8.6 OFFICE OF THE MAYOR AND THE CEO**8.6.1 DELEGATION TO THE CHIEF EXECUTIVE OFFICER - SECTION 257
LOCAL GOVERNMENT ACT 2009**

File No:	Delegations
Author:	Manager Corporate Governance Office of the Mayor and Chief Executive Officer
Appendices:	App A - Delegation to the Chief Executive Officer233
Attachments:	Att 1 - Delegations - Guiding Principles (Delegations from Council to the CEO).....253
	Att 2 - Tracked changes Delegation to the Chief Executive Officer255

PURPOSE

The purpose of this report is to present to council the amended delegation of authority for the Chief Executive Officer to ensure all powers capable of delegation under the new *Planning Act 2016* and *Planning Regulation 2017* are delegated to the Chief Executive Officer.

EXECUTIVE SUMMARY

Council has a range of powers and functions to perform which are conferred under a number of different Acts of Parliament including the *Local Government Act 2009* as well as subordinate legislation and local laws. Council is able to delegate its powers to implement and enforce these responsibilities under section 257 of the *Local Government Act 2009*.

On 3 July 2017 the new *Planning Act 2016* (Planning Act) will come into effect. The Planning Act will establish a new planning system for the state and replace the *Sustainable Planning Act 2009*. The new planning system comprises three main elements: plan making, development assessment and dispute resolution. Therefore in order to ensure that those powers that are capable of delegation under the *Planning Act 2016* are delegated to the Chief Executive Officer; Schedule 1 of Appendix A is required to be amended to include the new Planning Act (and any corresponding subordinate legislation).

It is important for Council to maintain and improve operational efficiency as well as mitigate Council's risk exposure by implementing a system which supports the prevention of actions being taken in the absence of delegated authority or the breaching of statutory timeframes.

Further to this, Schedule 2 of Appendix A details all powers that are not capable of delegation by Council in relation to those Acts, subordinate legislation and local laws as they are powers that are required to be exercised by resolution.

A delegation of power is not a devolution of power. The delegated power is still able to be exercised by Council. Under Section 257(4) of the *Local Government Act 2009* a delegation to the Chief Executive Officer must be reviewed annually by Council.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Delegation to the Chief Executive Officer - Section 257 Local Government Act 2009”
- (b) adopt Delegation 2016-73 (V2) Delegation to the Chief Executive Officer (Appendix A) and
- (c) note that all other existing specific delegations of authority to the Chief Executive Officer are retained.

FINANCE AND RESOURCING

The cost of preparation of the delegation has been \$285.00 which has been met through existing core budget provisions within the Corporate Governance Branch.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*
Outcome: We serve our community by providing this great service
Operational Activity: S31 - Governance - providing internal leadership, legal opinion, governance and audit functions ensuring legislative accountability, transparency and ethical obligations are supported

CONSULTATION

Portfolio Councillor Consultation

Consultation occurred with Deputy Mayor Councillor Tim Dwyer and Portfolio Councillor Ted Hungerford.

Internal Consultation

Internal consultation occurred with the following officers:

- Chief Executive Officer
- Chief Legal Officer
- Director Planning and Environment
- Coordinator Departmental Business Performance
- Principal Development Planner
- Coordinator Governance Process and Policy

External Consultation

McCullough Robertson Lawyers were contracted to conduct a minor review of the delegation.

Community Engagement

No community engagement was required for the preparation of this report as it relates to an internal administrative activity.

PROPOSAL

The new Planning Act which comes into effect on 3 July 2017, will establish a new planning system for the State and replace the *Sustainable Planning Act 2009*. The new planning system comprises three main elements: plan making, development assessment and dispute resolution.

In order to ensure statutory responsibilities and obligations imposed by the new Act can be delivered on 3 July 2017, all powers capable of delegation under the Act must be delegated to the Chief Executive Officer. The addition of the new *Planning Act 2016* to Schedule 1 of Appendix A broadly confers all powers capable of delegation under this Act. This will ensure that there are no gaps in the powers delegated to the Chief Executive Officer and to reduce the risk of council not meeting their statutory obligations and timeframes. The delegation also details those powers not capable of delegation and those powers that remain with Council to be exercised by resolution (see Schedule 2 of Appendix A).

However, with respect to powers delegated to the Chief Executive Officer under the new *Planning Act 2016*, some limitations have been included in this delegation which limit the exercise of delegated powers under the *Planning Act 2016* in some circumstances.

The following criteria has been included in the delegation

9. *The delegated officer may exercise the powers of the local government under the Planning Act 2016 for an application other than the following:*
 - a) *an application where, in the opinion of the delegated officer, the estimated construction value of the proposed development exceeds \$100 million (excluding land content);*
 - b) *under the transitional provisions set out in Chapter 8 of the Planning Act 2016- an application for the approval of a master plan for a master planned area;*
 - c) *an application for a variation request as defined in the Planning Act 2016;*
 - d) *an application for a proposed development where a substantial number of submissions have been received during the notification part objecting to the proposed development.*
10. *In exercising the powers delegated, where a development application has been decided by council the delegated officer must give due consideration to the materiality of the changes sought through a negotiated decision notice and consult with the divisional councillor where those changes would have a material impact on the outcome of the original decision.*
11. *However, even if paragraph 9 a) above applies, the delegated officer may exercise the powers of the local government under the Planning Act 2016 without that limitation for an application where the application has the potential for “deemed approval”.*

At the Ordinary Meeting on 10 November 2016, the delegation criteria for the Sustainable Planning Act delegation (2009-35 V5.0) was amended to remove the limitation regarding the number of submission received objecting to a proposed development from 20 submissions and was replaced instead with “a substantial number”. It is proposed that this amendment be carried forward into the Delegation to the Chief Executive Officer for all proposed developments under the new *Planning Act 2016*.

Further to this the current Sustainable Planning Act delegation (2009-35 V6.0) limits the delegated officer from exercising their delegated authority for an application that has an estimated construction value over \$50 million (excluding land value). This limitation has been duplicated in the Chief Executive Officers delegation relating to applications under the new *Planning Act 2016* however it is proposed that this be increased to \$100 million (excluding land value). It is also recommended that the increase from \$50 million (excluding land value) to \$100 million (excluding land value) be duplicated in the criteria for the on-delegation of powers to officers for the new Planning Act delegation in accordance with s.259 of the *Local Government Act 2009*.

It is important for Council to maintain and improve operational efficiency as well as mitigate Council's risk exposure by implementing a system which supports the prevention of actions being taken in the absence of delegated authority.

S.259 delegation by Chief Executive Officer

Direct delegation from Council to officers other than the Chief Executive Officer is not possible. Once powers are delegated to the Chief Executive Officer, it is then a matter for the Chief Executive Officer to exercise those powers which are permitted, under Section 259 of the *Local Government Act 2009*, to further delegate the powers conferred to appropriately qualified employees or contractors of Council. The Chief Executive Officer delegates many powers and functions to other officers of Council who assist the Chief Executive Officer in ensuring that the many roles of the Council (i.e. providing a service to its community while meeting its legislative responsibilities) are met in a timely, effective and efficient manner.

The Chief Executive Officer to Officer delegation for the *Planning Act 2016* will include a delegation criteria that duplicates the abovementioned criteria (9 (d) with one significant difference; the number of submissions have been increased from 50 to 100 (see 9 (d) below):

9. *The delegated officer may exercise the powers of the local government under the Planning Act 2016 for an application other than the following:*
 - d) *an application for a proposed development where more than 100 submissions have been received during the notification part objecting to the proposed development.*

At the Ordinary Meeting on 10 November council resolved that the Chief Executive Officer when on-delegating powers to officers define the term “substantial number” with regards to the number of submissions received objecting to a proposed development. Under the current Sustainable Planning Act delegation (2009-35) officers have been limited to the number 50. It is proposed given the requirements under the new Planning Act, that this number be increased from 50 to 100.

The purpose of the delegation criteria and delegation procedure is to provide additional information to delegated officers to ensure that delegations are exercised within a decision-making framework that is based on great governance, enterprise risk management principles and within an environment of transparency, integrity and accountability.

The Chief Executive Officer's delegation (2016-73 (v2)) is also supported by the Delegations Guiding Principles Policy (see Attachment 1).

Legal

McCullough Robertson Lawyers assisted with the preparation of the delegation to ensure legal validity.

Policy

The Chief Executive Officer's delegation (2016-73 (V2.0)) is also supported by the Delegations Guiding Principles Policy (see Attachment 1).

Risk

The delegation amendment has been prepared to mitigate the risk of any gaps in delegated powers and to ensure the Chief Executive Officer has all the powers capable of delegation under the new *Planning Act 2016* and *Planning Regulation 2017*. It will ensure the Chief Executive Officer is provided with overall coverage of legislative power (as per schedule 1) to ensure continued business efficacy over council activities and business operations.

Previous Council Resolution**Council Resolution 16 June 2016 (OM16/98)**

That Council:

- (a) receive and note the report titled "Delegation to the Chief Executive Officer - Section 257 Local Government Act"
- (b) adopt Delegation 2016-73 (V1) Delegation to the Chief Executive Officer (Appendix A)
- (c) adopt Sustainable Planning Act delegation 2009-35 (V5) (Appendix B)
- (d) note that all existing specific delegations of authority to the Chief Executive Officer are retained and
- (e) authorise the Mayor to put in place with the Chief Executive Officer, an operational practice guideline associated with the implementation of Delegation 2016-73 (v1) and Delegation 2009-35 (V5).

Related Documentation

There is no related documentation in relation to this report.

Critical Dates

It is critical that the council give consideration to the amendment of delegation 2016-73 (v2.0) to ensure the Chief Executive Officer has the delegated authority to exercise powers under the *Planning Act 2016* on 3 July 2017.

Implementation

Implementation action will include:

- Updating council's delegation register
- Linking s259 delegations of authority from the Chief Executive Officer to officers

8.6.2 MAKING OF INTERIM LOCAL LAW NO. 1 (COMMUNITY HEALTH AND ENVIRONMENTAL MANAGEMENT) 2017

File No:	Meeting management
Author:	Manager Corporate Governance Office of the Mayor and Chief Executive Officer
Appendices:	App A - Interim Local Law No.1 (Community Health and Environmental281

PURPOSE

The purpose of this report is to seek a Council resolution to make Interim Local Law No.1 (Community Health and Environmental Management) 2017.

EXECUTIVE SUMMARY

The interim local law seeks to amend Sunshine Coast Regional Council *Local Law No. 3 (Community Health and Environmental Management) 2011* in order to substantially replicate the provisions of Chapter 5A of the *Environmental Protection Regulation 2008* (the **Regulation**) and Part 2A of the *Waste Reduction and Recycling Regulation 2011*, which will both expire on 1 July 2017. The interim local law will allow council to continue to regulate the appropriate storage and removal of general waste from premises within the region under council's local laws.

To ensure there is no gap in regulation, the interim local law can be made immediately without public consultation and can operate for a period of months while public consultation and a Public Interest Review is being undertaken to implement the law permanently.

To make the interim local law does not require public consultation or a Public Interest Review. However, the *Local Government Act 2009* does require that council undertake state interest checks with state government agencies prior to making an interim local law. Council officers have undertaken these checks and the State has no objection to council proceeding with the law. As required by the LGA, council will publish notices on council's website and in the gazette notifying the community about the making of the law following council adoption.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Making of Interim Local Law No. 1 (Community Health and Environmental Management) 2017"
- (b) resolve to make Interim Local Law No.1 (Community Health and Environmental Management) 2017 (Appendix A) and
- (c) resolve to undertake community consultation and a Public Interest Review in relation to Interim Local Law No.1 (Community Health and Environmental Management) 2017, with a view to making the law permanently before it expires on 31 December 2017.

FINANCE AND RESOURCING

The cost of drafting Interim Local Law No.1 (Community Health and Environmental Management) 2017 was \$4,290.00 has been funded through existing budget allocations within the Corporate Governance Branch.

The interim local law merely replicates (with any necessary modifications) the provisions currently contained in Chapter 5A of the *Environmental Protection Regulation 2008* (the **Regulation**) and Part 2A of the *Waste Reduction and Recycling Regulation 2011*. These provisions reflect council's current operational activities. Therefore, these changes will not impact on council's financial operations or require any additional resources. However, failure to adopt a local law prior to 1 July 2017 could expose Sunshine Coast Council to loss of customer revenue.

CORPORATE PLAN

Corporate Plan Goal: *Service excellence*

Outcome: We serve our community by providing this great service

Operational Activity: S27 - Waste and resource management - collection and disposal of solid and liquid wastes, operation of waste transfer facilities and landfills, recycling and materials recovery, community education programs

CONSULTATION

Portfolio Councillor Consultation

Councillors attended a workshop on 14 March where the matter of the expiring provisions was raised and discussed.

Further consultation has occurred with Deputy Mayor Councillor Tim Dwyer and Portfolio Councillor Ted Hungerford.

Internal Consultation

Corporate Governance has consulted with:

- Director Infrastructure Services
- Manager Waste and Resource Management
- Coordinator Collection Services (Waste and Resource Management)
- Coordinator Business Operations (Waste and Resource Management)
- Coordinator Commercial Analysis

During these discussions, it was determined that given the impending expiry of the State Government's waste management provisions on 1 July 2017, replicating them in council's local laws was the best course of action.

Council officers have also liaised with the relevant State agencies and the LGAQ during the development of this local law amendment.

External Consultation

As required by the *Local Government Act 2009*, State Interest Checks were undertaken with relevant state government agencies during the period 8 May 2017 to 21 May 2017.

The following State departments were consulted with:

- Department of Infrastructure, Local Government and Planning
- Department of State Development
- Department of Environment and Heritage Protection

The Department of Infrastructure, Local Government and Planning and Department of State Development have offered no objections to the interim local law.

The Department of Environment and Heritage Protection advised in their comments that the Minister for Environment and Heritage Protection and Minister for National Parks and the Great Barrier Reef proposes to extend the expiry date of the local government waste management provisions past 1 July 2017. They also stated that given the intention to extend

the State EP provisions that the interim local law may be confusing for the community during this extension period.

Council did not undertake a Public Interest Review for Interim Local Law No. 1 (Community Health and Environmental Management) 2017 as council is not required to review an interim local law for anti-competitive provisions – see section 38(2) of the *Local Government Act 2009*.

Community Engagement

Council will undertake community consultation and a public interest review in relation to Interim Local Law No.1 (Community Health and Environmental Management) 2017, with a view to making the law permanent before it expires on 31 December 2017.

PROPOSAL

The Waste Regulation was repealed on 9 September 2014, and the local government waste collection and management provisions were transferred to Chapter 5A of the *Environmental Protection Regulation 2008* (the **Regulation**) temporarily to allow local governments to put alternative measures in place to deal with local waste management issues. Chapter 5A of the Regulation is due to expire on 1 July 2017. Before then it will apply to local governments unless and until a local government makes a local law about waste management for its area.

The Queensland Department of Environment and Heritage Protection (DEHP) has advised Council that as these provisions relate solely to local government waste operations and therefore they should be managed by local governments through a local law. Council's Waste Services Branch, in consultation with our Barrister, Dr. Michael Limerick has determined which provisions of the Regulation should be added to our existing local law, *Sunshine Coast Regional Council Local Law No. 3 (Community Health and Environmental Management) 2011* to provide for the continued efficient operation of Council's waste collection services after the expiring of chapter 5A of the Regulation.

The State in repealing Chapter 5A of the Regulation moved the head of power for a local government to designate a waste service area to s.7 of the *Waste Reduction and Recycling Regulation 2011* (WRRR). This provision under the WRRR allows a local government to designate an area as a waste service area. Section 7 of the WRRR also expires on 1 July 2017. It is proposed that this provision also be replicated under councils Local Law No. 3 (Community Health and Environmental Management) 2011 to allow the local government to designate a waste service area across the Sunshine Coast Region.

The provisions to be transferred to the Local Law address matters such as keeping bins clean, covered and within property boundaries, as well as council's power to give directions and notices to property occupiers about where bins should be placed for collection. Other provisions in the Regulation requiring people to obey directions and notices at Council waste disposal facilities have also been included.

The transfer of the provisions will be effected by the amendments contained in the Interim Local Law No.1 (Community Health and Environmental Management) 2017, as set out in Appendix A. The amendments are designed to replicate the current regulations and have created no new powers. The proposed amendments to the *Sunshine Coast Regional Council Local Law No.3 (Community Health and Environmental Management) 2011* replicate provisions currently contained within the chapter 5A of the regulation.

The provisions have simply been transferred with contemporary wording to the proposed local law. Changes have only been made where necessary to reflect current industry practices and terminology.

There is only one change to the State Government's Chapter 5A provisions that has been made in drafting the interim local law. Section 81ZH required the occupier of serviced premises to ensure that a waste container is kept at a particular place on the premises unless it is placed outside for collection, but "for no longer than (i) the period, if any, allowed

under a local law of the local government or (ii) is otherwise reasonably appropriate before and after the collection”.

Making the interim local law is an opportunity to specify the period that a waste container can be placed outside the premises (i.e. on the kerbside) as “24 hours before or after the scheduled collection day”. This will provide certainty about the period that a waste bin can be left on the kerbside. Council officers will be able to enforce this requirement by issuing compliance notice to occupiers who do not comply, and if necessary, issuing a fine under the local law.

Legal

The proposal has been considered in accordance with the following legislation:

- Section 29-32 of the *Local Government Act 2009* and section 15 of the *Local Government Regulation 2012* and
- Sunshine Coast Council’s suite of Local Laws and Subordinate Local Laws
- Interim Local Law No. 1 (Community Health and Environmental Management) 2017
- Repeal of the *Environment Protection (Waste Management) Regulation 2000* and the 1 July 2017 expiry of Chapter 5A of the *Environmental Protection Regulation 2008*.
- Expiry of s.7 of the Waste Reduction and Recycling Regulation 2011.

The interim local law has been drafted by barrister, Dr Michael Limerick.

Policy

There are no new policy implications in the Interim Local Law No. 1 (Community Health and Environmental Management) 2017.

Risk

There is a risk that if local law provisions are not adopted by Sunshine Coast Council by 1 July 2017 there will be:

- no head of power or provision for Sunshine Coast Council to enforce the appropriate storage, or removal of general waste from premises within the region; and
- a potential lost customer base and associated revenue and reduced provisions to ensure environmental health and safety of the community; and
- possible uncertainty within the community and industry sector with regard to competitive neutrality issues and concerns.

Previous Council Resolution

Council Resolution (OM15/115) – Ordinary Meeting 23 July 2015

That Council:

- (a) receive and note the report titled “**Proposed Amendment to Local Law No. 1 (Community Health and Environmental Management) 2015**”*
- (b) resolve to propose to make Amendment Local Law No. No. 1 (Community Health and Environmental Management) 2015, as amended*
- (c) resolve to undertake Community Consultation during the period 24 July 2015 until 20 August 2015*
- (d) resolve to undertake a State Interest Check in relation to the proposed amending local law pursuant to section 29A of the Local Government Act 2009 and*
- (e) resolve that proposed Amendment Local Law No. 1 (Community Health and Environmental Management) 2015 has been reviewed in accordance with section 38 of the Local Government Act 2009 with the following outcomes:*

- *Council has identified that the law contains possible anti-competitive provisions imposing obligations on business owners regarding the storage, treatment and disposal of waste at commercial premises*
- *however, Council is not required to conduct a public interest review of these provisions because they fall within the exclusions in step 2 of the 'Guidelines for conducting reviews on anti-competitive provisions in local laws' – namely, they are intended as legitimate measures to combat the spread of pests and disease and to ensure accepted public health and safety standards are met.*

Related Documentation

- *Local Government Act 2009 and Regulation*
- *Sunshine Coast Regional Council Local Laws and Subordinate Local Laws 2011*
- *State Government Guidelines for Making Local Laws and Subordinate Local Laws*
- *Corporate Plan 2017-2021 and*
- *Operational Plan 2016-2017.*

Critical Dates

It is beneficial for council to adopt the interim local law in order for the local law provisions to take effect prior to the expiry of Chapter 5A of the Regulation and s.7 of the WRRR on 1 July 2017.

Implementation

Following consideration of this report, actions relevant to the recommendation will be implemented and include:

- *Gazette notice 23 June 2017*
- *Notification to the Minister 28 June 2017*
- *Preparation of the website notice on local law change*
- *Certification by the Chief Executive Officer, Sunshine Coast Council.*
- *July 2017 - Commence process for State Interest Check, Public Interest Review and Community Consultation.*

8.6.3 PROPOSAL TO MAKE LOCAL LAW NO. 7 (SUNSHINE COAST AIRPORT) 2017, SUBORDINATE LOCAL LAW NO. 7 (SUNSHINE COAST AIRPORT) 2017 AND AMENDMENT SUBORDINATE LOCAL LAW NO. 2 (PARKING) 2017

File No:	Local Laws
Author:	Manager Corporate Governance Office of the Mayor and Chief Executive Officer
Appendices:	App A - Local Law No. 7 (Sunshine Coast Airport) 2017..... 303
	App B - Subordinate Local Law No. 7 (Sunshine Coast Airport) 2017 313
	App C - Amendment Subordinate Local Law No. 2 (Parking) 2017 321

PURPOSE

The purpose of this report is to present for council's consideration the new Local Law and Subordinate Local Law for the operation and regulation of the Sunshine Coast Airport.

EXECUTIVE SUMMARY

The majority of airports in Australia are regulated under either federal legislation, state legislation or local government local laws. These statutory arrangements provide the mechanism for airports to regulate matters such as airport notices, moving people on powers, parking, enforcement and the appointment of authorised persons. These statutory arrangements ensure the regulation and operation of airports across Australia are consistent and aligned.

The Sunshine Coast Airport currently relies on the law of contract along with its authority as owner of the land to control use of the land and facilities under council's local laws. However, the new airport corporation will not be able to use council's current local law framework as the majority of powers do not extend to a private corporation.

Therefore, in order to ensure the new airport corporation have sufficient powers to ensure the safe, secure and orderly operation of the airport it is recommended that council give consideration to the adoption of a new Local Law and Subordinate Local Law for the Sunshine Coast Airport and the declaration of off-street parking in *Subordinate Local Law No. 5 (Parking) 2011* to allow the airport to continue to enforce parking on the airport land.

A Council resolution proposing to make the amendment local law and subordinate local laws is necessary to proceed with the local law making process. Following this resolution, the draft amendment local laws and subordinate local laws will be referred to the community for consultation and State interest checks with State government agencies.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Proposal to make Local Law No. 7 (Sunshine Coast Airport) 2017, Subordinate Local Law No. 7 (Sunshine Coast Airport) 2017 and Amendment Subordinate Local Law No. 2 (Parking) 2017”
- (b) resolve to propose to make:
 - (i) Local Law No. 7 (Sunshine Coast Airport) 2017
 - (ii) Subordinate Local Law No. 7 (Sunshine Coast Airport) 2017 and
 - (iii) Amendment Subordinate Local Law No. 2 (Parking) 2017
- (c) resolve to undertake Community Consultation about the proposed local law and subordinate local laws
- (d) resolve to undertake a State Interest Check in relation to the proposed local law pursuant to section 29A of the Local Government Act 2009 and
- (e) note that the proposed laws have been reviewed in accordance with section 38 of the Local Government Act 2009 and do not contain any possible anti-competitive provisions because they neither create barriers to entering the market nor restrict competition in the market.

FINANCE AND RESOURCING

The cost of preparation of the Local Laws and Subordinate Local Law was \$14,586.00 Inc. GST. This has been met within the existing budget allocations of the Sunshine Coast Airport Transition.

CORPORATE PLAN

Corporate Plan Goal:	<i>Service excellence</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S23 - Local amenity and local laws - maintaining and regulating local amenity through local laws, regulated parking, community land permits and management of animals, overgrown land and abandoned vehicles

CONSULTATION**Portfolio Councillor Consultation**

Consultation has occurred with the Deputy Mayor Councillor Tim Dwyer and Portfolio Councillor Ted Hungerford.

Councillor Consultation

Council were informed of the proposal for a Sunshine Coast Airport Local Law at the 18 May 2017 Special Council Meeting, item 4.1.3 – Sunshine Coast Transition process.

Internal Consultation

Internal consultation occurred with the following officers:

- Director Economic Development and Major Projects
- General Manager Sunshine Coast Airport
- Coordinator Operations and Assets – Sunshine Coast Airport
- Project Director (Major Projects)
- Manager Corporate Governance
- Manager Community Response
- Coordinator Departmental Projects
- Coordinator Governance Process and Policy
- Chief Legal Officer
- Solicitor

External Consultation

Dr Michael Limerick was contracted to draft Local Law No. 7 (Sunshine Coast Airport) 2017, Subordinate Local Law No. 7 (Sunshine Coast Airport) 2017 and Amendment Subordinate Local Law No. 2 (Parking) 2017.

Bob Bidwell, consultant advisor for the Airport Expansion Project provided input on the mapping for the local law and details on the registered property lot numbers that would be included in the leased area for the Airport Corporation.

Community Engagement

No community engagement was required for the preparation of this report. Community engagement will commence pending approval from council to proceed with the local law making process. Following approval to commence the local law making process council will undertake community consultation and a State interest check.

Council may at its discretion determine the amount of (if any) public consultation it undertakes before adopting the amendment Local Law and Subordinate Local Law by resolution.

The consultation period for the proposed changes will occur from 16 June 2017 to 7 July 2017.

A community consultation strategy has been developed and will include:

- media releases
- notification in Sunshine Coast Daily public notices
- notification through councils news centre
- information included on Councils website on 'Have your say' page

In accordance with the Queensland State guidelines for conducting reviews of anti-competitive provisions; laws to ensure accepted public health and safety standards are excluded from reviews of anti-competitive provisions. The proposed local law's objective is to provide for the safe, secure and orderly operation of the airport and therefore are excluded from requiring council to conduct a public interest review.

PROPOSAL

Aviation law in Australia

The aviation industry is generally regarded as the most extensively and strictly regulated of all industries. The law impacts upon the aviation industry more or less directly from the international level right down to the domestic level in every place it operates.

All Australian federal leased airports are subject to the legislative requirements outlined in the *Airports Act 1996* (Cth). The *Airport Act 1996* (Cth) establishes the regulatory arrangements which apply to the airports formerly owned and operated on behalf of the Commonwealth. The *Airport Act* provides the regulatory framework to regulate matters such as airport notices, parking, gambling, control of vehicle movements, smoking, enforcement etc. However, the *Airport Act 1996* (Cth) only applies to core regulated federal leased airports.

In Queensland, there are two Queensland State leased airports that are covered under the *Airport Assets (Restructuring and Disposal) Act 2008* (Qld). The *Airport Assets (Restructuring and Disposal) Act 2008* establishes the regulatory arrangements which apply to the formerly State owned airports of Cairns and Mackay. Similar to the *Airport Act 1996* (Cth) the *Airport Assets (Restructuring and Disposal) Act 2008* provides a regulatory framework to regulate matters such as airport notices, moving people on powers, parking, enforcement etc. However, this Act only applies to Cairns and Mackay Airports.

The majority of regional airports across Queensland that are council owned and operated are regulated under their respective Aerodrome Local Laws. For example Cloncurry Airport and Rockhampton Airport both use their respective council's local laws to operate and regulate activities on their aerodromes. These local laws provide a similar regulatory framework as the State and Federal Aviation laws do.

Local Laws and the regulation of airports

In 2011, when Council's new suite of Local Laws were established it was decided that Sunshine Coast Airport would be regulated through use of the existing local laws and common law powers rather than creating a whole new local law specifically related to council owned and operated Aerodromes. Sunshine Coast Airport currently uses a combination of powers to regulate the use of the airport. Council relies on the law of contract along with its authority as owner of the land to control use of the land and facilities. The Conditions of Use documents are established under *Local Law No. 4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011*. In addition to this, Council employs officers who are appointed as authorised persons under the *Local Government Act 2009* and use these powers to regulate under Council's local laws specifically, *Local Law No. 1 (Administration) 2011*, *Local Law No. 4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011* and *Local Law No. 5 (Parking) 2011*.

However, when the airport comes under new ownership the majority of powers under council's existing local laws will not be able to be transferred to the new airport corporation. While consideration can be given to the new airport corporation establishing their own Conditions of Use documents under the law of contract (common law), it is recommended that a new local law be established that duplicates the majority of provisions under Chapter 4 of the *Airport Assets (Restructuring and Disposal) Act 2008* to ensure the regulation and operation of Sunshine Coast Airport aligns with Aviation Laws across Australia.

Under the proposed local law, Council will be able to declare "airport land" where the local law applies, and declare an "airport corporation" that can exercise the powers over that airport land. The subordinate local law will declare the airport land to be the land that the Council is leasing to the new airport corporation, excluding the area that will be leased back to Council for construction of the new runway. When the new runway is completed and the lease back to council expires, the remaining lots will automatically be included as "airport land" under the subordinate local law. The subordinate local law will also declare Sunshine Coast Airport Corporation Limited as the airport corporation for this airport land. The airport

land can be extended at a later date to include the new runway when it comes under the control of the airport corporation.

The duplication of the powers in Chapter 4 of the *Airport Assets (Restructuring and Disposal) Act 2008* into the new Airport Local Law and Subordinate Local Law will enable the airport corporation to issue airport notices (enforceable by fine) controlling:

- a) movement of persons including, for example, where the movement of members of the public, or another identified group, is restricted or prohibited;
- b) entry, movement, standing or parking of vehicles;
- c) movement, standing or parking of aircraft;
- d) movement, handling or storage of baggage or goods;
- e) other activities or conduct to the extent necessary.

In practice, the airport corporation will be able to regulate a range of matters by airport notice, including parking of aircraft, permits for airside vehicles, use of buildings and facilities, safety procedures and restriction of access to various places. Because an airport notice will be enforceable by fine, the airport corporation must ensure people are aware of the notices through advertising in local newspapers and prominent display at airport facilities. Maximum fines will be either 20 or 50 penalty units and can be enforced by penalty infringement notices of \$243 or \$609.

The local law will also replicate the State legislative provisions enabling authorised persons for airport land to give a verbal direction to a person on airport land to ensure safety and security and prevent disruption of the airport's operations. These can be followed up by written notices enforceable by maximum fines of between 10 and 50 penalty units (penalty infringement notices between \$121 and \$609).

The council CEO will be able to use existing powers in the *Local Government Act 2009* (s.202) to appoint airport corporation staff as authorised persons for the local laws, or to delegate appointment to the airport corporation under s.259 of the *Local Government Act 2009*. In the latter case, the local law ensures the airport corporation and not the council is liable for the actions of those authorised persons. The local law also permits the council CEO to direct the airport corporation about how the power to appoint authorised persons should be exercised – for example, the council will be able to require that authorised persons are properly trained. The council will need a contractual arrangement with the airport corporation if the persons appointed are employees or contractors of the Airport Corporation rather than council employees.

Any fines for breach of the airport local laws will be payable to the council, but these are expected to be few in practice. The council will need to negotiate with the airport corporation about arrangements for local law enforcement and administration of penalties under the State Penalties Enforcement Register.

In addition to authorised persons' regular local law enforcement powers (such as impounding abandoned goods), the airport local law will also empower authorised persons to move contravening property and inspect documents, aircraft, vehicles and goods.

To ensure parking regulation is consistent and compliant with the requirements under the *Transport Operations (Road Use Management) Act 1995* (TORUM), Amendment Subordinate Local Law No.2 (Parking) 2017 will declare an airport off-street regulated parking area by inserting a map in *Subordinate Local Law No. 5 (Parking) 2011*. This will allow airport personnel appointed as authorised persons to regulate parking on the airport land and issue penalty infringement notices for parking offences. It will also ensure all official traffic signs within the airport land area are compliant with the requirements of TORUM and consistent with all official traffic signs across the Sunshine Coast region. The same fines will apply for parking offences at the airport as for the rest of the region.

Local Law Making Process

Before the amendment local law and subordinate local laws can be made, a number of statutory and other requirements needed to be fulfilled. Table 1 outlines these requirements below:

Table 1 – Local Law Making Process

Statutory Requirement	Action taken	Date	Status
Propose to make local law amendments	Prepare report to council to propose to make <i>Local Law No. 7 (Sunshine Coast Airport) 2017 and Subordinate Local Law No. 7 (Sunshine Coast Airport) 2017 and Amendment Subordinate Local Law No. 2 (Parking) 2017</i>	15 June 2017	Completed
Community consultation	<ul style="list-style-type: none"> • media releases • notification in Sunshine Coast Daily public notices • notification through councils news centre • information included on Councils website on 'Have your say' page 	16 June – 7 July 2017	Underway
State interest check	<ul style="list-style-type: none"> • email proposed changes to relevant state government agencies 	16 June – 7 July 2017	Underway
Council website	All relevant information and documentation placed on and available through council's website on " <i>Have your say</i> " page.	16 June – 7 July 2017	Underway
Report to council to make the amendment local laws	Prepare report to council to make the local laws	17 August 2017	To be completed
Gazette Notice	Preparation of Government Gazette notice for publication in the Government Gazette once amendments are made by Council at the August OM 2017.	25 August 2017	To be prepared
Commencement	<i>Local Law No. 7 (Sunshine Coast Airport) 2017</i> (and subordinate local law) will commence on 1 October 2017 (see section 2 of Appendix 1)	1 October 2017	Underway

Legal

The proposal has been considered in accordance with the following legislation:

- Chapter 4 of the *Airport Assets (Restructuring and Disposal) Act 2008* (Qld)
 - Section 29-32 of the *Local Government Act 2009*;
 - Section 15 of the *Local Government Regulation 2012* and
 - Sunshine Coast Council's suite of Local Laws and Subordinate Local Laws
 - Sunshine Coast Council Local Law No. 7 (Sunshine Coast Airport) 2017
 - Sunshine Coast Council Subordinate Local Law No. 7 (Sunshine Coast Airport) 2017
- Amendment Subordinate Local Law No. 2 (Parking) 2017

Policy

There are no new policy implications in the following proposed local law, subordinate local law and amendment subordinate local law:

- Sunshine Coast Council Local Law No. 7 (Sunshine Coast Airport) 2017
- Sunshine Coast Council Subordinate Local Law No. 7 (Sunshine Coast Airport) 2017
- Amendment Subordinate Local Law No. 2 (Parking) 2017

Risk

Risks associated with the making of amendment local laws will be managed by:

- conducting effective community consultation
- ensuring effective implementation of the amendment local law
- utilising robust systems and processes to monitor the performance of the local laws
- imposing the requirement that all authorised persons of the airport must undergo authorised person training annually.

Without the new local law in place, the airport corporation may not have sufficient powers to ensure the safe, secure and orderly operation of the airport. Common law authority as the lessee of land provide some basis for regulating activity on the land through conditions of use and other landholder controls, but these are a less reliable enforcement mechanism than enforceable notices and clear powers of authorised persons to direct airport users.

The council should be aware that the local law has the effect of delegating the power to issue enforceable airport notices (thereby creating offences) to a third party – the airport corporation.

This risk is managed by:

- limiting the matters that airport notices can regulate
- limiting the size of the penalties for breach of airport notices
- requiring that authorised persons to enforce airport notices and exercise other powers are either appointed by the council or under a tightly circumscribed delegation from the council
- protecting the council from liability for exercise of powers by authorised persons appointed by the airport corporation.

Previous Council Resolution

There are no previous resolutions related to this report.

Related Documentation

There is no related documentation in relation to this report.

Critical Dates

It is beneficial for council to commence the local law making process as soon as possible in order for the Local Law amendments to take effect by the 1 October 2017.

Implementation

The Council provided the Chief Executive Officer with the following directions: Following consideration of this report, actions relevant to the recommendation will be implemented and include:

- Commencement of community consultation from 16 June 2017 – 7 July 2017
- Undertake State interest checks on 16 June 2017 – 7 July 2017
- Preparation of the website notice on proposed local law change.

8.6.4 STATUS OF TABLED AND OUTSTANDING PETITIONS

File No:	Statutory Meetings
Author:	Team Leader Meeting Management Office of the Mayor and Chief Executive Officer
Attachments:	Att 1 - Tabled Petitions as at 23 May 2017 327

PURPOSE

This report updates Council on the current status of Petitions that have been presented at Ordinary Meetings.

EXECUTIVE SUMMARY

A petition is a formal written request that is used to lobby council. It is a mechanism to seek action or consideration from council, usually for a localised issue.

Petitions may request the alteration of a general law or the reconsideration of some administrative decision. People may lodge a petition regarding a matter in which they have an interest. Petitions can also be used as a form of submission on active development applications during the public notification stage.

Since the Ordinary Meeting of 20 April 2016, 29 petitions have been tabled for Council's consideration. The petitions have been actioned by various departments throughout Council. Most of these petitions have been completed and the relevant departments have provided updates as to their status (Attachment 1).

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Status of Tabled and Outstanding Petitions" and
- (b) note the current status of action on the petitions received by council during the period 21 April 2016 to 18 May 2017.

FINANCE AND RESOURCING

This report deals with an administrative matter which does not require additional funding outside of the approved operational budget of the Office of the Mayor and the Chief Executive Officer.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*
Outcome: We serve our community by providing this great service
Operational Activity: S31 - Governance - providing internal leadership, legal opinion, governance and audit functions ensuring legislative accountability, transparency and ethical obligations are supported

CONSULTATION**Internal Consultation**

All Departments across the Sunshine Coast Regional Council provided feedback on the status of petitions received by council.

External Consultation

There was no external consultation required for the preparation of this report.

Community Engagement

There was no community engagement required for the preparation of this report.

PROPOSAL

Upon receipt of each Petition via the Council Statutory Meeting process, the Meeting Management Team forwards petitions to the relevant Department requesting the following steps be undertaken:

- an Action Officer is allocated as responsible for acknowledging to the lead petitioner that Council has received the petition and subsequently
- sending the relevant response to the lead petitioner, with a copy to the Councillor who tabled the petition
- the Action Officer then advises the Director's Personal Assistant of what has occurred
- the Director's Personal Assistant then updates the Minute Actions Database and
- a periodic report of all tabled petitions is presented back to Council regarding the outcome of all petitions.

Attachment 1 of this report provides a Summary by Department of the action taken to date on all petitions received by Council since 20 April 2016 and a status update on any outstanding petitions.

At the time this report was prepared there are only 10 outstanding or 'in progress' petitions including, 5 tabled at the May Ordinary Meeting.

Legal

There are no legal implications to this report, other than to note that when a petition is presented to a council meeting the associated resolution of Council must be actioned as appropriate.

Policy

A standard process for dealing with petitions has been developed. The process outlines Council's guidelines for managing petitions tabled at Council.

Risk

There has been no risks identified associated with this report.

Previous Council Resolution

Ordinary Meeting 20 April 2016- Council Resolution (**OM16/57**)

That Council:

- (a) receive and note the report titled "**Status of Tabled and Outstanding Petitions**" and*
- (b) note the current status of action on the petitions received by council during the period 1 July 2010 to 10 March 2016.*

Related Documentation

Internal procedures and guidelines are available to staff to ensure petitions are actioned as required by Council resolution.

Critical Dates

There are no critical dates relating to this report.

Implementation

Council's resolution database is updated regularly to reflect the current status of petitions as detailed (Attachment 1). The website has been updated to reflect the current guidelines for how to lodge a petition with Sunshine Coast Regional Council, see hyperlink provided: <https://www.sunshinecoast.qld.gov.au/Council/Council-Meetings/Petitioning-Council>

8.6.5 AUDIT COMMITTEE MEETING 22 MAY 2017

File No:	Council meetings	
Author:	Manager Audit and Assurance Office of the Mayor and Chief Executive Officer	
Appendices:	App A - 2017 - 2018 Internal Audit Work Plan.....	333
Attachments:	Att 1 - Minutes Audit Committee 22 May 2017	335

PURPOSE

To provide Council with information on matters reviewed at the Audit Committee Meeting held 22 May 2017 (*Section 211 Local Government Regulation 2012*) and make recommendation to Council on any matters that the Audit Committee considers need action or improvement (*Section 105 of the Local Government Act 2009*).

EXECUTIVE SUMMARY

The Audit Committee is a mandatory Advisory Committee of Council established in accordance with Section 105 of the *Local Government Act 2009*. The Committee is comprised of Mr Peter Dowling (External Chair), Mr Len Scanlan (External Member), Cr Tim Dwyer and Cr Christian Dickson.

The Audit Committee agenda was distributed electronically to all Councillors on 12 May 2017 with agenda reports categorised as Chief Executive Officer's Update, External Audit, Audit and Assurance, and Governance Reporting.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Audit Committee Meeting 22 May 2017" and
- (b) endorse the 2017 – 2018 Internal Audit Work Plan (Appendix A).

FINANCE AND RESOURCING

There are no finance and resourcing issues associated with this report.

CORPORATE PLAN

Corporate Plan Goal:	<i>An outstanding organisation</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S31 - Governance - providing internal leadership, legal opinion, governance and audit functions ensuring legislative accountability, transparency and ethical obligations are supported

CONSULTATION

Internal Consultation

Executive Leadership Team

External Consultation

External members of the Audit Committee.

Community Engagement

There has been no community engagement.

PROPOSAL

The Audit Committee is a mandatory Advisory Committee which meets four times each year and is established in accordance with *Section 105 Local Government Act 2009*. The Committee has no delegated authority and is a source of independent advice to Council and to the Chief Executive Officer.

The Committee is comprised of Mr Peter Dowling (External Chair), Mr Len Scanlan (External Member), Cr Tim Dwyer and Cr Christian Dickson. The Audit Committee agenda was distributed electronically to all Councillors.

The overall objective of the Audit Committee is to assist the Council and the Chief Executive 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, Executive Management, External Audit and Internal 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.

In accordance with *Section 211 of the Local Government Regulation 2012*, the Audit Committee must provide Council with a written report about the matters reviewed at the Audit Committee Meeting and make recommendation to Council on any matters that the Audit Committee considers need action or improvement (*Section 105 of the Local Government Act 2009*).

The matters reviewed at the 22 May 2017 Audit Committee Meeting were as follows.

Chief Executive Officer's Update

- Update on Council's performance and challenges.

External Audit Reports

- Queensland Audit Office Briefing Note
- Queensland Audit Office Interim Management Report for 2016/17
- Queensland Audit Office 2016/17 External Audit Plan and associated Council Financial Statement Risk Assessment
- Queensland Audit Office Better Practice Guide – Long Term Financial Planning
- Shell Financial Reports Statements 2016/17
- Asset Revaluation Summary and Progress Status 2016/17
- Position Paper – Landfill Rehabilitation Provision and the Net Present Value (NPV) Rate

Audit and Assurance Reports

The following internal audit reports were presented at the meeting.

- Information Technology Cyber Security Review by BDO Pty Ltd
- Recruitment and Selection
- KPMG Fraud Risk Assessment Plan
- Development Services – Planning Assessment Fees
- Audit and Assurance Status Report
- 2017 – 2018 Internal Audit Work Plan

Governance Reporting

- Work Health and Safety Report
- Governance Report
- Sunshine Coast Airport Expansion Project

Legal

Compliance with the *Local Government Act 2009* and *Local Government Regulation 2012*.

Policy

There are no policy implications with this report

Risk

Specific risks have been detailed in the various agenda reports.

Previous Council Resolution

Audit Committee and Internal Audit Charters were previously endorsed at Council Ordinary Meeting 30 January 2017.

Related Documentation

Audit Committee Agenda for 22 May 2017 was issued to Councillors 12 May 2017.

Critical Dates

There are no critical dates associated with this report.

Implementation

Implementation of the Audit Committee resolutions, internal and external audit recommendations are monitored by the Audit Committee.

9 NOTIFIED MOTIONS**10 TABLING OF PETITIONS**

Petitions only eligible for submission if:

- * Legible
- * Have purpose of the petition on top of each page
- * Contain at least 10 signatures
- * Motion limited to:
 - Petition received and referred to a future meeting
 - Petition received and referred to the Chief Executive Officer for report and consideration of recommendation
 - Petition not be received

11 CONFIDENTIAL SESSION

11.1 INFRASTRUCTURE SERVICES

Nil

11.2 COMMUNITY SERVICES

Nil

11.3 PLANNING AND ENVIRONMENT

Nil

11.4 CORPORATE SERVICES

Nil

11.5 ECONOMIC DEVELOPMENT AND MAJOR PROJECTS**11.5.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - BRISBANE ROAD UPGRADE ACQUISITIONS**

File No: Council meetings
Author: Principal Property Officer
Economic Development and Major Projects Department

This report is confidential in accordance with section 275 (h) of the *Local Government Regulation 2012* as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

11.5.2 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - BRISBANE ROAD CAR PARK DEVELOPMENT

File No: Council meetings
Author: Project Director (Major Projects)
Economic Development and Major Projects Department

This report is confidential in accordance with section 275 (e) of the *Local Government Regulation 2012* as it contains information relating to contracts proposed to be made by Council.

11.6 OFFICE OF THE MAYOR AND THE CEO

Nil

12 NEXT MEETING

The next Ordinary Meeting will be held on 20 July 2017 in the Council Chambers, 1 Omrah Avenue, Caloundra.

13 MEETING CLOSURE