

# Agenda

## **Ordinary Meeting**

**Thursday, 23 May 2019**

**commencing at 9:00am**

**Council Chambers, 1 Omrah Avenue, Caloundra**



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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 30 April 2019 be received and confirmed.

**5 INFORMING OF PERSONAL INTERESTS****5.1 MATERIAL PERSONAL INTEREST**

Pursuant to Section 175C 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 CONFLICT OF INTEREST / PERCEIVED CONFLICT OF INTEREST**

Pursuant to Section 175E 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.

The other Councillors must then decide

- (a) whether the Councillor has a real conflict of interest or perceived conflict of interest in the matter and
- (b) if they decide the Councillor has a real conflict of interest or perceived conflict of interest in the matter
  - (i) whether the Councillor must 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, or
  - (ii) that the Councillor may participate in the meeting in relation to the matter, including by voting on the matter.

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

**8 REPORTS DIRECT TO COUNCIL****8.1 QUARTERLY PROGRESS REPORT - QUARTER 3, 2018/19****File No:** Council meetings**Author:** Coordinator Organisational Performance  
Office of the Chief Executive Officer**Appendices:** App A - CEO's Quarterly Progress Report Q3 2018-19 ..... 5/186  
App B - Operational Plan Activities Q3 2018-19 ..... 19/186  
App C - CEO's Quarterly Snapshot Report Q3 2018-19 ..... 57/186

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**PURPOSE**

This report presents the Quarterly Progress Report for the period 1 January to 31 March 2019 – Quarter 3.

This report has been prepared to inform Council and the community on delivery of the services, implementation of operational activities and significant operating projects from Council's Operational Plan 2018-2019, effectively providing a progress report on the Corporate Plan.

**EXECUTIVE SUMMARY**

Each quarter, Council receives a progress report on the delivery of the Operational Plan. The report once adopted, is published and made available to the community.

The Report is comprised of:

- Appendix A – CEO's Quarterly Progress Report
- Appendix B – report on the 187 operational activities flowing from Council's Operational Plan 2018-2019
- Appendix C – CEO's Quarterly Snapshot that is intended for public release through social media channels as part of bringing the corporate plan to life.

Highlights for the quarter ended 31 March 2019 are:

**A smart economy**

- An investment aftercare event was held for investors in new local business, business relocations and business expansions to maintain contact.
- A new mobile app Invest Sunshine Coast was released that provides ready access to investment information and can be used to make investment referrals.
- The Sunshine Coast was recognised by the global Intelligent Community Forum (ICF) as one of the Top7 Intelligent Communities of 2019 and Council received the award for Community Engagement for the Maroochy Groyne Field Renewal Project.
- 38,803 guests attended 13 major events which generated approximately \$14 million in economic activity for the region.

**A strong community**

- The Refinery, a creative incubator designed to transform ideas into sustainable businesses was launched and 30 applicants signed up in the first five days.
- At the request of Local Government Association Queensland Council provided support to the Richmond and Flinders Shires after the North Queensland flooding disaster. In addition to providing assistance, Council employees gained valuable field experience which will assist future operations and disaster planning.

- 42,575 people attended community events at Council's venues

### A healthy environment

- Community volunteering continues support the Community Nature Conservation Program, with 412 people contributing 2097 volunteer hours (equates to \$62,910 in labour value) to install 3539 native plants and remove more than 454 wheelie bins of weeds.
- Community consultation for the development of the Sunshine Coast Coastal Hazard Adaptation Strategy has started and nominations for the Community Advisory Group are being sought.
- 13 new Land for Wildlife properties were registered, with 88,443 ha being managed for conservation.

### Service excellence

- Council achieved a waste diversion rate of 36%. Of the 70,228.68 tonnes of waste received, 25,011.41 tonnes of waste were recovered.
- 1348 building approvals were issued with a construction value of \$275 million.
- Over 71,100 customers assisted through customer contact centres.

### An outstanding organisation

- \$56.2 million (or 70.75%) of total purchasing spend for the quarter has been to local businesses.
- Council achieved all the Queensland Audit Office's (QAO) measurable milestones for the first Interim Audit.

## OFFICER RECOMMENDATION

### That Council:

- receive and note the report titled "Quarterly Progress Report - Quarter 3, 2018/19"
- note the Chief Executive Officer's Quarterly Progress Report - Quarter 3, 1 January 2019 to 31 March 2019 (Appendix A) on service delivery
- note the Operational Plan Activities Report - quarter ended 31 March 2019 (Appendix B) reporting on implementation of the Corporate and Operational Plans and
- note the Chief Executive Officer's Snapshot Report - quarter ended 31 March 2019 (Appendix C) reporting service statistics and highlights.

## FINANCE AND RESOURCING

Financial reporting information is not included in the report. A Financial Performance Report is provided to Council each month covering operating revenue and expenses and capital programs.

## CORPORATE PLAN

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

## CONSULTATION

### Councillor Consultation

Councillor E Hungerford as Portfolio Councillor for Governance and Customer Service has been briefed on this report.

### Internal Consultation

Consultation has occurred with each Group of Council to provide information on service delivery and status of operational activities.

### External Consultation

There has been no external consultation in relation to this report, however the report is made available to the community.

### Community Engagement

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

## PROPOSAL

Under the requirements of the *Local Government Act 2009* and associated Regulations, Council is required to consider a regular report from the Chief Executive Officer outlining the achievements in delivering on the outcomes in its corporate and operational plans.

This report provides information on the following for consideration by Council.

### Progress report

The Chief Executive Officer's Quarterly Progress Report – Quarter 2 (Appendix A) consists of a summary of achievements; and supporting information by Corporate Plan Goal covering Delivery of Council's services.

### Operational plan activities

The Operational Plan Activities Report – Quarter ended 31 December 2018 (Appendix B) provides details on the implementation of activities outlined in Council's operational plan. It includes the status of each activity covering percentage complete, completion date and progress commentary.

Status	Q1	Q2	Q3
Completed	3	19	25
Underway	178	166	161
Not started	6	2	1
<b>Total</b>	<b>187</b>	<b>187</b>	<b>187</b>

**Table 1: Summary of all operational activities by Quarter**

### Legal

There is a legislative requirement to provide a report on performance against the corporate and operational plans. This report meets the requirements of the *Local Government Act 2009* and Regulation.



**Policy**

There is no policy associated with the presentation of a quarterly progress report however it is a component of the Strategic Corporate Planning and Reporting Framework.

**Risk**

In accordance with Council's Risk Management Framework, the risks and opportunities identified in relation to the quarterly progress report include:

- reputation/public image: the report provides complete information on Council's operations and builds a positive reputation for Council with the community
- legislative: the report meets the legislative requirements of the Local Government Act and Regulation, and
- business activity: the report keeps Council informed about the progression of the operational plan activities and provides a timely account of Council's progress to the community.

**Previous Council Resolution****Ordinary Meeting 28 February 2019 (OM19/18)**

*That Council:*

- receive and note the report titled "**Quarterly Progress Report - Quarter 2, 2018/19**"*
- note the Chief Executive Officer's Quarterly Progress Report - Quarter 2, 1 October 2018 to 31 December 2018 (Appendix A) on service delivery*
- note the Operational Plan Activities Report - quarter ended 31 December 2018 (Appendix B) reporting on implementation of the Corporate and Operational Plans and*
- note the Chief Executive Officer's Snapshot Report - quarter ended 31 December 2018 (Appendix C) reporting service statistics and highlights.*

**Related Documentation**

- Corporate Plan 2018-2022
- Operational Plan 2018-2019
- Financial information provided to Council in the Financial and Capital management report.

**Critical Dates**

Quarterly Progress reports are usually presented to Council within eight weeks of the end of the calendar quarter, subject to the scheduled meeting cycle. Legislation requires the report to be presented to Council at intervals of not more than 3 months.

**Implementation**

The report will be published and available for community access via Council's website and a copy will be provided to the State Library. The Chief Executive Officer will provide a verbal report to Council at the Ordinary Meeting.

## 8.2 2018/2019 COMMUNITY GRANTS PROGRAM MAJOR GRANTS ROUND 2 RECOMMENDATIONS

<b>File No:</b>	<b>Council meetings</b>
<b>Author:</b>	<b>Team Leader Community Connections Economic &amp; Community Development Group</b>
<b>Appendices:</b>	<b>App A - Major Grant Recommendations March 2019 .....59/186</b>
<b>Attachments:</b>	<b>Att 1 - Internal Consultation .....75/186</b>
	<b>Att 2 - Major Grant Recommendations March 2019 - Additional Information – <i>Confidential</i>.....5/84</b>
	<b>Att 3 - Funding Round Comparisons .....79/186</b>

### PURPOSE

This report seeks Council consideration and endorsement of funding recommendations for the second round of the 2018/19 Community Grants Program Major Grants.

### EXECUTIVE SUMMARY

Council's Community Grants Program provides a transparent governance framework that complies with statutory requirements for the distribution of grant funding to community organisations across the region.

The program reflects Council's priorities as described in current corporate strategies, plans and policy positions. It ensures equitable opportunity for community organisations to access Council funding for projects and programs, which meet identified community need and result in community benefit.

The Community Grants Program for 2018/19 Major Grants Round 2 closed on 18 March 2019. Council received 126 applications requesting a total of \$1,129,432 across seven categories:

- Community Development
- Community Events
- Community Facilities
- Cultural Development
- Cultural Heritage
- Economic Development
- Sport, Recreation and Healthy Living.

Funding totaling \$593,086 for 103 projects is recommended for Council's consideration and endorsement (Appendix A). The project budgets (based on figures supplied by applicants) for the successful applications total more than \$2.6 million. This is 4.5 times greater than the Council contribution recommended in this report.

Organisations recommended for funding in this round reported the engagement of 2,154 volunteers to deliver their funded projects and estimated 93,502 people would be direct beneficiaries of their projects (includes event patrons and/or participants).

## OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “2018/2019 Community Grants Program Major Grants Round 2 Recommendations” and
- (b) endorse the Major Grant Recommendations March 2019 (Appendix A).

## FINANCE AND RESOURCING

The 2018/19 Community Grants Program includes:

- two Major Grant funding rounds
- four Minor Grant funding rounds
- Individual Development Grants (year-round) and
- Emergency Grants (year-round).

This report to Council is in relation to the second Major Grant round for the 2018/19 Community Grants Program. Council received a 126 applications requesting a total of \$1,129,432 at the closure of the second round on 18 March 2019.

The report recommends that 103 applicants be funded a total of \$593,086. Details are provided in the Major Grant Recommendations March 2019 document.

### Budget Implications

Projects recommended in this report are supported by four separate budgets as detailed in Table 1 below.

BUDGETS	Community Grants Program Budget	Domestic Animal Management Budget*	Recreation Trails Activation Budget**	Heritage Levy Budget***	TOTAL
March 2019 Recommendations	\$541,344	\$25,000	\$15,000	\$11,742	<b>\$593,086</b>

**Table 1. Budgets for Recommended Projects**

\* Two of the recommended applications address the key objectives of Council’s Domestic Animal (Cats and Dogs) Management Strategy (2014-2020) and will be funded through the Domestic Animal Management Strategy Budget (application MJCD182012 Operations Wanted 2019 Desexing Campaign and MJCD182037 Dog Desexing Voucher Project).

\*\* Two applications address Council’s priority to encourage the community to lead and guide nature-based recreation projects and will be funded by Council’s endorsed Recreation Trails Activation Budget (applications MJCF182030 Trailhead Infrastructure and MJCF182045 - Walking Track - Kirbys Road Obi Obi).

\*\*\* Two applications support the delivery of the Sunshine Coast Heritage Plan strategy to effectively package and promote the region’s heritage as something to be valued and celebrated and will be supported in part through the Heritage Levy budget (MJCH182002 From Museum to Interactive Education Centre and MJCH182001 Nambour Museum Window Treatment and Foyer Upgrade - Stage 2).

The project budgets (based on figures supplied by applicants) for the successful applications total more than \$2.6 million. This is 4.5 times greater than the Council contribution recommended in this report.

## CORPORATE PLAN

<b>Corporate Plan Goal:</b>	<b><i>A strong community</i></b>
<b>Outcome:</b>	2.2 - Resilient and engaged communities
<b>Operational Activity:</b>	2.2.4 - Continue to ensure the manner in which Council distributes grant monies to community and not-for-profit organisations supports Council's social vision for the region

## CONSULTATION

### Portfolio Councillor Consultation

Councillor J McKay – Portfolio Councillor for Community and Environment.

### Internal Consultation

Community Grants Development Officers attended assessment panels, reviewed outcomes and moderated across all grant categories to ensure equity and consistency.

Assessment panel membership for each category was made up of a number of key staff from the relevant area of Council. In addition, Council officers with expertise relevant to specific applications were consulted and provided information and/or advice to inform assessment processes. Attachment 1 outlines the Council officers involved in each panel and additional staff consulted.

### External Consultation

Community Grants Development Officers and internal category experts liaised with community organisations across the Sunshine Coast Council Local Government Area via a range of community meetings and conversations to ensure a high level of awareness of the Major Grants Program and the application dates.

Assistance was provided for project development, preparation of application content and advice on the application process.

A wide range of traditional and social media tools were used to promote the Community Grants Program generally, and to invite applications.

### Community Engagement

Community engagement was not required to inform this report.

## PROPOSAL

Council recognises the vital contribution that community organisations make to the economic, environmental, social and cultural wellbeing of Sunshine Coast communities.

Through the provision of community grants, Council is committed to supporting the implementation of community initiatives and partnerships that align with Council's strategic corporate priorities and demonstrate a purpose that is in the interests of the Sunshine Coast community.

The following principles provide a consistent approach to the administration of the Community Grants Policy and the delivery of Council's Community Grants Program:

- Community organisations are provided with funding support to provide benefit to the Sunshine Coast community, in line with Council's strategic corporate priorities
- Vibrant, engaged and more resilient communities are developed through capacity-building and partnerships
- Community organisations and volunteers are acknowledged for the positive contribution they make to the local community and Council's vision for the future

- Funds are distributed in an equitable and transparent manner that ensures good governance and adherence to the *Local Government Act 2009* and the *Local Government Regulation 2012*.

The Community Grants Program Guidelines ensure an equitable, open and transparent process for applicants to seek financial assistance, and detail the specific aims and priorities of each category.

### **Promotion and Support**

A wide range of traditional and social media tools were used to promote the Community Grants Program generally and then to invite applications. These included:

- Council's website and Facebook
- online community newsletters
- media releases
- Spotlight print columns in local community newspapers
- Spotlight radio, Council's e-news, and messages on hold
- features in Councillor columns
- grant information and writing sessions held at six locations and
- grant fact sheets were available in libraries and customer service centres.

Community Grants Development Officers and internal category specialists liaised widely with the community by:

- responding to telephone enquiries, emails and action requests
- providing assistance with project development
- providing advice on the preparation of application content and the application process
- linking applicants with category specialists in all grant categories and
- assisting applicants with identifying other grant and funding opportunities.

### **Applications**

A total of 126 applications were received across the seven grant categories of the 2018/19 Community Grants Program Major Grants Round 2, requesting \$1,129,432 in funding.

### **Assessment**

Council officers pre-assessed each application to determine eligibility. Assessment panels for each category were then established (as detailed in Attachment 1 and in the Internal Consultation section of this report). Panel members reviewed all eligible applications prior to the panel meeting and then met to assess the applications.

In accordance with Council's Community Grants Policy, any declaration of a panel member's conflict of interest must be recorded. That panel member must not be involved in the related deliberations. Three panel members declared a conflict of interest in this Major Grants round and left the room for the assessment of the particular application concerned in each instance (MJCD180029, MJCU182008 and MJSR182020).

Panel discussion focused on alignment to category aims and priorities, alignment to Council's strategic corporate priorities, community need and benefit, and the capacity of the organisation to achieve the project outcome. The panels also took into consideration the number of applications received and the amount of funding available. Panel members determined funding recommendations for Council's consideration.

Due to the large number of applications in each grant category, part funding was recommended in some instances. In each case where part funding was recommended, the panel considered whether:

- the project could be successfully completed with the part funding allocated and
- funding for stand-alone components of the project could be provided.

### Recommendation

Funding totaling \$593,086 for 103 projects is recommended for Council's consideration and endorsement as provided in Appendix A: Major Grant Recommendations March 2019.

Confidential Attachment 2: Major Grant Recommendations March 2019 - Additional Information provides further detail relating to the assessment of applications and is provided in confidence under Section 275 (h) of the *Local Government Act 2009*.

Table 2 is a summary of the applications and the recommended funding for each category.

Category	Applications received	Funding requested	Applications recommended	% Applicants recommended	Funding recommended (GST excl)
Community Development	22	\$196,656	17	77%	\$108,225
Community Events	28	\$218,225	25	89%	\$97,842
Community Facilities	33	\$380,584	25	76%	\$218,708
Cultural Development	11	\$113,234	9	82%	\$56,500
Cultural Heritage	3	\$24,555	2	67%	\$17,464
Economic Development	3	\$24,950	2	67%	\$14,950
Sport, Recreation and Healthy Living	26	\$171,228	23	88%	\$79,397
<b>Total</b>	<b>126</b>	<b>\$1,129,432</b>	<b>103</b>	<b>82%</b>	<b>\$593,086</b>

**Table 2. Applications Summary and Recommended Funding**

The Funding Round Comparisons document at Attachment 3 details the funding comparison of the current round to previous Major Grant rounds.

The total cost of the recommended projects is valued over \$2,652,649 million (based on figures supplied by applicants). This is 4.5 times greater than the Council contribution recommended in this report.

### Program Evaluation

Ongoing evaluation of the Community Grants Program draws information from a variety of sources including:

- analysis of data provided by community organisations in application and acquittal reports
- engagement with community organisations and
- consultation with internal stakeholders including category representatives.

**Benefits**

Organisations recommended for funding in this round:

- reported the engagement of 2,154 volunteers to deliver their funded projects and
- estimated 93,502 people would be direct beneficiaries of their projects (includes event patrons and/or participants).

**Legal**

There are no legal implications relevant to this report.

**Policy**

The recommendations contained within this report are in accordance with the *Local Government Act 2009*, *Local Government Regulation 2012* and in line with the adopted *Community Grants Policy*. Any requested changes to funding recommendations made by the panel need to be supported by evidence and that evidence recorded.

**Risk**

There may be some community concern in relation to the number of community groups that were unsuccessful in their application for funding under this program or were only part funded. The panels' considerations were thorough and in line with the *Community Grants Policy* and *Community Grants Guidelines*, as well as budget availability. In each case where part funding was recommended, the panel:

- considered whether the project could be successfully completed with the part funding allocated and
- considered whether funding for stand-alone components of the project could be provided.

**Previous Council Resolutions****Ordinary Meeting 8 November 2018 (OM18/186)**

*That Council:*

- receive and note the report titled "2018/2019 Community Grants Program Major Grants Round 1 Recommendations" and*
- endorse the Major Grant Recommendations September 2018 (Appendix A).*

**Ordinary Meeting 23 March 2017 (OM17/38)**

*That Council:*

- receive and note the report titled "Recreation Trails Activation Program"*
- endorse the 15 year Recreation Trails Development Plan (Appendix A as amended) and the projects within this Development Plan for further scoping, planning, and delivery*
- through the 2017/18 budget deliberations consider*
  - the allocation of \$600,000 in the Recreational Tracks & Trails Sub-program of Environmental Assets section of the Capital Works Program*
  - establishment of a community grants program for recreation trails or supporting infrastructure with an allocation of \$60,000 to be administered as per the Community Grants Policy by the Community Connections Team; and*
  - a further annual allocation of \$60,00 to be provided for operational trail maintenance and promotional activities.*

**Ordinary Meeting 29 January 2015 (OM15/5)**

*That Council:*

- (a) *receive and note the report titled "Community Grants and Partnership Funding Review 2014"*
- (b) *endorse Option 1 for Council support to community organisations for 2015/16 and beyond*
- (c) *endorse multi-year funding under the Community Partnership Funding Program to provide funding for periods of up to 3 years*
- (d) *note "Community Grants Program and Community Partnership Funding Program Review Report" (Appendix A)*

**Ordinary Meeting 20 June 2013 (OM13/109)**

*That Council:*

- (a) *receive and note the report titled "**Community Grants Policy**"*
- (b) *adopt the Community Grants Policy (Appendix A)*
- (c) *note the Community Grants Guidelines (Appendix B) as amended by (f) below to implement the Community Grants Policy*
- (d) *adopt the Mayoral and Councillor Discretionary Funding Policy as amended (Appendix C)*
- (e) *note the Mayoral and Councillor Discretionary Funding Program Guidelines (Appendix D) and*
- (f) *amend the grants guidelines to include a clause that stipulates that each program is subject to annual budget allocations.*

**Related Documentation**

Related documentation includes funding agreements with successful community organisations.

Relevant policy and strategy documents include the following:

- Asset Management Policy (2010)
- Community Engagement Policy (2009)
- Community Grants Guidelines (2017)
- Community Grants Policy (2013)
- Community Land and Complimentary Commercial Activity Policy (2011)
- Cultural Development Policy (2012)
- Environment and Liveability Strategy
- Events Policy (2010)
- Heritage Levy Policy (2010)
- *Local Government Act 2009*
- *Local Government Regulation 2012*
- Public Art Policy (2011)
- *Statutory Bodies Financial Arrangements Act 1982*
- Sunshine Coast Access and Inclusion Plan 2011-2016
- Sunshine Coast Aquatic Plan 2011-2026
- Sunshine Coast Arts Plan 2018 -2038



- Sunshine Coast Domestic Animal (Cats and Dogs) Management Strategy 2014-2020
- Sunshine Coast Positive Ageing Strategy 2011-2016
- Sunshine Coast Reconciliation Action Plan 2017-2019
- Sunshine Coast Regional Economic Development Strategy 2013-2033
- Sunshine Coast Multicultural Action Plan 2017-2020
- Sunshine Coast Social Infrastructure Strategy (2011)
- Sunshine Coast Social Strategy 2015
- Sunshine Coast Sport and Active Recreation Plan 2011-2026
- Sunshine Coast Youth Action Plan 2018.

**Critical Dates**

The next Major Grants round under the Community Grants Program will open in July 2019 and close in September 2019.

**Implementation**

Following endorsement of this report, notification of outcomes will take place. Funding will be distributed during June and July 2019, following online acceptance of conditions of agreement and compliance with any specific conditions of funding.

### 8.3 SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT STRATEGY 2013-2033: 2019 TO 2023 IMPLEMENTATION PLAN

<b>File No:</b>	<b>Council meetings</b>
<b>Author:</b>	<b>Head of Economic Development Economic &amp; Community Development Group</b>
<b>Appendices:</b>	<b>App A - Draft Sunshine Coast Regional Economic Development Strategy 2013-2033: Implementation Plan 2019-2023 ..... 81/186</b>
<b>Attachments:</b>	<b>Att 1 - Sunshine Coast Regional Economic Development Strategy: Implementation Report Card 2013-2018 ..... 123/186 Att 2 - Sunshine Coast Regional Economic Development Strategy - Pathways to Programs Matrix..... 183/186</b>

#### PURPOSE

This report seeks Council's endorsement of the draft *Sunshine Coast Regional Economic Development Strategy (REDS) 2013-2033: Implementation Plan 2019-2023* (the draft REDS Implementation Plan 2019-2023).

#### EXECUTIVE SUMMARY

In September 2013, the *Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033* (the REDS or the Strategy) was launched.

Since then, the REDS has helped shape and communicate the economic priorities of the Sunshine Coast.

The REDS has seen the region achieve a number of significant outcomes since it launched, specifically, an independent assessment by KPMG and AEC Group found that significant progress has been achieved against the REDS aspirational goals for the first five-year implementation period:

1. Our GRP has grown from a \$13.8b economy to a \$17.2b economy
2. We have increased our exports from 13.6% to 17.9%
3. We now have more than 82,633 high-value industry employment opportunities
4. Our household income, which was previously 22% below the Queensland average, has moved to just 9.33% below the Queensland average.

In addition, significant work was completed in industry development/advancement across the five REDS pathways and seven high-value industries and a number of significant capital investment programs were achieved. A REDS implementation report card *Sunshine Coast – Regional Economic Development Strategy: Implementation Report Card 2013-2018* (Attachment 1) was released in May 2018 to communicate to the community the significant milestones achieved by REDS stakeholders and industry in the first five-year implementation period.

In November 2017, Council also commenced preparing an implementation plan for the next five-year cycle. This work was conducted by KPMG and progressed by AEC Group (who had worked on the original REDS). These organisations engaged with REDS stakeholders, business and industry to identify new priorities and programs to progress a 2019-2023 implementation plan from late 2017 to mid-2018.

The majority of feedback from this process indicated strong ongoing support for the REDS and its goals, pathways and priorities and the collaboration between business, industry and Council to achieve whole-of-region outcomes. Specific feedback predominantly reflected suggestions to expand or strengthen the proposed actions in the strategy or raise matters to be considered during implementation.

In addition, contributors recommended maintaining the 20-year vision and blueprint for long term sustainable economic growth, the four aspirational goals, five pathways and seven high-value industries from the original Strategy. Accordingly, the draft *Sunshine Coast Regional Economic Development Strategy (REDS) 2013-2033: Implementation Plan 2019-2023* (Appendix A) maintains the original strategy objectives while updating the five 'game-changer' priorities and providing a new suite of actions designed to support a resilient and prosperous regional economy.

Once endorsed by Council, the draft REDS Implementation Plan 2019-2023 will be matched with corresponding Pathway Implementation Plans. These Pathway Implementation Plans will take over from previous High-Value Industry and Investment Plans. The *Sunshine Coast Regional Economic Development Strategy – Pathways to Programs Matrix* at Attachment 2 is a high-level summary of the link between the REDS and the Pathway Implementation Plans.

All REDS stakeholders have been asked to endorse the draft REDS Implementation Plan 2019-2023. The final REDS Implementation Plan 2019-2023 will be shared with the community at upcoming key events including Queensland Small Business Week in May 2019 among other promotional and engagement opportunities.

## **OFFICER RECOMMENDATION**

**That Council:**

- (a) receive and note the report titled “Sunshine Coast Regional Economic Development Strategy 2013-2033: 2019 to 2023 Implementation Plan”**
- (b) endorse the draft “Sunshine Coast Regional Economic Development Strategy 2013-2033: Implementation Plan 2019-2023” (Appendix A) and**
- (c) delegate authority to the Chief Executive Officer, in consultation with the Mayor, and the Portfolio Councillor Economic Development and Innovation to:**
  - (i) make any minor amendments as required to finalise the “Sunshine Coast Regional Economic Development Strategy (2013-2033: Implementation Plan 2019-2023” and**
  - (ii) develop and implement associated Sunshine Coast Regional Economic Development Strategy Pathway Implementation Plans.**

## **FINANCE AND RESOURCING**

To continue the outstanding level of achievement against the 2013-2033 goals, actions within the REDS Implementation Plan have been identified for development and/or delivery over a five-year period from 2019-2023.

No new budget is required as the REDS implementation is a core function of the Industry Advancement and the Trade and Investment Units of the Economic Development Branch, Economic and Community Development Group, and is supported by other Branches of Council.

Council's resource commitments to deliver actions beyond the commitments outlined in the Implementation Plan will be considered through Council's normal budgetary processes.

## CORPORATE PLAN

<b>Corporate Plan Goal:</b>	<b><i>A smart economy</i></b>
<b>Outcome:</b>	1.1 - Strong economic leadership, collaboration and identity
<b>Operational Activity:</b>	1.1.1 - Prepare and implement a new 2018-2023 Regional Economic Development Strategy action plan and annual report card.

## CONSULTATION

### Internal Consultation

Councillors were consulted on the REDS review and the REDS priorities for the new five-year implementation plan and the game-changer projects in late 2017 and early 2018 respectively.

The Portfolio Councillor for Economic Development and Innovation Councillor S Robinson has been consulted on an ongoing basis.

Internal feedback has been obtained from:

- Chief Executive Officer
- Chief Strategy Officer
- Chief of Staff, Office of the Mayor
- Group Executive Economic and Community Development

In addition, as part of the review, a series of internal Council staff workshops (three) were conducted in March 2018 and additional submissions were also received from:

- Manager Community Planning and Development
- Manager Environment & Sustainability Policy
- Manager Sport and Community Venues
- Coordinator Express Services, Development Services
- Coordinator Regional Planning and Advocacy
- Senior Project Officer, Development Services.

### External Consultation

The following documents have been utilised to form the basis of the REDS Implementation Review:

- Sunshine Coast Regional Economic Development Strategy 2013-2033 and associated Research Compendium
- Sunshine Coast Regional Economic Development Strategy Implementation Review (KPMG, January 2018)
- Current and revised Industry and Investment Plans for seven High Value Industries
- Sunshine Coast Regional Economic Development Strategy Implementation Report Card (May 2018)
- 'Town Hall' Consultative Feedback Session delivered by KPMG on 27 February 2018 (45 participants made up of REDS stakeholders and Industry Taskforces from more than 100 invited. All invited had an opportunity to make a submission)
- Two external (AEC managed) stakeholder discussions on 15 and 21 March 2018, attended by:

- Catherine Molloy, AUSPAC
- Wallis Westbrook, Buderim Private Hospital
- Teresa Schmidt, CQUniversity
- Will Wilson, Master Builders
- Brad Davies, Property Council of Australia
- Matthew Byrne, Stockland
- Russell Mason, Suncare
- Andrew Stevens, UDIA.

Submissions were also received from the following individuals and organisations:

- Chris Mountford, Queensland Executive Director, Property Council of Australia
- Sandy Zubrinich, Chairperson, Sunshine Coast Business Council.

Discussions were also held with senior University of Sunshine Coast staff.

All contributions and feedback from each of the nominated organisations have been considered in the development of the REDS Implementation Plan 2019-2023.

In 2013, the REDS stakeholders (nine organisations) were asked to endorse the following statement for inclusion within the Strategy:

*“Senior representatives of the following stakeholder organisations have collectively and collaboratively contributed to the development of this whole-of-region Economic Development Strategy. Each organisation commits to support the Strategy and embraces its goals towards securing future economic prosperity for the Sunshine Coast.”*

It remains critical that the REDS is not perceived as being “owned” solely by Council – rather that it is owned and championed by regional business, industry and Council partners. The commitment statement outlined above was developed to articulate the broader regional support for the REDS to a wider investment audience and other levels of government and remains relevant for the new 2019-2023 implementation period.

### **Community Engagement**

The original REDS release and implementation had formal broad-scale community engagement. During the four-week consultation period in 2013, 1,086 unique users visited the Draft Sunshine Coast Economic Development Strategy webpage 1,353 times, with 32 people completing the online survey and a further 17 people or groups lodging written submissions or responses on the draft strategy. Fifteen targeted presentations or meetings were conducted across the region with 264 key regional businesses, industry, government and other stakeholders participating in consultations. A further 446 industry representatives were provided information on the draft Strategy and online consultation process through direct email.

This provided the opportunity for individual members of the community and community organisations to put forward their views on the goals, pathways and priorities in the draft Strategy and pose alternatives. This was in addition to the targeted engagement with business and industry groups and government representatives.

Since then, the REDS has been widely promoted by Council and REDS stakeholders at a wide range of engagements including seminars, workshops, industry awards, media publications among other events. In addition, there has been widespread media activity and engagement conducted by Council and partners over the last five years, so much so, that terms such as “REDS”, “game-changer” and “high-value industries” have entered the local

vernacular of business and industry alike and the region has been complimented on various occasions for presenting a unified position on economic priorities and opportunities.

The new REDS Implementation Plan 2019-2023 maintains the same goals, pathways and overarching priorities of the original Strategy and thus is not a departure from what has been approved or communicated to the community, business and industry.

## PROPOSAL

### Background

Since the development of the Sunshine Coast Regional Economic Development Strategy 2013-2033, the Sunshine Coast economy has undergone a period of noticeable growth and change.

The REDS was developed in partnership with Sunshine Coast Council, the State Government and eight other industry partners to guide and facilitate economic development and activities in the region.

Fundamentally, the REDS provides a clearly articulated strategy for the transformation of the region's economy over 20 years, focusing on the following:

1. Lifting the identity of the Sunshine Coast as an ideal investment and business location
2. Delivering significant capital investment in 'game-changing' regional infrastructure projects
3. Expanding and growing the mix of enduring employment opportunities in high-value industries
4. Driving greater connectivity between the Sunshine Coast economy and business community with national and global markets
5. Strengthening the ongoing investment and focus on talent and skills to provide the labour force pipeline that the region's new economy will require.

The REDS includes four aspirational goals for the region's economy over 20 years until 2033. Table 1 below identifies these aspirational goals as remaining unchanged as part of the new 2019-2023 Implementation Plan:

2013	2033
A \$13.8 billion economy	A \$33 billion economy
High-value industries provide 59,000 employment opportunities	High-value industries provide 100,000 employment opportunities
13.6% of goods and services produce for export outside the region	20% of goods and services produce for export outside the region
Household income levels 22.3% below the State average	Household income above the State average

*Table 1: REDS Aspirational Goals 2013-2033*

It was agreed by REDS stakeholders that the aspirational goals, priorities and pathways should remain the same, recognising, that (as outlined in Attachment 1), significant progress has been made against the goals, most notably:

1. Our GRP has grown from a \$13.8b economy to a \$17.2b economy
2. We have increased our exports from 13.6% to 17.9%
3. We now have more than 82,633 high-value industry employment opportunities
4. Our household income, which was previously 22% below the Queensland average, has moved to just 9.33% below the Queensland average.

In addition, the region has \$12.5 billion in public and private investment underway or in the pipeline fuelling growth in a number of high-value industries across the region.

Council itself has won a number of awards associated with the implementation of the REDS from the national peak body, Economic Development Australia.

### **Updated Implementation Plan**

In November 2017, Council commenced a process of evaluating the success of the first five-year implementation period and shaping the next five-year cycle. This work was conducted by KPMG and AEC Group (who had worked on the original REDS).

Significant consultation was conducted with REDS stakeholders, industry taskforces and business leaders and a new implementation plan for the years 2019-2023 has been prepared in draft form (Appendix A).

The majority of feedback indicated strong ongoing support for the REDS and its goals, pathways and priorities and the collaboration between business, industry and Council to achieve whole-of-region outcomes. Specific feedback predominantly reflected suggestions to expand or strengthen the proposed actions in the strategy or raise matters to be considered during implementation.

In addition, contributors recommended maintaining the 20-year vision and blueprint for long term sustainable economic growth, the four aspirational goals, five pathways and seven high-value industries. The draft REDS Implementation Plan 2019-2023 (Appendix A) does have an updated set of five 'game-changer' priorities and a revised five-year suite of 40 actions to continue to support a resilient and prosperous regional economy.

Once endorsed by Council, the draft REDS Implementation Plan 2019-2023 will be matched with corresponding Pathway Implementation Plans. These Pathway Implementation Plans will take over from previous High-Value Industry and Investment Plans. The high-level summary of the link between the REDS and the Pathway Implementation Plans is at Attachment 2.

One of the major successes of the 2013-2018 period was the formation of seven high-value industry taskforces made up of more than 50 business representatives from across the region. The maturing market has seen the conclusion of the taskforces, the formation of new or enhancement of existing industry groups, allowing many of the taskforce members migrating to become Invest Sunshine Coast Ambassadors. With the development of a new REDS Implementation Plan 2019-2023, Council will continue to engage with REDS stakeholders and industry and the formation of formal and informal groups may be required to guide and assist in the delivery of the suite of 40 actions outlined in the new implementation plan and/or the new Pathway Implementation Plans.

All REDS stakeholders have been asked to endorse the draft REDS Implementation Plan 2019-2023. The final REDS Implementation Plan 2019-2023 will be shared with the community at upcoming key events including Queensland Small Business Week in May 2019 among other promotional and engagement opportunities.

### **Legal**

No significant legal issues with the REDS Implementation Plan 2019-2023 have been identified at this time.

### **Policy**

The REDS is consistent with Council's key economic policy priorities to broaden the region's economic base, provide support to local business, and create an environment that supports high value employment and career opportunities. It is also consistent with the commitments made in Council's current *Corporate Plan 2019-2023*.

The updated implementation plan remains consistent with the endorsed *Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033* as the draft REDS Implementation Plan 2019-2023 is an update of this strategy and its objectives.

### **Risk**

Elements of risk associated with the implementation of the REDS form part of the Economic Development Branch Risk Assessment Framework and will be assessed by implementation leaders and partners responsible for individual REDS actions.

All risks associated with ongoing communication and community engagement with respect to the REDS have been analysed and appropriate mitigation measures developed as part of the Risk Management Framework.

### **Previous Council Resolutions**

#### **Ordinary Meeting 19 September 2013 (OM13/191)**

*That Council:*

- (a) *receive and note the report titled “Draft Economic Development Strategy”*
- (b) *endorse the “Sunshine Coast – The Natural Advantage – Regional Economic Development Strategy 2013-2033” (Appendix A) and the associated Research Compendium (Appendix B)*
- (c) *approve the “Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033” replaces the “Sunshine Coast Economic Development Strategy 2010-2014”*
- (d) *delegate authority to the Chief Executive Officer, in consultation with the Mayor, to make any minor amendments as required to finalise the “Sunshine Coast – The Natural Advantage – Regional Economic Development Strategy 2013-2033” for public release prior to the end of September 2013*
- (e) *approve the formation of a regional economic leadership board referred to in the “Sunshine Coast – The Natural Advantage – Regional Economic Development Strategy 2013-2033”, with its functions to include:*
  - (i) *guiding the transitions to, and building the identity of, a new economy*
  - (ii) *overseeing the progress of the Implementation Plan for the Strategy*
  - (iii) *assessing progress in the delivery of the Strategy to ensure outcomes and performance measures are met*
  - (iv) *providing key advice and intelligence to inform, guide and enable delivery of specific actions and*
  - (v) *advocating the region’s competitive strengths to secure new investment*
- (f) *delegate authority to the Chief Executive Officer to develop with business and industry groups represented on the Sunshine Coast Economic Development Strategy Taskforce, an appropriate governance and operating model for the regional economic leadership board for further consideration by Council.*

#### **Special Meeting 14 May 2013 (SM13/4)**

*That Council:*

- (a) *receive and note the report titled “Draft Sunshine Coast Economic Development Strategy” and*
- (b) *endorse the release of the draft “Sunshine Coast: The Natural Advantage - Sunshine Coast Economic Development Strategy” with minor editorial amendments, for public consultation (Appendix A).*



**Ordinary Meeting 20 May 2010 (OM10/120)**

*That Council:*

- (a) receive and note the report titled "Economic Development Strategy";*
- (b) endorse the Economic Development Strategy 2010-2014 (Appendix A as amended).*

**Related Documentation**

- Sunshine Coast Council Corporate Plan 2019-2023
- Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033
- Sunshine Coast – Regional Economic Development Strategy Review (KPMG January 2018)
- Sunshine Coast – Regional Economic Development Strategy: Implementation Report Card 2013-2018(May 2018)

**Critical Dates**

Economic Development Branch has been working to the priorities of the REDS since 2013 and continues to engage with REDS stakeholders, business and industry to contribute to the aspirational goals and Strategy priorities. Endorsement of the implementation plan will allow Council officers to finalise REDS Pathway Implementation Plans.

**Implementation**

- A new five-year Implementation Plan for the REDS has been developed to guide a suite of 40 actions from 2019-2023.
- Further Pathway Implementation Plans will be prepared and shared with the business community within the next six months.

**8.4 DEVELOPMENT APPLICATION FOR MATERIAL CHANGE OF USE OF PREMISES (VARIATION REQUEST TO VARY THE EFFECT OF THE SUNSHINE COAST PLANNING SCHEME 2014 - RURAL ZONE AND HEIGHT OF BUILDINGS AND STRUCTURES OVERLAY REQUIREMENTS) AT 1 BANYANDAH STREET NORTH, YANDINA**

<b>File No:</b>	<b>MCU18/0292</b>
<b>Author:</b>	<b>Team Leader Planning Assessment Customer Engagement &amp; Planning Services Group</b>
<b>Appendices:</b>	<b>App A - Conditions of Approval.....35</b>
<b>Attachments:</b>	<b>Att 1 - Detailed Assessment Report.....39</b>
	<b>Att 2 - Proposal Plan.....51</b>
	<b>Att 3 - Concurrence Agency Response .....53</b>

**Link to Development.i:**

<https://developmenti.sunshinecoast.qld.gov.au/Home/FilterDirect?filters=DANumber=MCU18/0292>

<b>SUMMARY SHEET</b>	
<b>APPLICATION DETAILS</b>	
<b>Applicant:</b>	Aspire Developments Enterprises Pty Ltd
<b>Owner:</b>	Minister For Economic Development Of Queensland
<b>Consultant:</b>	Adams & Sparkes Town Planning
<b>Proposal</b>	Preliminary Approval for Material Change of Use (Variation request to vary the effect of the Sunshine Coast Planning Scheme 2014 – Rural zone and Height of buildings and structures overlay requirements)
<b>Properly Made Date:</b>	15 November 2018
<b>Information Request Date:</b>	Not Applicable
<b>Information Response Received Date:</b>	Not Applicable
<b>Decision Due Date</b>	12 April 2019
<b>Number of Submissions</b>	No submissions received
<b>PROPERTY DETAILS</b>	
<b>Division:</b>	10
<b>Property Address:</b>	1 Banyandah St North YANDINA
<b>RP Description:</b>	Lot 266 RP 900854 Lot 4 SP 159592
<b>Land Area:</b>	Lot 266 – 4.328ha Lot 4 – 2.992ha
<b>Existing Use of Land:</b>	Vacant land
<b>STATUTORY DETAILS</b>	
<b>Planning Scheme:</b>	<i>Sunshine Coast Planning Scheme 2014 (29 June 2018)</i>
<b>SEQRP Designation:</b>	Urban Footprint

<b>Strategic Plan Designation:</b>	Industry and Enterprise Area Rural Enterprise and Landscape Area
<b>Local Plan Area</b>	Yandina Local Plan Area
<b>Zone:</b>	Low Impact Industry Zone & Rural Zone
<b>Assessment Type:</b>	Impact

## PURPOSE

The purpose of this report is to seek Council's determination of an application for a Preliminary Approval for Material Change of Use (Variation request to vary the effect of the *Sunshine Coast Planning Scheme 2014 – Rural zone and Height of buildings and structures overlay requirements*).

The application is before Council as it involves a variation request under the *Planning Act 2016*.

*“variation request means part of a development application for a preliminary approval for premises that seeks to vary the effect of any local planning instrument in effect for the premises”.*

## EXECUTIVE SUMMARY

The purpose of the application is to align the extent of both the Low Impact Industry Zone and the 12 metre maximum building height with the boundaries of industrial lots that were recently approved as part of a subdivision application over the site (RAL18/0081).

The application underwent public notification for 30 business days between 8 January 2019 and 21 February 2019. No submissions were received.

The variation request does not raise any significant issues as the proposed new zone boundary will include a small area of land that has generally been filled and used for industrial related purposes in the past. The proposed zone boundary and changes to the building height also aligns with the boundaries of industrial lots that were recently approved as part of a subdivision application over the site (RAL18/0081).

The application is recommended for approval.

## OFFICER RECOMMENDATION

**That Council:**

- (a) receive and note the report titled “**Development Application for Material Change of Use of Premises (Variation Request to Vary the Effect of the Sunshine Coast Planning Scheme 2014 - Rural Zone and Height of Buildings and Structures Overlay requirements) at 1 Banyandah Street North, Yandina**” and
- (b) **APPROVE** application no. MCU18/0292 for a Preliminary Approval for Material Change of Use (Variation request to vary the effect of the Sunshine Coast Planning Scheme 2014 – Rural zone and Height of buildings and structures overlay requirements) subject to reasonable and relevant conditions provided at Appendix A.

## FINANCE AND RESOURCING

In the event of an approval, infrastructure charges would not be applicable at the preliminary approval stage. Infrastructure charges would be applicable to any future approval for a Development Permit for Reconfiguration of a Lot.

**CORPORATE PLAN****Corporate Plan Goal:** *Service excellence***Outcome:** 4.4 - Service quality assessed by performance and value to customers**Operational Activity:** 4.4.6 - Position Development Services to effectively meet business and legislative requirements into the future with a focus on statutory assessment and compliance, ensuring timely decision making, positive customer experiences and strong industry engagement.**CONSULTATION****Councillor Consultation**

The Divisional Councillor G Rogerson has been briefed a number of occasions throughout the application process.

**Internal Consultation**

The application was forwarded to the following internal Council specialists and their assessment forms part of this report:

- Council's Solicitor, Legal Services
- Strategic Planner, Strategic Planning Branch
- Development Engineer, Engineering and Environment Assessment

**External Consultation**Referral Agencies

The application was referred to the Department of State Development, Manufacturing, Infrastructure and Planning (SARA) in accordance with the *Planning Act 2016* and the *Planning Regulation 2017*. The department is a concurrence agency for State transport corridors and future State transport corridors.

The department responded by letter dated 21 January 2019 states they had no requirements in relation to the application.

**Community Engagement**

The application was publicly notified for a minimum of 30 business days between 8 January 2019 and 21 February 2019 in accordance with the requirements of the *Planning Act 2016*. No submissions were received.

**PROPOSAL**

The application seeks a Preliminary Approval for Material Change of Use (Variation request to vary the effect of the *Sunshine Coast Planning Scheme 2014* – Rural Zone and Height of Buildings and Structures Overlay requirements).

The preliminary approval would cover a relatively small portion of land, being 2,205m<sup>2</sup> in area (or 3% of the site area) which is currently included within the Rural Zone by Zone Map ZM8 (Yandina Local Plan Area) of the *Sunshine Coast Planning Scheme 2014*. The applicant is seeking for this portion of land to be considered as if it were located in the Low Impact Industry Zone. This area is shown in red in Figure 1 below.

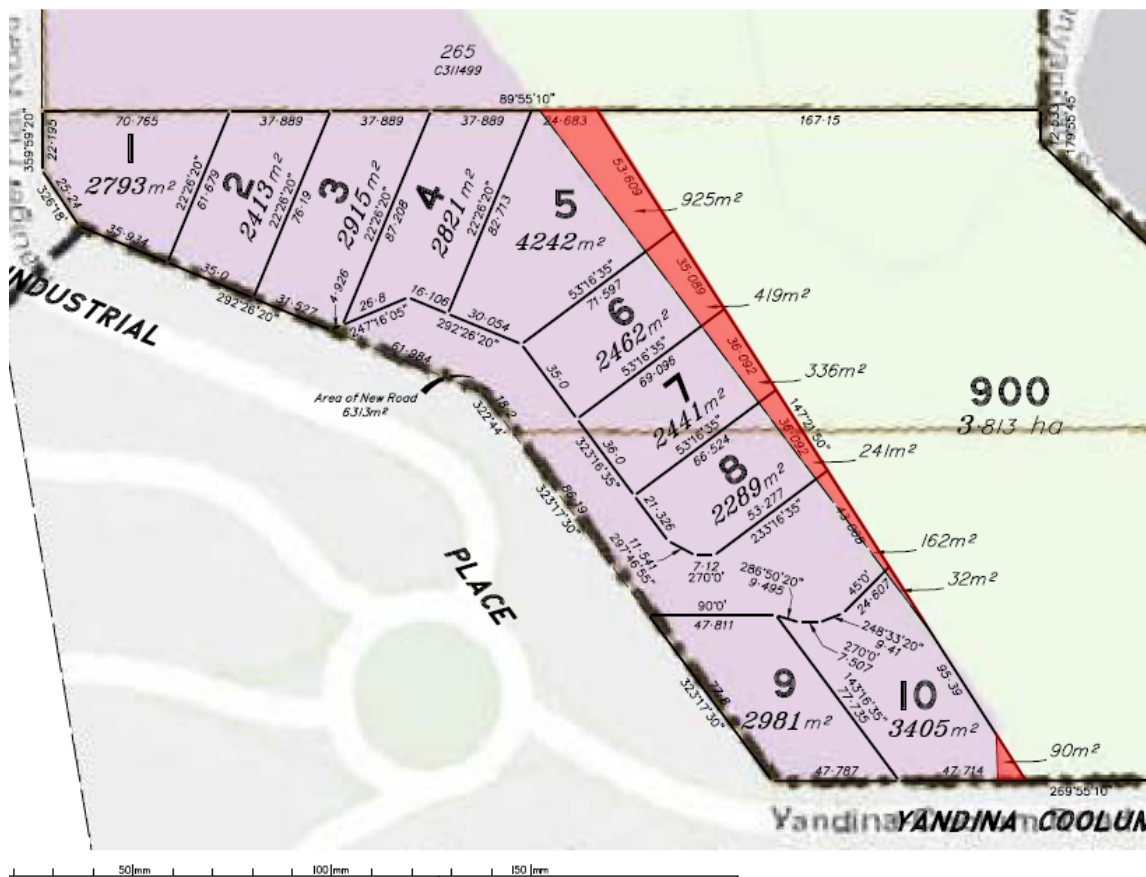


Figure 1 – Proposed Zoning Variation to Zone Map ZM8

The applicant is also seeking to vary the maximum building height requirements specified on the Height of Buildings and Structures Overlay Map OVM8H (Yandina Local Plan Area) over the same portion of land from 8.5m to 12m.

The purpose of the application is to align the extent of the both the Low Impact Industry Zone and the 12 metre maximum building height with the boundaries of industrial lots that were recently approved as part of a subdivision application over the site (RAL18/0081) as illustrated in Figure 1.

**Site History**

In 2005, a hydraulic investigation report was undertaken by Connell Wagner Pty Ltd over land which included the site. The investigation was undertaken on behalf of the Department of State Development and Innovation, being the land owners, to determine the feasibility of an industrial estate over land which included the site. The report identified areas of flood prone land that could be filled to support future industrial development as indicated in Figure 2 below.

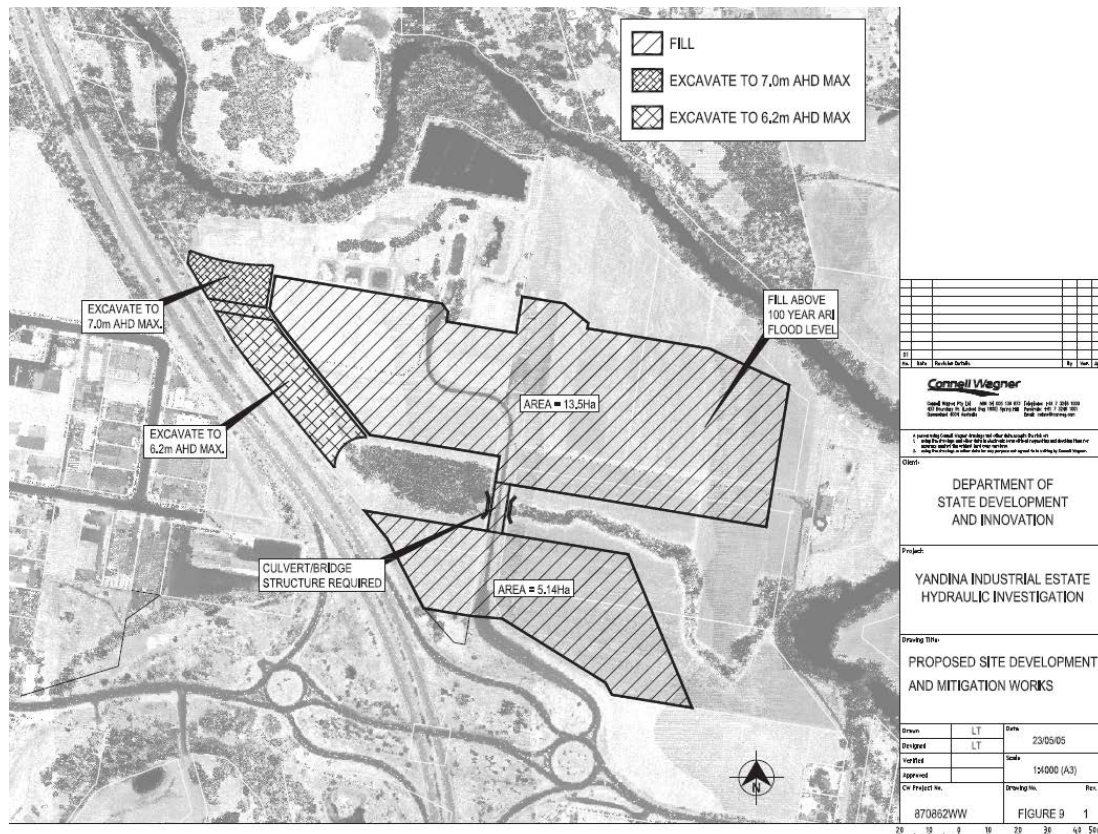


Figure 2 – Extract from Connell Wagner Hydraulic Investigation Report

The site was filled between 2008 and 2009 in accordance with the recommendations of the report and used as a storage yard for pipelines.

The filling extended past the extent of the Low Impact Industrial zoned land and into the Rural Zoned land.

On 8 June 2018, the applicant lodged an application for a Development Permit to Reconfigure a Lot - 2 Lots into 10 Industrial Lots and 1 Drainage Reserve Lot (RAL18/0081). Subsequent to lodgement of the application, the applicant discovered that the existing filled land and proposed industrial lot boundaries extended into the Rural Zoned land. On 31 July 2018, the applicant made a change to the application to seek approval to allow the lots to extend into the Rural Zone.

On 8 February 2019, Council issued a Negotiated Decision Notice approving the reconfiguring a lot application.

**Assessment**

The application has been assessed against the *Sunshine Coast Planning Scheme 2014* including the Strategic Framework. The pertinent issues arising out of assessment against the codes are discussed below:

*Rural Zone Code*

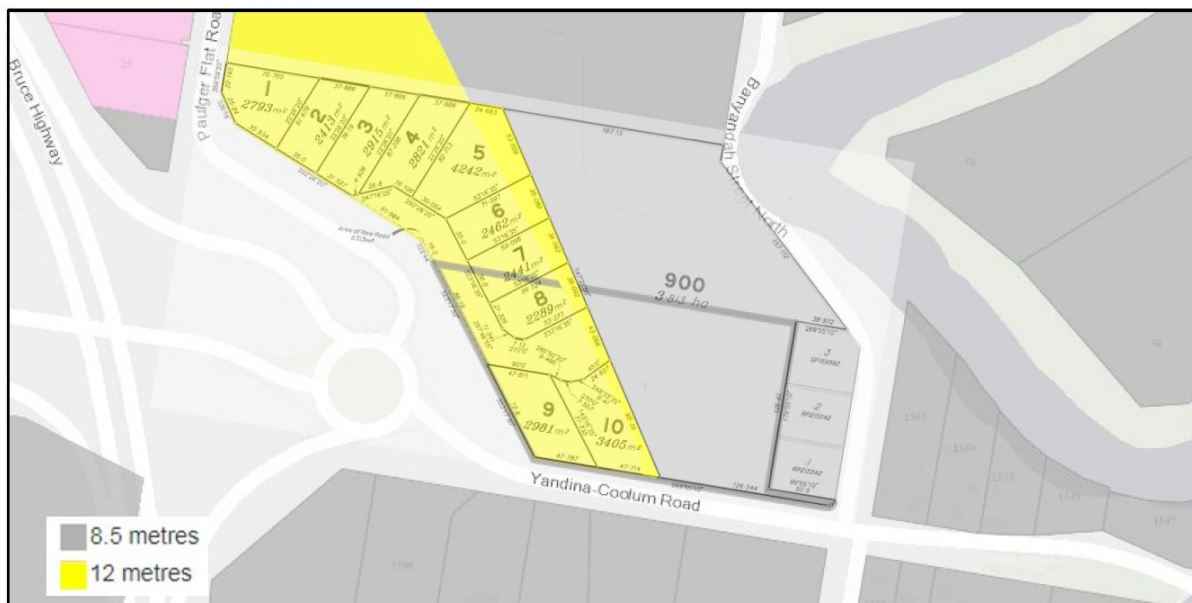
The proposed land area to be varied does not raise any significant issues as it aligns with the industrial lots that were recently approved as part of an application for a 1 into 10 lot industrial subdivision (RAL18/0081).

The assessment report for the Reconfiguration of a Lot approval acknowledged that this subdivision posed a degree of conflict with the planning scheme, however it was determined by Council that the following ‘relevant matters’ were considered to be sufficient to support the development despite the conflict:

- “The area in which the new lot boundaries encroach into the rural zone have generally already been filled and used for industrial related purposes in the past. Whilst there is a technical conflict to the extent that the industrial lots encroach into the rural zone, this zoning conflict was overtaken by events at the time that the filling of the land allowed to occur, and the land was allowed to be used for industrial purposes.
- The new lot boundaries represent a relatively small encroachment into the rural zone comprising a total area of 2,115m<sup>2</sup> or approximately 3% of the Rural Zoned land and the subdivision will not impact on the character or amenity of the area.
- 3.18ha of the remaining rural zoned portion of land is proposed to be transferred to Council for flood conveyance purposes which will ensure the ongoing protection of the flood plain is maintained.
- 2.3ha of riparian protection areas within the rural zoned portion of the site are proposed to be revegetated prior to it being transferred to Council, which exceeds the planning scheme’s rehabilitation requirements. This will offer a public benefit to the community in the form of enhanced open space, amenity and environmental outcomes.
- The proposal will still ensure that a well-defined Growth Management Boundary is maintained and secured into the future by transferring the remaining rural zoned portion of the site to Council.
- A Variation Request to vary the effect of the rural zone requirement of Sunshine Coast Planning Scheme 2014 has been lodged with Council. This would vary the effect of the portion of rural zoned land that would exist within the industrial allotments so that it takes the effect of the low impact industry zone. This matter is likely to come before Council in the near future and if approved would resolve any zoning conflicts within the allotments.”

#### Height of Buildings and Structures Overlay Code

The application also seeks to vary the maximum building height requirements specified on Height of Buildings and Structures Overlay Map OVM8H (Yandina Local Plan Area) over the same portion of land from 8.5m to 12m as illustrated in Figure 3 below.



**Figure 3 – Proposed variation to Height of Buildings and Structures Overlay Map**

The publicly notified application did not include the variation to building height. On 9 April 2019, the applicant formally submitted a minor change to the application to vary the building height. The applicant provided legal advice supporting that the change to vary the building height was a ‘minor change’ to the application.

The variation to the building height would only apply to a small 'sliver' of land associated with the industrial allotments and a change in height from 8.5m to 12m over this portion of land would not dramatically change the built form in terms of scale, bulk and appearance of future development.

Overall, the variation request does not raise any significant issues as the proposed new zone boundary will include a small area of land that has generally been filled and used for industrial related purposes in the past. The proposed zone boundary and changes to the building height also aligns with the boundaries of industrial lots that were recently approved as part of a subdivision application over the site (RAL18/0081). Accordingly, the application is recommended for approval, subject to the conditions contained at **Appendix A**.

### **Legal**

There are no legal implications relevant to this report.

### **Policy**

The application has been assessed against the *Sunshine Coast Planning Scheme 2014* and all relevant Council policies.

### **Risk**

This matter can be appealed to the Planning and Environment Court by the applicant. Council will proceed with any required actions resulting from any legal action.

### **Previous Council Resolution**

There is no previous Council resolution relevant to this report.

### **Related Documentation**

A copy of the officers' full and detailed assessment report is included as Attachment 1 to this report. The detailed assessment report contains all the specific assessment details under the planning scheme considered in Council's assessment of this application.

Proposal plan 'as amended by Council' (Attachment 2)

Concurrence agency response (Attachment 3)

Conditions of Approval (Appendix A)

### **Critical Dates**

Council's decision for the application was due on 12 April 2019. Given a decision has not been made by this date, the applicant may elect to take a deemed refusal. This results in the decision being taken to the Planning and Environment Court to consider the matter.

### **Implementation**

Council officers will communicate the outcome of Council's resolution to the applicant as appropriate.



**8.5 INFILL DEVELOPMENT INCENTIVES POLICY - EXTENSION**

<b>File No:</b>	<b>Council meetings</b>
<b>Author:</b>	<b>Manager Transport and Infrastructure Planning Built Infrastructure Group</b>
<b>Appendices:</b>	<b>App A - Draft Infill Development Incentives Policy – Extension .59</b>
<b>Attachments:</b>	<b>Att 1 - Fact Sheet: Infill Development Incentives Policy – 1 July 2019 to 30 June 2022 .....67</b>

**PURPOSE**

The purpose of this report is to obtain Council’s approval for an extension of the current Infill Development Incentives Policy, due to expire at 30 June 2019. As per the previous policy, the incentive will be offered by way of a reduced infrastructure charge applying to development that complies with the proposed policy extension, Draft Infill Development Incentives Policy – Extension (Appendix A).

**EXECUTIVE SUMMARY**

The initial Infill Development Incentives Policy is current and running in parallel with a like policy adopted by Unitywater. The Policy has application in specified areas of Nambour and Caloundra and was implemented on 3 July 2017, with a sunset clause set at 30 June 2019. A potential three-year extension was identified in the Policy, as a result of a review. This report is providing that review.

While uptake of the Infill Development Incentive has been very limited to date, it is considered beneficial to extend the offer with a view to attracting development investment in the same identified areas of Nambour and Caloundra. The Infill Development Incentive is an expression of Council’s support for investment in these defined areas of Nambour and Caloundra.

The Unitywater Board is also scheduled to review the parallel Policy for extension at its June 2019 meeting. Council’s consideration of an extension is not contingent on Unitywater’s decision.

An extension of the Policy is proposed.

**OFFICER RECOMMENDATION**

**That Council:**

- (a) receive and note the report titled “Infill Development Incentives Policy - Extension” and**
- (b) adopt the Draft Infill Development Incentives Policy – Extension (Appendix A).**

**FINANCE AND RESOURCING**

As advised previously in the report titled “Infill Development Incentives Policy” (Ordinary Meeting on 15 June 2017) *“The proposed reduction in infrastructure charges will result in a reduced revenue stream for the provision of trunk infrastructure. The incentives program has a cap of \$10 million on the offer of reduced charges to manage the financial commitment and its impact. The extent of uptake of the incentives offer is unknown and unpredictable, such that the financial impact over the two financial years cannot be stated, but, notably, cannot exceed \$10 million. It should also be noted that the adoption of the draft Policy to apply a targeted reduction in Infrastructure Charges will not result in a compensatory call on general revenue.”*

The uptake of the incentive has been limited to six approvals, all in Caloundra. To date, two developments have been completed and realised incentives valued at \$31,000 and the remaining few could realise an additional \$162,000 if completed in accordance with the policy.

Should an extension to the policy be approved, it is proposed that the cap of \$10 million remains, as defined above.

## **CORPORATE PLAN**

**Corporate Plan Goal:** *A smart economy*  
**Outcome:** 1.1 - Strong economic leadership, collaboration and identity  
**Operational Activity:** 1.1.13 - Facilitate local business access to specialist advice, information, services, and assistance.

## **CONSULTATION**

### **Councillor Consultation**

The Planning Portfolio Councillor, C Dickson has been consulted on the contents of this report.

### **Internal Consultation**

There has been no internal consultation.

### **External Consultation**

The author of this report has consulted with Unitywater.

### **Community Engagement**

The policy extension will be advised to the development industry in partnership with Unitywater, as and if required.

## **PROPOSAL**

### **Background**

The initial Infill Development Incentives Policy is a policy that is running in parallel with a like policy adopted by Unitywater. The basis for the policy was to promote infill development, importantly where investment was required, and where spare capacity existed in the major infrastructure networks, thereby supporting the case for decreased infrastructure charges. The areas identified as being most suitable for Sunshine Coast Council were the centres of Nambour and Caloundra, where development was to be encouraged and spare Council capacity exists.

### Incentive Uptake

The following summary shows that there has been very limited uptake of the Infill Development Incentives Policy. For Council's offer, the following statistics apply:

- Applications approved – six (all in Caloundra)
- Developments completed – two
- Incentive amount recognized – \$31,000
- Development Incentive Potential amount – \$162,000 (4 developments)
- Developments underway – two
- Value of Incentive – \$93,000 (for the two developments underway)

The incentive offers a 50% reduction in Infrastructure Charges for any development that doubles (or greater) the demand on an existing site, provided it is within the defined areas and meets the timeframes set. Council's policy set a limit of \$10 million on the incentive dollars available. (This figure was matched by Unitywater.)

#### Discussion

The lack of uptake of the offer suggests that a number of issues may have been at play, separately or in combination. Examples are that there was not enough time to establish a business case for potential development, or that the locations were not quite right for investment, or that the incentive on offer does not have sufficient attraction to swing a marginal business case over the line. On the likelihood that time was a major factor, it is considered beneficial to the original basis for introducing the incentive to provide a three-year extension, under the same (but made current) policy approach.

#### Unitywater

The initial policy was introduced in partnership with Unitywater. The underutilisation of its trunk water supply and sewage infrastructure was a significant driver to have additional demand tap into its services, creating a more efficient network. Council saw an equivalent advantage gained for the communities of Nambour and Caloundra, if development activity in these Major Activity Centres could be realised. Together, the development incentives were complementary and of greatest benefit to development.

The Unitywater Board will also be considering a report at its June meeting, to determine if an extension might be applied. The proposal under consideration is for an extension for a further three years.

It is considered worthwhile that Council could proceed alone should Unitywater decide to not continue, as the proportion of Infrastructure Charges for the majority of investment types expected is predominantly Council's. For Commercial Retail and Office, 84% of the charge comes to Council. For Residential, Accommodation and Educational facilities, this drops back to 54%. The proposed Policy – Extension makes no reference to Unitywater, allowing an independent decision to be made on the revised policy under consideration.

A Fact Sheet has been prepared for distribution should Council decide to approve the Policy – Extension and is provided as Attachment 1 – Fact Sheet: Infill Development Incentives Policy – 1 July 2019 to 30 June 2022.

#### **Legal**

Infrastructure Charges are levied under the *Planning Act 2016*. Council has the ability to adopt infrastructure charges other than the maximum adopted charge set by State Government, provided it is not greater than the maximum allowed under statute. This proposal complies with that authority.

#### **Policy**

The Infill Development Incentives Policy will complement the Infrastructure Charges Resolution (No. 7) 2017.

#### **Risk**

There are no known risks associated with implementing this policy. Financial matters are managed by capping the benefits at \$10 million.

**Previous Council Resolution****Ordinary Meeting 15 June 2017 (OM17/101)**

*That Council:*

- (a) receive and note the report titled "Infill Development Incentives Policy" and*
- (b) adopt Appendix A - Draft Infill Development Incentives Policy.*

**Related Documentation**

Infrastructure Charges Resolution (No. 7) 2017.

**Critical Dates**

The policy extension is proposed to commence on Monday, 1 July 2019 and remain valid until 30 June 2022.

**Implementation**

Adoption of the extended Infill Development Incentives Policy will follow as per Council's direction. Implementation will be led by Transport and Infrastructure Planning Branch. A joint announcement with Unitywater will be prepared should Unitywater decide to proceed with an extension decision by Council.

## 8.6 COMMERCIAL USE OF COMMUNITY LAND

<b>File No:</b>	<b>Council meetings</b>
<b>Author:</b>	<b>Coordinator Community Land Permits and Parking Customer Engagement &amp; Planning Services Group</b>
<b>Appendices:</b>	<b>App A - Recommended applicants for approved activities and locations – <i>Confidential</i>..... 55/84</b>
<b>Attachments:</b>	<b>Att 1 - Community Land and Complementary Commercial Activity Policy .....81</b>
	<b>Att 2 - 2019 Approved activities and locations ..... 89</b>
	<b>Att 3 - Applicant scores - <i>Confidential</i> ..... 65/84</b>

### PURPOSE

The purpose of this report is to seek Council endorsement of recommendations following the 2019 High-use/High-impact Commercial Use of Community Land application assessment process.

### EXECUTIVE SUMMARY

High-use/High-impact commercial use of community land permits allow businesses on the Sunshine Coast to conduct commercial activities on Council-controlled land such as refreshment vans, learn to surf lessons and beach equipment hire businesses. The permits issued in 2016 under this classification are due to expire on 30 June 2019.

As per Council's *Community Land and Complementary Commercial Activity Policy*, it is a requirement that an application process and a review of existing activities and locations be conducted every three (3) years.

Following consultation with Councillors in November 2018 on the activities and locations to be included in the 2019-2022 permit period, it was requested that following assessment process, officer recommendations were brought to Council for consideration.

Applications were open to existing permit holders and new businesses from 4 until 31 March, 2019. Council received a total of 32 applications for the 32 advertised locations and activities. Of the 32 advertised locations and activities, there were eight locations and activities for which no application was received.

Council officers recommend that permits be awarded to successful applicants, as outlined in Appendix A. As no applications were received for a number of approved locations and activities, it is recommended that these locations and activities remain vacant and are publicly listed on Council's website for the duration of the permit period (1 July 2019 to 30 June 2022), including periodic promotion and advertising to invite applicants to apply.

### OFFICER RECOMMENDATION

**That Council:**

- (a) receive and note the report titled "Commercial Use of Community Land" and**
- (b) endorse the proposal to award permits to the recommended applicants for approved locations and activities as detailed in Appendix A and**
- (c) note that the Chief Executive Officer will make Appendix A publicly available.**

## FINANCE AND RESOURCING

The implementation of the 2019 High-use/High-impact commercial use of community land application process has been financed from the Customer Engagement and Planning Services Group core budget 2018/19.

All administration costs associated with the application process have been accommodated by the Customer Response Branch and undertaken in conjunction with other role responsibilities.

Advertising expenses associated with promoting the application process have been accommodated by the Communication Branch and in line with existing 2018/19 operational budget.

Total revenue of \$17,408 was received as a result of the \$544.00 fee per application.

Assessment of applications was conducted by a panel of three Council officers over a two (2) day period totalling in 16 hours. In addition, the panel was supported by community land permit officers and customer contact officers who coordinated the administrative functions associated with the assessment. All employee costs associated with the assessment of the applications has been accommodated in the relevant departmental core budgets 2018/19.

If approved by Council, awarding of permits for the period 1 July 2019 – 30 June 2022, and permit compliance will be managed by Response Services Officers, and employee costs be financed by the Customer Engagement and Planning Services Group core budget 2018/19. The budget will be supported by the revenue collected from the annual fees paid by permit holders (\$97 per square metre of land used).

## CORPORATE PLAN

**Corporate Plan Goal:** *Service excellence*

**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

### Councillor Consultation

Input was sought from divisional Councillors in November 2018 in relation to the activities and locations to be included in the 2019-2022 application process.

### Internal Consultation

#### Internal Stakeholder Consultation

The following Council groups and branches were consulted during the initial stages of the application process:

- Built Infrastructure Group (Parks and Gardens)
- Business Performance Group (Property Management)
- Customer Engagement and Planning Services Group (Customer Response)
- Economic and Community Development Group (Economic Development)
- Liveability and Natural Assets Group (Environmental Operations)
- Office of the Mayor and CEO (Legal Services, Financial Services).

**External Consultation**

There has been no external consultation undertaken as part of this report. However, ongoing discussions have taken place with external agencies in relation to the permitting of commercial use activities that are adjacent to areas such as on-water activities on Pumicestone Passage and Maroochy River, where additional approvals are required.

**Community Engagement**

There has been no community engagement undertaken as part of this report. However, the community, including prospective business operators, were invited to submit an application following Council's endorsement of the activities and locations included in the 2019-2022 application process. The application process was open for the period 4 March, 2019 to 31 March, 2019.

**PROPOSAL**

The 2016 High-use/High-impact commercial use of community land permits are due to expire on 30 June 2019. These permits allow businesses on the Sunshine Coast to conduct commercial activities on Council-controlled land. Such activities may include refreshment vans, learn to surf lessons and beach equipment hire businesses.

Approved locations and activities

Councillor input was sought in November 2018, in relation to the activities and locations to be included in the 2019-2022 permit period. The activities and locations endorsed by Councillors at the Workshop held on 28 February 2019 are listed by Division in Attachment 2. This attachment also outlines the current permit status of each activity and location.

Following consultation with Divisional Councillors and internal stakeholders, it was determined that there would be some activities and locations not included in the 2019 application process, due to either:

- businesses not taking up the opportunity,
- the activity and location was not supported previously,
- the proposal is inconsistent with the purpose of the land,
- the proposal has the potential to create significant damage,
- the proposal is difficult to administer and manage, or
- the proposal is more suited to an alternative permit arrangement.

Application packs

To assist prospective business operators to understand the application process, Council officers developed an application pack for each of the Council endorsed locations and activities. These application packs provided prospective business operators with information such as:

- Useful contacts
- Related legislation
- Tips for submitting a permit application
- Location maps
- Non-standard permit conditions
- Standard permit conditions
- Application forms
- Timeline for application process and permit approval

- Submission of application

#### Application process opens

The application process was opened for one month, from 4 March 2019 and was advertised using both internal and external communication tools. Existing permit holders were advised of the application process via direct email. Interested businesses had until 31 March 2019 to submit an application.

Advertising was undertaken using the following communication tools:

- Hardcopy/in-person
- Media releases/liaison
- Fact Sheets
- Direct email to existing permit holders
- Home page intranet
- Council website homepage and commercial use webpage
- Facebook

#### Assessment of Applications

At the closing of the application process on 31 March 2019, Council had received a total of 32 applications for the 32 advertised locations and activities. Of the 32 advertised locations and activities, there were 8 locations and activities for which no application was received. There was also one application which was received after the closing of the application process. A list of received applications is included in Attachment 2.

An assessment panel was formed in order to conduct the assessment of the 2019-2022 applications. In February 2019, Council also requested that the final recommendations of the assessment panel be presented to Council for their consideration following the assessment process.

The panel included three Council officers from the following departments and branches:

- Customer Engagement and Planning Services (Customer Response)
- Economic and Community Development (Economic Development)
- Liveability and Natural Assets (Environmental Operations)

The chosen assessment panel members were selected for their professional knowledge and experience in business development, land and property management. Each panel member provided a level of expertise in relation to the assessing of applications for each of the Council approved locations and activities for commercial business to operate on Council-controlled land.

As a minimum, applicants were required to meet the Mandatory Assessment Criteria, as outlined in the *Community Land and Complementary Commercial Activity Policy*, before proceeding to the next stage of the assessment process:

- Commitment to giving priority to community use
- Commitment to non-exclusive use of community land
- Commitment to non-transferability of permits
- Providing and undertaking to meet industry safety standards
- Possessing the required level of public liability insurance
- Not competing with fixed local businesses



- Commitment to commence full operations within three months from permit being granted
- Commitment to operating regular days and hours
- Commitment to providing local employment
- Payment of required permit fees
- Adherence to all conditions of the permit.

Once an application met the Mandatory Assessment Criteria, applicants were further assessed on the following Evaluated Assessment Criteria (or Selection Criteria), which are based on the guiding principles of the *Community Land and Complementary Commercial Activity Policy*.

<b>Selection Criteria 1: Professionalism</b>
<ul style="list-style-type: none"> <li>• Outline your professional track record, and any previous experience you have had operating a business.</li> </ul>
<ul style="list-style-type: none"> <li>• What training and skills have you obtained over the last two years to contribute to the success of your business?</li> </ul>
<ul style="list-style-type: none"> <li>• Outline your current qualifications, and any memberships you hold with affiliated associations, or peak bodies associated with your business.</li> </ul>
<ul style="list-style-type: none"> <li>• Provide a time when you introduced an innovative idea into the operation of your business.</li> </ul>
<b>Selection Criteria 2: Quality of Equipment</b>
<ul style="list-style-type: none"> <li>• Outline the current standard of the equipment you intend to use when operating your business on Council-controlled land.</li> </ul>
<ul style="list-style-type: none"> <li>• What will you do to ensure that your equipment is maintained at all times, and is in good working order? What will be your replacement cycle?</li> </ul>
<b>Selection Criteria 3: Safety</b>
<ul style="list-style-type: none"> <li>• Outline your general management approach to the workplace, including the health and safety of your employees.</li> </ul>
<ul style="list-style-type: none"> <li>• What will you do to ensure that your business is operating in line with, or above industry standards, taking into account local conditions, and/or changing weather?</li> </ul>
<b>Selection Criteria 4: Community</b>
<ul style="list-style-type: none"> <li>• In the past, what has been your level of contribution to the local community? What will you do to contribute to the local community if your application is successful?</li> </ul>
<ul style="list-style-type: none"> <li>• What is your involvement in industry associations?</li> </ul>
<ul style="list-style-type: none"> <li>• How do you propose to promote tourism and ensure the Sunshine Coast is a great place to visit?</li> </ul>
<ul style="list-style-type: none"> <li>• How do you propose to support local business and local employment on the Sunshine Coast?</li> </ul>

Each response to the above mentioned Evaluated Assessment Criteria (or Selection Criteria) was rated out of 10. For example, Selection Criteria 1: Professionalism had four sub-criteria, each worth a score of 10. The total maximum score for Selection Criteria 1: Professionalism was therefore out of 40. The total maximum score for the four criteria was 120 points.

Each member of the panel provided a score out of 120 for each of the applicants' responses to the selection criteria. The individual panel members' scores were then combined producing an overall score of 360, due to the three panel members per application. The final score out of 360 was averaged based on the number of assessment panel members. This then determined an overall final score for each of the applicants, and identified the successful applicants for each of the approved locations and activities.

The following scale was used to evaluate and then score each application response.

Score	Description
10	Excellent (exceeds industry expectations)
8	Fully competent (above industry expectations)
6	Competent (meets industry expectations)
4	Requires development (below industry expectations)
2	Unacceptable (not competent)

Despite every effort made to ensure that prospective business operators understood Council's expectations in relation to the application process, in some cases applicants, in particular existing permit holders, did not include the required level of detail within their applications, and this is reflected in the applicants score.

In order to evaluate the standard of each of the applications, the following scale was used to determine the panel's opinion based on the applications overall final score.

Score	Standard of application
90 – 100	Very high
80 – 90	High
70 – 80	Good
60 – 70	Satisfactory
50 – 60	Requires Development
0 – 50	Unacceptable

Council officers recommend that permits be awarded to successful applicants, as outlined in Appendix A.

As no applications were received for a number of approved locations and activities, it is recommended that these locations and activities remain vacant and are publicly listed on Council's website for the duration of the permit period (1 July 2019 to 30 June 2022), including periodic promotion and advertising to invite applications to apply. This will allow any interested prospective business operator to submit an application at a later date should they be interested in operating from one of these approved locations. Any interested operator will be required to submit an application and pay applicable fees, as per the application process conducted in March 2019. The application will then be assessed to determine its suitability, and a recommendation made in a report prepared for Council's consideration.

## Legal

Council manages land that falls into four categories:

1. Freehold land owned by Council
2. Reserves under the control or management of Council as Trustee under the *Land Act 1994*
3. Roadways (formed and unformed) other than State controlled roads (*Local Government Act 2009* and the *Transport Operations (Road Use Management) Act 1995*)
4. Pathways, footpaths, bathing reserves and foreshores (Local Laws).

The holding of the land determines the legal framework that applies. Local laws can apply to Council freehold land and roads, foreshores and bathing reserves. The *Land Act 1994* applies to reserves under the Act that Council holds as trustee.

Council awards permits for High-use / high-impact activities under its *Community Land and Complementary Commercial Activity Policy*. The local law permit that is issued is on the basis that there are no exclusive use or ongoing rights to the land as, under the *Land Act 1994*, Council cannot grant same over a Reserve without meeting further requirements under the Act.

For activities approved to take place on freehold land, pathways, footpaths, bathing reserves, foreshores and roads, the provisions set out in Council's local laws will apply. Applicable local laws include:

- *Local Law 1 (Administration) 2011 and Subordinate Local Law 1 (Administration) 2016, Schedule 6 Commercial use of local government controlled areas and roads*
- *Local Law 4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011 and Subordinate Local Law 4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011*
- *Local Law 5 (Parking) 2011 and Subordinate Local Law 5 (Parking)*
- *Local Law 6 (Bathing Reserves) 2011 and Subordinate Local Law 6 (Bathing Reserves) 2011*

As Trustee, Council is required to adhere to the provisions set out in the *Land Act 1994* regarding Trustee Permits, and therefore must comply with the following conditions:

#### Section 60 Trustee Permits

1. a trustee may issue a trustee permit for the use of all or part of trust land.
2. a trustee permit must not be inconsistent with the community purpose of the trust land and the requirements prescribed under a regulation.
3. if a trustee permit is for more than 1 year, the trustee must lodge a copy of the permit for registration in the appropriate register.
4. a trustee permit must not be for more than 3 years.
5. if there is a registered mandatory standard terms document that applies generally to trustee permits –
  - a. A trustee must not issue a trustee permit under this section unless the standard terms document forms part of the trustee permit; and
  - b. The trustee permit is of no effect if the document does not form part of the trustee permit.
6. subsection (5) applies to a trustee permit whether or not it is required to be registered.

In addition, the *Land Regulation 2009* states the following requirements in relation to Trustee Permits:

#### Part 2 Reserves and deeds of grant in trust

#### Division 2 Trustee permits and trustee leases

#### Subdivision 1 Requirements for trustee permits

#### Section 13 Requirements for trustee permits – Act, s 60

1. This section prescribes, for section 60 (2) of the Act, the requirements with which a trustee permit must not be inconsistent.
2. A trustee permit for the use of all or part of trust land –
  - a. must state that the Minister or the trustee must give the permittee 28 days notice of the Minister's or the trustee's intention to cancel the permit; and
  - b. may not be issued for a part of the trust land that is subject to a trustee lease; and

- c. must not allow the construction of structural improvements; and
- d. may allow the modification or use of structural improvements existing when the permit is issued; and
- e. if there is a management plan for the trust land under section 48 of the Act – must be consistent with the management plan; and
- f. must state that it is a condition of the permit that the permittee holds the permit so that the trust land may be used for the community purpose for which it was reserved or granted in trust without interruption or obstruction; and
- g. must state the permittee's permitted use of the trust land; and
- h. must not give a right
  - i. To renew the permit; or
  - ii. To be given more secure tenure over the trust land; and
- i. must not allow the permittee to transfer, sublet, mortgage the permittee's right to use the trustee land.

Given trustee land has been included in the approved locations and activities, Council as trustee has an obligation to ensure that these requirements are adhered to, and therefore this has been taken into consideration when determining the proposed activities and locations included in the 2019 High-use / high-impact commercial use of community land application process. These requirements will also be detailed on permits issued to successful applicants.

It is noted that the requirements set out in the *Transport Infrastructure (Waterways Management) Regulation 2012*, along with advice received from Maritime Safety Queensland, necessitates that the granting of permits for the following activities be subject to the successful applicant obtaining approval from the State Government confirming that permission has been granted for a commercial operation to occur in this area:

- kite surfing lessons, Bulcock Beach – Happy Valley
- learn to surf lessons, Bulcock Beach – Happy Valley
- jet ski hire, Bulcock Beach
- kite surfing lessons, Lake Weyba Foreshore.

### **Policy**

The *Community Land and Complementary Commercial Activity Policy* (provided as Attachment 1) articulates Council's position on community land and commercial activity by balancing the needs of the community with the demand for commercial activity. The policy is consistent with the themes and objectives of the *Corporate Plan 2019-2023* and is in line with appropriate legislation.

The Policy has also been drafted so that it is consistent with Council's endorsed policy framework, as it is divided into strategic level policy and associated operational procedures. The implementation of these procedures is the primary responsibility of the Customer Engagement and Planning Services Group.

### **Risk**

Possible risks associated with the implementation of the 2019-2022 application process and mitigation strategies include the following:

Risk	Mitigation
Key stakeholders miss important communication and key messages regarding the project and the application process, resulting in significant media attention.	Detailed communication plan was developed, accommodating the multiple and diverse ways to receive and source information and ensuring key messages were delivered to appropriate audiences in a timely manner.
Assessment of applications results in incorrect recommendations being put forward.	Assessment criteria were clearly documented and adequate training provided to the assessment panel.
Existing permit holders dissatisfied with the process and implementation of the Policy.	Open and transparent communication is provided to key stakeholders to alleviate concerns, at all times.
Permits are not awarded prior to 30 June 2019.	Ensure commitment to proposed timeline and relevant stakeholders are advised of key dates, leading to new permits being awarded prior to the expiry of existing permits.
Applicants are not successful in obtaining a permit.	Ensure unsuccessful applicants are provided with feedback in relation to why their application was unsuccessful.

### Previous Council Resolution

#### Ordinary Meeting, 28 February 2019 (OM19/22)

*That Council:*

- (a) *receive and note the report titled “**Commercial use of Community Land application process**”*
- (b) *endorse the implementation of a further expression of interest process for the awarding of three year permits for the period 1 July 2019 to 30 June 2022*
- (c) *endorse the proposed locations and activities to be included in the 2019-2022 High-Use / high-impact commercial use of community land application process, as outlined in Proposed Locations and Activities (Appendix A)*
- (d) *note fees and charges for the 2019-2022 High-use/high-impact commercial use of community land application process will be as per Council’s adopted 2018/19 fees and charges*
- (e) *endorse the proposed fees and charges, including the annual rental fees, proposed discounts, pro-rata arrangements and payment options for all new permits issued from 1 July 2019 to 30 June 2022, as outlined in Proposed Fees and Charges (Appendix B)*
- (f) *endorse the proposed application process for any vacant high-use/high-impact commercial permit locations following the awarding of permits in June 2019 and*
- (g) *endorse the proposed application process for any new requests for high-use/high-impact commercial activities on Council-controlled land.*

**Ordinary Meeting, 18 May 2017 (OM17/80)**

*That Council:*

- (a) *receive and note the report titled “**Community Land and Complementary Commercial Activity Policy Review**”*
- (b) *adopt the Community Land and Complementary Commercial Activity Policy (Appendix A) and*
- (c) *endorse the proposed implementation plan contained in the Implementation section of this report.*

**Ordinary Meeting, 10 December 2015 (OM15/245)**

*That Council:*

- (a) *receive and note the report titled “Commercial use of Community Land”*
- (b) *endorse the proposal to award permits to the recommended applicants for approved locations and activities as detailed in Appendix A and*
- (c) *note that the Chief Executive Officer will make Appendix A publicly available.*

**Related Documentation**

- Corporate Plan 2019-2023
- Sunshine Coast Council Local Laws
- *Land Act 1994*
- *Land Regulation 2009*
- *Local Government Act 2009*
- Sunshine Coast Environment and Liveability Strategy 2017
- Regional Economic Development Strategy 2013-2033
- Sunshine Coast Social Infrastructure Strategy 2011
- *Transport Infrastructure (Waterways Management) Regulation 2012*
- *Transport Operations (Maritime Safety) Regulation 2016*

**Critical Dates**

Permits are to be awarded to successful applicants in May and June 2019, prior to the expiry of existing permits on 30 June 2019.

**Implementation**

In order to implement the recommendations as outlined in this report, it is proposed that the following stages be implemented over the coming weeks and months:

Timeline	Stage
May 2019	<p><b><u>Stage 1: Notification to All Applicants (Successful and Unsuccessful)</u></b>            Following final recommendations made by the Assessment Panel being endorsed by Council, Council officers will notify all applicants of the application process outcomes. Where successful applicants choose not to accept Council's offer to conduct a business on Council controlled land, Council will make an offer based on the results of the assessment of applications, and make an offer to the next best ranked applicant, if appropriate.            Given some permit approvals are subject to applicants providing Council with the appropriate documentation, in accordance with the relevant legislation requirements (local and state), permits will be issued to successful applicants for three (3) years – 1 July 2019 to 30 June 2022.            Successful applicants for those areas that fall under the legal framework where the <i>Land Act 1994</i> applies will be registered with relevant external agencies.</p>
June 2019	<p><b><u>Stage 2: Issue permits to successful applicants</u></b>            Council officers will issue permits to successful applicants, subject to provision of appropriate documentation, in accordance with relevant legislation (local and state), prior to the expiry of current permits on 30 June 2019.</p>
1 July 2019 and ongoing	<p><b><u>Stage 3: Compliance and Monitoring</u></b>            Compliance and monitoring of the High-use/High-impact commercial activities on community land will be in accordance with Council's <i>Compliance and Enforcement Policy</i>.            In the event that a successful business operator chooses not to continue operating their business during the permit period, or their permit is revoked due to continual breaches of their permit, and the remaining permit period is more than 12 months, the approved location and activity will remain vacant and be made available should a prospective business operator be interested in operating from this location in the future.</p>
1 July 2019 to 30 June 2022	<p><b><u>Stage 3: New Requests for High-use/High-impact Activities</u></b>            Should a request be received from a prospective business operator wishing to conduct a commercial activity on Council-controlled land following the awarding of permits in June 2019, and the proposed commercial activity is a new concept, Council will consider the application.            The application will need to include an Impact Assessment based on the proposed activity and location, and must be in line with the application process advertised in March 2019. Assessment of the application will be consistent with the process conducted in April 2019, along with consultation taking place with the relevant internal and external stakeholders, including the Divisional Councillor. The Assessment Panel's recommendations will be presented to Council for their consideration.            Any permits awarded for new requests will be valid for the duration of the remaining permit period.</p>

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<b>Timeline</b>	<b>Stage</b>
1 July 2019 to 30 June 2022	<p><u>Stage 4: Vacant Permit Locations and Activities</u></p> <p>Should Council not receive an application for an advertised activity, this will be treated as an available commercial permit location and will remain vacant. However, if at any time during the permit period (1 July 2019 to 30 June 2022) Council receives any interest in a vacant commercial permit location, the interested operator will be required to submit an application for Council's consideration and pay applicable fees. Upon receipt of the application, all relevant stakeholders will be notified, including the Divisional Councillor and the application will be assessed based on the criteria outlined in Council's policy. The Assessment Panel's recommendations will be presented to Council for their consideration. Any permits awarded for vacant locations and activities will be valid for the duration of the remaining permit period.</p>



## 8.7 EXCEPTION UNDER THE LOCAL GOVERNMENT REGULATION 2012 - PONTOON - WATERWAY LEASE - LAKE KAWANA BIRTINYA

<b>File No:</b>	<b>Asset Management/Leasing Out</b>
<b>Author:</b>	<b>Senior Property Officer Business Performance Group</b>
<b>Appendices:</b>	<b>App A - Exception Report Lake Kawana Pontoon Waterway Leases- Lot 102 SP259616 and Lot 100 on SP 218711 ..... 103</b>
<b>Attachments:</b>	<b>Att 1 - Lake Kawana Quay Line Plan ..... 105</b>

### 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. This will allow pontoon/waterway leases over part of Lake Kawana Birtinya to the nominated adjoining property owners shown in Appendix A Exception Report Lake Kawana Pontoon Waterway Leases - Lot 102 SP259616 and Lot 100 on SP 218711.

### EXECUTIVE SUMMARY

On 2 October 2008, Council endorsed the Lake Kawana Birtinya Lake Management Plan (Plan) in accordance with the obligations of the Kawana Waters Development Agreement. The Plan will guide the management of the lake in the following two broad categories:

- Management of activities on the lake; and
- Maintenance of the lake's infrastructure.

Under the Plan, private structures, such as pontoons, are permitted in sections of the lake containing approved quay lines and only under approved designs.

The second stage of Lake Kawana Birtinya, being part of the western waterway, Lot 102 SP259616 has been transferred to Council under a nomination of trust for 'sport and recreation purposes'. The western waterway includes approved quay lines. A plan showing Council's property in the western waterway being Lot 102 SP259616 and Lot 100 on SP 218711 and the properties adjoining approved quay lines, for which exceptions are being sought for pontoon/waterway leases, is provided as Attachment 1 - Lake Kawana Quay Line Plan.

In addition to the newly created Lot 102 on SP 259616, there were quay lines omitted from a previous Council report as the quay lines were incomplete at the time. This report presents an opportunity to have them included in addition to the new quay lines in Lot 102 on SP 259616. The areas in question are on the eastern side of Lot 100 on SP 218711 as shown on Attachment 1 - Lake Kawana Quay Line Plan.

The *Local Government Regulation 2012* provides that a local government may only dispose of an interest in land, including leases, by a tender/auction process, unless an exception applies. Disposal to an adjoining property owner is considered an exception under section 236(1)(c)(iv).

Section 236(2) provides that a local government must decide by resolution that an exception applies. A resolution that exceptions apply will allow leases to be entered into with the owners of the properties adjoining the approved quay lines within Lot 102 SP259616 and Lot 100 on SP 218711, without a tender/auction process.

## OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Exception under the local Government Regulation 2012 - Pontoon - Waterway Lease - Lake Kawana Birtinya” and
- (b) resolve, pursuant to section 236(2) of the *Local Government Regulation 2012*, that an exception to dispose of an interest in land (lease) at Lot 102 on SP259616 and Lot 100 on SP218711, other than by tender or auction applies, as the disposal is, pursuant to section 236(1)(c)(iv), to a person who owns adjoining land; and
- (c) approve the initial annual lease fee of \$7.50 per square metre of surveyed lease area with a minimum charge of \$150 (plus GST) for private structure leases as stated in (b) above.

## FINANCE AND RESOURCING

All costs associated with the proposed pontoon/waterway leases will be funded by the proposed lessees.

A rental assessment undertaken by Herron Todd White for Lake Kawana Birtinya with a recommended rental rate of \$7.50 per square metre per annum, with a minimum charge of \$150 per annum GST exclusive.

The proposed rental will be the minimum charge of \$150 per annum, plus GST. The rent will be reviewed on each Market Review Date 01/07/2020, 01/07/2030 and 01/07/2040 as per the standard lease terms. This review will be conducted by an independent registered valuer.

## 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

### Councillor Consultation

- Councillor P Cox – Divisional Councilor

### Internal Consultation

- Principal Coastal Engineer, Environmental Operations, Liveability and Natural Assets
- Solicitor, Legal Services Branch, Office of the Mayor and CEO

### External Consultation

Due to the internal administrative nature of this report, there has been no community engagement.

### Community Engagement

Due to the internal administrative nature of this report, there has been no community engagement.

## PROPOSAL

Council currently manages or owns a number of non-tidal lakes such as Parrearra Lake Reserve and Pelican Waters Northern Lake, which contain private infrastructure such as pontoons, jetties and decks. Council's management of these lakes is undertaken under the requirements of a Lake Management Plan endorsed by Council for each lake.

On 2 October 2008, Council endorsed the Lake Kawana Birtinya Lake Management Plan in accordance with the obligations of the Kawana Waters Development Agreement. The Plan will guide the management of the lake in the following two broad categories:

- Management of activities on the lake; and
- Maintenance of the lake's infrastructure.

Under the Lake Kawana Birtinya Lake Management Plan, private structures, such as pontoons, are permitted in sections of the lake containing approved quay lines and only under approved designs.

Property Management Branch, together with Legal Services, prepared a 'standard terms' lease document in 2015 to be used for the leases proposed in Lake Kawana Birtinya.

In 2013 a valuation was commissioned by registered valuer Herron Todd White for Lake Kawana Birtinya. At the time a rental rate of \$7.50 per square meter per annum, with a minimum charge of \$150 per annum GST exclusive was recommended with CPI increases to be applied annually.

The *Local Government Regulation 2012* provides that a local government may only dispose of an interest in land, including leases by a tender/auction process, unless an exception applies. Disposal to an adjoining property owner is considered an exception under section 236(1) (c) (iv).

Section 236(2) provides that a local government must decide by resolution that an exception applies. A resolution that exceptions apply to in this instance will allow leases to be entered into with the owners of the properties adjoining the approved quay lines within Lot 102 SP259616 and Lot 100 on SP218711 without the need to engage in a tender/auction process.

## Legal

Legal Services have been consulted on this process to ensure Council complies with the *Local Government Regulation 2012*.

Property Management Branch, together with Legal Services, have prepared a 'standard terms' lease document to be used for the leases proposed in Lake Kawana Birtinya.

## Policy

This report was developed in accordance with the procurement policy relating to the disposal of Council assets.

## Risk

In accordance with clause 8.6 of the lease prepared for private pontoon/waterway structures on Lake Kawana Birtinya.

*'The Lessee shall repair or pay to the Lessor any costs incurred by the Lessor in repairing any damage arising out of or by reason of a breach by the Lessee of this Lease or the use of the Premises by the Lessee or the Lessee's Associates, including to any revetment wall.'*

**Previous Council Resolution**

Ordinary Meeting 23 July 2015 Council Resolution (OM15/116)

*That Council:*

- (a) *receive and note the report titled “**Exception under the Local Government Regulation 2012 - Pontoon/Waterway Lease - Lake Kawana Birtinya**”*
- (b) *approve leases for private structures within Lake Kawana Birtinya to the adjoining property owners as shown in Appendix A, as per the requirements of the Lake Management Plan for Lake Kawana Birtinya*
- (c) *resolve, pursuant to section 236(2) of the Local Government Regulation 2012, that exceptions under section 236(1)(c)(iv) apply to the leases proposed in (b) above, thus allowing Council to dispose of an interest in land to the nominated property owners other than by tender or auction as the disposal is to adjoining land owners and*
- (d) *approve the initial annual lease fee of \$7.50 per square metre of surveyed lease area with a minimum charge of \$150 (plus GST) for private structure leases as stated in (b) above.*

On 2 October 2008, Council endorsed the Plan, which includes leasing requirements for private pontoons and platforms with ladders. Resolution OM08/262 was as follows:

*That Council:*

- (a) *approve the draft Land Management Plan for Lake Kawana, as included as Attachment 3, for submission to the Department of Natural Resources & Water in accordance with the requirements of the Land Act 1994 and the Kawana Waters Development Agreement 1996 subject to the inclusion of Attachment 4 (Conditions of Kawana Waters Structure Plan Approval related to Lake Kawana);*
- (b) *delegate to the Chief Executive Officer the authority to approve Appendices A–H of the draft Lake Management Plan for submission to the Department of Natural Resources & Water in accordance with the requirements of the Land Act 1994 and the Kawana Waters Development Agreement 1996; and*
- (c) *note that there will be a report presented to Council at its meeting in November 2008, which will indicate both ongoing annual maintenance costs, end of life replacement costs of the infrastructure, and provide Council with financial options to recover the maintenance and management costs for the infrastructure.*

**Related Documentation**

There is no other documentation relevant to this report.

**Critical Dates**

Whilst there are no critical dates, Property Management Branch have received an application for a lease from an adjoining landowner.

**Implementation**

Should Council resolve that exceptions apply; leases will be arranged with the adjoining property owners. The adjoining property owners will be responsible for all associated lease application and registration costs.

Proposed leases will be implemented under ‘standard terms’ documentation prepared by Legal Services and managed by the Property Management Branch.

## 8.8 EXCEPTION UNDER THE LOCAL GOVERNMENT REGULATION 2012- DISPOSAL OF AN EASEMENT FOR SEWERAGE PURPOSES PART OF LOT 1 RP 97118 SITUATED AT FISHERMANS ROAD MAROOCHYDORE

<b>File No:</b>	<b>F2019/13853</b>
<b>Author:</b>	<b>Senior Property Officer Business Performance Group</b>
<b>Attachments:</b>	<b>Att 1 - Fishermans Road Easement Plan.....113 Att 2 - Fishermans Road Site Map .....115</b>

### PURPOSE

The purpose of this report is to seek an exception from Council, in accordance with the *Local Government Regulation 2012*, from the tender/auction process to allow an easement for the purpose of upgrading a sewer rising main.

### EXECUTIVE SUMMARY

The *Local Government Regulation 2012* provides that a local government may only dispose of an interest in land, including easements other than by tender/auction, if an exception applies. An exception may apply where the interest in land is disposed of to a government agency.

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

Unitywater have requested an easement for sewerage purposes. The land is required in order for Unitywater to upgrade an existing sewer rising main and to prevent any further failures. The existing sewerage infrastructure was transferred to Unitywater under the *South East Queensland Water (Restructuring) Act 2007*. Previously no easement has been registered on this site, however the upgrade requires the easement to be lodged. The proposed easement Survey Plan is attached, Attachment 1 – Fishermans Road Easement Plan.

### OFFICER RECOMMENDATION

**That Council:**

- (a) receive and note the report titled “Exception under the Local Government Regulation 2012- Disposal of an Easement for Sewerage Purposes Part of Lot 1 RP 97118 situated at Fishermans Road Maroochydore”
- (b) resolve, pursuant to section 236(2) *Local Government Regulation 2012*, that an exception to dispose of an interest in land at Lot 1 RP97118, other than by tender or auction applies, as the disposal is pursuant to section 236(1)(b)(i) to a government agency
- (c) note that Unitywater is a government agency.

### FINANCE AND RESOURCING

The impact of the easement on Council land was valued at \$10,000 exclusive of GST with the cost of the valuation being \$1,650. Should Council resolve that an exception applies, Council will invoice Unitywater for the agreed value of the easement and the valuation costs. All expenditure associated with these dealings, including the survey plan and easement documentation will be met by Unitywater.

**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****Councillor Consultation**

- Councillor T Hungerford – Divisional Councillor

**Internal Consultation**

- Manager, Transport & Infrastructure Policy
- Coordinator, Stormwater Management
- Technical Officer Open Space Planning, Parks & Gardens
- Project Officer, Environmental Operations
- Coordinator, Strategic Property
- Technical Officer Technical Services, Transport Infrastructure Management

**External Consultation**

Council officers from Property Management Branch have liaised with Unitywater on this matter.

**Community Engagement**

Due to the internal administrative nature of this report, there has been no community engagement

**PROPOSAL**

Unitywater is proposing to upgrade a sewer rising main within Council freehold land. The installation of the upgrade requires a sewerage easement to be registered over the site.

Unitywater have requested an easement for sewerage purposes. The land is required so that Unitywater can upgrade the existing sewer rising main to prevent any further failures. The existing sewerage infrastructure was transferred to Unitywater under the *South East Queensland Water (Restructuring) Act 2007*. Previously no easement has been registered on this site, however the upgrade requires the easement to be lodged. Attachment 1 – Fishermans Road Easement Plan.

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 such as an easement. It provides that a disposal, other than by tender or auction, may only occur if an exception applies. Section 236(1)(b)(i) provides an exemption if the disposal is to a government agency. The proposed easement is not suitable for tender or auction.

For an exception to apply, Council must decide in accordance with section 236(2) of the *Local Government Regulation 2012* that an exception applies.

A resolution that an exception applies will enable an easement to be entered into without the need to engage in a tender or auction process.

## 8.9 EXCEPTION UNDER THE LOCAL GOVERNMENT REGULATION 2012 - DISPOSAL OF AN EASEMENT FOR SEWERAGE PURPOSES - PART OF LOT 3 SP 127755 SITUATED AT WISES ROAD MAROOCHYDORE

<b>File No:</b>	<b>F2018/84165</b>
<b>Author:</b>	<b>Senior Property Officer Business Performance Group</b>
<b>Attachments:</b>	<b>Att 1 - Wises Road Easement Plan .....121 Att 2 - Wises Road Site Map .....123 Att 3 - Increased Easment Size at Wises Road Site .....125</b>

### PURPOSE

The purpose of this report is to seek an exception from Council, in accordance with the *Local Government Regulation 2012*, from the tender/auction process to allow an easement for the purpose of the installation sewerage infrastructure as the existing infrastructure is failing and requires replacement.

### EXECUTIVE SUMMARY

The *Local Government Regulation 2012* provides that a local government may only dispose of an interest in land, including easements other than by tender/auction, if an exception applies. An exception may apply where the interest in land is disposed of to a government agency.

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

Unitywater have requested an additional area of 12m<sup>2</sup> adjacent to an existing sewerage infrastructure located on Council freehold land described as part of Lot 3 on SP127755. The existing infrastructure was transferred to Unitywater under the *South East Queensland Water (Restructuring) Act 2007*. The land is currently set aside for drainage purposes. An Easement Plan is provided as Attachment 1 - Wises Road Easement Plan.

### OFFICER RECOMMENDATION

**That Council:**

- (a) receive and note the report titled “Exception under the Local Government Regulation 2012 - Disposal of an Easement for Sewerage Purposes - Part of Lot 3 SP 127755 situated at Wises Road Maroochydore”
- (b) resolve, pursuant to section 236(2) *Local Government Regulation 2012*, that an exception to dispose of an interest in land at Lot 3 on SP127755 other than by tender or auction applies, as the disposal is pursuant to section 236(1)(b)(i) to a government agency and
- (c) note that Unitywater is a government agency.

### FINANCE AND RESOURCING

The impact of the easement on Council land was valued at \$2,500 inclusive of GST with the cost of the valuation being \$2,200. Should Council resolve that an exception applies, Council will invoice Unitywater for the agreed value of the easement and the valuation costs. All direct expenditure associated with these dealings, including the survey plan and easement documentation will be met by Unitywater.

**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****Councillor Consultation**

Divisional Councillor - T Hungerford

**Internal Consultation**

- Manager, Procurement and Contracts - Business and Innovation
- Solicitor, Legal Services - Office of the Mayor and CEO
- Manager, Parks and Gardens - Built Infrastructure

**External Consultation**

Council officers from Property Management Branch have liaised with Unitywater on this matter.

**Community Engagement**

Due to the internal administrative nature of this report, there has been no community engagement.

**PROPOSAL**

Unitywater is proposing to upgrade sewerage infrastructure within Council freehold land. The installation of the upgrade requires a sewerage easement to be registered over the site. Attachment 2 – Wises Road Site Map.

Unitywater have requested an additional area of 12m<sup>2</sup> adjacent to an existing sewerage infrastructure located on Council freehold land described as part of lot 3 on SP127755. Attachment 3 – Increased Easement Size Plan. The existing infrastructure was transferred to Unitywater under the *South East Queensland Water (Restructuring) Act 2007*. The land is currently set aside for drainage purposes

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 (e.g. easement). It provides that a disposal, other than by tender or auction, may only occur if an exception applies. Section 236(1)(c)(iv) (A) provides an exemption if the disposal is to a government agency. The proposed easement is not suitable for tender or auction.

For an exception to apply, Council must decide in accordance with section 236(2) of the *Local Government Regulation 2012* that an exception applies.

A resolution that an exception applies will enable an easement to be entered into without the need to engage in a tender or auction process.

**Legal**

Legal Services has been consulted on section 236(2) *Local Government Regulation 2012* exception process.



**Policy**

This report was developed in accordance with the procurement policy in relation to the disposal of Council assets.

**Risk**

There are no risk issues to address in relation to this report.

**Previous Council Resolution**

There is no previous resolution in relation to this request.

**Related Documentation**

There is no related documentation relevant to this report

**Critical Dates**

There are no specific critical dates.

**Implementation**

Should Council resolve that an exception apply, Unitywater will be invoiced for the land and all associated costs. Upon receipt of payment, Council will execute the easement document and the related survey plan which will be provided by Unitywater and approved by Council's Delegated officer.

## 8.10 EXCEPTION UNDER THE LOCAL GOVERNMENT REGULATION 2012- DISPOSAL OF AN ASSET FOR DRAINAGE PURPOSES - LAND DESCRIBED AS LOT 2 RP 171358 SITUATED AT MAROOCHYDORE ROAD KUNDA PARK

<b>File No:</b>	<b>F 2016/20667</b>
<b>Author:</b>	<b>Senior Property Officer Business Performance Group</b>
<b>Attachments:</b>	<b>Att 1 - Survey Plan Lot 2 RP 171358 .....131 Att 2 - Area of land subject to the proposal Lot 2 RP 171358 ..133</b>

### PURPOSE

The purpose of this report is to seek an exception from Council, in accordance with the *Local Government Regulation 2012*, from the tender/auction process to allow the disposal of the land described as Lot 2 on RP 171358. The land parcel comprises of a 63m<sup>2</sup> regular shaped allotment, which is land locked.

### EXECUTIVE SUMMARY

Covey and Associates submitted a proposal on behalf of their client to Council in relation to an encroachment upon Council's property Lot 2 on RP 171358, by way of drainage infrastructure and a retaining wall.

In order to remediate the encroachment, Council was requested by Covey and Associates on behalf of the adjoining land owner to investigate the potential sale of the land described as Lot 2 on RP 171358 and shown on Attachment 1 – Survey Plan Lot 2 RP 171358. Unitywater have requested that if the Council resolved to sell the land, it should be subject to an easement in favour of Unitywater to protect the current Unitywater infrastructure on the subject land.

### OFFICER RECOMMENDATION

**That Council:**

- (a) receive and note the report titled “Exception under the Local Government Regulation 2012- Disposal of an Asset for Drainage Purposes - Land described as Lot 2 RP 171358 situated at Maroochydore Road Kunda Park” and
- (b) resolve, pursuant to section 236(2) of the *Local Government Regulation 2012*, that an exception to dispose of land described as Lot 2 on RP171358 other than by tender or auction applies, as the disposal is, pursuant to section 236(1)(c)(iv), to a person who owns adjoining land.

### FINANCE AND RESOURCING

The Council land has been valued at \$11,000 exclusive of GST with the cost of the valuation being \$770. Should Council resolve that an exception applies, Council will enter into a contract of sale with the adjoining land owner for the agreed value of the land and the valuation costs. All direct expenditure associated with these dealings, including the Legal costs and easement costs will be met by the adjoining land owner.

### CORPORATE PLAN

<b>Corporate Plan Goal:</b>	<b><i>Service excellence</i></b>
<b>Outcome:</b>	We serve our community by providing this great service
<b>Operational Activity:</b>	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**

### **Councillor Consultation**

- Councillor T Hungerford – Divisional Councillor

### **Internal Consultation**

- Manager, Procurement and Contracts - Business and Innovation
- Solicitor, Legal Services - Office of the Mayor and CEO
- Manager, Parks and Gardens - Built Infrastructure

### **External Consultation**

Council officers from Property Management Branch have liaised with Covey and Associates in relation to the proposed purchase of this site.

Unitywater have been consulted in relation to the proposed easement should the land be purchased.

### **Community Engagement**

Due to the internal administrative nature of this report, there has been no community engagement.

## **PROPOSAL**

In December 2015 a Development Audit Officer brought to Land Management's attention that there was a potential encroachment into Council's land.

Covey and Associates on behalf of the adjoining land owner, approached Council in relation to a situation where their client's construction company encroached upon Council's property being Lot 2 on RP 171358 by way of drainage infrastructure and a retaining wall Attachment 2 – Area of land subject to the proposal Lot 2 RP 171358.

In order to remediate the encroachment, Council was requested by Covey and Associates on behalf of the adjoining land owner to investigate the potential sale of the land described as Lot 2 on RP 171358 and shown on Attachment 1 – Survey Plan Lot 2 RP 171358.

Unitywater have requested that if the Council resolved to sell the land, it should be subject to an easement in favour of Unitywater to protect the current Unitywater infrastructure on the subject land.

### **Legal**

Legal Services has been consulted to ensure that Council complies with section 236 of the *Local Government Regulation 2012*.

### **Policy**

This report was developed in accordance with the procurement policy in relation to the disposal of Council assets.

### **Risk**

There are no risk issues to address in relation to this report.

### **Previous Council Resolution**

There are no previous resolutions in relation to this request.

**Related Documentation**

There is no related documentation relevant to this report

**Critical Dates**

Should Council resolve to dispose of the land, a Contract of Sale will be prepared and a settlement date will indicate the timeframe in which the matter will be settled.

**Implementation**

Should Council resolve that an exception applies the adjoining land owner will be requested to enter into a Contract of Sale.

Council will receive evidence that the easement in favour of Unitywater has been executed and that a survey of the easement has been prepared prior to settlement.

Upon settlement, Council will deliver the executed Transfer document in exchange for settlement funds.

**8.11 INVESTMENT POLICY FOR 2019/20**

<b>File No:</b>	<b>Budget Development</b>
<b>Author:</b>	<b>Coordinator Financial Accounting Business Performance Group</b>
<b>Attachments:</b>	<b>App A - 2019/20 Investment Policy .....139</b>

**PURPOSE**

This report seeks the adoption of an Investment Policy to apply for the 2019/20 financial year.

**EXECUTIVE SUMMARY**

The *Local Government Regulation 2012*, section 191 requires Council to prepare an Investment Policy annually.

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

The Investment Policy sets the boundaries of investment and includes the overall philosophy and strategy for investment of surplus funds, along with detailed guidelines and procedures for officers in the application of the policy.

The only changes to the existing policy are to increase the Counterparty Limits for A-1 and A-2 Financial Institutions to take advantage of the more competitive interest rates offered, as well as include guidance for investment in foreign exchange accounts.

**OFFICER RECOMMENDATION**

**That Council:**

- (a) receive and note the report titled "Investment Policy for 2019/20" and**
- (b) adopt the 2019/20 Investment Policy (Appendix A).**

**FINANCE AND RESOURCING**

Investment revenue is included in the draft budget and has been calculated on predicted daily cash balances and anticipated interest rates.

**CORPORATE PLAN**

<b>Corporate Plan Goal:</b>	<b><i>An outstanding organisation</i></b>
<b>Outcome:</b>	5.6 - Information, systems and process underpin quality decisions and enhance customer relationships
<b>Operational Activity:</b>	5.6.19 - Sustainable financial position maintained.

**CONSULTATION****Portfolio Councillor Consultation**

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

**Internal Consultation**

No internal consultation was required for this report.

**External Consultation**

Queensland Treasury Corporation (QTC)

Department of Local Government, Racing and Multicultural Affairs (DLGRMA)

**Community Engagement**

No community engagement was required for this report.

**PROPOSAL**

The *Local Government Regulation 2012*, section 191 requires Council to prepare an Investment Policy annually. This policy forms part of the Council's overall system of financial management, as required under section 104(5)(c)(i) of the *Local Government Act 2009*.

The Investment Policy must outline Council's overall investment objectives, risk philosophy and procedures for achieving the goals related to investment stated in the policy.

Council's overall philosophy is that priority is given to the preservation of capital invested over investment returns.

**Investment Parameters and Guidelines**

Council investments are limited to those prescribed by Section 6 of the *Statutory Bodies Financial Arrangements Act 1982* (hereafter "SBFAA") for local governments with Category 2 investment powers, which allows for investment with Queensland Treasury Corporation or Queensland Investment Corporation, along with a range of other higher-rated counterparties without further approval.

The SBFAA includes a list of prohibited investments that require Treasurer approval including derivative based instruments, non-Australian dollars and maturity maximum greater than three years.

The following table sets Council's investment parameters, where maximum percentage of funds can be invested within each category:

<b>Short Term Rating (S&amp;P Global Ratings) or equivalent</b>	<b>Individual Counterparty Limit</b>	<b>Total Limit</b>
QIC / QTC Pooled Cash Management Fund	100%	100%
A-1+ Financial Institutions	60%	100%
A1+ Bond Mutual Funds	30%	50%
A-1 Financial Institutions	50%	100%
A-2 Financial Institutions	45%	90%
A-3 Financial Institutions	10%	30%
Unrated	Nil	Nil

The only changes to the existing policy are to increase the Counterparty Limits for A-1 and A-2 Financial Institutions to take advantage of the more competitive rates offered, as well as include guidance for investment in foreign exchange accounts.

**Legal**

The adoption of this policy satisfies Council's legislative obligations.

**Policy**

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

**Risk**

A key purpose of this policy is to minimise Council's exposure to credit, interest rate and foreign exchange risk. Proposed investments are assessed against a risk matrix with maximum exposure levels for individual counterparties and for each credit rating.

**Previous Council Resolution**

The Investment Policy for 2018/19 was adopted by Council under resolution OM18/64 at the Ordinary Meeting held on 17 May 2018.

*That Council:*

- (a) receive and note the report titled "**Investment Policy for 2018/19**"
- (b) adopt the 2018/19 Investment Policy (Appendix A).

**Related Documentation**

There is no related documentation for this report.

**Critical Dates**

This policy underpins elements of the 2019/20 Budget which will be presented to Council for final adoption at the Special Meeting (Budget Adoption) to be held 20 June 2019.

**Implementation**

There are no implementation details to include in this report.

**8.12 DEBT POLICY FOR 2019/20**

<b>File No:</b>	<b>Budget Development</b>
<b>Author:</b>	<b>Coordinator Financial Services Business Performance Group</b>
<b>Appendices:</b>	<b>App A - 2019/20 Debt Policy .....149</b>

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**PURPOSE**

This report seeks the adoption of the Debt Policy to apply for the 2019/20 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 2019/20 Capital Works Program.

**OFFICER RECOMMENDATION**

**That Council:**

- (a) receive and note the report titled "Debt Policy for 2019/20" and**
- (b) adopt the 2019/20 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**

<b>Corporate Plan Goal:</b>	<b><i>An outstanding organisation</i></b>
<b>Outcome:</b>	5.6 - Information, systems and process underpin quality decisions and enhance customer relationships
<b>Operational Activity:</b>	5.6.19 - 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 Board of Management 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 Local Government, Racing and Multicultural Affairs and periodic Credit Reviews are undertaken by Queensland Treasury Corporation.

The schedule of proposed loan borrowings outlines proposed external 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. Should the schedule change in the final stages of Budget Development a revised schedule will be presented to Council along with final budget forecasts for adoption in June 2019.

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 2018/19 was adopted by Council under resolution OM18/103 at the Ordinary Meeting held on 17 May 2018.

*That Council:*

- (a) receive and note the report titled "**Debt Policy for 2018/19**"
- (b) adopt the 2018/19 Debt Policy (Appendix A).

**Related Documentation**

There is no related documentation for this report.

**Critical Dates**

This policy underpins elements of the 2019/20 budget which will be presented to Council for final adoption at the Special Meeting (Budget Adoption) to be held 21 June 2019.

**Implementation**

There are no implementation details to include in this report.

**8.13 REVENUE POLICY FOR 2019/20**

<b>File No:</b>	<b>Budget Development</b>
<b>Author:</b>	<b>Chief Financial Officer Business Performance Group</b>
<b>Appendices:</b>	<b>App A - 2019/20 Revenue Policy .....157</b>

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**PURPOSE**

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year.

Section 169(2)(c) of the *Local Government Regulation 2012* requires that Council include in the budget a Revenue Policy.

**EXECUTIVE SUMMARY**

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year. The 2019/20 Revenue Policy (**Appendix A**) per section 193 of the *Local Government Regulation 2012* sets out the principles used by Council for:

- (a) levying rates and charges
- (b) granting concessions for rates and charges
- (c) recovering overdue rates and charges
- (d) cost-recovery methods.

When adopting the annual budget, Council sets rates and charges at a level that will provide for both current and future community requirements. Council grants concessions for pensioners to assist property owners to remain in their own home and also provides concessions to charitable organisations, community groups and sporting associations as they contribute to the health and well-being of the community.

The Revenue Policy also provides Council guidance with principals of equity, transparency and flexibility when acting to recover overdue rates and charges.

The Revenue Policy has been reviewed and the Cost Recovery Fees section updated to indicate all applications from Traditional Owners of the Kabi Kabi and Jinibara people are exempt from cost-recovery application fees in relation to tourism and cultural business activities occurring on community land within the Sunshine Coast Regional Council local government area.

**OFFICER RECOMMENDATION**

**That Council:**

- (a) receive and note the report titled “Revenue Policy for 2019/20” and
- (b) adopt the 2019/20 Revenue Policy (Appendix A).

**FINANCE AND RESOURCING**

The framework does not place any financial and resourcing obligations on Council, but provides the principles for revenue raising for the 2019/20 Budget.

## CORPORATE PLAN

**Corporate Plan Goal:** *An outstanding organisation*

**Outcome:** 5.6 - Information, systems and process underpin quality decisions and enhance customer relationships

**Operational Activities:** 5.6.19 - Sustainable financial position maintained.

## CONSULTATION

### Internal Consultation

Internal consultation was conducted within the Business Performance Group.

### External Consultation

No external consultation was required for this report.

### Community Engagement

No community engagement was required for this report.

## PROPOSAL

As part of the annual budget, Council is required to adopt a Revenue Policy which states the guidelines that may be used for preparing the local government's Revenue Statement, including the principles used by Council in:

(a) levying of rates and charges:

Council will set the rates and charges at a level to provide for both current and future community requirements. This includes general rates, special rates, separate rates and charges and other charges.

Council continues to issue half yearly rates notices and promotes by various means of communication to ratepayers the issue date of rate notices and the on-time payment discount date. Council offers a wide range of payment options.

(b) granting concessions for rates and charges:

Council may grant a concession for pensioners, charitable organisations, community groups and sporting associations. Also a concession may be granted for economic development, per the provisions of the Sunshine Coast Investment Incentive Scheme.

(c) recovering overdue rates and charges:

To reduce the overall rate burden on ratepayers, Council is guided by principles of equity, treating all ratepayers in similar circumstances in a similar manner; making clear the obligations of the ratepayer; and allowing flexibility for short-term payment arrangements.

(d) cost-recovery methods:

All fees and charges will be set with reference to full cost pricing and cost recovery fees will be charged up to a maximum of full cost. Commercial charges will be at commercial rates.

Council acknowledges the community benefit associated with not-for-profit organisations and Traditional Owners conducting activities on the Sunshine Coast. All not-for-profit organisations are exempt from cost recovery fees for applications to conduct activities requiring an approval on public and private land within the Sunshine Coast Regional Council local government area. All applications from Traditional Owners of the Kabi Kabi and Jinibara people are exempt from cost-recovery application fees in relation to tourism and cultural business activities occurring on community land within the Sunshine Coast Regional Council local government area.

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year.

The Cost Recovery Fees section of the Revenue Policy has been updated to indicate that applications from Traditional Owners of the Kabi Kabi and Jinibara people are exempt from cost-recovery application fees in relation to tourism and cultural business activities occurring on community land within the Sunshine Coast Regional Council local government area.

### **Legal**

The *Local Government Regulation 2012*, section 169(2)(c) requires that Council include a Revenue Policy in the budget.

The *Local Government Regulation 2012*, section 193 requires Council to prepare a Revenue Policy and details what must be included in the Revenue Policy. This policy forms part of the Council's overall system of financial management, as required under Section 104(5)(c)(iii) of the *Local Government Act 2009*.

### **Policy**

The Revenue Policy states the guidelines that may be used in preparing the Revenue Statement.

### **Risk**

No risks have been identified in relation to this report.

### **Previous Council Resolution**

The Revenue Policy for 2018/19 was adopted by Council under resolution OM18/66 at the Ordinary Meeting held on 17 May 2018.

*That Council:*

- (a) receive and note the report titled "**2018/19 Revenue Policy**"; and
- (b) adopt the 2018/19 Revenue Policy (Appendix A).

### **Related Documentation**

The Revenue Statement must form part of the annual budget.

### **Critical Dates**

A local government must review its Revenue Policy annually and in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year.

This policy underpins elements of the 2019/20 budget which will be presented to Council for final adoption at the Special Meeting (Budget Adoption) to be held 20 June 2019.

### **Implementation**

The Revenue Policy sets out the principles for the making and levying of rates and charges for the 2019/20 financial year.

**8.14 APRIL 2019 FINANCIAL PERFORMANCE REPORT**

**File No:** Financial Reports  
**Author:** Coordinator Financial Services  
Business Performance Group

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Late report to be provided.

**8.15 SALE OF LAND FOR ARREARS OF RATES**

**File No:** Sale of Land  
**Author:** Chief Financial Officer  
Business Performance Group  
**Attachments:** Att 1 - Sale of Land Confidential List 2019 – *Confidential..... 77/84*

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**PURPOSE**

This report has been prepared to seek Council's approval to commence Sale of Land for arrears of rates and charges that have been overdue for at least three years, in accordance with the *Local Government Regulation 2012*.

**EXECUTIVE SUMMARY**

The *Local Government Regulation 2012*, Chapter 4, Part 12, Division 3, provides guidance where overdue rates and charges have remained unpaid for a period of at least three years and allows a local government to sell the land on which the rates were levied. The land is sold by way of public auction and for that purpose the Sale of Land process should be commenced three months after and within six months from Council issuing the Notice of Intention to Sell.

There are currently 42 properties on the Sale of Land list, with a total balance outstanding of \$474,492. Should Council approve the recommendations in this report, the legislation directs the following timelines:

- First statutory notice – Notice of Intention to Sell to be issued after Council approval in May 2019,
- Second statutory notice – Auction Notice to be issued in September 2019, and
- Sale of Land auction (if required) to occur in October 2019.

**OFFICER RECOMMENDATION**

That Council:

- (a) receive and note the report titled "Sale of Land for Arrears of Rates"
- (b) commence proceedings under Sections 140 to 143 of the *Local Government Regulation 2012* to recover outstanding rates and charges by way of a sale of land where there are overdue rates for a period of at least three years as at 31 December 2018
- (c) delegate to the Chief Executive Officer the power to discontinue any sale proceedings commenced according to sections 140 to 143 of the *Local Government Regulation 2012* in circumstances where the Chief Executive Officer determines on the facts available that it would not be in the best interest of Council or would be unfair or unjust to the property owner to proceed with the sale of the property by way of auction and
- (d) in accordance with the *Local Government Regulation 2012*, commence any Public Auction where required, no earlier than three months after the issue of the notice of intention to sell.

## FINANCE AND RESOURCING

There are currently 42 properties on the Sale of Land list, with total rates outstanding of \$474,492 where overdue rates and charges have remained unpaid for a period of at least three years. The outstanding rates and charges are currently accruing interest at the rate of 11% per annum, as per the *Local Government Regulation 2012*. Investments are currently earning approximately 2.76% per annum interest (as at 31 March 2019). Whilst there may be a financial disadvantage in collecting the outstanding rates & charges, by proceeding with this action the balance of the community will not be required to bear the financial burden of any long-term rate debts.

Council has a community responsibility to collect rates and charges outstanding in a timely manner to finance its operations, carry out essential services and ensure effective cash flow management. Council is proactive in the recovery of outstanding rates and charges and every effort has been taken to minimise the number of properties with rates outstanding for a period of at least three years.

## CORPORATE PLAN

**Corporate Plan Goal:** *An outstanding organisation*  
**Outcome:** We serve our community by providing this great services  
**Operational Activity:** S29 - Financial and procurement services - financial and procurement management and governance, ensuring effective business management and legislative compliance, co-ordination and development of Council's budget process, administration of financial systems, sundry debtors, accounts payable, financial and asset accounting, treasury, procurement, contract and supply functions.

## CONSULTATION

### Councillor Consultation

Councillors have been regularly updated on the Sale of Land process.

### Internal Consultation

Internal consultation has been undertaken with the Legals Team.

### External Consultation

At the commencement of the Sale of Land process on 22 January 2019, there were 65 properties identified with overdue rates and charges for a period greater than three years, totalling \$667,754. Last time the Sale of Land process was undertaken in January 2018 there were 63 properties with rates and charges overdue for a period greater than three years, totalling \$564,954.

In January 2019 Council issued a letter to the landowners advising their property was on the 2019 Sale of Land listing and requested payment in full or enter into a Rate Debt Payment Plan. In March 2019 a second letter was issued to the landowners who remained on the list requesting payment in full or enter into a Rate Debt Payment Plan.

### Community Engagement

No community engagement is required for this report.

## PROPOSAL

As at 17 April 2019 there remained 42 properties on the Sale of Land list with overdue rates and charges unpaid for a period of at least three years, totalling \$474,492.



At the Ordinary Meeting in May 2018 there were 45 properties on the Sale of Land list with outstanding rates and charges totalling \$455,715.

The properties for 2019 are separated into the categories as follows:

• residential – non owner occupied	9 properties	\$94,756
• residential – owner occupied	30 properties	\$284,222
• commercial	1 property	\$19,229
• vacant	2 property	\$76,285
<b>Total</b>	<b>42 properties</b>	<b>\$474,492</b>

In the period from 17 April 2019 to the Ordinary Meeting on 23 May 2019 there are likely to be changes to the number of properties and outstanding amounts detailed above if Council receives payments during this time. Interest will continue to accrue on outstanding debts and the July 2019 rates will be issued increasing the outstanding balances.

Should the recommendation be approved by Council, landowners may prevent the sale of the property by paying all overdue rates and charges and all expenses that Council has incurred in attempting to sell the land. In accordance with Section 141 of the *Local Government Regulation 2012* landowners are unable to enter or negotiate a Rate Debt Payment Plan once the recommendation has been approved.

Sale of Land processes in prior years have demonstrated that, in the majority of cases, outstanding rates are paid in full prior to the scheduled auction date. In 2018 all outstanding rates and charges were paid in full resulting in no properties proceeding to auction.

In all instances in the past where a property has a mortgage the rates have been paid in full by the mortgagee to protect their interests.

In March 2019, "Intention to Sell Land for Arrears of Rates" letters were issued to the landowners of the properties remaining on the list requesting payment by 18 April 2019. This letter is not required as part of the Sale of Land process under the Act, however Council provided the landowner an additional opportunity to pay or enter into an approved Rate Debt Payment Plan.

Every effort has been made to recover the outstanding rates and charges and negotiate a successful outcome for the landowners experiencing genuine financial hardship. Where a desirable outcome was not achieved by this preceding action, Credit Management Officers have advised landowners of alternative avenues to seek financial assistance through:

- a financial counsellor to discuss other options that may be available
- their mortgagee regarding refinancing
- apply to the State Government for a mortgage relief loan and
- apply to the Department of Human Services for the Early Release of Superannuation

The letters and subsequent actions have resulted in 23 properties being removed from the process to-date. By proceeding with this action the balance of the community will not be required to bear the financial burden of any long-term rate debts.

## Legal

Section 140 of the *Local Government Regulation 2012* provides:

### ***Notice of intention to sell land for overdue rates or charges***

- 1) *This section applies if -*
  - (a) *there are overdue rates or charges on land; and*

- (b) *the liability to pay the overdue rates or charges is not the subject of court proceedings; and*
- (c) *some or all of the overdue rates or charges have been overdue for at least –*
  - (i) *generally–3 years; or*
  - (ii) *if the rates or charges were levied on vacant land or land used only for commercial purposes, and the local government has obtained judgment for the overdue rates or charges–1 year; or*
  - (iii) *if the rates or charges were levied on a mining claim–3 months.*
- 2) *The local government may, by resolution, decide to sell the land.*
- 3) *If the local government does so, the local government must, as soon as practicable, give all interested parties a notice of intention to sell the land.*

### **Policy**

The 2018/19 Revenue Policy was adopted on 17 May 2018 and the 2018/19 Revenue Statement was adopted as part of the annual Budget on 21 June 2018.

### **Risk**

The *Local Government Act 2009* provides statutory powers to Council by securing the debt against the property and therefore limits Council's bad debt risk exposure. However, it is a strong business practice to manage rate debts and other accounts receivable on a proactive basis.

### **Previous Council Resolution**

#### **Ordinary Meeting 17 May 2018 (OM18/67)**

*That Council:*

- (a) *receive and note the report titled “**Sale of Land for Arrears of Rates**”*
- (b) *commence proceedings under Sections 140 to 142 of the Local Government Regulation 2012 to recover outstanding rates and charges by way of sale of land with overdue rates for a period of greater than three years as at 31 December 2017*
- (c) *delegate to the Chief Executive Officer the power to discontinue any sale proceedings commenced according to sections 140 to 142 of the Local Government Regulation 2012 in circumstances where the Chief Executive Officer or the Delegated Officer determines on the facts available to them that it would not be in the best interest of Council or would be unfair or unjust to the property owner to proceed with the sale of the property by way of auction and*
- (d) *in accordance with the Local Government Regulation 2012, commence any Public Auction where required, no earlier than three months after the issue of the notice of intention to sell.*

### **Related Documentation**

The confidential attachment of properties on the Sale of Land list provides details of the landowners, property descriptions, outstanding rates and charges and previous action taken.

### **Critical Dates**

The proposed time-line is as follows:

- First statutory notice – Notice of Intention to Sell to be issued after Council resolution in May 2019

- Second statutory notice – Auction Notice to be issued in September 2019
- Sale of Land Auction (if required) to occur in October 2019

**Implementation**

Upon acceptance of the Officer's recommendation, statutory notices will be issued to all interested parties in accordance with the advised schedule.

**8.16 REGISTER OF GENERAL COST-RECOVERY FEES AND COMMERCIAL CHARGES 2019/20**

**File No:** Budget Development  
**Author:** Chief Financial Officer  
Business Performance Group

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**Report to be provided.**

**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 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - PROPOSED LAND ACQUISITION - BLI BLI****File No:** F2018/50558**Author:** Manager Environment and Sustainability Policy

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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.

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**12 NEXT MEETING**

The next Ordinary Meeting will be held on 20 June 2019 in the Council Chambers, Corner Currie and Bury Streets, Nambour.

**13 MEETING CLOSURE**