

Agenda

Ordinary Meeting

Thursday, 22 March 2018

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 Special Meeting (Region Making Projects) held on 22 February 2018 and the Ordinary Meeting held on 22 February 2018 be received and confirmed.

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

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

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

5.2 DECLARATION OF CONFLICT OF INTEREST ON ANY ITEM OF BUSINESS

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

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

8 REPORTS DIRECT TO COUNCIL**8.1 ECONOMIC AND COMMUNITY DEVELOPMENT****8.1.1 SUNSHINE COAST YOUTH ACTION PLAN 2018-2021****File No:** Council meetings**Author:** Planning Officer
Economic & Community Development Group**Appendices:** App A - Sunshine Coast Youth Action Plan 2018-2021 13

PURPOSE

The purpose of this report is to present the Sunshine Coast Youth Action Plan 2018-2021 (Appendix A) to Council for consideration and adoption.

EXECUTIVE SUMMARY

The Sunshine Coast Youth Action Plan 2018-2021 (the Action Plan) responds to the framework established through Council's regional strategies that are aligned with the *Sunshine Coast Council Corporate Plan 2018-2022* vision to be "Australia's most sustainable region – healthy, smart, creative" and the goal of "A strong community".

All levels of government and Council's community services sector comprising non-government organisations, groups and individuals work to ensure all critical elements are in place to support strong communities and the young people (12-24 years of age) in those communities.

Council's intention is to continue to fit in with these networks and complement existing activities by others, with the focus of the Action Plan on the following three priority areas:

- **Enhanced communication** – develop ways to enhance conversations and improve the flow of information between Council and our young people
- **Inclusive and interesting experiences** – provide opportunities for young people to experience all aspects of community life, enable the learning of new skills, and allow them to make meaningful contributions to their lives and their community.
- **Having a say** – identify and establish ways for young people to have a say in decision-making that impacts them.

The Action Plan has been informed by extensive engagement both during its development and in its finalisation stages. The Youth Committee associated with Council's *Speak Up Engage* program has contributed significantly throughout the project.

The draft Action Plan was well received by the community with mostly positive comments submitted during the public consultation period. Feedback from young people in relation to readability and images has been incorporated in the Action Plan.

OFFICER RECOMMENDATION**That Council:**

- (a) receive and note the report titled "Sunshine Coast Youth Action Plan 2018-2021" and
- (b) adopt the "Sunshine Coast Youth Action Plan 2018-2021" (Appendix A).
- (c) review the "Sunshine Coast Youth Action Plan 2018-2021" in 12 months time in conjunction with relevant portfolio Councillors.

FINANCE AND RESOURCING

The Sunshine Coast Youth Action Plan 2018-2021 is intended to be delivered over three years through a range of funding arrangements. The majority of the initiatives will be within core budget or delivered by others through successful funding applications.

It is anticipated that delivery of the Action Plan over the three-year period will require an existing establishment full-time equivalent resource (LGOA Level 5) and an estimated \$70,000. This amount of \$70,000 is dependent upon a capital funding budget bid in 2018/19 for the scoping and conceptual design of a regional youth space.

Council officers will actively pursue external grant funding to provide additional revenue streams to progress some of these actions.

CORPORATE PLAN

Corporate Plan Goal: *A strong community*

Outcome: 2.2 - Resilient and engaged communities

Operational Activity: 2.2.1 - Implement prioritised actions as identified in the Sunshine Coast Social Strategy 2015.

CONSULTATION

The Sunshine Coast Youth Action Plan 2018-2021 has been informed by findings from community engagement, targeted stakeholder engagement, internal consultation, and the views of the youth committee associated with the *Speak Up Engage* program.

Councillor Consultation

Individual meetings were held with all Councillors during the development of the Action Plan.

Portfolio Councillor Consultation

Councillor J McKay – Portfolio Councillor for Community and Environment

Internal Consultation

The development of the draft Action Plan and the finalisation of the Action Plan have been undertaken in consultation with relevant internal stakeholders across various groups and branches of Council including the following:

- Communication Branch
- Community Planning and Development Branch
- Community Relations Branch
- Design and Placemaking Services Branch
- Economic Development Branch
- Environment and Sustainability Policy Branch
- Environmental Operations Branch
- Office of the CEO
- People and Culture Branch
- Property Management Branch
- Project Delivery Branch
- Sport and Community Venues Branch

- Transport and Infrastructure Policy Branch
- Urban Growth Projects Branch
- Waste and Resource Management Branch

The internal feedback to the draft Action Plan has been very positive and some minor amendments have been made in response to that feedback.

External Consultation

The draft Action Plan was released for the purposes of public exhibition and comment, as outlined below, to help inform its finalisation.

Community Engagement

The community was encouraged to have its say on the draft Action Plan in a number of ways including an online feedback form via Council's *Have your Say Sunshine Coast* website, feedback forms available at Pop-Ups, and participation at school workshops. The opportunity to provide feedback was promoted through using Council's various communication tools such as online media, print, radio, and targeted social media marketing.

The draft Action Plan was also distributed to the regional Youth Connect network (comprising 30 representatives from local youth and community service providers) to comment and contribute to the finalisation of the Action Plan.

The draft Action Plan was placed on public display from 13 November 2017 to 12 February 2018. Feedback was received via 40 online feedback forms; 17 responses from Pop-Ups at Mooloolaba, Coolum, Kings Beach and Beerwah; and 53 participants at school workshops undertaken at Caloundra State High School, Coolum State High School, Maroochydore State High School, and East Coast TAFE.

Overall, the draft Action Plan was well received and the feedback very positive.

The most supported aspects were:

- the strategic direction and the proactive involvement of Council
- the ways for improving communication between Council and young people, in particular the pilot youth led radio presence which was well supported
- creating and exploring opportunities for young people to participate in a range of activities and to learn new skills and
- the ways young people can have a say in what happens in their lives, in particular through a youth advisory group.

A common request was for more events and activities for young people especially during school holidays and the need for more work experience and employment opportunities.

Generally, the look and feel of the document was well received. Some concerns were raised regarding the language used, and that easy to read language would be clearer and more appropriate for young people.

The final draft of the Action Plan has drawn upon the key findings of this engagement to inform its development.

PROPOSAL

An outcome of Council's previous *Sunshine Coast Youth Strategy 2010-2015* is strong relationships with young people and the youth sector. This allowed for a continuation of engagement about the challenges young people face and a strong foundation for the Sunshine Coast Youth Action Plan 2018-2021.

Council's ongoing commitment to young people is demonstrated through the regional strategies that are aligned with the *Sunshine Coast Council Corporate Plan 2018-2022* and vision to be "Australia's most sustainable region – healthy, smart, creative".

Within that framework, the Action Plan implements the intention and initiatives of the *Sunshine Coast Social Strategy 2015*. In particular, initiative 2.1 of the Social Strategy is to "Recognise the importance of young people to our social structure and develop partnerships which assist to overcome barriers which lead to their outmigration".

In addition, this Action Plan responds to the corporate goal "A strong community". In all Council's communities, people are included, treated with respect and opportunities are available to all.

Five strategic pathways guide the action plan:

- Safe and healthy communities
- Resilient and engaged communities
- A shared future that embraces culture, heritage, diversity
- People and places are connected
- A creative identity that supports community cohesiveness, development and wellbeing.

All levels of government work in their respective areas to provide leadership, infrastructure, facilities and services that provide an environment where all critical elements are in place to support strong communities and the young people in those communities. They are assisted by non-government organisations, groups and individuals. It is Council's intention to fit in with and complement these activities.

The Action Plan has been informed by research and the engagement outcomes. It includes three priority areas with actions that actively support young people to move through life's challenges and grow up safe, healthy and with the skills, confidence and resilience to participate fully in community life. The three priority areas and their focus are as follows:

- **Enhanced communication** – develop ways to enhance conversations and improve the flow of information between Council and our young people
- **Inclusive and interesting experiences** – provide opportunities for young people to experience all aspects of community life, enable the learning of new skills and allow them to make meaningful contributions to their lives and their community.
- **Having a say** – identify and establish ways for young people to have a say in decision making that impacts them.

Legal

There are no legal implications relevant to this report.

Policy

The Sunshine Coast Youth Action Plan 2018-2021 articulates Council's ongoing and enhanced commitment to young people and implements the intent of the *Sunshine Coast Social Strategy 2015*.

Risk

The adoption of a Youth Action Plan provides greater clarity and direction on Council's commitment to young people.

Previous Council Resolution**Ordinary Meeting 9 November 2017 (OM17/221)**

That Council:

- (a) *receive and note the report titled “Draft Sunshine Coast Council Youth Action Plan 2018-2021”*
- (b) *endorse the Draft Sunshine Coast Council Youth Action Plan 2018-2021 (Appendix A) for the purposes of public consultation and*
- (c) *delegate authority to the Chief Executive to place the draft Sunshine Coast Youth Action Plan 2018-2021 on public consultation from 13 November 2017 to 12 February 2018.*

Related Documentation

Sunshine Coast Active Transport Plan 2011-2031
Sunshine Coast Aquatic Plan 2011-2026 (June 2016 Edition)
Sunshine Coast Community Grants Policy 2013
Sunshine Coast Community Land and Complementary Commercial Activity Policy 2011
Sunshine Coast Community Safety Policy 2014
Sunshine Coast Council Corporate Plan 2018-2022
Sunshine Coast Environment and Liveability Strategy
Sunshine Coast Libraries Plan 2014-2024
Sunshine Coast Performance and Community Venues Service Plan 2014-2029
Sunshine Coast Recreational Trail Plan 2012
Sunshine Coast Skate and BMX Plan 2011-2021 (July 2017 Edition)
Sunshine Coast Sport and Active Recreation Plan (June 2016 Edition)
Sunshine Coast Social Strategy 2015
Sunshine Coast – The Natural Advantage: Regional Economic Development Strategy 2013-2033

Critical Dates

The adoption of the Action Plan is a critical step in the continuation of Council’s commitment to recognising and valuing the important contributions made by young people in our community and in our future.

Implementation

Upon adoption, a media and communications campaign for the Sunshine Coast Youth Action Plan 2018-2021 will be developed with the aim to raise awareness and convey key messages through various ways.

The launch will showcase the Action Plan to promote its adoption, intent and implementation. It is also intended to be promoted through an easy reference fact sheet that is attractive to young people.

The initiatives within the Action Plan will be implemented over three years subject to budgetary considerations.

8.1.2 CHRISTMAS CAROLS EVENTS SPONSORSHIP

File No: Council meetings
Author: Unit Coordinator Creative Arts & Events
Economic & Community Development Group

PURPOSE

This report responds to a Council resolution requesting a review be undertaken of the ongoing festive season program and delivery methods and reported back to Council for consideration.

EXECUTIVE SUMMARY

The Ordinary Meeting of Council held on 20 April 2017 endorsed the Calvary Christian Church (Calvary) delivering the 2017 Christmas Carol events at Cotton Tree Park and Kings Beach Caloundra.

Calvary entered into a one year contract with Council, instead of the three years included in the advertised tender to allow a review to be undertaken.

The review was to include individual meetings with Councillor T Dwyer and Councillor J O'Pray, Councillors representing the division in which the two Carols events are held annually, and the event partner representative Calvary Pastor Daniel Pappas, to discuss the Carols events, expectations, proposed programming and the feedback from audiences attending the events.

These meetings were held in May 2017.

At these meetings it was agreed to maintain ongoing open communication between Council and the event partner in the lead up to the delivery of the of the 2017 Carols events and to meet again for a final debrief in early 2018.

The outcome of these meetings was that all parties were satisfied with the sponsorship arrangements, the 2017 event program, and the audience feedback.

In consultation with the Divisional Councillors, it was agreed that the partnership with Calvary continue for a further two years, in line with the original proposal of a three year sponsorship agreement.

As a result, this report recommends that Council endorse Calvary Christian Church to deliver the 2018 and 2019 Christmas Carol events at Cotton Tree Park and Kings Beach Park.

The Community Relations Branch will, in consultation with the Divisional Councillors, continue to monitor and review the Christmas Carol events and how they can best be delivered to meet community and Council expectations in a growing region.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Christmas Carols Events Sponsorship"**
- (b) endorse Calvary Christian Church to undertake the delivery of the 2018 and 2019 Christmas Carol events at Cotton Tree Park and Kings Beach through a sponsorship agreement**
- (c) refer an annual Christmas Carol event sponsorship sum of \$60,000 plus CPI to the 2018/19 and the 2019/20 budgets for Council endorsement and**

- (d) note that it is anticipated that a tender process to seek a three year (2020-2023) sponsorship arrangement with one or more organisations to deliver future Christmas Carol events will be undertaken in early 2019 and that the preferred tender will be brought back to Council for consideration and endorsement.

FINANCE AND RESOURCING

An operational budget of \$60,000 per year (comprised of \$30,000 each for the Carols on Kings and Carols at Cotton Tree) is currently allocated and endorsed by Council for the delivery of two main Christmas Carol events in the region.

The addition of an annual CPI has been requested for the first time this year to meet the rising costs of delivery.

This annual budget will be utilised to enter into an agreement with Calvary Christian Church to manage and deliver Carols at Cotton Tree and Carols on Kings in 2018 and 2019.

No further resources are required as a result of this report.

CORPORATE PLAN

Corporate Plan Goal:	<i>A strong community</i>
Outcome:	2.3 - A shared future that embraces culture, heritage and diversity
Operational Activity:	2.3.3 - Deliver a celebration, events and cultural program which encourages community participation and capacity and celebrates diversity.

CONSULTATION

Portfolio Councillor Consultation

Councillor J McKay – Portfolio Councillor for Community and Environment

Internal Consultation

Councillor T Dwyer – Division 2 Councillor
Councillor J O’Pray – Division 8 Councillor

External Consultation

The original tender process was the external consultation undertaken in relation to the appointment of Calvary Christian Church as the partnering not-for-profit organisation for the delivery of Carols on Kings, and Carols at Cotton Tree.

The Calvary Christian Church was consulted in the development of this report.

Community Engagement

The original tender process in 2016 which identified Calvary Christian Church as the preferred partner for the delivery of Carols on Kings and Carols at Cotton Tree included the following:

- The tender was advertised in the Sunshine Coast Daily on Saturday 3 December 2016 as well as the Caloundra Weekly, Maroochy and Kawana Weekly on Thursday 8 December 2016
- Direct email and phone discussion with Calvary Christian Church
- Direct email to previous enquirers and interested parties from the 2014 Expression of Interest.

- Direct email to 80 community event organisers of Christmas, New Year's Eve, and Australia Day events.

The audience feedback surveys received by Calvary Christian Church and informal feedback to the Divisional Councillors was considered as part of the review.

PROPOSAL

The Ordinary Meeting of Council held on 20 April 2017 endorsed the Calvary Christian Church (Calvary) delivering the 2017 Christmas Carol events at Cotton Tree Park and Kings Beach Caloundra.

At that meeting it was decided that Calvary would be awarded a one year contract instead of the three years as originally advertised to enable a review of the carols program and delivery both before and after the 2017 events at Kings Beach Park and Cotton Tree Park.

The review was to include individual meetings with Councillor T Dwyer and Councillor J O'Pray, the Councillors representing the division in which the two Carol events are held annually, and the event partner representative Calvary Pastor Daniel Pappas, to discuss the Carol events, expectations, proposed programming and the feedback from audiences attending the events.

At these meetings, held in May 2017, it was agreed to maintain ongoing open communication between Council and the event partner in the lead up to the delivery of the 2017 carols events and to meet again for a final debrief in early 2018.

The outcome of these meeting was that all parties were satisfied with the sponsorship arrangements, the 2017 event program, and the audience feedback.

In consultation with the Divisional Councillors, it was agreed that the partnership with Calvary continue for a further two years, in line with the original proposal of a three year sponsorship agreement.

As a result, this report recommends that Council endorse Calvary Christian Church to deliver the 2018 and 2019 Christmas Carol events at Cotton Tree Park and Kings Beach Park.

It is noted that an extensive review of the festive season events was undertaken in 2014 which saw significant changes in these key community Christmas celebrations. A further review, the details of which were presented in a report to Council in September 2016, advised that the new Festive Season delivery model endorsed by Council in 2014 was successful.

As a result of this further review in 2017/18, this report recommends that Council endorse Calvary Christian Church to deliver the 2018 and 2019 Christmas Carol events at Cotton Tree Park and Kings Beach Park.

The Community Relations Branch will, in consultation with the Divisional Councillors, continue to monitor and review the Christmas Carol events and how they can best be delivered to meet community and Council expectations in a growing region.

Legal

The tender process was carried out in accordance with Council's Procurement Policy 2016/17.

Policy

- Council's Procurement Policy 2016/17
- Sunshine Coast Events Policy, which articulates Council's role in supporting, partnering, facilitating and delivering events across the region.
- Council's Sponsorship Policy, which is relevant to both existing and proposed sponsorship agreements discussed in this report.

Risk

Council will work closely with the successful applicant to ensure risks are identified and mitigated.

Previous Council Resolutions**Ordinary Meeting 20 April 2017 (OM17/54)**

That Council:

- (a) *receive and note the report titled "Carols Sponsorship 2017 - 2020"*
- (b) *endorse Calvary Christian Church to undertake the delivery of the 2017 Christmas Carol events at Cotton Tree Park and Kings Beach, Caloundra and*
- (c) *review the ongoing festive season program and delivery methods and bring options back to Council for endorsement by February 2018*

Ordinary Meeting 15 September 2016 (OM16/164)

That Council:

- (a) *receive and note the report titled "Festive Season Report 2014-2016"*
- (b) *subject to receipt of satisfactory acquittal reports for the 2016 Christmas Carol events extend an invitation for three year funding agreements, at \$10,000 each per annum with:*
 - (i) *Flame Tree Baptist Church to produce Nambour Community Carols*
 - (ii) *Church on the Rise to produce Glasshouse Country Community Carols and*
 - (iii) *Coolum Christian Family Church to produce Coolum Christmas in the Park*
- (c) *request the Chief Executive Officer seek, via a Tender process, three year (2017-2020) sponsorship arrangements with one or more not-for-profit organisations to deliver Carols on Kings at Caloundra and Carols at Cotton Tree, at \$30,000 for each event, and that the preferred tender be brought back to Council by March 2017 for endorsement and*
- (d) *request the Chief Executive Officer seek, via Register Of Interest (ROI) process, three year (2018-2021) sponsorship arrangement for two Australia Day flag raising ceremonies in the Sunshine Coast local government area with one being Kings Beach, Caloundra, at \$3,000 for each event.*

Ordinary Meeting 20 January 2014 (OM14/7)

That Council:

- (a) *receive and note the report titled "**Festive Season program 2014/2015**"*
- (b) *endorse a community event matrix (Appendix A) to assist the equitable allocation of grants, donations and sponsorship by Council for community Festive Season events and activities*
- (c) *seek community partnerships and offer sponsorship arrangements for Carols on Kings and Carols at Cotton Tree at \$30,000 each event*
- (d) *request the Chief Executive Officer to approach the organisers of identified, high profile, established community Christmas Carol events to offer sponsorship arrangements*
- (e) *approve the continuation of one signature New Year's Eve event for the region based at Mooloolaba and continue ongoing strategic investigations into additional revenue streams*

- (f) *approve the ongoing delivery of the three Australia Day civic event programs consisting of the Sunshine Coast Australia Day Awards and the Sunshine Coast Australia Day Citizenship ceremony (to be held at a different location across the region annually) and one formal Australia Day flag raising ceremony at Kings Beach*
- (g) *endorse the installation and decoration of existing Christmas trees and banners across the region (Appendix B), while working with Divisional Councillors to seek further opportunities to reduce the number of Council funded trees via the establishment of sponsorship and partnership programs with businesses and community groups*
- (h) *develop an annual grants program, in consultation with Divisional Councillors, aimed at encouraging business groups to take on the responsibility of lighting and decorating business centres*
- (i) *request the Chief Executive Officer ensure the planning and delivery of the Maroochydore Principal Regional Activity Centre be considerate of future Festive Season programming in relation to safety and competition with already existing festive season events*
- (j) *request the Chief Executive Officer to investigate the establishment of festive season entry statements*
- (k) *request the Chief Executive Officer to refer the funding for the Festive Season program as outlined in this report to the 2014/2015 budget and*
- (l) *request the Chief Executive Officer to review the Festive Season delivery model in three years and report back to Councillor, however at an earlier time as required where external involvement is not realised.*

Related Documentation

Festive Season Reviews 2014 and 2016

Critical Dates

A Council decision is required in a timely manner to ensure the following activities are achieved in each calendar year of the agreement:

- April to May: sponsorship agreement negotiated and finalised
- June to November: critical event planning time
- December: event delivery
- January to February: event acquittal.

Implementation

The Community Relations Branch within the Economic and Community Development Group will be responsible for negotiating and managing the Sponsorship Agreement within budget and to meet community and Councillor expectations.

8.1.3 SUNSHINE COAST ARTS ADVISORY BOARD MEMBERSHIP

File No: Arts board
Author: Manager Community Relations
Economic & Community Development Group
Attachments: Att 1 - Successful Applicant.....*Confidential 5/5*

PURPOSE

This report recommends the appointment of a new Sunshine Coast Arts Advisory Board member to fill a currently vacant position.

EXECUTIVE SUMMARY

Council endorsed the establishment of a Sunshine Coast Arts Advisory Board (SCAAB or the Board) as an advisory committee of Council under section 264 of the Local Government Regulation 2012 and an SCAAB Charter (the Charter), at its Ordinary Meeting on 28 January 2016.

The Charter outlined the Board membership which included two industry representatives from the community with professional experience in the arts sector.

On 16 June 2016, Council endorsed the membership of the inaugural Sunshine Coast Arts Advisory Board. At that time, Council was advised that the panel that interviewed and shortlisted the applicants for the inaugural Board agreed that one of the industry representative positions was to remain vacant.

This decision was made to enable the new Board, which met for the first time in August 2016, to identify any gaps within the Board's makeup in relation to its ability to provide professional, strategic arts advice to Council and then decide on the skillset required by the person who would fill that vacant position.

After 12 months in operation, the SCAAB agreed at its September 2017 meeting that the Board needed to fill the vacant position.

The Board then established a taskforce made up of the chair, Collette Brennan and board members Kathi Holt and Jennifer Radbourne, to identify any skill gaps by reviewing the current skills of the Board and referencing the original skills matrix used to recruit the region's first Sunshine Coast Arts Advisory Board in 2016.

As a result of the review, it was identified that the missing skill set was that of a professional, practicing local (Sunshine Coast based) artist and, at its November 2017 meeting, SCAAB endorsed a recommendation to recruit into the vacant seat on the Board.

The recruitment process started in December 2017 with an invitation to the arts sector to apply for the position via a formal Expression of Interest process which closed on 30 January 2018.

Interviews for the three applicants shortlisted from the 27 Expressions of Interest received were held in February 2018.

At its 16 February 2018 Board meeting, SCAAB recommended that Council appoint the successful applicant to the Board.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Sunshine Coast Arts Advisory Board membership” and
- (b) delegate authority to the Chief Executive Officer, in consultation with the Mayor, Portfolio Councillor for Transport, the Arts and Heritage and the Portfolio Councillor for Community and Environment to make current and future appointments to the Sunshine Coast Arts Advisory Board.

FINANCE AND RESOURCING

An annual budget of \$10,180 is included in the Community Relations Branch budget, to fund sitting fees payable to the Board as endorsed by Council at its January 2016 meeting.

As per the report to Council in January 2016, sitting fees are to be paid Board members (excluding Council employees) as determined by the Queensland Government’s “Remuneration procedures for part-time chairs and Members of Queensland Government bodies”. These fees are currently \$167 for the Chair for a half day (\$334 full day) and \$141 for an ordinary member for a half day (\$281 full day).

The current \$10,180 annual budget is sufficient to cover these fees and appropriate out of pocket expenses for the new Board member.

CORPORATE PLAN

Corporate Plan Goal: *A strong community*
Outcome: We serve our community by providing this great service
Operational Activity: S4 - Community and cultural development and partnerships - providing planning, partnering and supporting the community through a range of community development, civic and cultural programs and grants

CONSULTATION**Councillor Consultation**

Transport, the Arts and Heritage Portfolio, Councillor R Baberowski, who is also a member of the Sunshine Coast Arts Advisory Board.

Internal Consultation

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

External Consultation

Sunshine Coast Arts Advisory Board

Community Engagement

The region’s arts sector was engaged via a targeted invitation to express an interest in applying for the vacant position on the Sunshine Coast Arts Advisory Board.

The process started on 18 December 2017 and closed on 30 January 2018.

The process included the following:

1. The rollout of a media and advertising campaign via Council’s arts sector database (890 subscribers), register of public artists, and online newsletters (eg Caloundra Regional

Gallery's 8,000 subscribers), social media platforms (Regional Gallery, Council) and via other cultural development and peak body networks including the Sunshine Coast Creative Alliance.

2. Two media releases were sent out and published in local media. The second media release was sent mid-January to remind the sector of the vacancy and the opportunity to apply. The reminder was also sent out via databases and online newsletters as per point 1 above.
3. Council's webpage featured the invitation, and all relevant documentation including the Duty Statement and the application form, on its Arts and Culture page, SCAAB page, and Opportunities listings.

The SCAAB were also invited to use their networks to invite EOIs.

PROPOSAL

Council endorsed the establishment of a Sunshine Coast Arts Advisory Board as an advisory committee of Council under section 264 of the Local Government Regulation 2012 and the Board's Charter at the Ordinary Meeting of Council on 28 January 2016.

The Charter outlined the following requirements with regard to Board membership:

- i. An independent Chair
- ii. The Portfolio Councillor for Community Programs, or nominated delegate from the elected Council
- iii. One community representative – skill based (arts/strategic/visionary)
- iv. Two business representatives – skill based (finance/legal/commercial/marketing)
- v. The Chair or, as an alternate, the Deputy Chair of the Sunshine Coast Creative Alliance
- vi. A Trustee of the Sunshine Coast Art Foundation (once Foundation established)
- vii. Employee *ex officio* members who are Board members by virtue of the position they hold in Sunshine Coast Council, including the Manager Community Relations or delegate
- viii. Two industry representatives from the community with professional experience in the arts sector.

On 16 June 2016, Council endorsed the membership of the inaugural Sunshine Coast Arts Advisory Board. At that time, Council was advised that the panel that interviewed and shortlisted the applicants for the inaugural Board agreed that one of the positions described in part (viii) was to remain vacant.

This decision was made to enable the new Board, which met for the first time in August 2016, to identify any gaps within the Board's makeup in relation to its ability to provide high level, professional, strategic arts advice to Council.

At the Board's meeting in September 2017, the Board established a taskforce made up of the chair, Collette Brennan and board members Kathi Holt and Jennifer Radbourne, to review the current skills of the Board, referencing the skills matrix used to recruit the region's first Sunshine Coast Arts Advisory Board 12 months earlier. The review identified that the missing skill set was that of a professional, practising, local (Sunshine Coast based) artist and that this skill set was intrinsic to the success of a regional Board that provides arts advice.

At the Board's November 2017 meeting, SCAAB endorsed a recommendation to recruit into the vacant seat via an Expression of Interest process targeting local professional artists. It agreed that the successful applicant would be Sunshine Coast based artist of no specific genre, whose experience would bring a broader, national arts perspective to the Board's thinking, particularly as it moves into the final drafting stage of the region's first Arts Plan.

The recruitment program started in December 2017 with an invitation to the arts sector, sent via Council databases and networks, to apply for the position via a formal Expression of Interest process which closed on 30 January 2018.

A total of 27 Expressions of Interest were received. An interview panel established by the Board, included the Chair Collette Brennan, board member Phil Smith, and Council's Manager Community Relations, shortlisted the applicants for interview. The panel agreed on the three shortlisted applicants, and they were interviewed in February 2018.

The Board received a briefing about the process and outcomes of the interviews at its 16 February meeting. As a result, SCAAB unanimously endorsed recommendation that the Council appoint the successful applicant to the Board.

It is to be noted that the position described in part (vi) above will remain vacant until the Board establishes the Foundation, as described in the Board Charter.

Legal

The establishment and management of the non-statutory Sunshine Coast Arts Advisory Board is undertaken in accordance with Section 246 of the *Local Government Regulation 2012*.

Policy

- Cultural Development Policy 2012
- Sunshine Coast Social Strategy 2015
- Sunshine Coast Arts Board Charter 2016

Risk

Failure to fill the vacant position could result in the risk of not engaging the arts sector and community appropriate in developing a strong strategic approach to the arts on the Sunshine Coast.

Previous Council Resolutions

Ordinary Meeting 16 June 2016 (OM16/102)

That Council:

- receive and note the report titled "Sunshine Coast Arts Advisory Board membership"*
- endorse the list of successful candidates for offers of appointment to the Sunshine Coast Arts Advisory Board as discussed in confidential session*
- delegate authority to the Chief Executive Officer, in consultation with the Mayor and Portfolio Councillor Arts and Heritage, to finalise the appointments in b) including the announcement of members of the Sunshine Coast Arts Advisory Board.*

Ordinary Meeting 28 January 2016 (OM16/6)

That Council:

- receive and note the report titled "**Sunshine Coast Arts Advisory Board membership**"*
- approve the establishment of a Sunshine Coast Arts Advisory Board as an advisory committee of Council under section 264 of the Local Government Regulation 2012*
- endorse the Sunshine Coast Arts Advisory Board Charter (Appendix A) for the Sunshine Coast Arts Advisory Board and authorise the Chief Executive Officer to amend the Charter for operational purposes as necessary*

- (d) *require the Sunshine Coast Arts Advisory Board to establish an independent Sunshine Coast Art Foundation that is closely aligned to the Caloundra Regional Gallery*
- (e) *endorse sitting fees payable to the Chair and members of the Sunshine Coast Arts Advisory Board and refer the required amount to the 2016/17 budget process for this purpose*
- (f) *refer an amount of \$50,000 to the 2016/17 budget process for the purposes of recruiting and providing secretarial support to the Sunshine Coast Arts Advisory Board and establishing the Sunshine Coast Arts Foundation*
- (g) *note that a further report will be provided to Council by July 2016 to seek formal endorsement of the membership of the Sunshine Coast Arts Advisory Board, and*
- (h) *amend the Sunshine Coast Arts Advisory Board Charter (appendix A) at 4.1 membership to include (viii) two industry representatives from the community with professional experience in the arts sector.*

Related Documentation

Cultural Development Policy 2012
Sunshine Coast Arts Board Charter 2016
Sunshine Coast Social Strategy 2015

Critical Dates

There are no critical dates relevant to this report however the appointment of a professional artist on the SCAAB is considered important to the Board and the arts sector, and to the development and drafting of the 20-year Sunshine Coast Arts Plan.

The provision of timely advice back to the shortlisted applicants is also encouraged noting that the interviews for the vacant position were held in February 2018.

Implementation

Following the appointment of the new Sunshine Coast Arts Advisory Board member, under the delegation of the Chief Executive Officer and in consultation with the Mayor and the Portfolio Councillor Arts and Heritage, the name of the successful applicant will be publicly released. The new Board member will attend the next subsequent meeting of the Sunshine Coast Arts Advisory Board.

8.1.4 REQUEST FOR CLOSED CIRCUIT TELEVISION - CALOUNDRA CHAMBER OF COMMERCE

File No:	F2015/88224
Author:	Community Safety Officer Economic & Community Development Group
Attachments:	Att 1 - Public Space Closed Circuit Television Policy 201451
	Att 2 - Mapping of current Caloundra CCTV locations (February 2018)61
	Att 3 - Map of proposed CCTV system location (February 2018)63

PURPOSE

This report seeks Council consideration for an application received from the Caloundra Chamber of Commerce for the installation of a closed circuit television system within the Caloundra CBD.

EXECUTIVE SUMMARY

Council has received a formal request from the Caloundra Chamber of Commerce requesting Council install a closed circuit television (CCTV) system within the Caloundra CBD.

The applicant has requested CCTV to assist with increasing community safety and the perceptions of safety within the Caloundra CBD. Closed circuit television cameras have been requested to also discourage unlawful activity and to assist law enforcement with the identification and prosecution of offenders.

In accordance with Council's *Public Space Closed Circuit Television Policy 2014* (Attachment 1), this application has been assessed using the Closed Circuit Television Assessment Framework. As the application has successfully progressed through stages 1A, 1B and 2 of the Framework, the application has progressed to stages 3 and 4 and is now required to be presented to and considered by Council.

The application meets the requirements of this Policy as:

- the primary purpose of the system is for the investigation and/or prosecution of civil and criminal offences in relation to the security of Council's facilities and assets, and for improving public confidence in the safety and security of public spaces
- other crime prevention measures, including street scaping, improved lighting and activation of spaces, have been undertaken, and
- there is strong evidence for the need and wide community support to install a CCTV system.

There are no immediate costs to Council as the Caloundra Chamber of Commerce will fund the capital works costs as a recipient of a Federal Government grant from the *Safer Communities Program*. However, the ongoing maintenance and repairs to this system, as with the existing CCTV systems, will be Council's responsibility and therefore added to Council's asset register and maintenance schedules.

Currently Council operates and maintains 42 open space CCTV camera systems in Mooloolaba (13), Nambour (9), Maroochydore (2) and Caloundra (18). These cameras are used to detect unlawful behaviour and to assist with improving public confidence in the safety

and security of public spaces. The systems currently operated and maintained by Council at a cost of \$95,900 annually.

In the 2016/2017 financial year, Council provided the Queensland Police Service with copies of CCTV footage on 28 occasions that assisted with criminal investigations, including the indecent treatment of a child under 16 years, homicide/missing persons, robbery, assault, traffic and drug related offences. The cost to Council for the retrieval of footage for the 2017/2018 financial year came to a total of \$4,105.

OFFICER RECOMMENDATION

That Council:

- (a) **receive and note the report titled “Request for Closed Circuit Television - Caloundra Chamber of Commerce”**
- (b) **approve the application received from the Caloundra Chamber of Commerce, for the installation of a closed circuit television system within the Caloundra CBD, subject to:**
 - (i) **both parties entering into a formal agreement detailing both parties’ responsibilities and the applicant’s commitment to finance the capital, design, and project management works**
 - (ii) **Council approving necessary maintenance funding in the 2018/19 budget process and**
- (c) **note a review will be undertaken of the Public Space Closed Circuit Television (CCTV) Policy.**

FINANCE AND RESOURCING

There is no immediate cost to Council as the Caloundra Chamber of Commerce will be funding the capital works costs as a recipient of a Federal Government grant from the *Safer Communities Program*. However, the ongoing maintenance and repairs to this system, as with the existing CCTV systems, will be Council’s responsibility and therefore added to Council’s asset register and maintenance schedules.

Currently, Council operates and maintains 42 CCTV open space camera systems. These systems are operated and maintained by Council at a combined actual cost of \$95,900 annually.

Council’s Buildings and Facilities Assets Management Unit have broken whole of life costs for any camera system into three categories:

- **Simple system** - \$2,900 ex GST (per unit per annum)
Easy Access and low exposure to corrosion
Half Yearly Maintenance schedule
- **Sensitive system** - \$3,500 ex GST (per unit per annum)
Medium exposure to corrosion
Light/medium levels of traffic management. required for servicing
Quarterly Maintenance schedule
- **Complex & Sensitive system** - \$5,500 ex GST (per unit per annum)
High exposure to corrosion
Medium to high levels of traffic management. required for servicing, specific access requirements
Fortnightly or Monthly Maintenance schedule

It is expected that the camera system within the Caloundra CBD would be designed and classed between a "Sensitive" and a "Complex & Sensitive" system.

Council has undertaken preliminary design investigations for a 13 camera system. If 13 cameras are installed, the annual expected cost to Council is between \$45,500 - \$71,500 depending on the category of system installed. This figures excludes footage retrieval costs.

The expected life span on a CCTV system is five years, bringing the whole of life costs of a 13 camera system within the Caloundra CBD to between \$227,500 and \$357,500.

In addition to the annual maintenance of a new CCTV system, the retrieval of CCTV footage will need to be considered. Footage retrieval costs are variable as it is dependent on the number of the requests received. Footage retrieval costs Council approximately \$195 ex GST per request. Based on the 2016/17 financial years figures for footage retrieval of the Nambour CCTV system (18 requests), annual footage retrieval costs are estimated at \$3,510 per annum.

At the completion of the project installation, it is proposed that all CCTV cameras and association hardware will be owned by Council and recorded as a Council asset.

CORPORATE PLAN

Corporate Plan Goal:	<i>A strong community</i>
Outcome:	2.1 - Safe and healthy communities
Operational Activity:	2.1.2 - Continue to enhance community safety partnerships with state agencies and community groups to enhance resident and visitor safety

CONSULTATION

Councillor Consultation

- Councillor T Dwyer - Divisional Councillor
- Councillor J McKay - Portfolio Councillor for Community and Environment

Internal Consultation

- Solicitor, Legal Services Branch
- Coordinator Contract Supply and Administration, Business Performance Branch
- Management Accountant, Finance Branch
- Smart City Framework Living Lab Project Team

External Consultation

- Caloundra Chamber of Commerce
- Queensland Police Service – Southern Patrol Group
- CALM Caloundra Liquor Accord
- Caloundra Safe Committee

Community Engagement

Council has not undertaken formal community engagement activities regarding this report however notification of support have been received from the following entities:

- CALM Caloundra Liquor Accord
- Caloundra Business - Red Hot Chilli Pepper
- Caloundra Residents Association
- Caloundra Safe Committee
- Caloundra Tourism
- Former Federal Member for Fisher
- Queensland Parliament Member for Caloundra

- Queensland Police Service – Sunshine Coast District Office
- Queensland Police Service – Southern Patrol Group

PROPOSAL

Council currently owns and operates 20 public space CCTV cameras within the Caloundra CBD (1 x Minchinton Street Taxi Rank, 19 x Caloundra Parking Station) as indicated in Attachment 2. These cameras are currently used for:

- the investigation and/or prosecution of civil and criminal offences in relation to the security of Council's facilities and assets
- the investigation and/or prosecution of civil and criminal offences in relation to the security of public spaces and crimes against the person in the Sunshine Coast Council local government area and
- improving public confidence in the safety and security of public spaces.

The Caloundra Chamber of Commerce is the recipient of a Federal Government grant from the *Safer Communities Program* for \$140,000 towards the delivery of CCTV within the Caloundra CBD. Council has received a formal request from the Caloundra Chamber of Commerce for Council to install a CCTV system within the Caloundra CBD. The applicant has advised the primary purpose of the CCTV system is to increase the perception of safety within the Caloundra CBD, and to assist the Queensland Police Service with law enforcement.

The Caloundra Chamber of Commerce has advised expenses relating to capital works, project management and system design costs will be paid for by the Caloundra Chamber of Commerce to the total value of \$127,000. At the project completion, it is proposed that the CCTV system will be owned and managed by Council. The system is to be added to Council's asset register and maintenance schedules.

To ensure a unified, equitable and transparent consideration of the Caloundra Chamber's request for CCTV, the CCTV Assessment Framework detailed in Council's *Public Space Closed Circuit Television (CCTV) Policy* was used as follows:

1. determine the appropriateness of the system:
 - (a) define the purpose of CCTV
 - (b) site assessment
2. key stakeholder consultation/evidence gathering
3. identify resource requirements and implications including 'whole of life' cost and
4. decision and notification.

In 2015, Council received a similar request from the Glasshouse Country Chamber of Commerce for the installation of a combined 21 camera CCTV system in the towns of Glasshouse Mountains, Beerwah and Landsborough, with infrastructure funded by a Federal Government grant. The applicant advised the primary purpose of the system was to protect commercial premises. As this purpose does not align with Council's *Public Space Closed Circuit Television (CCTV) Policy*, the request did not proceed to Council for consideration.

The Glasshouse Country Chamber of Commerce has installed the cameras and are managing and maintaining the system for their commercial premises purposes. Council does not contribute to these costs and does not manage the retrieval of footage requests.

The Caloundra Chamber of Commerce application identifies the purpose of the system is to increase the perception of safety within the CBD, and to assist the Queensland Police Service in apprehending offenders. This purpose does fall in line with the following purposes stated in Council's CCTV Policy:

- To assist the investigation and/or prosecution of civil and criminal offences in relation to the security of public spaces and crimes against the person in the Sunshine Coast Council local government area
- To assist improving public confidence in the safety and security of public spaces.

It is also recognised that the purpose of the cameras may also assist:

- in the deterrence of anti-social behaviours in high risk public areas and
- the investigation and/or prosecution of civil and criminal offences in relation to the security of Council's facilities and assets.

In July 2017, Council officers undertook a site assessment with representation from the Queensland Police Service and the Caloundra Chamber of Commerce. The site assessment identified minimal alternative crime prevention and design alternatives. The site assessment determined that CCTV will assist Queensland Police with addressing reported crime. The site assessment was undertaken in line with the Queensland Crime Prevention Through Environmental Design (CPTED) Guidelines.

An analysis of associated crime mapping has been conducted for all police calls for service in the Caloundra CBD. In consultation with the Queensland Police Service, the analysis indicates sufficient evidence to support the need for CCTV implementation.

Queensland Police have undertaken an analysis of the existing private and/or commercial CCTV coverage within the Caloundra CBD. These investigations concluded that there is no CCTV coverage of public spaces within the Caloundra CBD from private or commercial premises.

Council has undertaken preliminary design investigations for a 13 camera system, where infrastructure costs are expected to be covered by the Chamber's Federal Funding grant. Council has received a report from Queensland Police that identifies areas within the CBD that are 'hot spots' for police calls for service. These locations have been considered in this preliminary design phase. The proposed CCTV detailed system design will be undertaken as a component of the tender process.

The system design will include the public spaces of Felicity Park, Happy Valley and the Esplanade, Bulcock Street including laneways, and public space outside the Events Centre and Council's Administration Building as indicated in Attachment 3. As per Council's *Public Space Closed Circuit Television (CCTV) Policy*, Council's CCTV systems in public spaces are not to be monitored in real time by Council, contractors, or other agencies unless monitoring is required for the early identification and rapid response to anti-social behaviours for identified law enforcement operations or major community events.

Legal

There are no legal implications relevant to this report.

Policy

The *Public Space Closed Circuit Television (CCTV) Policy 2014* outlines the principles which guide Council's decisions in the establishment and management of CCTV systems in public spaces. This application has been assessed against this policy.

To ensure compliance with the *Information Privacy Act 2009*, Council's *Public Space Closed Circuit Television (CCTV) Policy 2014* states "Requests from Organisations to install CCTV cameras/systems on Council owned or Council controlled land and/or infrastructure will be assessed using the CCTV Assessment Framework outlined in the CCTV Policy."

Risk

If approved by Council, the applicant is to enter into a formal Agreement with Council detailing roles and responsibilities for the design, installation, operations, management and

associated costs of the CCTV system. Council officers will ensure system installation and operations comply with Councils *Public Space Closed Circuit Television (CCTV) Policy 2014* and the *Information Privacy Act 2009*.

Previous Council Resolutions

Ordinary Meeting 11 December 2014 (OM14/176)

That Council:

- (a) *receive and note the report titled "Community Safety Policy/Closed Circuit Television Policy"*
- (b) *adopt the Community Safety Strategic Policy (Appendix A)*
- (c) *adopt the Public Space Closed Circuit Television Strategic Policy (Appendix B) and*
- (d) *refer appropriate Closed Circuit Television capital and operational funding to future annual Council budgets for consideration to ensure all systems are "fit for purpose"*

Related Documentation

- Sunshine Coast Community Safety Action Plan 2016-2020
- Sunshine Coast Community Safety Policy 2014
- Sunshine Coast Corporate Plan 2017-2021
- Sunshine Coast Public Space Closed Circuit Television (CCTV) Policy 2014
- Sunshine Coast Social Strategy 2015

Critical Dates

Due to the Federal Government funding agreement with the Caloundra Chamber of Commerce, the installation of the CCTV infrastructure must be completed by 30 July 2018.

Implementation

If endorsed by Council, officers will advise the applicant of Council's decision and enter into an agreement for the installation, operation and ongoing maintenance of the CCTV system.

Council officers will continue to work with all stakeholders to proceed with project scoping and procurement process.

8.2 CUSTOMER ENGAGEMENT AND PLANNING SERVICES

Nil

8.3 BUSINESS PERFORMANCE**8.3.1 JANUARY 2018 FINANCIAL PERFORMANCE REPORT**

File No:	Financial Reports
Author:	Coordinator Financial Services Business Performance Group
Attachments:	Att 1 - January 2018 Financial Performance Report 75

PURPOSE

To meet legislative obligations, a monthly report must be presented to Council regarding its financial performance and investments.

EXECUTIVE SUMMARY

This monthly financial performance report provides Council with a summary of performance against the *forecast* budget as at 31 January 2018 in terms of the operating result and delivery of the capital program. The forecast budget includes adjustments adopted by Council through Budget Review 2 in February 2018.

The operating result of \$124 million at 31 January 2018 shows a positive variance to the forecast budget of \$442,000. The variation is made up of higher than profiled operating revenue, partially offset by higher than profiled operating expenses as shown in the table below. Further detail is provided in the proposal section of this report.

Operating Performance**Table 1: Operating Result as at 31 January 2018**

January 2018	Forecast Budget \$000	YTD Forecast Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Operating Revenue	436,296	355,888	356,712	824	0.2
Operating Expenses	423,764	232,291	232,673	382	0.2
Operating Result	12,533	123,597	124,040	442	0.4

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

As at 31 January 2018, \$92.9 million (34.6%) of Council's \$269.7 million Forecast 2017/18 Capital Works Program was financially expended.

The core Council Capital Program has progressed 41.4% of budget, an actual spend of \$65.8 million.

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

OFFICER RECOMMENDATION

That Council receive and note the report titled "January 2018 Financial Performance Report".

FINANCE AND RESOURCING

This report sets out the details of council's financial performance and investments for the month of January 2018 and meets council's legislative reporting requirements.

CORPORATE PLAN

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

CONSULTATION

Councillor Consultation

Consultation has been undertaken with the Portfolio Councillor, Councillor T Dwyer.

Internal Consultation

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

External Consultation

No external consultation is required for this report.

Community Engagement

No community engagement is required for this report.

PROPOSAL

This monthly financial performance report provides Council with a summary of performance against budget as at 31 January 2018 in terms of the operating result and delivery of the capital program.

The operating result at 31 January 2018 shows a positive variance of \$442,000 compared to the forecast budget.

Operating Revenue

As at 31 January 2018, year to date revenues (of \$356.7 million) shows a positive variance of \$824,000, or less than 0.5%.

This is made up of:

- \$497,000 Fees and charges revenue relating to higher Development Services (\$171,000) and Waste Management (\$127,000).
- \$250,000 Other Revenue, predominantly higher sales of recyclables in waste and property leases

The full year revenue forecast has been updated through Budget Review 2, addressing the significant variations seen in earlier periods.

Year to date actuals has achieved 80% of the full year forecast revenue. Over half of the remaining forecast relates to revenue anticipated from the Maroochydore City Centre project and Unitywater. The remainder will predominantly be generated in fees and charges and other revenue.

Operating Expenses

Year to date expenditure as at 31 January 2018 is \$232.7 million, a variance over budget of \$382,000.

Employee Costs

As at 31 January 2018, \$79.4 million has been incurred in employee costs, resulting in an unfavourable variance against year to date budget of \$875,000 or 1.1%. The remaining available budget for February to June is 42.3% of full year. Having consideration for the current leave and occupancy trends, the full year actual may vary to be budget by 1%, noting the budget is developed up to 97% of costs.

Materials and Services

Materials and services are under budget as at 31 January 2018 by \$2.36 million.

Operating projects, including levy funds, are underspent against budget by \$1.4 million to date reflecting timing differences for project delivery. The remaining expenditure budget available for February to June is 55.5% of full year.

	Original Budget \$'000	Forecast Budget \$'000	YTD Actual \$'000	% Forecast Budget Expended
Levies	12,196	12,365	7,054	57%
Projects	7,665	10,184	2,970	29%
Total	19,860	22,548	10,024	44%

An underspend of \$1.04 million relates to the delivery of core programs and is consistent across most branches. The larger variances, mostly timing related, are reflected in the following branches, as being greater than \$250,000 and/or 10% of year to date budget:

- Waste Management – has incurred lower costs to date across several activities in the Recovery, Diversion and Disposals Unit, predominantly relating to contract services, and external plant hire for Landfill Sites and Transfer Facilities, totalling \$427,000. In the following months this variance will be required to address emerging issues.
- Fleet and Quarry Services – under budget by \$259,000. Lower contract costs incurred will contribute to partial funding for new GPS system, brought to Council at budget review 2.

Recurrent Capital Expenses

Expenses incurred as at 31 January 2018, relating to the delivery of capital projects equates to \$2.6 million. Any variance to year to date budget relates to a profiling delay following budget review 2.

Capital Expenditure

As at 31 January 2018, \$92.9 million (34.6%) of Council's \$269.7 million 2017/18 Capital Works Program was financially expended.

Table 5: Capital Expenditure by Program at 31 January 2018

Capital Works Program	Forecast Budget \$000	YTD Actual \$000	% Forecast Budget Expended	Forecast Year End Actual \$000
Aerodromes	415	12	2.9	797
Buildings and Facilities	12,453	5,404	43.4	13,026
Coast and Canals	2,363	891	37.7	2,605
Divisional Allocations	5,409	1,330	24.6	2,213
Environmental Assets	840	145	17.2	675
Fleet	3,000	151	5.0	3,082
Holiday Parks	1,289	247	19.2	1,181
Information Technology	6,086	1,539	25.3	5,817
Parks and Gardens	15,297	9,175	60.0	14,885
Quarries	460	27	5.9	442
Stormwater	6,938	2,113	30.5	6,497
Strategic Land and Commercial Properties	30,161	11,422	37.9	30,132
Sunshine Coast Airport	1,358	675	49.7	675
Transportation	63,386	29,977	47.3	61,741
Waste	9,327	2,645	28.4	8,247
Total SCC Core Capital Program	158,781	65,754	41.4	152,016
Corporate Major Projects	11,189	2,536	22.7	5,313
Maroochydore City Centre	48,209	17,838	37.0	39,277
Sunshine Coast Airport Runway	50,481	6,773	13.4	50,587
Total Other Capital Program	109,879	27,147	24.7	95,177
TOTAL	268,660	92,901	34.6	247,193

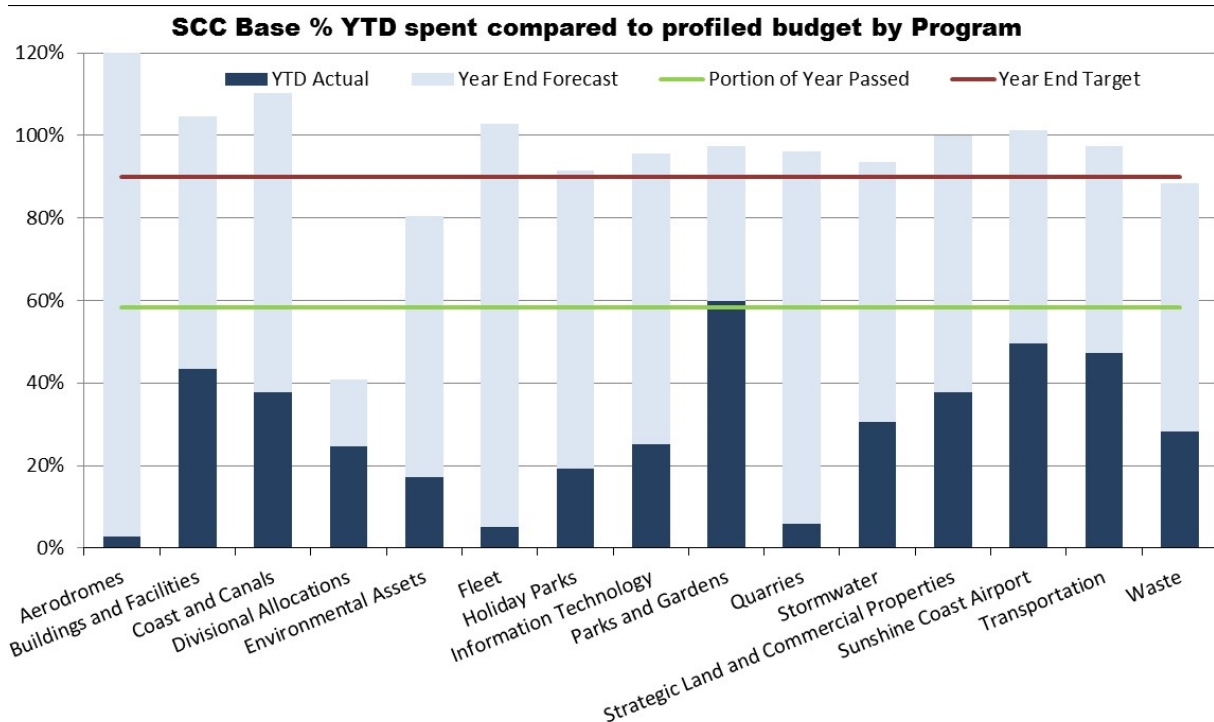
SCC Core Capital Program

The Core Council Capital Program has progressed 41.4% of budget, an actual spend of \$65.7 million. The Actual YTD includes all works that have been goods receipted and accrued as at 31 January 2018. The table above shows the actual expenditure against full year budget by program, as well a forecast actual at year end.

Currently the core program, excluding Divisional Allocations, is forecasting 98.1% of program delivery. The \$2.9 million variance to the \$153 million program mainly relates to large projects in the waste and transport programs. The Waste AWCS project has experienced delays with developer land parcel works, which must be undertaken prior to the automatic waste collection station building construction commencing. The variance in transport can be attributed to several minor variances, including deferrals for Bulcock Streetscape and unallocated pathway funds.

The divisional allocations program is currently forecasting 41% of budget due to a significant budget value not yet assigned to projects.

The following graph shows the expenditure to date and year end forecast for each program, against the time period passed and the year-end delivery target of 90%.



A number of programs are reporting expenditure to the end of January significantly lower than benchmark.

Divisional Allocations – 54% of the program is not yet assigned to specific projects.

Environmental Assets – Prioritisation of the \$100,000 tracks and trails program has been finalised and works are to commence shortly pending upcoming weather. Construction will begin in March for the \$200,000 mountain trail bike path within the Caloundra Town reserve as the design has now been finalised. All other projects totalling \$540,000 are underway.

Fleet – Procurement to be finalised in March that will commit a significant amount of expenditure delivered by year end.

Holiday Parks – The renewals portion of the holiday park program totalling \$450,000 is currently 50% complete and tracking to be finalised by financial year end. The new amenities block at Mudjimba Beach Holiday Park, which has a budget of \$640,000, is due to start construction in February outside of the busy holiday period. These works will be completed within March prior to the upcoming Easter holiday period and accounts for half of the total program spend.

Information Technology – Half of the \$6.1 million program is attributed to significant corporate projects: Strategic Asset Management and Customer Relationship Management, as well as the Library Autocirculation System. The library project is now mostly committed and expected to be expended in full. The two major corporate systems will continue through the procurement process in March.

Quarries – Following program deferrals, the remaining program of \$460,000 is anticipated to be spent by year end, with only the Noise Management works under review to assess cost benefit (\$50,000).

Stormwater – The \$1.9 million stormwater relining and pit structure replacements programs are currently 60% complete and are well on track for 100% delivery, remaining works have been tendered and are to be finalised prior to year end. Approximately \$2.7m of the stormwater program however is currently in design or out to tender in the coming months with construction scheduled to begin late in the financial year. \$1.3m of this relates to works

in Buderim which are due to begin construction in March to avoid the wetter months of the year. The forward design portion of the stormwater program is on track and will produce savings against the allocated budget that will be utilised for construction if required.

Corporate Major Projects & Region Making Program

Other major projects have expended 24.7% of full year budget as at 31 January 2018, and are forecasting a year end result of 87% or \$95.2 million.

- Corporate Major Projects – Current forecasts reflect delivery of half the program, which will see expenditure on Palmview and smart city projects. Confirmation is being sought as to the timing for delivery of new major projects and the remaining forecasts will be updated once known.
- Maroochydore City Centre – 37% Actual spend to date, with an additional \$2 million in uncertified claims to January, indicating total delivery to date has committed 41.2%. The program is currently forecasting to 81% of the forecast budget.
- Sunshine Coast Airport Expansion – A year to date actual of 13.4% has been achieved. Significant expenditure is forecast for quarter 4.

Investment Performance

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 31 January 2018 Council had \$303 million cash (excluding Trust Fund) with an average interest rate of 2.57%, being 0.68% above benchmark. This is compared to the same period last year with \$302 million cash (excluding Trust Fund) with an average interest rate of 2.74%, being 0.91% above benchmark.
- The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill Index (BAUBIL) and the Bank Bill Swap Rate (BBSW) for term deposits.

Legal

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

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

Policy

Council's 2017/18 Investment Policy; 2017/18 Debt Policy.

Risk

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

Previous Council Resolution

Ordinary Meeting, Budget Review 2, 22 February 2018 (OM18/19)

That Council:

- receive and note the report titled "Budget Review 2 2017/18" and*
- adopt the amended 2017/18 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A)*

Ordinary Meeting 9 November 2017 (OM17/211)

That Council

- (a) *receive and note the report titled "September 2017 Financial Performance Report" and*
- (b) *adopt the amended 2017/18 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A).*

Ordinary Meeting 12 October 2017 (OM17/204)

That Council:

- (a) *delegate authority to the Chief Executive Officer to enter into negotiations and processes to execute and finalise the acquisitions as discussed in the confidential session*
- (b) *resolve, pursuant to section 236(2) of the Local Government Regulation 2012, that an exception to dispose of an interest in land (easement/s) on the sites as discussed in the confidential session, other than by tender or auction applies as the disposal is pursuant to s236(1)(b)(i) to a government agency and*
- (c) *request the Chief Executive Officer to provide a further report to Council on the outcomes of the negotiations with Department of Natural Resources Mines.*

Ordinary Meeting, Budget Review 1, 14 September 2017 (OM17/175)

That Council:

- (a) *receive and note the report titled "Budget Review 1 2017/18" and*
- (b) *adopt the amended 2017/18 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A)*

Special Meeting Budget 15 June 2017 (SM17/34)

That Council:

- (a) *receive and note the report titled "Adoption of the 2017/18 Budget and Forward Estimates for the 2018/19 to 2026/27 Financial Years"*
- (b) *adopt the 2017/18 Budget Schedules (Appendix A) including Forward Estimates and*
- (c) *adopt the 2017/18 Capital Works Program, endorse the indicative four-year program for the period 2018/19 to 2021/22, and note the five-year program for the period 2022/23 to 2026/27 (Appendix B).*

Related Documentation

2017/18 Adopted Budget.

Critical Dates

There are no critical dates for this report.

Implementation

There are no implementation details to include in this report.

8.4 BUILT INFRASTRUCTURE**8.4.1 LOWER ORDER UNSEALED ROADS UPGRADE PLAN 2016-2026 - ASSESSMENT AND PRIORITISATION PROCEDURE**

File No:	Council meetings	
Author:	Coordinator Technical Services Built Infrastructure Group	
Appendices:	App A - Lower Order Unsealed Roads Upgrade Plan - Assessment and Prioritisation Procedure.....	87
Attachments:	Att 1 - Lower Order Unsealed Roads Upgrade Plan 2016-2026..	91
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	Att 3 - Lower Order Unsealed Roads Upgrade Plan - 10 Year Program - February 2018	107

PURPOSE

The purpose of this report is to present to Council for adoption the recommended Assessment and Prioritisation Procedure for the development of a program to seal lower order unsealed roads as part of Council's annual capital works program.

EXECUTIVE SUMMARY

Council adopted the *Lower Order Unsealed Roads Upgrade Plan 2016 – 26* (the Plan) in January 2017 and directed the *Chief Executive Officer to develop an Assessment and Prioritisation Procedure to guide the decision making in prioritising roads and allocation of Council funding.*

The January 2017 report included criteria that need to be taken into consideration in the assessment and prioritisation procedure. The proposed procedure is similar to that for the Unsealed Roads Upgrade Plan (previously adopted by Council February 2015). However, there is a greater emphasis on amenity and maintenance costs.

In the development of the Assessment and Prioritisation Procedure a number of alternative models were considered, taking into account amenity impacts, together with Council and community benefits. Weighting factors were also determined through the development process.

Consideration is given to the source of funding, with a multiplying factor applied when residents are prepared to contribute to the cost.

The Assessment and Prioritisation Procedure will be used by officers to rank roads for funding and develop a 10-year list of projects under Council's annual Capital Works Program.

The procedure also provides an opportunity for the community to invest in their roads by making a financial contribution towards the construction cost.

The proposed Assessment and Prioritisation Procedure has been developed in conjunction with and agreed to by the five Divisional Councillors who have the vast majority of gravel roads within their divisions.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Lower Order Unsealed Roads Upgrade Plan 2016-2026 - Assessment and Prioritisation Procedure” and
- (b) adopt the Lower Order Unsealed Roads Upgrade Plan – Assessment and Prioritisation Procedure (Appendix A).

FINANCE AND RESOURCING

The cost of a sealed upgrade for a lower order gravel road is estimated to be in the order of \$400,000 - \$500,000 per kilometre, depending on local conditions. This cost is approximately one third of the current cost of sealing a higher order gravel road. Factors that may have an effect on the cost are land resumption (roads off alignment), vertical and horizontal alignment issues, ground conditions, drainage, clearing, pavement and surfacing.

Council has allocated \$500,000 in the 2017/18 10-year Capital Works Program (Local Gravel Roads Network sub program) for the sealing of lower order unsealed roads. Based on the proposed *Assessment and Prioritisation Procedure* (Appendix A), an initial 10-year prioritised list of specific lower order gravel road projects has been developed (Appendix B), assuming no community contributions.

The source of funding to undertake the upgrading works may be from Council's capital road works budget, or relevant Divisional Councillor's discretionary funds, or private contributions, or any combination from all sources.

Contributions from residents will have an impact on the priority of a particular project, with a weighting being applied to the initial score, based on the level of the contributions.

A demonstration of the possible effect of resident contributions is where recent discussions have been held with one resident of a lower order road, who has indicated his preparedness to contribute an amount (approximately 30% of the estimated construction cost). If this were to eventuate, it would mean that the resident's contribution would increase the priority of the project from the current 2026/2027 year to the 2018/2019 year.

Any private contributions from residents toward sealing their lower order gravel roads will be in addition to the allocation from Council. The Procedure has the potential of attracting significant contributions from benefitting residents, therefore allowing Council to seal greater lengths of the lower order gravel road network than would otherwise be possible with Council funds alone.

CORPORATE PLAN

Corporate Plan Goal:	<i>A strong community</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S10 - Roads, cycleways and pathways - maintaining and improving the road network and associated assets (sealed and gravel roads, bridges and pathways), vegetation management, construction and project delivery services, permit fees, private works and levies

CONSULTATION

Councillor Consultation

The recommended Assessment and Prioritisation Procedure has been developed in consultation with Councillors R Baberowski, E Hungerford, J McKay, S Robinson and G Rogerson whose divisions have the majority of lower order gravel roads. Councillor R Baberowski is also the portfolio Councillor for Transport.

All of the Councillor's indicated their support for the proposed procedure.

In the development of the procedure, the Divisional Councillors agreed that total Council funding is to include the allocation from the capital road works program, together with any Divisional Councillor contribution. The priority of a project can only be increased where Council receives a commitment for a funding contribution from the residents.

Internal Consultation

- Group Executive Built Infrastructure
- Manager Transport Infrastructure Management
- Coordinator Technical Services
- Senior Engineer Transport Infrastructure Management
- Manager, Transport and Infrastructure Policy
- Manager Civil Asset Management
- Senior Management Accountant
- Council Solicitor

External Consultation

There was no external consultation required in relation to this report.

Community Engagement

Whilst there has been no community engagement undertaken in relation to this report, the Divisional Councillors during the discussions relayed specific views they have heard from some of their affected constituents.

Council receives approximately 90 requests annually for the sealing of gravel roads, many of these roads would be eligible for consideration for sealing under this program.

Divisional Councillors and officers from Transport Infrastructure Management Branch will be engaging with the community regarding any future upgrade project where local contributions are proposed and forthcoming.

PROPOSAL

Introduction

Council has approximately 500 km of unsealed roads of which approximately 5% would be classified under the Unsealed Roads Upgrade Plan as lower order unsealed roads. The lower order roads have traffic volumes less than 150 vehicles per day and are likely to be assessed as a low priority for upgrading under the Unsealed Roads Upgrade Plan 2015-2035 (adopted at the Ordinary Meeting 26 February 2015).

The *Lower Order Unsealed Roads Upgrade Plan 2016 – 2026* provides Council the opportunity to implement a lower cost option for the sealing of low traffic volume roads to a *fit for purpose* standard, without compromising on safety. The standards adopted are in accordance with the *IPWEAQ Lower Order Road Design Guidelines*.

Council adopted the *Lower Order Unsealed Roads Upgrade Plan 2016 – 26* in January 2017 and directed the "Chief Executive Officer to develop an Assessment and Prioritisation

Procedure to guide the decision making in prioritising roads and allocation of Council monies”.

A number of different models were considered in developing the procedure which took into account amenity issues, Council and community benefits and the application of a weighting factor to prioritise roads for sealing.

The Lower Order Unsealed Roads Upgrade Plan contained draft assessment criteria, scores and weightings which has now been finalised in conjunction with the relevant Divisional Councillors as the *Lower Order Unsealed Roads Upgrade Plan – Assessment and Prioritisation Procedure*.

Assessment Methodology

A number of alternative scenarios and criteria score ratings and weightings were trialed during the development of the procedure.

Two main categories were considered, **Amenity** and **Council and Community Benefit**.

In the **Amenity** category, the total number of houses serviced by the road are considered. Houses that are less than 40 metres from the gravel road attract an additional weighting, which take into account the potential impact on the lifestyle of the residents due to proximity to dust generation. Average daily traffic volume is also considered under this category.

A weighting is applied to the raw score.

The **Council and Community Benefit** category considers the benefit to the community by allocating a score:

- where improvements to existing intersections will be an outcome
- completion of a short remaining section of gravel road on an otherwise sealed road
- where the road frequently scours, especially during minor rain events, and
- where the road has inappropriate geometric alignment.

Also in this category, consideration is given to the cost of maintenance of the road which includes, cartage costs for pavement maintenance gravel, costs of setting up maintenance plant and the frequency of need for safety maintenance.

A weighting is applied to the raw score which takes into consideration future savings to Council on maintenance costs.

Funding Source

There are three options for funding, with only those roads having contributions from both residents and Council having a weighting (for funding source) applied.

- *Full external funding* – The project may proceed subject to the following. This may be from a single resident, who may use Council or external resources to undertake the design and construction. Alternatively, a number of residents agree to fund the design and construction, and all contributions are received by Council prior to commencement.

Part external funding/part Council funding – the total of **Amenity and Council Benefits** and **Community Criteria** has a weighting applied based on the percentage of private funding as per the following table.

Percentage external funding	Weighting
10%	1.5
20%	2.0
30%	2.5
40%	3.0
50%	3.5
60%	4.0
70%	4.5

In these circumstances, no work will proceed without a separate report to Council and all contributions being received from the residents.

- *100% Council funding* – No weighting (for funding source) is applied to the raw score, and the project will be prioritised and funded in accordance with the annual prioritised program of specific projects.

Other Considerations

The methodology treats all requests for sealing of gravel roads on the same basis, and the final score determines the priority order.

The funding source has a significant impact on the final score and where residents contribute to the cost it may mean that a road initially with a low raw score, after applying the weighting, is ranked above that of a road high on the priority list. A benefit is given to those residents who are prepared to contribute funds to the project, thereby reducing the amount of Council funds required.

Lower Order Unsealed Roads 10 Year Program

The Assessment and Prioritisation Procedure has been used to rank roads for funding under Council's annual Capital Works Program. The Procedure was used to develop a prioritised listing of identified roads based on no community contribution. Any community contributions will alter the prioritised listing, requiring the prioritised listing to be reviewed annually.

The Local Gravel Road Network sub-program allocation of \$500,000 sits within the Transportation Program of Council's Budget and is in addition the Gravel Road Network sub-program allocation of \$3,500,000. The initial Lower Order Unsealed Roads 10-Year schedule, identifying specific projects, is submitted for Council's information (Appendix B).

Community Engagement

The ability of the community and Council to develop *fit for purpose* sealed road solutions for lower order unsealed roads will only be possible through a collaborative approach with affected residents and support from the Divisional Councillor.

Where required, a public information session will be held. This would be attended by the Divisional Councillor and representatives from Transport Infrastructure Management Branch.

The community engagement is to include:

- Explanation of the standard of road construction proposed – *fit for purpose* standard.
- Explanation of the funding model to be used, when residents contribute towards the cost.
- Explanation of the prioritisation method for upgrades.
- Likely year of delivery, with and without any community contribution.

Legal

Legal Agreements will be required to be entered in to with residents when they agree to provide a contribution towards the road upgrade.

Policy

Lower Order Unsealed Roads Upgrade Plan 2016 – 2026 (Attachment 1)

Risk

Time delays may occur from when listing on the priority list, discussions with residents over process and local contributions, to finalisation of the design and commencement of construction may impact on delivery of Council's capital works program.

Previous Council Resolution**Ordinary Meeting 25 January 2017 (OM17/4)**

That Council:

- (a) *receive and note the report titled "Lower Order Unsealed Roads Upgrade Plan 2016 - 2026"*
- (b) *endorse the Unsealed Roads Upgrade Plan 2016 - 2026 (Appendix A) as amended, subject to future funding considerations*
- (c) *consider establishing a new subprogram as part of the 2017/2018 budget, under the Transportation – Capital Roadworks – Lower Order Gravel Road subprogram, with an annual allocation of \$500,000 and*
- (d) *request the Chief Executive Officer to develop an Assessment and Prioritisation Procedure to guide the decision making in prioritisation of roads and allocation of Council monies.*

Related Documentation

There is no further related documentation relevant to this report.

Critical Dates

Adoption of the Assessment and Prioritisation Procedure as soon as possible to enable the commitment for the 2017-18 financial year to proceed and be completed by 30 June 2018.

Implementation

The following is a summary of the process for the implementation of the Plan:

1. Annual review of the 10-year capital works program.
2. Where residents indicate that they wish to contribute towards the cost of the upgrade of their gravel road, the Divisional Councillor and Manager Transport Infrastructure Management will facilitate a meeting of all property owners to discuss the proposal and to advise on the procedure to be followed.
3. Where agreement is reached for local contributions, the appropriate weighting will be applied to the raw score and the priority for the project recalculated. The outcome will then be considered in the next annual review of the 10-year program.

8.4.2 PUBLIC LIGHTING PROJECT UPDATE

File No: Council meetings
Author: Manager Transport Infrastructure Management
Built Infrastructure Group

PURPOSE

The purpose of this report is to update Council on the Public Lighting Project, in particular, budget implications relative to capital and operational finances.

EXECUTIVE SUMMARY

In August 2017 council considered a report on the Public Lighting Project, specifically relating to Energy Queensland's written advice to the Local Government Association of Queensland on the topic of ownership of street lights which advised that "*street lights as assets will remain with Energy Queensland as a Government Owned Corporation*".

Council remains committed to the provision of light-emitting diode (LED) lights as covered under the Urban Lighting Master Plan and the rationale for LED remains. However, for contractual and delivery reasons, the approach to introduce street lighting has changed. As a result of the Energy Queensland decision, investigations have occurred regarding opportunities and processes by which an LED upgrade to existing public lights in the Sunshine Coast region could occur without asset ownership transfer. Through discussions with Energy Queensland a proposed way forward has been identified. From a budget prospective the potential LED upgrade of other party's assets has triggered the need for any costs associated with non-Council assets to be treated as operational, not capital. This is a significant change for the existing capital works program which had \$29.3million over 10 years allocated towards the Public Lighting Project.

The proposed methodology is to undertake a pilot with Energy Queensland to upgrade a sample of existing lighting to LED with smart controls. The pilot consists of 123 luminaires in four different locations and are a mixture of Energy Queensland (Rates 1 and 2) and Council owned (Rate 3). On completion of the pilot an updated business case will be produced. In order to provide a fully informed updated business case, it is proposed to test the LED upgrade processes and establish benchmark data on timeframes and costs through the pilot project. To undertake the pilot project would require \$235,000 in the 2018/19 operational budget for LED upgrades with smart controls. A further \$90,000 could also be invested to complement the lighting works with non-lighting smart control sensors and connectivity testing.

Previous Public Lighting Project business cases indicated a positive financial return from Council's proposed purchase and LED upgrade investment. This was based on energy savings and, more substantially, operation and maintenance savings. Any potential operation and maintenance savings can only be realised after current regulatory price path (2020) and if negotiations are successful. Even in the new price path there is no certainty that a conversion to LED will produce reduced Energy Queensland operation and maintenance tariffs.

So while energy savings of approximately 40-50% may still be realised, it is highly unlikely that a positive financial return will be achieved for the corresponding operation and maintenance savings. Committing to an LED upgrade investment would therefore need to be for other benefits identified in the Urban Lighting Master Plan and not pure financial outcomes.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Public Lighting Project Update”
- (b) consider as part of its 2018/19 operational budget deliberations an allocation of \$130,000 for a portion of pilot project on Council assets of light-emitting diode (LED) and smart control upgrade
- (c) seek funding support of \$195,000 from Energy Queensland for the remaining portion of pilot project works on Energy Queensland assets
- (d) proceed with the pilot project to the extent only of funding secured and
- (e) request the Chief Executive Officer to prepare a fully updated business case for a whole of region LED and smart control upgrade.

FINANCE AND RESOURCING

For the 2017/18 financial year, street lighting services provided by Energy Queensland is estimated to cost \$4.6 million representing 64% of the \$7.2 million estimated total electricity cost. Street lighting consumes around 12.3GWh of electricity representing 43% of the 28.7GWh total energy usage by Council.

Table 1 shows only 16% of this expense relates to actual electricity charges, 22% relates to use of the distribution network operated by Energy Queensland and 5% to environmental charges. The remaining 57% was service and maintenance charges related to asset maintenance, operation and capital recovery costs. Future costs are expected to increase with population growth, rising electricity prices and replacement of aging lighting infrastructure.

Table 1 Estimated Street Lighting Costs 2017/2018

Cost Component	Forecast Cost FY 2018	Proportion
Energy Usage	12,303 MWh	-
Energy Charges	(\$0.724)m	16%
Electricity Network Charges	(\$1.012)m	22%
Service & Maintenance	(\$2.655)m	57%
Environmental Charges	(\$0.231)m	5%
Other (Market / Meter) Charges	(\$0.010)m	0%
TOTAL	(\$4.632)m	100%

Energy Queensland’s position that it will retain ownership of Rate 1 and Rate 2 street lighting assets has ramifications for Council’s existing capital budgets for the Public Lighting Project. Council’s capital budget originally provided \$12.12 million in 2016/17 consisting of \$7 million for the asset transfer and \$5.1 million for the first year of the LED upgrade. The subsequent 4 years of the capital budget includes \$4.3 million per year for the LED upgrade. This represents a total of \$29.3million in the 10 year capital works program.

Council reallocated the asset transfer component of the budget to other projects once Energy Queensland advised that it was retaining ownership of the street lighting assets. Any proposed future LED upgrade works on other party’s assets cannot be treated by Council as a capital cost, and must be treated as operational costs in budget considerations. For the public lighting category Council owned rate 3 lights currently equates to 2% of total lighting (see table two), meaning the vast majority of upgrade works would be treated as operational costs. Council owns a further 5,500 lights approximately in public spaces (parks, pathways) which if upgraded to LED could be treated as capital expenditure.

Table 2 Street lighting Inventory and Estimated Costs 2017/2018

Inventory	Qty	Energy Usage	Forecast Cost FY 2018	Proportion
Rate 1	8,355	3,837 MWh	(\$2.112)m	46%
Rate 2	19,006	7,918 MWh	(\$2.431)m	52%
Rate 3	1,461	548 MWh	(\$0.089)m	2%
TOTAL	28,822	12,303 MWh	(\$4.632)m	100%

As such the capital funding has been removed through the recent budget revision (BR2) for 2017/18 and is proposed for removal in the 2018/19 capital works program. Corresponding values have not been placed in future operational budgets, pending consideration and direction by Council.

CORPORATE PLAN

Corporate Plan Goal: *A strong community*
Outcome: We serve our community by providing this great service
Operational Activity: S9 - Public lighting - providing and managing public lighting

CONSULTATION

Councillor Consultation

Economic Development and Innovation, Councillor Steve Robinson.

Internal Consultation

- Group Executive, Built Infrastructure
- Manager, Transport Infrastructure Management
- Manager, Project Delivery
- Coordinator, Technical Services
- Coordinator, Urban Projects
- Coordinator, Commercial Analysis
- Coordinator, Financial Services
- Principal Electrical Engineer
- Senior Management Accountant, Financial Services

External Consultation

Discussions have been held with relevant officers of Energy Queensland regarding potential pilot project for the upgrading of a 123 street lights to LED luminaires with smart controls.

Community Engagement

No community engagement was undertaken in relation to this report.

PROPOSAL

In August 2017 council considered a report on the Public Lighting Project, specifically relating to Energy Queensland's written advice to the Local Government Association of Queensland on the topic of ownership of street lights which advised that "*street lights as assets will remain with Energy Queensland as a Government Owned Corporation*".

At its August 2017 Ordinary Meeting, Council authorised the Chief Executive Officer to progress discussions with Energy Queensland regarding opportunities by which LED upgrade to public lights in the Sunshine Coast region could occur without asset ownership transfer. Since the last Council report Energy Queensland have made a significant change to their previous position on the use of LED's on their lighting network in that they are now permitting new lighting to be installed as LED (albeit limited inventory choice and under

certain conditions). This is expected to improve over 2018 as Energy Queensland look to improve their inventory choice and remove conditions on developers and Council's wishing to use LED.

Whilst this is a great improvement, several items still represent risk for Council from the Public Lighting Project and Urban Lighting Master Plan objectives:

- Energy Queensland has verbally advised they have no LED upgrade or investment roll out plans scheduled. This means that while new lights may come online as LED, the existing lights will remain until such time as they reach their end of life and are replaced (potentially over a 20 year plus period);
- Any smart control network connectivity would likely reside with Energy Queensland not Council; and
- Any operation and maintenance benefits from improved technology (LED and smart controls) will not be reflected in Energy Queensland operation and maintenance tariffs during the current price path (until 2020). There is no certainty that in the next price path operation and maintenance tariffs will reduce.

Through discussions with Energy Queensland, a framework of Council funding and undertaking LED upgrade on Energy Queensland lighting has been identified. In order to test this framework (and obtain benchmark costs and timeframes for designs, approvals and works) a pilot project has been identified to inform an updated business for consideration prior to a whole of region investment decision.

Four separate locations have been identified to replace the existing lights on both Council and the Energy Queensland networks with LED lights and smart controls. Each location has different circumstances and are considered to represent typical conditions for street lighting across most of the region. The site selection has also considered visibility to the public and ability to test connectivity between the locations and adjoining other smart lighting investments (e.g. within SunCentral). The proposed pilot project involves:

1. addition of smart controls to 40 Rate 3 LED lights on Evans Street Maroochydore;
2. replacement of 26 Rate 2 street lights on Plaza Parade Maroochydore with LED and smart controls;
3. replacement of 27 Rate 3 street lights on Airport Drive Marcoola with LED and smart controls; and
4. replacement of 30 Rate 1 and Rate 2 street lights in Pacific Paradise with LED and smart controls

Budget estimates have been prepared for these works equating to \$235,000 which includes investigations, designs, approvals, materials, installation, project management and contingency. The scope includes the replacement of traditional luminaires with LED and installation of lighting smart controls with connectivity. A further \$90,000 investment to test a variety of non-lighting smart control sensors and connectivity solutions would complement the pilot and aligns with the objectives of the Urban Lighting Master Plan.

These are estimates only, and one of the pilot purposes is to test assumptions to obtain actual data. It is expected that prices obtained would result in further reduced unit rates, once economies of scale factors are applied relative to how the pilot rates translate to a whole of region investment.

It is proposed to allocate an additional \$325,000 in the 2018/19 operational budget for this pilot, following which an updated business case with confidence in the process, timeframes, estimates and the outcomes achieved could be finalised for final investment decisions. Depending on actual costs in delivery of the pilot, approximately 40% of these costs could be potentially capitalised as works on Council network assets.

It is important to note that previous Public Lighting Project business cases indicated a positive financial return from Council's proposed purchase and LED upgrade investment.

This was based on energy savings and, more substantially, operation and maintenance savings. Any potential operation and maintenance savings would now not be realised until after current regulatory price path (2020). Even in the new price path there is no certainty that a conversion to LED will produce reduced Energy Queensland operation and maintenance tariffs.

Committing to an LED upgrade investment would therefore need to be for other benefits identified in the Urban Lighting Master Plan and not pure financial outcomes. These include:

- reduced nightly energy consumption complementing solar farm power generation;
- reduced carbon emissions;
- reduced light spillage enhancing dark sky and other environmental outcomes (such as improved turtle nesting); and
- enhanced vehicle and pedestrian safety

Legal

There are no legal implications relevant to this report. Any potential pilot upgrades to Energy Queensland assets undertaken by Council would be in accordance with a basic service agreement and would entail the engagement of Energy Queensland accredited designers and contractors.

Policy

Council formally adopted the Urban Lighting Master Plan at Ordinary meeting September 2016. Previous Council resolutions, along with Council's Planning Scheme, reference new lighting (Council and private developments) to be Council owned.

Risk

Any operation and maintenance benefits from improved technology (LED and smart controls) will not be reflected in Energy Queensland operation and maintenance tariffs during the current price path until 2020. There is also no certainty that in the next price path operation and maintenance tariffs will reduce.

A concise updated business case would be best informed by the completion of the proposed pilot to ensure process, timeframes and costs are understood not just estimated.

Previous Council Resolution

Ordinary Meeting 17 August 2017 (OM17/162)

That Council authorise the Chief Executive Officer to advance matters relating to public lighting arrangements as discussed in confidential session.

Ordinary Meeting 8 December 2016 (OM16/241)

That Council authorise the Chief Executive Officer to finalise matters relating to future public lighting arrangements as discussed in confidential session.

Ordinary Meeting 15 September 2016 (OM16/168)

That Council:

- receive and note the report titled "Public Lighting"*
- endorse the Urban Lighting Master Plan in order to set the strategic guidance for public lighting*
- delegate to the Chief Executive Officer authority to amend the Urban Lighting Master Plan to reflect further learnings from the project, advances in technology, tender*

pricing and changes in community views that have occurred since the consultation was undertaken in 2014 and

- (d) *note that the updated business case will be the subject of a future report once the Transfer Agreement and the Public Lighting Services Contract are in their final form.*

Ordinary Meeting 21 April 2016 (OM16/65)

That Council authorise the Chief Executive Officer to finalise matters relating to future public lighting arrangements as discussed in confidential session

Ordinary Meeting 26 February 2015 (OM15/27)

That Council authorise the Chief Executive Officer to progress matters relating to future public lighting arrangements as discussed in confidential session.

Ordinary Meeting of 26 October 2011 (OM11/252)

That Council:

- (a) *receive and note the report "Public Lighting Management"*
- (b) *endorse the draft "Public Lighting Plan" (Appendix A).*
- (c) *proceed with the calling of expressions of interest for Public Lighting Services under contract number 1112021 in accordance with section 177 of the Local Government (Finance, Plans and Reporting) Regulation 2010;*
- (d) *note that the calling of the expressions of interest would be in the public interest for the following reasons:*
- i. being able to discuss and negotiate the best outcome for Council given a number of unknowns in the public lighting plan context;*
 - ii. to allow industry driven analysis of existing and future public lighting needs on which to base economic decisions; and*
 - iii. to enable a non-standard unique contract between Council and the successful firm to be developed incorporating innovative service delivery;*
- (e) *authorise the Chief Executive Officer to prepare a shortlist of the persons who responded to the expression of interest and invite tenders from those firms on the shortlist; and*
- (f) *allocate \$300,000 from the Strategic Projects Reserve in 2011/2012 for the delivery of the street lighting audit;*
- (g) *express sincere appreciation to the Sunshine Coast Regional Council officers for the works undertaken in relation to the Public Lighting Management Plan.*

Related Documentation

Urban Lighting Master Plan – September 2016

Critical Dates

Linkage to the 2018/19 operational budget development timeframes

Implementation

Should Council adopt the recommendations council officers will:

- undertake the pilot project
- collate and analyse key outcomes from the pilot projects
- update Public Lighting Project business case and
- report back to Council for further investment considerations.

8.5 LIVEABILITY AND NATURAL ASSETS

Nil

8.6 OFFICE OF THE CEO**8.6.1 AUDIT COMMITTEE MEETING 29 JANUARY 2018**

File No:	Council meetings	
Author:	Manager Audit and Assurance	
	Office of the CEO	
Appendices:	App A - Audit Committee Minutes 29 January 2018.....	121
	App B - Audit Committee Charter 2018.....	151
	App C - Internal Audit Charter 2018	155

PURPOSE

To provide Council with information on matters reviewed at the Audit Committee Meeting held 29 January 2018 (*Section 211 Local Government Regulation 2012*) and make recommendation to Council on any matters that the Audit Committee considers need action or improvement (*Section 105 of the Local Government Act 2009*).

EXECUTIVE SUMMARY

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

The Audit Committee agenda was distributed electronically to all Councillors on 22 January 2018 with agenda reports categorised as Chief Executive Officer's Update, External Audit, Audit and Assurance, and Governance Reporting.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Audit Committee Meeting 29 January 2018" and
- (b) endorse the Audit Committee Minutes 29 January 2018 (Appendix A), Audit Committee Charter 2018 (Appendix B) and Internal Audit Charter (Appendix C).

FINANCE AND RESOURCING

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

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*

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

Operational Activity: 5.6.19 - Sustainable financial position maintained.

CONSULTATION

Councillor Consultation

Councillor T Dwyer and Councillor C Dickson, who are both members of the Audit Committee.

Internal Consultation

Board of Management

External Consultation

External members of the Audit Committee.

Community Engagement

There has been no community engagement.

PROPOSAL

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

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

The overall objective of the Audit Committee is to assist the Council and the Chief Executive to discharge their duties, in particular:

- Corporate Governance and responsibilities in relation to the organisation's financial reporting, internal control structure, risk management systems and the external and internal audit functions
- maintain an independent and objective forum promoting transparency, accountability and an ethical culture throughout Council
- maintain by scheduling regular meetings, open lines of communications with Council, Executive Management, External Audit and Internal Audit, to exchange information and views
- oversee and appraise the quality and efficiency of audits conducted by both the Internal and External Audit functions and
- ensure both the Internal and External Audit functions are independent and effective.

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

The matters reviewed at the 29 January 2018 Audit Committee Meeting (refer Minutes Appendix A) were as follows.

Chief Executive Officer's Update

- Update on Council's performance and challenges

External Audit Reports

- Finalisation of Council's 2016/17 Audited Financial Statements
- Planning for the 2017/18 Financial Statements
- SunCentral Maroochydore Pty Ltd Annual Report 2016/17
- The Events Centre Caloundra Annual Report 2016/17
- Update on new accounting standards
- Queensland Audit Office Briefing Note

Audit and Assurance Reports

The following internal audit reports were presented at the meeting.

- Visit Sunshine Coast Funding and Performance Deed
- Sunshine Coast Holiday Parks
- Rates – Special Levies, Payment Discounts, Interest Charges, Pensioner Concessions and Fire Levies
- Treasury – Short Term Investments and Daily Cash Management
- Corporate Accounts Receivable Operations
- Volunteer Management – Environmental Programs
- Audit and Assurance Status Report
- Audit Committee and Internal Audit Charters
- EDRMS (EDDIE) System – Performance and Useability
- Audit Committee recommendation – that the Chief Executive Officer be requested to consider the implementation of the external Health Check report recommendations in the context of the outcomes of the review of the Digital and Information Services branch completed 31 March 2018 and report back to the May 2018 Audit Committee

Governance Reporting

- Work Health and Safety Report
- Governance Report
- Strategic Risks Aligned to the Corporate Plan 2018 - 2022

Legal

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

Policy

There are no policy implications associated with this report.

Risk

Specific risks have been detailed in the various agenda reports.

Previous Council Resolution

Audit Committee and Internal Audit Charters were previously endorsed at Council Ordinary Meeting 23 March 2017.

Related Documentation

Audit Committee Agenda for 29 January 2018 was issued to Councillors 22 January 2018.

Critical Dates

There are no critical dates associated with this report.

Implementation

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

9 NOTIFIED MOTIONS

9.1 NOTICES OF RESCISSION

9.2 NOTICES OF MOTION

9.3 FORESHADOWED NOTICES OF MOTION

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 ECONOMIC AND COMMUNITY DEVELOPMENT****11.1.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - MAJOR EVENT SPONSORSHIP APPLICATION**

File No: Council meetings
Author: Senior Major Events Liaison Officer
Economic & Community Development Group

This report is confidential in accordance with section 275 (e) of the *Local Government Regulation 2012* as it contains information relating to contracts proposed to be made by Council.

11.2 CUSTOMER ENGAGEMENT AND PLANNING

Nil

11.3 BUSINESS PERFORMANCE**11.3.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - DISPOSAL OF LAND, MAROOCHYDORE**

File No: Council meetings
Author: Coordinator Strategic Property
Business Performance Group

This report is confidential in accordance with section 275 (e) of the *Local Government Regulation 2012* as it contains information relating to contracts proposed to be made by Council.

11.3.2 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - PURCHASE OF LAND, CAMBROON

File No: Council meetings
Authors: Coordinator Strategic Property
Business Performance Group
Commercial Property Consultant
Business Performance Group

This report is confidential in accordance with section 275 (e) of the *Local Government Regulation 2012* as it contains information relating to contracts proposed to be made by Council.

11.4 BUILT INFRASTRUCTURE

Nil

11.5 LIVEABILITY AND NATURAL ASSETS**11.5.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - PROPOSED LAND ACQUISITIONS, YANDINA CREEK**

File No: Council meetings
Author: Coordinator Biodiversity and Waterways
Liveability & Natural Assets Group

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

11.5.2 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - CALOUNDRA SOUTH COMMUNITY DEVELOPMENT INFRASTRUCTURE FUND

File No: F2017/95082
Author: Coordinator Open Space and Social Policy
Liveability & Natural Assets Group

This report is confidential in accordance with section 275 (c) of the *Local Government Regulation 2012* as it contains information relating to the local government's budget.

11.6 OFFICE OF THE CEO

Nil

12 NEXT MEETING

The next Ordinary Meeting will be held on 19 April 2018 in the Council Chambers, Corner Currie and Bury Streets, Nambour.

13 MEETING CLOSURE