

Related Documentation

Ordinary Meeting

Wednesday, 21 September 2022

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Environment and Liveability Strategy 2017

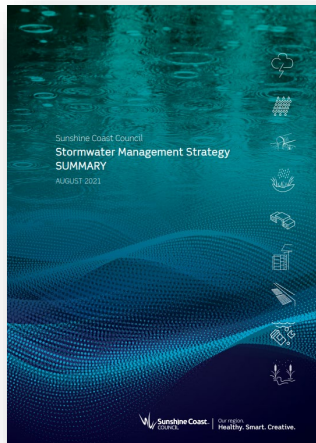
Annual Reporting 2021/22

Purpose: To present the Environment and Liveability Strategy annual report



Environment and Liveability Strategy

Highlights 2021/22



Sunshine Coast Ecological Park



Environment and Liveability Strategy

Our progress

TARGET	BASELINE	2021/22	2021/22 OUTCOME
No loss of the Regional Inter-urban Break in its current extent	32,034 ha	32,034 ha	No change to the current extent
Hectares of land per 1000 residents acquired through Environment Levy for conservation and preservation purposes maintained	9.6 ha per 1000 residents	11.25 ha per 1000 residents*	165.5 ha acquired
Hectares of land per 1000 residents for sport and recreation purposes maintained	4.74 ha per 1000 residents	4.65 ha per 1000 residents*	230 ha secured
Renewable energy capacity increased	124.8 MW	388.1MW	Increase of 69.5 MW^
Council's greenhouse gas emissions reduced	0.58 tCO ₂ e per resident	0.62 tCO ₂ e per resident*	Increase of 0.05 tCO ₂ e per resident^



Environment and Liveability Strategy

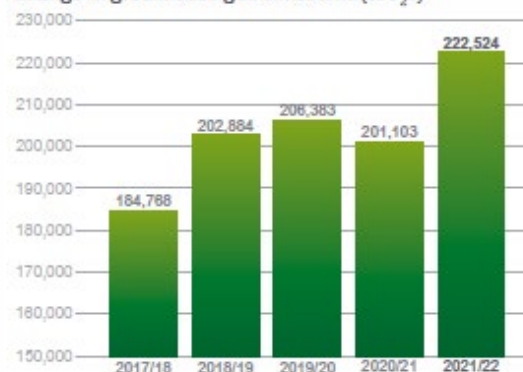
GREENHOUSE
GAS EMISSIONS
222,524
tCO₂e



ZERO-NET
EMISSIONS
BY 2041

TOTAL EMISSIONS ↑ 10.7% increase
PER RESIDENT ↑ 0.05 tCO₂e increase

Change in greenhouse gas emissions (tCO₂e)



ELECTRICITY
26,422
megawatt hours
CONSUMED



ANNUAL CHANGE ↓ 0.3% decrease

RENEWABLES
15,485
kilowatts
solar INSTALLED



ANNUAL CHANGE ↑ 6kW increase

WATER
517,928
kilolitres
USED



ANNUAL CHANGE ↑ 2.7% increase

Sustainability in focus



WASTE
5789
tonnes
GENERATED
by Council

3580
tonnes of
Council waste
DIVERTED
from landfill

ANNUAL CHANGE ↓ 22.6% decrease ↓ 32.9% decrease



PROGRAMS +
PROCESSES
\$300M
SPENT with local
business

TOTAL PURCHASING EXPENDITURE 71% Local spend ↑ 8.6%

TRANSPORT
561
fleet vehicles



4.3% ↑ +3 hybrid/electric hybrid vehicles

FUEL
2,142,492
litres
USED



ANNUAL CHANGE ↑ 6.9% increase

Environment and Liveability Strategy

Officer recommendation

That Council:

- receive and note the report titled “Environment and Liveability Strategy Annual Reporting 2021/22”
- note the Environment and Liveability Strategy Annual Report 2021/22 (Appendix A) for the purpose of promoting environment, liveability and organisational environmental sustainability outcomes.





Item 8.2 Sunshine Coast Community Strategy Annual Report 2021/22

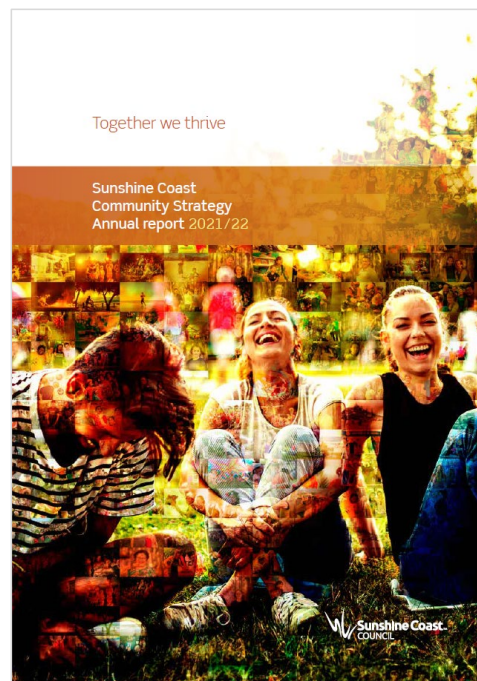
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Sunshine Coast Community Strategy 2019-41



- The guiding regional strategy supporting Corporate Plan goal: “Our Strong Community”
- Significant progress has been made since adoption in November 2019.

Sunshine Coast Community Strategy Annual Report 2021/22



- Highlights and celebrates achievements from 2021/22 aligned with priorities of the Community Strategy
- Tracks how Council is progressing across the five outcomes areas of the Community Strategy.

Key achievements 2021/22:

- Successfully delivered a range of programs and events to support healthy and active lifestyles, including to support people with a disability to participate in sport, and to encourage children to ride to school
- Delivered busy and vibrant community, cultural and sporting venues through programming and activations in our libraries, gallery, historic houses, aquatic centres, community venues and sporting venues
- Enhanced a range of sporting and community facilities
- Progressive action under Council's third Reconciliation Action Plan
- Maintained collaborative partnerships with organisations and groups responding to homelessness, and domestic and family violence.

Key achievements 2021/22 (continued)

- Developed Council's "Shine a Light on Racism" campaign for launch in July 2022
- Renewed Council's Community Strategy Leadership Group
- Delivered more than \$4 million through 875 grants for projects, events and partnerships that align with Community Strategy priorities
- Delivered a range of cultural events and programs as well as ongoing sector development activities
- Transferred management of Landsborough Museum to Council
- Delivered over 40 community engagement projects on Council's Have your Say website.

Recommendation

That Council:

- a) receive and note the report titled “Sunshine Coast Community Strategy Annual Report 2021/22” and
- b) note the “Sunshine Coast Community Strategy Annual Report 2021/22” (Appendix A) for the purpose of promoting Council’s progress and achievements in relation to the Sunshine Coast Community Strategy 2019-2041.



Sunshine Coast Regional Economic Development Strategy Annual Report 2021/22

Ordinary Meeting 21 September 2022



Our region.
Healthy. Smart. Creative.






www.sunshinecoast.qld.gov.au

1

REDS Goals and Progress Results

2013	2017/18 estimate	2021/22	2033 Aspiration
A \$13.8 billion economy	A \$18.5 billion economy	A \$21.5 billion economy	A \$33 billion economy
High value industries provide 59,000 employment opportunities	High value industries provide 82,633+ employment opportunities	High value industries provide 89,536 employment opportunities	High value industries provide 100,000 employment opportunities
13.6% of goods and services produced for export outside the region	17.9% of goods and services produced for export outside the region	15.2% of goods and services produced for export outside the region	20% of goods and services produced for export outside the region
Household income levels 22.3% below the State average	Household income levels 9.33% below the State average	Household income levels 4.7% below the State average	Regional household income levels to exceed Queensland household income levels

Pathways – 2021/22 Highlights

					
	Leadership, collaboration and identity	Capital investment	High value industries	Local to global connections	Investment in talent and skills
	<ul style="list-style-type: none"> Intelligent Community Forum Top7 finalist Increased collaboration with key industry groups Vitamin SC 2.0 and 3.0 investment campaigns 	<ul style="list-style-type: none"> NEXTDC purchased Cable Landing Station Draft Sunshine Coast Hotel Investment Prospectus Holiday Inn Maroochydore Bonza Airlines 	<ul style="list-style-type: none"> Meet the Makers 2022 Manufacturing Excellence Forum SCTechIA Advanced manufacturing best practice tour SunRamp Health Tech Accelerator program Australian Tourism Awards 	<ul style="list-style-type: none"> 2022 Sunshine Coast International Forum 	<ul style="list-style-type: none"> Gap Year Sunshine Coast Local Business Support Program: Buy Local Sunshine Coast

Economic Development Annual Service Results

Council is continuing to demonstrate strong engagement with local industry to achieve significant economic outcomes:

Service	Target 2021/22	Actual 2021/22	Result 2021/22
Economic Impact	\$237 million	\$675 million	+285% above target
Jobs Supported	1356 jobs	2753 jobs	+203% above target
Clients Assisted	3300 clients	9485 clients	+287% above target

REDS Ten Year Review 2023

- Capitalise on Brisbane 2032 legacy opportunities
- Leverage Data Centre and Sunshine Coast International Broadband Network to attract new businesses to the region
- Identify and support future industries such as Screen, Game Development and Digital Industries
- Review Industrial Land policy and facilitate land releases and related actions
- Leverage opportunities stemming from Sunshine Coast Biosphere designation
- Align with Council's commitment to Sustainable Development Goals and a sustainable future
- Draw alignment with the Community Strategy and Environment and Liveability Strategy.

Alignment to Sustainable Development Goals



Officer Recommendation

That Council:

- a) receive and note the report titled “Sunshine Coast Regional Economic Development Strategy Annual Report 2021/22, and
- b) note the “Sunshine Coast Regional Economic Development Strategy Annual Report 2021/22” (Appendix A) for the purpose of promoting the region’s economic outcomes.

Thank you



Sunshine Coast
COUNCIL

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Background

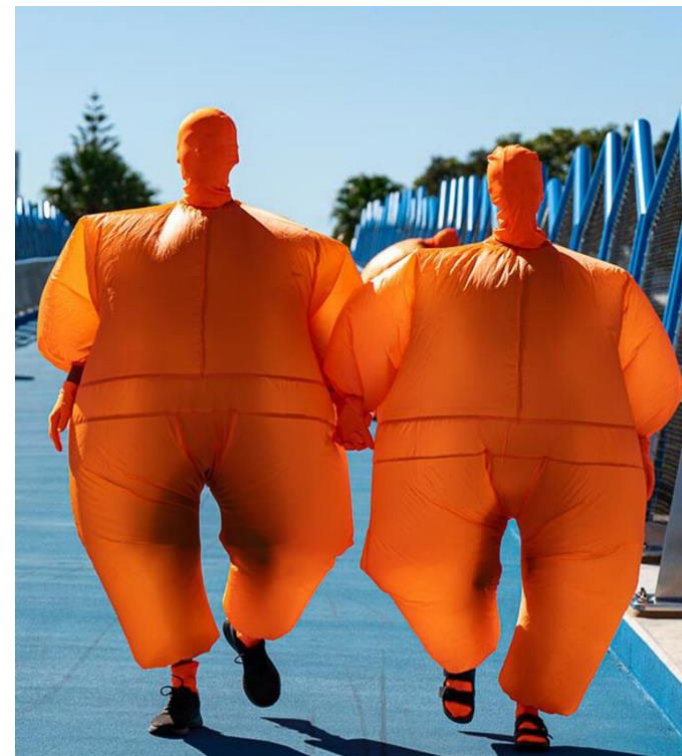
Horizon Festival is a key deliverable in the Sunshine Coast Arts Plan 2018-2038 to:

1. Provide cultural development outcomes for local emerging artists and cultural workers
2. Develop new works and content that can be exported from the Sunshine Coast
3. Grow regional arts audiences for the benefit of all cultural experiences in the region, and
4. Celebrate Place, with a focus on Sunshine Coast First Nations culture (Kabi Kabi and Jinibara).



Achievements

- **272,133** total audience (digital & physical)
- **3203** artists engaged of which **614** were First Nations
- **1160** volunteers giving **11,260** hours
- **22.25%** average visitors to the region
- **\$1.155M** media value, **15M** media reach
- Average annual economic benefit (all outside spend) **\$2.5 million** per physical Festival
- **90%** rating 'increase the appreciation of the value of arts, culture and heritage'
- **89%** rating 'promote a sense of community pride'



Future

- Long-term forward contracting of works.
- Long term forward commissioning of new works.
- Long term partnerships
- Multi-year grants and long-term agreements.
- Maintain a team of experienced core staff who hold knowledge, history and relationships.
- Identify and leverage business benefits through amortising costs, building brand awareness and developing audiences.
- A solid period to test and build an established arts offering in the lead up to 2032.



Finance

Budget Type - 2022 Festival	2022 Festival
Core Materials and Services	\$340,000
Employee costs	\$342,044
Other Council funding	\$92,000
External Grant Funding	\$154,000
In Kind Sponsorship	\$164,228
Ticket Sales	\$20,000

Officer Recommendation

That Council:

- a) receive and note the report titled “**Horizon Festival**”, and
- b) endorse the Horizon Festival of art and culture as a Sunshine Coast Council supported event for the years 2023, 2024, 2025, 2026 and 2027, and
- c) refer an annual materials and services budget of \$340,000 (plus CPI) and an annual employee costs budget of \$342,044 (plus increment and CA increases) to the 2023/24 budget process for Council’s consideration.





2022/23 Budget Review 1

2022/23 Budget Review 1

Section 170 of the *Local Government Regulation 2012* allows Council to amend its budget by resolution at any time before the end of the financial year.

Major budget reviews are undertaken on a periodic basis to reflect management's best estimate of its financial position at the end of a financial year.

Budget reviews are governed by the following Budget Principles endorsed during Budget Development Process:

- Service levels set by Council and aligned to the Corporate Plan
- Maintain cash levels
- Maintain or decrease debt levels
- Achieve an operating result to fund debt redemptions and capital expenditure

2022/23 Budget Review 1 – Summary

SCC TOTAL	2022/23	2022/23	Change
	Original	Budget	
	Budget	Review 1	
	\$'000	\$'000	\$'000
Operating Revenue	535,202	537,400	2,198
Operating Expenditure	503,237	510,106	6,869
Operating Result	31,783	27,294	(4,489)
Capital Revenue	100,602	102,430	1,828
Capital Expenditure - SCC Core	206,781	217,047	10,266
Capital Expenditure – Other Capital Program	66,428	78,450	12,022
Total Capital Expenditure	273,210	295,497	22,287

2022/23 Budget Review 1 – Operating

Operating Position – Significant Adjustments

• Continuation of Projects from 2021/22	\$2.7 million
• Revegetation Offsets from restricted cash	\$786,000
• Grant Funds for Blue Carbon Restoration	\$1.0 million
• Maroochy Beach Renourishment	\$504,000

2022/23 Budget Review 1 – Capital

Capital Works Program – Significant Adjustments

• Carry Over projects from 2021/22	\$38.7 million
• Grant Funded projects	\$3.3 million
• Deferred projects	\$28.2 million
• Blackspot safety funding	\$1.6 million

2022/23 Budget Review 1 – Capital

Minor Works Program

Appendix B contains a list of projects for Council's consideration under the Minor Works Program.

OFFICER RECOMMENDATION

As tabled in the report

Thank you.



See council's website for further details
www.sunshinecoast.qld.gov.au



August 2022 Financial Performance Report

August 2022 Operating Result

- Council's operating result at the end of August 2022 of \$127.2 million is favourable to budget by \$3.5 million
- The favourable variance consists of:
 - Revenue above budget of \$4.5 million
 - Expenses above budget of \$1 million

August 2022 Operating Result

Revenue

- Holiday park fees currently ahead of the expected budget for August 2022
- Return on investments are increasing due to the change in interest rate market conditions

Expenditure

- Additional unbudgeted operational expenditure incurred for the February – April disaster

August 2022 Capital Expenditure Result

Capital Works Program has Progressed 9.5%

- \$25.8 million of Council's \$273.2 million Capital Works Program was financially expended.
- The Core Capital Program has progressed 9.1% of budget, an actual spend of \$18.7 million

Cash Flows and Balance Sheet

Council Cash

- Council's cash at 31 August is \$414 million

Council Debt

- Council's debt at 31 August is \$472 million
- Council's proposed borrowings for 2022/23 are \$34.2 million
 - Waste Management \$26.1 million
 - Holiday Parks \$550,000
 - Maroochydore Multideck \$5.5 million
 - Sunshine Coast City Hall \$2 million

Investment Performance

Investments

- Council currently has 14 term deposits totalling \$140 million
- Term deposits mature between 60 – 180 days
- Weighted average interest rate return of 2.59%
- Interest rates received on investments have increased significantly in recent months
- Current forecast is for Council's investments return will exceed the budgeted amount of \$3 million

OFFICER RECOMMENDATION

That Council receive and note the report titled “August 2022 Financial Performance Report”

Thank you.



See council's website for further details
www.sunshinecoast.qld.gov.au



Item 8.7 Queensland Audit Office – Second Interim Management Report for the financial year ended 30 June 2022

21 September 2022

Queensland Audit Office (QAO)

Second Interim Management Report for the financial year ended 30 June 2022

Audit Schedule

- Planning (Dec 2021)
- 1st Interim (Mar 2022)
 - Assessment of control environment
 - Covers July 2021 to Feb 2022
- **2nd Interim (June 2022)**
 - **Covers July 2021 to April 2022**
- Final including Asset Valuations (Sep 2022)

Legislative Requirements

- Statutory obligation to prepare General Purpose Financial Statements subject to audit by the Qld Auditor General (or representative)
- Audit Reports are first presented to Council's Audit Committee
- Section 213(3) of the *Local Government Regulation 2012* requires that the report be presented at the next ordinary meeting of Council


Results of QAO 2nd Interim Audit 2022

This audit involved confirming the operating effectiveness of Council's key financial internal controls, along with further substantive procedures covering the period July 2021 to April 2022.

ITEM	RESULT
1. Internal control assessment	<p>2 significant deficiencies (current year)</p> <ul style="list-style-type: none">1 resolved pending audit clearance1 in progress (pending system configuration) due by 30 June 2023 <p>3 deficiencies (current year)</p> <ul style="list-style-type: none">1 resolved2 resolved pending audit clearance <p>3 deficiencies (prior year/s)</p> <ul style="list-style-type: none">2 resolved pending audit clearance1 in progress due for resolution as at 30/6/2022 – QAO will review as part of the final audit in September 2022
<i>Further detail of the above items is on the next slides</i>	

Results of QAO 2nd Interim Audit 2022

Detail of Internal Control items

Issue	Status
<u>Significant Deficiency</u> Weaknesses in security settings, user access privileges and checking of a key control report (payroll system and processes)	Resolved pending audit clearance
<u>Significant Deficiency</u> Weaknesses in security over EFT payment data, user access privileges and checking of a key control report (system enhancements required for payroll and accounts payable systems)	Resolved pending audit clearance apart from system configuration to further strengthen the existing controls over EFT payment data, noting there are no known breaches. Work in progress – due 30/6/2023
<u>Deficiency</u> Untimely review of the fixed asset register reconciliation to the general ledger	Resolved pending audit clearance
 <u>Deficiency</u> Inconsistency of contract details between contract register and Council's	Resolved

Results of QAO 2nd Interim Audit 2022

Detail of Internal Control items

Issue	Status
<u>Deficiency</u> Weakness in internal control over automatic updates of salary increments	Resolved pending audit clearance
<u>Prior year(s) deficiency</u> Delays in recording of contributed assets	QAO will review during the final audit visit
<u>Prior year deficiency</u> Grant revenue register is not updated and reviewed regularly	Resolved pending audit clearance
<u>Prior year deficiency</u> Other Infrastructure asset class – comprehensive revaluation	Resolved pending audit clearance

Results of QAO 2nd Interim Audit 2022

QAO also undertook work over the areas of audit significance including revenue recognition of infrastructure charges and occurrence and appropriateness of procurement.

ITEM	RESULT
2. Financial reporting issues	Nil
3. Areas of audit significance	On track
4. Milestones	Generally on track noting the Asset Revaluation Audit was rescheduled from July 2022 to September 2022 by mutual agreement between Council and QAO

To date, no material errors or non-compliance with prescribed requirements have been identified.

Critical Dates

- September 2022 – Final Audit
- October 2022 – Council certification of the 2021/22 financial statements and current year financial sustainability statement
- November 2022 – Council adoption of the 2021/22 audited financial statements
- February 2023 – Report to Parliament on the results of local government audits

Implementation

All identified issues will be stored in Council's Corporate Reporting System with implementation to be monitored by the Audit Committee.

Officer Recommendation

That Council receive and note the report titled "Queensland Audit Office – Second Interim Management Report for the financial year ended 30 June 2022".

Thank you.



See council's website for further details
www.sunshinecoast.qld.gov.au



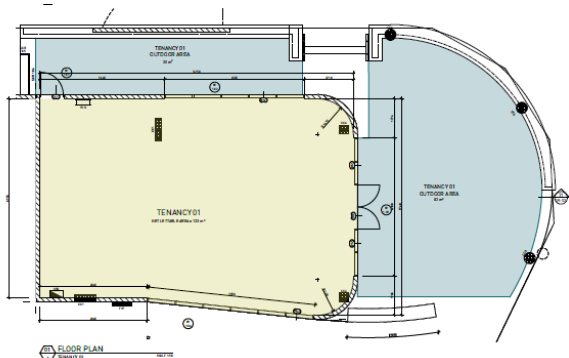
Disposal (Lease) Commercial Suites within the Brisbane Road Multideck Carpark at 11-15 First Avenue, Mooloolaba

Ordinary Meeting 21 September 2022

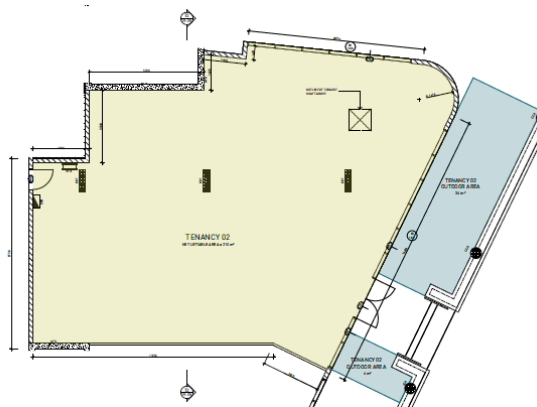
Overview

- Council constructed a Multideck Carpark with paid parking at 11-15 First Avenue, Mooloolaba which was completed in December 2020.
- The carpark comprises of 700 pay for park car parking spaces and 50 bicycle and 54 motorcycle spaces.
- Three commercial tenancy suites were constructed within the Multideck Carpark to provide opportunities to continue the activated frontage along First Avenue, Mooloolaba.
- The commercial tenancy suites comprise of:-
 - Tenancy 1 (Lot 64) is some 133m² in area and occupies a prominent corner location within a high traffic area and has an extensive outdoor seating area of 112m² (Total Area 245m²).
 - Tenancy 2 (Lot 65) is the central tenancy 210m² with the largest internal footprint and fronts First Avenue and a 44m² external area (Total Area 250m²)
 - Tenancy 3 (Lot 66) is the most boutique of the tenancies with a relatively small internal footprint of 78m² and external area of 60m² (Total Area 138m²).

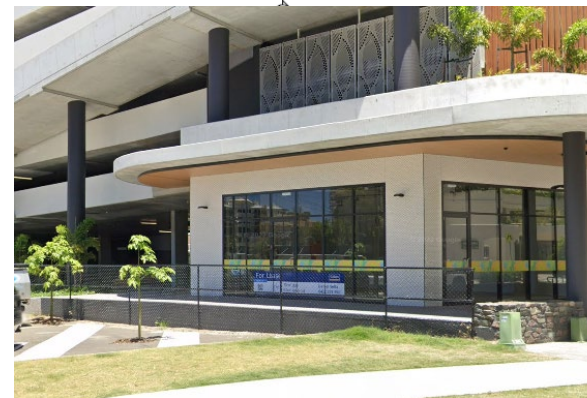
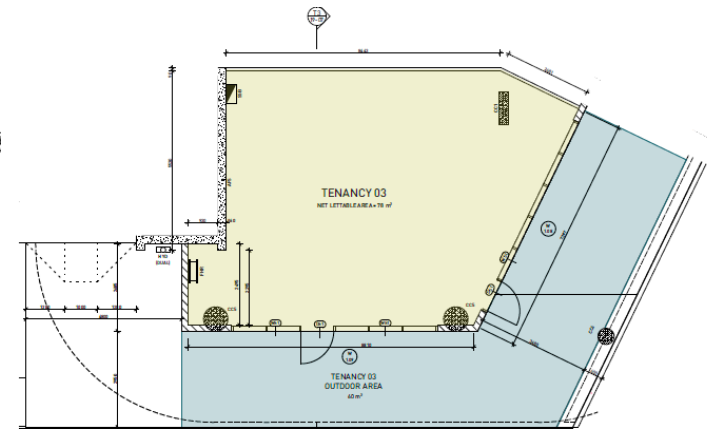
Tenancy 1



Tenancy 2



Tenancy 3



Tender Release and Outcomes

- Council through its appointed real estate and marketing agent have released two (2) public tender opportunities seeking tenants to lease and operate the three commercial tenancies, the first closing in February 2021 and the second in July 2022.
- First Tender Release - no successful respondents were identified and no leases resulted from this tender procurement process.
- Second Tender Release –
 - Tenancy 1 - one submission was received and was deemed non-confirming.
 - Tenancy 2 - one submission was received and was deemed not suitable due to request.
 - Tenancy 3 - a successful respondent was identified and negotiations are being undertaken to secure the tenant (as at August 2022).

Officer Recommendation

That Council:

- a) receive and note the report titled “Disposal (Lease) Commercial Suites within the Brisbane Road Multideck Carpark at 11-15 First Avenue, Mooloolaba”
- b) resolve to Lease Lots 64, 65 and 66 on RP52440 being Tenancy 1 and Tenancy 2 within the Brisbane Road Multideck Carpark at 11-15 First Avenue, Mooloolaba via Council’s appointed real estate and marketing agent on the open market seeking a private treaty agreement subject to:
 - i. compliance with Section 236 of the *Local Government Regulation 2012* and
 - ii. the consideration for the disposal being equal or greater than the market value of the interest in land
- c) resolve, pursuant to Section 236(2) of the *Local Government Regulation 2012*, that an exception to dispose of an interest (lease) in land over Tenancy 1 and Tenancy 2 within the Brisbane Road Multideck Carpark as:
 - i. the lease has previously twice been offered to the market by public tender and
 - ii. a lease has not been entered into or secured via this process.

Thank you.



See council's website for further details
www.sunshinecoast.qld.gov.au



International Travel – Asian Smart Cities Conference 2022

Ordinary Meeting 21 September 2022

Overview

Seeking Council's approval for international travel for an Economic Development Portfolio Councillor to attend the Asian Smart Cities Conference 2022 in Kuala Lumpur, Malaysia as a guest of the State Government of Selangor.

Deliverables:

- Keynote speech on behalf of the Mayor: Sunshine Coast Regional Priorities
- Panel discussion: Net Zero and Circular Economy



Itinerary

Day	Date	Activity	Meeting Detail/Organisation	Accommodation
Wed	05/10/2022		Travel	Kuala Lumpur
Thurs	06/10/2022	Summit	Day 1: Asian Smart Cities Conference 2022 <ul style="list-style-type: none"> • Mayors Summit - Official Welcome • Panel Discussions (x3) • Official Welcome Dinner 	Kuala Lumpur
Fri	07/10/2022	Conference	Day 2: Asian Smart Cities Conference 2022 <ul style="list-style-type: none"> • Net Zero and Circular Economy: • Smart Mobility and Zero Emissions Transport • Renewable and Green energy • Waste and River Management • Cloud and Data Governance • Green Investment and Carbon Trading 	Kuala Lumpur
Sat	08/10/2022	Site Tour	Half Day site tour hosted by Selangor local government	N/A

Officer Recommendation

That Council:

- (a) receive and note the report titled “International Travel – Asian Smart Cities Conference 2022” and
- (b) approve international travel for Economic Development Portfolio Councillor Terry Landsberg to attend the Asian Smart Cities Conference 2022.

Thank you





Deed of Variation KPAT Mooloolaba Pty Ltd

21 September 2022

Background

On 8 November 2018, Council resolved (OM18/191) to call for Expressions of Interest to develop the southern part of the site known as the Brisbane Road Car Park.

On 30 January 2020, Council resolved (OM20/24) *inter alia*, to direct the Chief Executive Officer to negotiate and finalise a legal agreement with the Preferred Respondent.

On 25 June 2020, Council resolved (OM20/65) *inter alia*, to authorise the Chief Executive Officer to execute the Development Agreement and other associated agreements (including the Land Sale Contract) with the Preferred Respondent (ie. KPAT Asset Management Pty Ltd).

Development Agreement - Time Frames

The Development Agreement included the following:

- Development Approval by: 31 December 2021
- **Settlement Date by: 30 June 2022**
- Target Finish date by: 31 December 2023
- Critical Finish date by: 31 December 2024

Development Agreement – Sale of Land

The Development Agreement provides that for the sale of the land Council will receive \$7.2 million (exclusive of GST), payable as follows:

- A deposit of \$200,000 (this amount has been received)
- \$4.3m on Settlement (scheduled for 30 June 2022 unless extended)
- \$2.7m on the date 30 days after “Operational Completion” is achieved (Target Finish Date of 31 December 2023)

Development Agreement - Conditions Precedent

KPAT and Council have sought to meet their obligations under the Development Agreement, including satisfaction of agreed conditions precedent.

Key elements of the conditions precedent have been fulfilled, including:

- obtaining development approval;
- confirmation of the hotel operator; and
- completion of the adjacent multi-deck car park.

Due to the prevailing market conditions, other elements of the conditions precedent are still in the process of being satisfied. This has resulted in a delay to the delivery of the Project.

Deed of Variation

Deed of Variation negotiated between Council and KPAT has the following effects:

- Supports the Development Agreement
- Supports the continuation of efforts to satisfy the conditions precedent and enable the progression of the development
- Enables the delivery of the original intent for site (albeit, in a different time frame).
- Formalises the amendments to the Development Agreement but does not otherwise substantially change the deal structure associated with this contractual arrangement.

The Deed of Variation does not give rise to any additional cost (other than legal fees) or loss of anticipated land sale revenue for Council.

Deed of Variation

OFFICER RECOMMENDATION

That Council:

- a) receive and note the report titled "Deed of Variation - KPAT Mooloolaba Pty Ltd" and
- b) authorise the Chief Executive Officer to execute the Deed of Variation and any associated subsidiary legal documents with KPAT Mooloolaba Pty Ltd as trustee for the KPAT Mooloolaba Holding Trust.

- .

Thank you.



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www.sunshinecoast.qld.gov.au