

# Related Documentation

## **Ordinary Meeting**

**Thursday, 25 May 2023**



## TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
8.2	<b>RELATED ITEM - APRIL 2023 FINANCIAL PERFORMANCE REPORT</b>	
	ATTACHMENT 1 PRESENTATION .....	5
8.3	<b>RELATED ITEM - QUEENSLAND AUDIT OFFICE - FIRST INTERIM MANAGEMENT REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023</b>	
	ATTACHMENT 1 PRESENTATION .....	13
8.4	<b>RELATED ITEM - SALE OF LAND FOR ARREARS OF RATES</b>	
	ATTACHMENT 1 PRESENTATION .....	21
8.5	<b>RELATED ITEM - INVESTMENT POLICY FOR 2023/24</b>	
	ATTACHMENT 1 PRESENTATION .....	27
8.6	<b>RELATED ITEM - DEBT POLICY FOR 2023/24</b>	
	ATTACHMENT 1 PRESENTATION .....	33
8.7	<b>RELATED ITEM - REVENUE POLICY FOR 2023/24</b>	
	ATTACHMENT 1 PRESENTATION .....	39
8.8	<b>RELATED ITEM - REGISTER OF GENERAL COST - RECOVERY FEES AND COMMERCIAL CHARGES 2023/24</b>	
	ATTACHMENT 1 PRESENTATION .....	45
8.9	<b>RELATED ITEM - DEVELOPMENT SERVICES REGISTER OF COST-RECOVERY FEES AND COMMERCIAL CHARGES 2023/24</b>	
	ATTACHMENT 1 PRESENTATION .....	51
8.10	<b>RELATED ITEM - MAKING OF AMENDMENT LOCAL LAW NO.1 (MISCELLANEOUS) 2023 AND AMENDMENT SUBORDINATE LOCAL LAW NO.1 (MISCELLANEOUS) 2023</b>	
	ATTACHMENT 1 PRESENTATION .....	61
8.11	<b>RELATED ITEM - INTERNATIONAL RELATIONS AND TRADE POLICY</b>	
	ATTACHMENT 1 PRESENTATION .....	69





# April 2023 Financial Performance Report

## April 2023 Operating Result

- Council's operating result at the end of April 2023 of \$82 million is below the current budget by \$1.9 million
- The variance consists of:
  - Revenue above budget of \$2.6 million
  - Expenses are over budget by \$4.6 million, of which \$4.2 million relates to recurrent capital expenses undertaken through the Capital Works Program that do not meet the definition of an asset under the Accounting Standards

# April 2023 Operating Result

## Revenue

- Council is the recipient of unbudgeted operational grants relating to emergency operations grants received during March for disasters from February 2022
- Return on investments are continuing to increase due to the change in interest rate market conditions

## Expenditure

- Employee costs remain below budget due to continued vacancies
- Budget adjustments were applied in Budget Review 2 to cater for the inflationary impacts for service delivery areas

# April 2023 Capital Expenditure Result

## Capital Works Program has Progressed 60.1%

- \$176 million of Council's \$293 million Capital Works Program was financially expended.
- The Core Capital Program has progressed 65.9% of budget, an actual spend of \$138.7 million
  - Current forecast indicate the Core Capital Program will reach 85% complete by financial year end

# Cash Flows and Balance Sheet

## Council Cash

- Council's cash at 30 April is \$342.6 million

## Council Debt

- Council's debt at 30 April is \$457 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 15 term deposits totalling \$160 million
- Term deposits mature between 0 – 365 days
- Weighted average interest rate return of 4.42%
- Interest rates received on investments have increased significantly in recent months

## OFFICER RECOMMENDATION

**That Council:**

**receive and note the report titled “April 2023 Financial Performance Report ”**

Thank you.



See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)



# Item 8.3 Queensland Audit Office First Interim Management Report for the financial year ended 30 June 2023

Ordinary Meeting  
25 May 2023

# Queensland Audit Office (QAO)

## First Interim Management Report for the financial year ended 30 June 2023

### Audit Schedule

- Planning (Dec 2022)
- **1<sup>st</sup> Interim (Mar 2023)**
  - **Assessment of control environment**
- 2<sup>nd</sup> Interim (June 2023)
- Final Audit (Sep/Oct 2023)

### 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 1st Interim Audit 2023

This audit assessed the design and implementation of Council's internal controls relevant to the financial report, and whether they are operating effectively.

QAO assess the key controls they intend to rely on in auditing Council's financial statements.

No new issues have been identified for the 2022/23 audit.

## Results of QAO 1st Interim Audit 2023

A summary of outstanding issues raised in the *prior* year, as well as current status, is below.

ITEM	STATUS
Internal control issues ( <i>raised in prior year</i> )	2 significant deficiencies <ul style="list-style-type: none"><li>• 1 resolved</li><li>• 1 in progress not yet due</li></ul> 1 deficiency in progress, not yet due
Financial reporting issues ( <i>raised in prior year</i> )	1 moderate financial reporting issue, not yet due
Milestones (current year)	On track
Areas of audit focus (current year)	On track

## Results of QAO 1st Interim Audit 2023

Based on the results of testing to date and the resolution of some prior year issues, QAO have determined Council's internal control environment does support an audit strategy where they can rely on Council's controls.

## Critical Dates

- 5 to 16 June 2023 – 2<sup>nd</sup> Interim Audit
- 4 September to 6 October 2023 – Final Audit
- 6 October 2023 – Council certification of the 2022/23 financial statements and current year financial sustainability statement prior to statutory deadline of 31 October 2023
- 16 November 2023 – Council adoption of the 2022/23 audited financial statements

## 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 2023".

# Thank you.



**Sunshine Coast**  
COUNCIL

Our region.  
**Healthy. Smart. Creative.**

See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)





# SALE OF LAND FOR ARREARS OF RATES

## Sale of Land

There are 45 properties on the Sale of Land List, with total rates outstanding of \$494,676.47 where overdue rates and charges have remained unpaid for a period of at least three years. By proceeding with the Sale of Land procedures the balance of the community will not be required to bear the financial burden of long-term rate debts.

Council has a community responsibility to collect rates and charges outstanding in a timely manner to finance its operations, carry out essential services and ensure effective cash flow management.

Council is proactive in the recovery of outstanding rates and charges and every effort has been taken to minimise the number of properties with rates outstanding for a period of at least three years.

## Sale of Land

In the event that Council approves the recommendations in this report, the legislation directs the following timelines:

- First statutory notice – Notice of Intention to Sell to be issued in June 2023
- Second statutory notice – Auction Notice to be issued in September 2023 and
- Sale of Land auction (if required) to occur in October 2023.

## OFFICER RECOMMENDATION

### That Council:

- a) receive and note the report titled "Sale of Land for Arrears of Rates"
- b) pursuant to Section 140(2) of the *Local Government Regulation 2012* sell the land where some or all of the rates or charges for the land have been overdue for at least three years as at 31 December 2022 in accordance with Chapter 4, Part 12, Division 3 of the *Local Government Regulation 2012* to recover outstanding rates and charges and
- c) delegate to the Chief Executive Officer the power to take all further steps under Chapter 4, Part 12, Division 3 of the *Local Government Regulation 2012* to effect sale of the land procedures, including for the avoidance of doubt the power to end sale procedures.

Thank you.



See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)





# Investment Policy for 2023/24

## 2023/24 Investment Policy

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

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

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

There have been changes to the individual counterparty limits compared to the previous policy, in order to take advantage of the best available returns from within each investment category.

## 2023/24 Investment Policy

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

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

## 2023/24 Investment Policy

Council will maintain an active investment strategy with the following goals:

- Maximise investment returns from investment activities
- Exceed the benchmark of the Bloomberg AusBond Bill (BAUBIL) Index
- Invest only in investments as authorised under current legislation
- Invest only with approved institutions
- Invest to protect capital value of investments

Consideration will be given to ethical investment principles in determining the approved counterparty lists for investment of funds.

## OFFICER RECOMMENDATION

### That Council:

- a) receive and note the report titled “Investment Policy for 2023/24” and
- b) adopt the 2023/24 Investment Policy (Appendix A).

Thank you.



See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)



# Debt Policy for 2023/24

## 2023/24 Debt Policy

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

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

## 2023/24 Debt Policy

The Debt Policy is reviewed annually as part of the Budget Development process.

There have been no changes to the existing policy.

The Debt Policy sets the required loan borrowings for the 2023/24 financial year which are included in the borrowing application to the Department of State Development, Infrastructure, Local Government and Planning.

Loan borrowings for the 2023/24 financial year are estimated to be \$28.5 million.

## OFFICER RECOMMENDATION

### That Council:

- a) receive and note the report titled “Debt Policy for 2023/24” and
- b) adopt the 2023/24 Debt Policy (Appendix A).

Thank you.



See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)





# Revenue Policy for 2023/24

## 2023/24 Revenue Policy

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

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

The 2023/24 Revenue Policy in accordance with section 193 of the *Local Government Regulation 2012* sets out the principles used by Council for:

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

There have been no material changes to the existing policy.

# 2023/24 Revenue Policy

## Principles

In levying rates and charges, Council will apply the principles of:

- consistency, by scheduling the issue of rate notices on a half yearly basis;
- communication, by advising ratepayers about rate notice issue dates and payment dates;
- clarity, by providing meaningful information on rate notices to enable ratepayers to clearly understand their responsibilities; and
- flexibility, by providing payment arrangements to ratepayers in financial difficulty, along with a wide array of payment options.

# 2023/24 Revenue Policy

## Principles

In making and levying rates and charges, Council will be guided by the principles of:

- equitable distribution of the differential general rates burden as broadly as possible;
- transparency in the making and levying of rates;
- flexibility, to take account of changes in the local economy;
- clarity in terms of responsibilities (council's and ratepayers') in regard to the rating process;
- National Competition Policy legislation where applicable; and
- having in place a rating regime that is efficient to administer.

## OFFICER RECOMMENDATION

### That Council:

- a) receive and note the report titled “Revenue Policy for 2023/24” and
- b) adopt the 2023/24 Revenue Policy (Appendix A).

Thank you.



See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)



# General Cost Recovery Fees and Commercial Charges 2023/24

## Fees and Charges

Cost-recovery fees covered under Section 97(2) of the Local Government Act 2009 (LGA) including fees for:

- a) Application for licence, permit, registration or other approval under the LGA
- b) Recording a change of ownership of land;
- c) Providing information kept under the LGA;
- d) Seizing property or animals under the LGA; and
- e) The performance of another responsibility under the LGA.

These fees are required to be set equal to or less than the cost of providing the service

Charges which are commercial in nature covered under Section 263(3)(c) of the Local Government Act 2009

## Fees and Charges

- Budget parameter of 5% increase
- General cost-recovery fees and commercial charges for 2023/24 have a forecast revenue of \$60.1 million
- 1,349 fees covering 34 areas of Council, made up of:
  - 232 cost-recovery fees
  - 1,117 commercial fees
- Cost-recovery fees are reviewed using Activity Based Costing methodology to ensure compliance with the Local Government Act 2009

## Highlights

- Majority of fees stays within the 5% parameter
- New fees established Altitude 9 event space on Level 9 at City Hall
- Customer Response reviewed and redesigned several fee structures, particularly at the cemetery
- Retirement of Landsborough Sports Complex fees, this facility is no longer directly managed by council
- Some fees increases higher than 5% in order to recover costs from new service contracts

## OFFICER RECOMMENDATION

### That Council:

- (a) receive and note the report titled “Register of General Cost-Recovery Fees and Commercial Charges 2023/24”
- (b) adopt the fees detailed in the Register of General Cost-Recovery Fees and Commercial Charges 2023/24 (Appendix A)
- (c) resolve that, in relation to those cost-recovery fees to which Section 97 of the *Local Government Act 2009* apply:
  - the applicant is the person liable to pay these fees
  - the fee must be paid at or before the time the application is lodged and
- (d) delegate to the Chief Executive Officer the power
  - i. to amend commercial charges to which *Section 262(3)(c) of the Local Government Act 2009* apply and
  - ii. to determine a reasonable fee based on cost recovery principles when a price on application is requested.

Thank you.



See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)



# Development Services Register of Cost Recovery Fees and Commercial Charges 2023/24

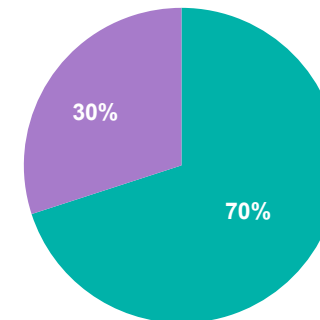
## Item 8.9

25 May 2023

## Register & Branch Overview

- Under the *Local Government Act 2009*, Council can set cost recovery fees for services such as the processing of a development application
- Council has a statutory obligation to ensure cost recovery fees do not exceed the cost to undertake the services
- Approximately 70% of the work functions carried out in Development Services Branch are fee generating services

Development Services Branch – Work Functions/Services



■ Fee Paying Services

- Legislative Administration Support
- Project Management, Assessment and Decision-making for Applications and Referrals
- Specific Development Advice Services
- Public Contributed Assets Inspections and Acceptance
- Plumbing and Drainage Work Inspections and Certification

■ Non-fee Paying Services

- Branch and Team Management/Support
- Stakeholder Education, Engagement and Communication
- General Information and Enquiries
- Development, Building, Plumbing and Environment Compliance and Education
- Pool Safety Compliance
- Appeals, Tribunals and Prosecutions

[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)

2

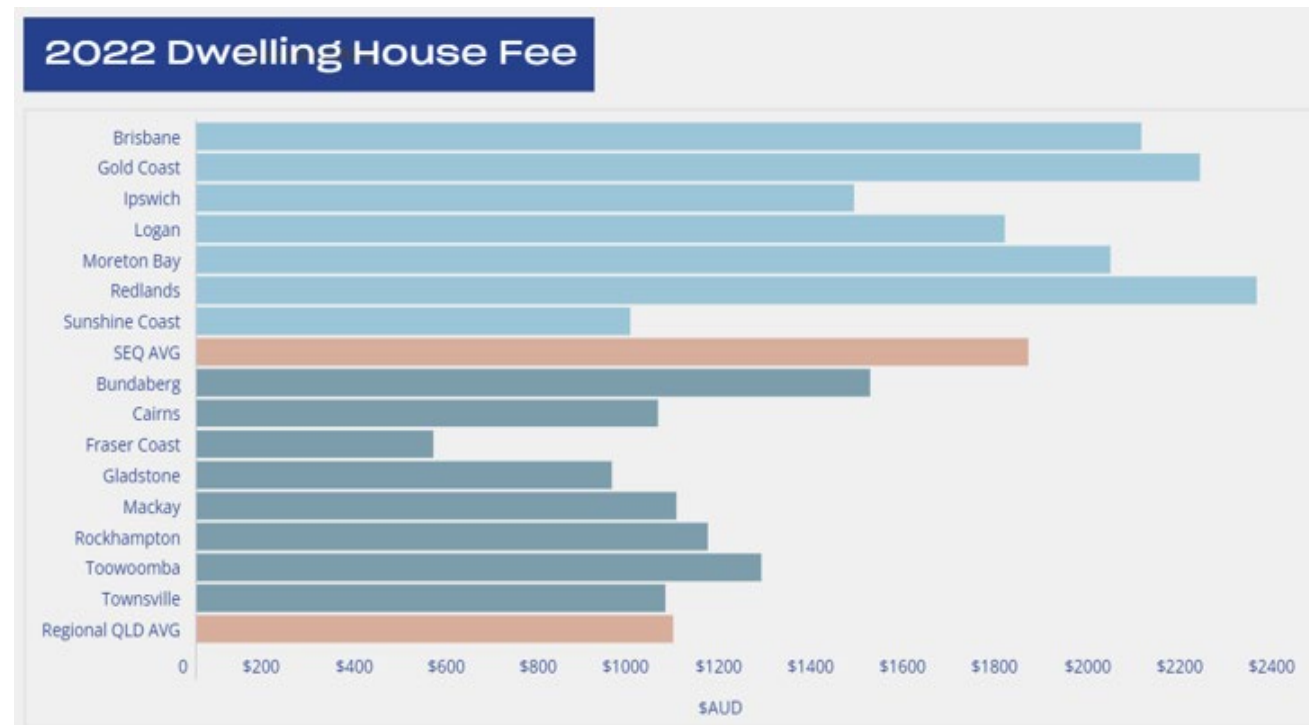
## Key Updates to Existing Fees

- An average increase of 5% is proposed for the majority of the fees in the proposed 2023/24 Register
- Fees proposed to be increased greater than 5% are outlined in the Development Services Comparison of 2022/23 Fees and Charges to 2023/24 (Attachment 1), with some examples including:
  - *Section 3 Development Advice Services* - Pre-advice Services (such as Written Advice requests) are being increased from \$315 to \$595 to align with other like pre-advice services in the Register
  - *Section 4 General Administration and Information Services* – fees for Planning and Development Certificates, File Retrievals and Searches proposed to be updated to align with SEQ Averages as well as other similar administration, searches and information services in the Register

# Key Updates to Existing Fees – Section 5 Dwelling House

A number of Dwelling House fees are proposed to be increased to ensure alignment with other SEQ Council fees.

Proposing to increase these fees from \$940 to \$1,300.



## Key Updates to Existing Fees – Plumbing and Drainage Work

- *Section 2.7 Refund of Fees* - Changes proposed to the plumbing and drainage work refund of fee stages and percentages

Relevant Period	Applicable Refund	
	Domestic	Commercial
Application received (no assessment)	95%	95%
Request for Information Issued	90%	80%
Development Permit Issued	85%	POA
Inspections	POA	POA

- *Section 17.1 Plumbing and Drainage Work for Domestic in a Non-Sewered area* – A flat fee of \$1,815 has been introduced for Domestic non-sewered area plumbing and drainage work, resulting in the removal of the base fee (\$795) and per fixture / appliance / apparatus (\$70 each)

## New Fees

- *Section 5 and Section 14 - Change to a development application* – new fee introduced where the applicant changes an application prior to it being decided (not a result of an Information Request):
  - Dwelling House or Dual Occupancy - \$495
  - Other uses where a minor change - base fee of \$1,060 be applied plus the fee associated with any additional units, lots, beds, ha, m2 or GFA
  - Other uses where not a minor change - 100% of the application fee calculated as if the application were a new application
- *Section 5 and Section 15 - Negotiated Decision Notices* – new fee introduced where the applicant requests a negotiation of conditions of an approval:
  - Dwelling House or Dual Occupancy - \$495
  - Other uses - \$1,060
- *Section 4 General Administration and Information Services* – Request for Draft Conditions fee of \$595 introduced to achieve cost-recovery in relation to this current non-legislative service

## Fee Incentives and Free Services - Existing

- Development Advice Services
- FastTrack Assessment for low-risk code assessment applications
- Self Service Tools
- Other Fee Incentives
  - Concessions for Buildings and Sites Affected by Heritage Provisions – no fee
  - Applications involving a Mixed-Use Development – secondary uses apply 50% fee
  - Material Change of Use within an Existing Building – discounted fee by 25%
  - Not-for-profit organisation - fee reduction of 75%
  - Nambour Special Entertainment Precinct - discounted application fee by 50% for a Theatre, Bar, Nightclub or Hotel use

## Recommendation

That Council adopt the fees detailed in the Development Services Register of Cost-recovery Fees and Commercial Charges for 2023/24 (Appendix A)

# Thank you.



**Sunshine Coast**  
COUNCIL

Our region.  
**Healthy. Smart. Creative.**

See council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)





## Item 8.10

MAKING OF AMENDMENT LOCAL LAW NO.1 (MISCELLANEOUS) 2023 AND  
AMENDMENT SUBORDINATE LOCAL LAW NO.1 (MISCELLANEOUS) 2023

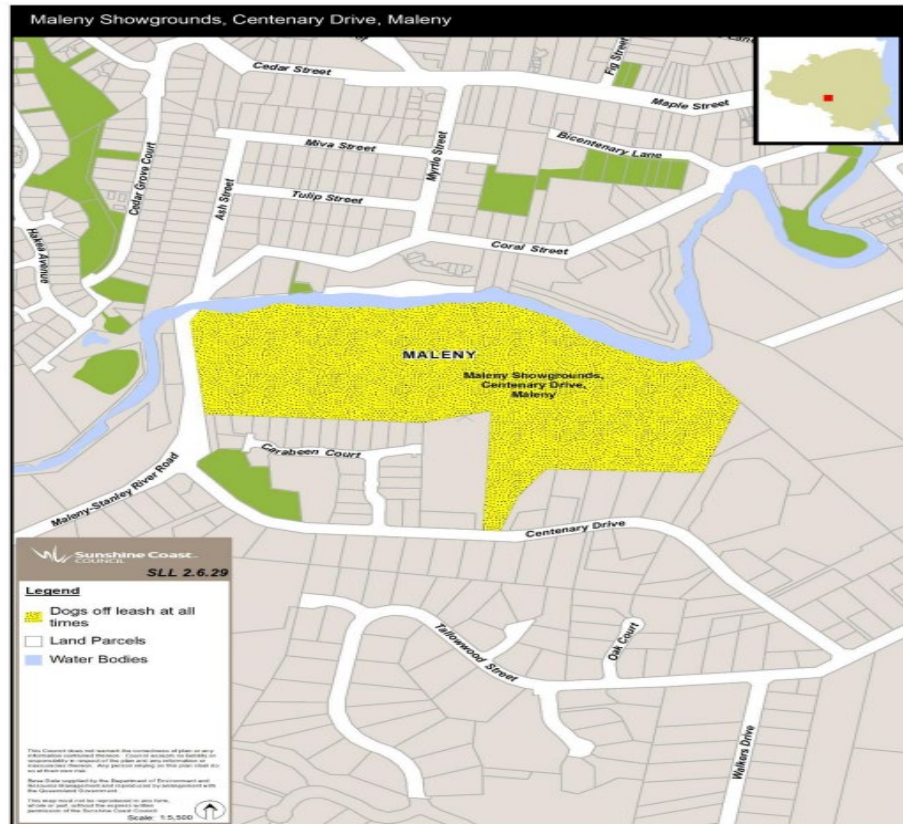
## Background

- Council undertakes periodic review of its Local Laws, approximately every 3 years.
- At the **OM December 8 2022** Council resolved to propose to make Amendment Local Law No.1 (Miscellaneous) 2022; and Amendment Subordinate local law No.1 (Miscellaneous) 2022, incorporating amendments to:
  - Local Law No. 1 (Administration) 2011
  - Subordinate Local law No.1 (Administration) 2016
  - Local Law No.2 (Animal Management) 2011
  - Subordinate Local Law No.2 (Animal Management) 2011
  - Local Law No.3 (Community health and Environmental Management) 2011
  - Subordinate Local Law No. 4 (Local Govt Controlled Areas, Facilities, Infrastructure and Roads) 2011; and
  - Subordinate local Law No.5 (parking) 2011
- Council also resolved to commence the necessary statutory processes (State Interest Checks) and undertake community consultation on the proposed local laws amendments

## Community Consultation

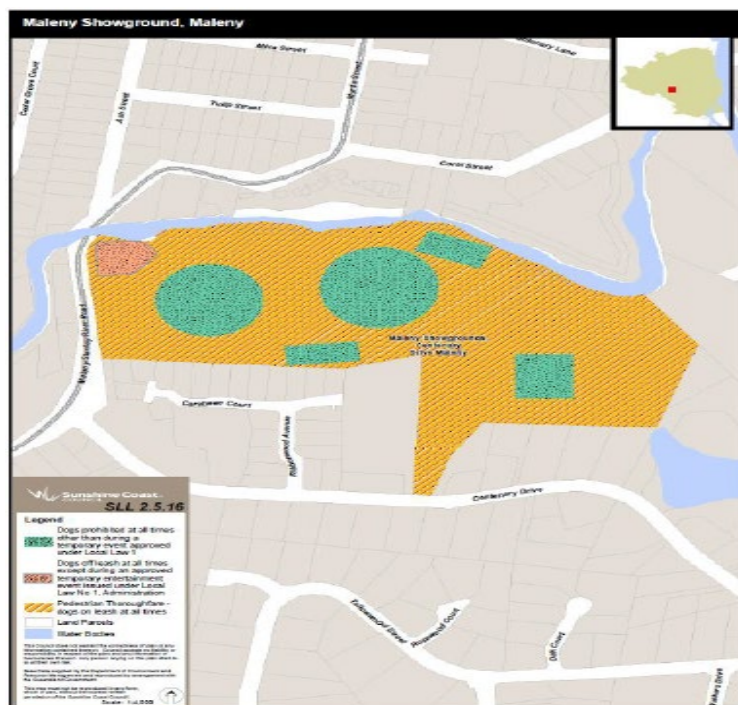
- Community consultation occurred from 1 February to 3 March 2023
- Received 141 submissions, most (105) relate to the proposed amendments to Maleny Showground - dog off leash area amendments, with most respondents against the changes.
- Consideration given to the submissions, and Assessment of Compatibility undertaken with the *Human Rights Act 2019*.
- Consequently change proposed to include an additional section of the Showground for off leash

## Maleny Showground Dog Off Leash Area (Existing)

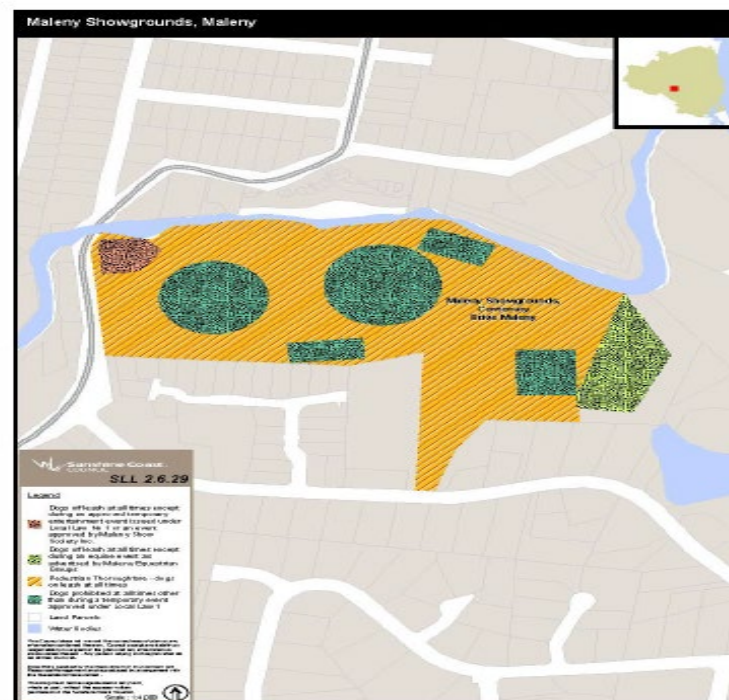


## Maleny Showground Maps (Proposed)

### Pre Consultation



### Post Consultation



## Next Steps

- **OM 25 May 2023** resolve to make Amendment Local Law No.1 (Miscellaneous) 2023; and Amendment Subordinate local law No.1 (Miscellaneous) 2023
- Publish notice in the Government Gazette
- Give Notice to Minister
- Prepare and Adopt Consolidated local laws

Thank you.



**Sunshine Coast**  
COUNCIL

Our region.  
**Healthy. Smart. Creative.**

See Council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)





# International Relations and Trade Policy

Ordinary Meeting  
25 May 2023

# Purpose

To seek Council endorsement of

- the International Relations and Trade Policy (Appendix A) and
- the renewal or discontinuation of current formalised agreements with international entities ('sister/friendship cities').

# Review of Policy

## Four major shifts prompting the review of the International Relations and Trade Policy:

1. Agreements have migrated towards more social and cultural initiatives
2. Changes in geopolitical environment and need for Australia to enter AUKUS (Australia, United Kingdom, and United States) partnership agreement
3. Delivery of advanced regional projects including Sunshine Coast Airport, Maroochydore City Centre, Sunshine Coast International Broadband Network and Blue Heart
4. The opportunity to target international partners, programs, and projects linked to the Brisbane 2032 Olympic and Paralympic Games.

## Council's International Agreements

ARRANGEMENT	LOCATION	COMMENCED	SIGNED DATE	RENEWAL DURATION	EXPIRY
Sister City	Tatebayashi Gunma Prefecture, <b>Japan</b>	Since 1996	6-Oct-2017	4 years	6-Oct-2021
Charter of Mutual Friendship	March, Fenland District, <b>United Kingdom</b>	Since 1997	1-Sep-2017	4 years	1-Sept-2021
Charter of Mutual Friendship	Xiamen, Fujian Provence, <b>China</b>	Since 1999	14-Aug-2018	4 years	14-Aug-2022
Charter of Mutual Friendship	Mont Dore, <b>New Caledonia</b>	Since 2006	15-Mar-2013	5 years	15-Mar-2018

# Key Benefits of Policy

1. Promoting the region's export capabilities
2. Supporting the attraction of capital, professional expertise, visitation, or revenue
3. Fostering access to trade and export opportunities for local business
4. Profiling the region as an investment destination
5. Learnings from international best practice and locations of excellence
6. Establishing networks of significant business and other contacts.

# Officer Recommendation

That Council:

- a) receive and note the report titled “International Relations and Trade Policy” and
- b) adopt the International Relations and Trade Policy (Appendix A)
- c) endorse the continuation of the following government to government relationships:
  - i. the Sister City arrangement with the Tatebayashi Municipal Government for a further 5-year period with the intent to align the agreement in due course to a Friendship City arrangement
  - ii. the Friendship City with the Xiamen Municipal Government for a further 5-year period
  - iii. the Friendship City with Fenland District Council for a further 5-year period, and
- d) does not renew the Friendship City arrangement with the Mont Dore Municipal Government.

Thank you.



See Council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)