

Agenda

Ordinary Meeting

Thursday, 22 June 2023

commencing at 11:00am

Sunshine Coast City Hall Chamber, 54 First Avenue, Maroochydore

ORDINARY MEETING

NOTICE


9 June 2023

Dear Councillors, Group Executives and relevant staff,

In accordance with section 254C (2) of the *Local Government Regulation 2012*, I wish to advise that an Ordinary Meeting has been convened for

22 June 2023

commencing at 11.00am.



Emma Thomas | Chief Executive Officer

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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**3 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE****4 RECEIPT AND CONFIRMATION OF MINUTES**

That the Minutes of the Ordinary Meeting held on 25 May 2023 be received and confirmed.

5 MAYORAL MINUTE**6 INFORMING OF CONFLICTS OF INTEREST****6.1 PRESCRIBED CONFLICTS OF INTEREST**

Pursuant to section 150EL of the *Local Government Act 2009* (the Act), a Councillor who has a prescribed conflict of interest in an issue to be considered at a meeting of the local government must –

- (a) immediately inform the meeting of the prescribed conflict of interest including the particulars stated in section 150EL(4) of the Act and
- (b) pursuant to section 150EM(2) of the Act must leave the place at which the meeting is being held, including any area set aside for the public, and stay away from the place while the matter is being discussed and voted on.

6.2 DECLARABLE CONFLICTS OF INTEREST











Pursuant to section 150EQ of the *Local Government Act 2009*, a Councillor who has a declarable conflict of interest in a matter to be considered at a meeting of the local government, must stop participating in the meeting and immediately inform the meeting of the declarable conflict of interest including the particulars stated in section 150EQ(4) of the Act.

If the Councillor with a declarable conflict of interest does not voluntarily decide not to participate in the decision, pursuant to section 150ES(3)(a) of the Act the eligible Councillors must, by resolution, decide

- (a) whether the Councillor may participate in the decision despite the Councillors conflict of interest or
- (b) that the Councillor must not participate in the decision and must leave the place at which the meeting is being held, including any area set aside for the public and stay away while the eligible Councillors discuss and vote on the matter.

The Councillor with the declarable conflict of interest must comply with any conditions the eligible Councillors impose per section 150ES(4) and (5) of the Act.

7 PRESENTATIONS / COUNCILLOR REPORTS

8 REPORTS DIRECT TO COUNCIL**8.1 DEVELOPMENT PERMIT FOR AN OTHER CHANGE - MATERIAL CHANGE OF USE OF PREMISES TO EXTEND AN EXISTING INTENSIVE ANIMAL INDUSTRY (POULTRY FARM), INCLUDING AN ENVIRONMENTALLY RELEVANT ACTIVITY (POULTRY FARMING), ADDITIONAL SHEDS AND DRIVEWAY LOCATED AT 325 & 367 RED ROAD BEERBURRUM****File No:** 1999/510068.01**Author:** Principal Development Planner
Customer & Planning Services Group**Appendices:** App A - Conditions of Approval..... 13  **Attachments:** Att 1 - Detailed Report 27  
Att 2 - SARA Concurrence Agency Response 49  
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SUMMARY SHEET	
APPLICATION DETAILS	
Applicant:	Woodlands Enterprises Pty Ltd
Owner:	Woodlands Enterprises Pty Ltd
Consultant:	C/ Plan A Town Planning Pty Ltd
Proposal	Development Permit for an Other Change - Material Change of Use of Premises to Extend an Existing Intensive Animal Industry (Poultry Farm), including an Environmentally Relevant Activity (Poultry Farming), additional sheds and driveway located at 325 & 367 Red Road Beerburum
Properly Made Date:	26 September 2022
Information Request Date:	25 October 2022
Information Response Received Date:	23 December 2022
Number of Submissions	138 Properly Made submissions were received and all were in support of the proposal. 30 Not Properly Made submissions were received and all were in support of the proposal.
PROPERTY DETAILS	
Division:	1
Property Address:	325 & 367 Red Road BEERBURRUM
RP Description:	Lot 684 CG 1102 & Lot 2 SP 135548
Land Area:	31.01ha
STATUTORY DETAILS	

Planning Scheme:	<i>Sunshine Coast Planning Scheme 2014 (16 May 2022)</i>
SEQR Designation:	Regional Landscape and Rural Production
Strategic Plan Designation:	Rural enterprise and landscape areas Regional inter-urban break
Local Plan Area:	Not applicable
Zone:	Rural zone
Assessment Type:	Impact Assessable - Other Change

PURPOSE

The purpose of this report is to seek Council's determination for a development application for an Other Change - Material Change of Use of Premises to Extend an Intensive Animal Industry (Poultry Farm) including an Environmentally Relevant Activity (Poultry Farming), additional sheds and driveway located at 325 and 327 Red Road, Beerburrum.

The application is before Council for a decision at the request of the Divisional Councillor R Baberowski.

EXECUTIVE SUMMARY

The applicant applied for an Other Change - Material Change of Use of Premises to Extend an existing Intensive Animal Industry (Poultry Farm) including an Environmentally Relevant Activity (Poultry Farming), additional sheds and driveway at 325 and 327 Red Road, Beerburrum.

There is an existing approval over the site for four (4) sheds and 171,456 birds. The proposal is for an additional six (6) sheds and 281,184 birds. The proposed extensions amount to a gross floor area of approximately 17,809m². The accumulative development on the site would be ten (10) sheds with a total of up to 452,640 birds.

A detailed assessment of the application has been undertaken and is included in the officer's Detailed Assessment Report in **Attachment 1** to this report.

The proposed development has been assessed against the relevant sections and codes in the Sunshine Coast Planning Scheme 2014.

The proposal is recommended for approval subject to reasonable and relevant conditions.

OFFICER RECOMMENDATION

That Council:

- (a) **receive and note the report titled "Development Permit for an Other Change - Material Change of Use of Premises to Extend an Existing Intensive Animal Industry (Poultry Farm), Including an Environmentally Relevant Activity (Poultry Farming), Additional Sheds and Driveway located at 325 & 367 Red Road BEERBURRUM"**
- (b) **APPROVE Application No. 1999/510068.01, and grant a Development Permit for an Other Change - Material Change of Use of Premises to Extend an Existing Animal Industry (Poultry Farm), Including an Environmentally Relevant Activity (Poultry Farming), Additional Sheds and Driveway, subject to imposition of reasonable and relevant conditions in Appendix A and**
- (c) **note all future requests for a negotiated decision notice and requested changes to the approval to be determined by delegated Council officers where the changes would not have a material impact on the outcome of the original decision.**

FINANCE AND RESOURCING

In the event of an approval, Infrastructure Charges are payable in accordance with Council's Infrastructure Charges Resolution. Council's Strategic Infrastructure Planning and Policy Branch estimate that Council's proportion of Infrastructure Charge would be \$253,722.

CORPORATE PLAN

Corporate Plan Goal: *Our service excellence*

Outcome: We serve our community by providing this great service.

Operational Activity: S19 - Development services – planning, engineering, plumbing and landscaping approvals, provision of specialist advice to the community on planning requirements, audit of private development works, investigation of complaints from the public around land use or development, management of appeals.

CONSULTATION

Councillor Consultation

The Divisional Councillor, Councillor R Baberowski, has been consulted on the application, particularly prior to and during the public notification part.

Internal Consultation

The application was referred to and/or discussed with the following internal Council specialists/branches and their assessment forms part of this report:

- Development Engineer, Engineering and Environment Assessment Team, Development Services Branch, Customer and Planning Services Group
- Hydraulics and Water Quality Specialist, Engineering and Environment Assessment Team, Development Services Branch, Customer and Planning Services Group
- Ecology Specialist, Engineering and Environment Assessment Team, Development Services Branch, Customer and Planning Services Group
- Environment Health Officer, Engineering and Environment Assessment Team, Development Services Branch, Customer and Planning Services Group
- Coordinator, Response Services, Customer and Planning Services Group
- Coordinator Planning Scheme Amendments, Strategic Planning Branch, Customer and Planning Services Group

External Consultation

The application was referred to the Department of State Development, Infrastructure, Local Government and Planning (SARA) as a Referral Agencies in accordance with the *Planning Act 2016* and the *Planning Regulation 2017*. The referral was triggered for the following:

- Schedule 10, Part 5, Division 4, Table 1, Item 1 (*Planning Regulation 2017*) – Environmentally relevant activities
- Schedule 10, Part 9, Division 4, Subdivision 1, Table 1, Item 1 (*Planning Regulation 2017*) – State transport infrastructure.

The department is a concurrence agency for Environmentally Relevant Activity (ERA) – Poultry Farming (>200,000 birds), which under the *Environmental Protection Regulation 2019*, requires a Concurrence Referral to the Department of Agriculture and Fisheries, who are referred (through SARA) are referred as a Concurrence Agency Referral.

On 16 March 2023, SARA provided its Concurrence Agency Response (SARA Reference: 2211-31963 SRA), which recommended approval with conditions. The conditions include requirement for the approval being limited to 10 sheds housing a maximum number of 452,640 birds. A copy of the concurrence agency response is provided as **Attachment 2** to this report.

Community Engagement

The application was publicly notified for 15 business days between 11 January 2023 and 2 February 2023 in accordance with the requirements of *Planning Act 2016*. A total of 168 submissions were received consisting of 138 properly made submissions and 30 not properly made submissions. All were in support of the proposal. No objections were received.

PROPOSAL

The application is seeking approval for a s82 Other Change to the existing approval (Council Ref 1999/510068.01) for the purposes of extensions to the existing and operating Poultry Farm, which was approved under *Caloundra City Plan 1996* as follows:

- Development Permit for Material Change of Use of Premises to Establish a Poultry Farm Including an Environmentally Relevant Activity (Poultry Farming), Additional Sheds and Driveway (Council Ref 1999/510068)

The proposal is defined as Intensive animal industry under the *Sunshine Coast Planning Scheme 2014*. The existing approval consists of four (4) poultry sheds. It is proposed to install an additional six (6) sheds to achieve a cumulative total of ten (10) sheds onsite. The proposed extensions amount to approximately 17,809m² gross floor area. The farm currently has 171,456 existing birds and the extension would accommodate a total of up to 452,640 birds.

The proposed sheds have been designed and located to integrate with the existing development and minimise the potential for any adverse impacts for surrounding land or properties. The sheds are of a similar scale to that which lawfully exists on site and are within proximity of the existing development footprint as much as reasonably possible to minimise any clearing.

The site achieves access via Red Road. Existing access points would be maintained, with driveway works limited to the internal extensions.

The proposed plans have been attached to this report (refer to **Attachment 3**).

In relation to the *Sunshine Coast Planning Scheme 2014*, the application is assessable against the whole of planning scheme, including the Strategic Framework and the following relevant codes:

- Zone codes
 - Rural zone code
- Other Development codes
 - Vegetation management code
 - Rural industries code
 - Rural uses code
 - Landscape code
 - Nuisance code
 - Safety and security code
 - Stormwater management code

- Sustainable design code
- Transport and parking code
- Waste management code
- Works, services and infrastructure code
- Overlay codes
 - Biodiversity, waterways and wetlands overlay code
 - Regional infrastructure overlay code
 - Scenic amenity overlay code
 - Bushfire hazard overlay code
 - Height of buildings and structures overlay code
 - Landslide hazard and steep land overlay code

A detailed assessment of the application has been undertaken and is included in the officer's Detailed Assessment Report in **Attachment 1** to this report, including an assessment of the pertinent issues being Rural enterprise and landscape area, Regional inter-urban break, good quality agricultural land, noise, dust, odour, air quality, and traffic.

The proposed extensions would maintain the existing lawfully operating use on-site, being a poultry farm. "Intensive animal industry" falls within the "Rural activity group" pursuant to Schedule 1 Definitions of the *Sunshine Coast Planning Scheme 2014*. The proposed use is a "potentially consistent use" in the Rural zone and the *Rural uses code* is applicable.

The proposed sheds have been located as close to the existing development footprint as possible to minimise any potential impacts. The proposal achieves adequate setbacks from road frontage, site boundaries, nearby residential uses, waterways and/or wetlands and as such it is considered the site is appropriately sized to accommodate the extensions and satisfies the performance outcome of the code.

The extensions are also suitably distanced and entirely outside of the wetland area at the rear of the site. Existing vegetation onsite would be retained and would not be impacted as part of the proposal.

The assessment of the proposal finds that matters relating to noise, dust, odour, air quality, and traffic would not have a detrimental impact on the Beerburrum residential area located 3.2km to the west. This is predominantly due to the separation distance between the uses. It is also noted that there are existing poultry farms and poultry farms under construction that are located between the development site and Beerburrum. It has been confirmed with Council's Development Compliance Officers that there has only been one complaint in 2017 about odour from the existing poultry farm due to some trees being cleared along the property boundary. That issue was addressed by the Department of Agriculture and Forestry who administer the Environmentally Relevant Activity. The proposal satisfies the requirements of the code regarding location and site suitability.

Council's interpretation is that a relevant matter must have some connection to, or bearing upon, the application, and they must be related to town planning in some way. Matters related to animal welfare are not planning related. Rather, they are administered through other forms of legislation.

Operations for Poultry Farms in Queensland are regulated by the state government with specific requirements set for Poultry Farms which are administered and regulated by the Department of Agriculture and Fisheries (DAF). The operations are required to follow strict biosecurity protocols as governed by the Queensland Safe Food and Biosecurity, Environment, Development permits and assessment, Food safety and Animal Welfare legislation.

The proposed development sufficiently complies with the requirements of the Planning Scheme and does not raise any significant issues that cannot be addressed by reasonable and relevant conditions. The application is therefore recommended for approval.

Legal

There are currently no legal implications relevant to this report, however, this matter can be appealed to the Planning and Environment Court by the applicant. Council will proceed with any required actions resulting from any legal action.

Policy

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

Risk

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

Previous Council Resolution

There is no previous Council resolution to this report.

Related Documentation

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

A copy of the SARA Concurrence Agency Response is provided as **Attachment 2** to this report.

A copy of the proposed plans of the development are provided as **Attachment 3** to this report.

A copy of the Astute Environmental Consulting Red Road Odour and Dust Assessment submitted by the application is provided as **Attachment 4** to this report.

A copy of the Submission Location Map is provided as **Attachment 5** to this report.

Critical Dates

There are no critical dates relevant to this report. Under the DA Rules and the *Planning Act 2016*, the Decision Part for the application ended on 24 April 2023. There is minimal risk associated with this decision part ending. Going outside this timeframe means that the applicant has the ability to lodge a deemed refusal of the application to the Planning and Environment Court in accordance with the *Planning Act 2016* if they wish to pursue this approach.

Implementation

Should the recommendation be accepted by Council, it is noted that Council officers will communicate the outcome of Council's resolutions to the applicant and submitters as appropriate.

Appendix A – Conditions of Approval

APPLICATION DETAILS

Application No: 1999/510068.01
 Street Address: 325 & 367 Red Road Beerburrrum
 Real Property Description: Lot 2 SP 135548 & Lot 684 CG 1102
 Planning Scheme: Sunshine Coast Planning Scheme 2014 (16 May 2022)

APPROVAL DETAILS

Nature of Approval: Approval with conditions
 Type of Approval: • Development permit

CURRENCY PERIOD OF APPROVAL

Unless lawfully extended, the currency period for this development approval is 6 years for starting the day that this development approval first took effect (Refer to Section 85 “Lapsing of approval at end of currency period” of the *Planning Act 2016*).

INFRASTRUCTURE

Unless otherwise specified, all assessment manager conditions of this development approval relating to the provision of infrastructure are non-trunk infrastructure conditions for Chapter 4 of the *Planning Act 2016*.

ASSESSMENT MANAGER CONDITIONS

DEVELOPMENT PERMIT FOR MATERIAL CHANGE OF USE TO ESTABLISH INTENSIVE ANIMAL INDUSTRY (EXTENSION TO EXISTING POULTRY FARM)

PLANNING

When Conditions Must Be Complied With

1. Unless otherwise stated, all conditions of this Decision Notice must be complied with prior to the use commencing, and then compliance maintained at all times while the use continues.

Approved Plans

2. Development authorised by this approval must be undertaken generally in accordance with the Approved Plans listed within this Decision Notice.

Nature and Extent of Approved Use

3. The maximum floor area and shed dimensions of the proposed development must be generally in accordance with the approved plans.

4. A maximum of 452,640 poultry are permitted on the farm at any time.
5. A maximum of 45,264 birds are permitted in each shed at any time.

Building Height

6. The maximum building height of the development must not exceed 8.5m above natural ground level.
7. The roofs of the sheds must be coloured in a low reflective finish.

Amalgamation of Lots

8. Lot 2 SP 135548 & Lot 684 CG 1102 must be amalgamated prior to the commencement of the use.

ENGINEERING

Property Access and Driveways

9. A stabilised gravel access driveway must be provided from Red Road to all parking and manoeuvring areas of the development. The works must be undertaken in accordance with an operational works approval and, unless otherwise agreed with Council, must include in particular:
 - (a) a driveway crossover in accordance with RS-056 (rural type with no kerb).

On-site Parking

10. A minimum of 6 car parking spaces must be provided and marked on the site and made available and accessible at all times while the use is open for business. The works must be undertaken in accordance with an operational works approval and must include in particular:
 - (a) 1 parking spaces for people with disabilities must satisfy the current requirements of the *National Construction Code*.
 - (b) dimensions, crossfalls and gradients in accordance with *AS 2890 - Parking facilities*.
11. All on-site parking areas and access driveways must be maintained exclusively for vehicle parking and manoeuvring and kept in a tidy and safe condition at all times.

Service Vehicles

12. Service vehicle parking, manoeuvring and standing spaces must be provided on the site. The works must be undertaken in accordance with an operational works approval and AS 2890.2 - Off-street commercial vehicle facilities and must include in particular:
 - (a) a minimum 1 AV spaces (Type A).

Utility Services

13. Effluent disposal on site must be in accordance with a Plumbing Works application for a dwelling in a water catchment zone, in accordance with the requirements of the Seqwater Development Guidelines for Water Quality Management in Drinking Water Catchments 2017 and the conditions of this approval.

Earthworks and Retaining Walls

14. All fill and associated batters must be undertaken in accordance with an operational works approval and contained entirely within the subject site unless written permission from the respective landowner(s) is provided to Council.
15. All retaining walls must be designed and constructed in accordance with the planning scheme and must be certified by a Registered Professional Engineer of Queensland (RPEQ) where exceeding 1m in height.
16. Safety barriers must be implemented where steep slope or fall hazards exist naturally or are created by the design. The barrier type must be assessed and designed by a RPEQ as being appropriate for each location and the anticipated risks during construction, establishment, maintenance and end use, in accordance with the following criteria and standards:
 - (a) Where located on public roadways, vehicle barriers must be designed in accordance with *Austroads* and the *DTMR* design guidelines.
 - (b) Where located adjacent to vehicle manoeuvring areas, vehicle barriers must be designed in accordance with *AS 2890.1 – Off-street Parking*
 - (c) Where located near publicly accessible paths, pedestrian and cycle barriers must be designed in accordance with *Austroads Guide to Road Design – Part 6A Paths for Walking and Cycling*.
 - (d) Where located in areas with limited access, pedestrian barrier selection must be based on a suitable risk assessment method e.g. *AS 2156.2 Walking Tracks*.
 - (e) where located on residential boundary retaining walls greater than 1.0m high, a 'full infill' barrier (1.0m min height) or equivalent performance boundary fence (e.g. 1.8m high timber)
 - (f) All barriers must be certified to the appropriate load conditions from *AS 1170 - Structural Design Actions* by either the manufacturer or engineering calculations.

Easements

17. Unless otherwise agreed in writing by the relevant service provider, any public or third party infrastructure located on the subject site must be placed within an easement registered against the title of the property.
18. All easements must be designed in accordance with the planning scheme and granted at no cost to the Grantee. Where the Grantee is Council or a service authority, the easement documentation must be in accordance with the Grantee's standard easement terms. Draft easement documentation must be submitted to Council for endorsement.
19. All works must be kept clear of any existing or proposed easements on the subject land, unless agreed otherwise in writing by the Grantee.

HYDRALICS AND WATER QUALITY

Detailed Stormwater Management Plan

20. In conjunction with the first operational works development application associated with this development approval, a detailed stormwater management plan prepared in accordance with Council's Planning Scheme Policy for Development Works and Council's Flooding and Stormwater Management Guideline must be submitted and endorsed by Council's delegate. The detailed stormwater management plan must detail:

- (a) stormwater drainage system designed in accordance with Council's Planning Scheme Policy for Development Works and Council's Flooding and Stormwater Management Guidelines.
- (b) Identify all the different catchments and catchment parameters.
- (c) Include all assumptions, calculations, modelling methodology etc. in the report
- (d) Include plans and sections of the detention system confirming the 5% AEP depth is less than or equal to 1.2m.
- (e) Provide water level comparison between pre and post development scenario on the immediate downstream (on the access track) of the site demonstrating non worsening
- (f) Include a drainage layout plan in the report
- (g) Submit all modelling files for review

Stormwater Drainage

- 21. The site must be provided with a stormwater drainage system connecting to a lawful point of discharge. The works must be undertaken in accordance with an operational works approval and must include in particular:
 - (a) the works described in the detailed Stormwater Management Plan approved with the first operational works development application for the site
 - (b) collection and discharge of stormwater to a lawful point of discharge,
 - (c) extension of the site stormwater system to accommodate stormwater from existing external catchments (if any) to the site,
 - (d) cut off drains where necessary
 - (e) the use of gravity stormwater drainage and not surcharge pits.

Stormwater Quality Management

- 22. A stormwater quality treatment system must be provided for the development. The works must be undertaken in accordance with an operational works approval, and include stormwater quality treatment devices of a size and location generally in accordance with those in the Stormwater Management Plan listed in this development approval, with the exception of the following:
 - (a) Identify all measures for the 'alternative management measures for stormwater quality improvement' adopted for the site on scaled plan.
- 23. All stormwater quality treatment devices must be maintained in accordance with Water by Design (2012), *Maintaining Vegetated Stormwater Assets* (Version 1). A copy of this document must be retained on the site together with the approved operational works drawings for the stormwater quality treatment system and a detailed life cycle costing of the system attached as an addendum. Records of all maintenance activities undertaken must be kept and made available to council upon request.

Stormwater Harvesting

- 24. Operating stormwater harvesting tanks must be provided for the development. The tanks must be provided in accordance with an Building Works and must include in particular
 - (a) the details identified in section 3 of the Stormwater Management Plan listed in this development approval, with the exception of the following:
 - (i) include detail of the catchment, assumption, daily and annual water demand and calculations for sizing of the reuse/stormwater harvesting tank
 - (ii) determine appropriate size and identify the location on plan

- (b) a catchment of 80% of the building roof area
- (c) reuse of harvested rainwater for internal non-potable uses and outdoor uses.

Flood Immunity

- 25. The minimum floor level of all buildings constructed on the site must be in accordance with the Approved Plans.

ENVIRONMENTAL HEALTH

Waste Management

- 26. Waste storage, removal and collection facilities must be provided in accordance with the Approved Plans and the following:
 - (a) provision of an adequate supply of bulk bins commensurate with the use
 - (b) waste collection by retrieval of the bins from the on-site storage area by service personnel in a safe, efficient and unobstructed manner
 - (c) provision of a communal hardstand impervious embayment* for the permanent storage location and service collection of all bulk bins with a smooth at-grade movement path between the storage area and the where the waste collection vehicle (WCV) stands (i.e. no steps, edging, ledges or the like) such that bins can be manually handled to the WCV for servicing
 - (d) maintain continued responsibility of the body corporate or an equivalent site management entity to present bulk bins at the collection embayment on waste collection day
 - (e) provision of a 1.8m high purpose built enclosure to the bin storage embayment which is screened from the street and adjoining properties by landscaping
 - (f) provision of a readily accessible wash-down area in the vicinity of the permanent bin storage embayment fitted with a hose-cock, bin roll over bund, and drain connected to the onsite wastewater treatment system that has a stormwater catchment area of no more than 1m²
- 27. Deceased poultry must be refrigerated or frozen under storage prior to removal from the site.
- 28. Deceased poultry must not be buried or composted on the site.

Acoustic Amenity

- 29. Acoustic measures and treatments must be incorporated into the development in accordance with the Acoustic Report listed within this development approval.
- 30. Where complaints (other than frivolous or vexatious complaints) are made to Council about noise from the approved use, Council may require the site management entity to:
 - (a) Submit a Noise Impact Assessment prepared by a qualified person* in accordance with the *Planning scheme policy for the nuisance code*, and/or
 - (b) Undertake further noise amelioration measures or operations, install volume limiting devices or barriers and/or shield or relocate mechanical plant and equipment and have such measures certified by a qualified person*.

*(Refer to Advisory Note)

31. Certification must be submitted to Council from a qualified person* that the development has been constructed in accordance with the Acoustic Report and Acoustic Amenity conditions of this development approval.

**(Refer to Advisory Note)*

Landscaping Buffering

32. A continuous landscape buffer* must be established and maintained along the entire road frontages within the subject lots to provide visual amenity buffering to the production sheds. The landscape buffer must be established in accordance with the following:

- (a) be one continuous rip line parallel to the fence. Offset from the fence to allow fence maintenance.
- (b) ground to be treated to suppress weeds and grasses (i.e. herbicide, mulch)
- (c) be planted with a mix trees species representative of the local regional ecosystem, or as agreed by council
- (d) tree stock to be tube or 140mm pot, planted 5 meters apart
- (e) maintained via weed control and watering until established
- (f) allowed to grow to mature form and replaced if not performing or have reached life expectancy

**(Refer Advisory Note)*

33. Prior to commencement of use, the applicant to this application to provide certification and photographic evidence that landscape works have been completed in accordance with the above condition of approval.

Lighting Devices

34. Lighting associated with the use must be designed, sited, installed and tested to comply with Tables 3.2 & 3.3 for Zone A2 of AS 4282 - *Control of the obtrusive effects of outdoor lighting*".

35. Certification must be submitted to Council from a qualified person* that all lighting devices comply with the requirements of this development approval.

**(Refer to Advisory Note)*

Potable Water

36. The development must be provided with a safe and adequate potable water supply system having a capacity sufficient for the use*.

**(Refer to Advisory Note)*

Effluent Disposal

37. The development site must be provided with an on-site waste water treatment and effluent disposal system having a capacity sufficient for the use.

38. All wastewater generated on site must be treated to a minimum advanced secondary standard.

39. Evidence of a Plumbing Compliance Permit (where required) must be provided to Council (Development Services) prior to commencement of use.

Air Quality

40. The release of noxious or offensive odours or any other noxious or offensive airborne contaminants resulting from the use must not cause a nuisance at any nuisance sensitive or commercial place.

Environmental Performance

41. A complaints management procedure for the site must be prepared and submitted to Council prior to the issue of any Development Permit for Operational Works. The complaints management procedure must include the following:
 - (a) a contact person with whom complaints can be lodged
 - (b) a clearly defined procedure for responding to, investigating and resolving complaints
 - (c) a notification protocol to all complainants of the outcome of complaint investigations.
 - (d) A record of all complaints and investigation results including corrective actions must be maintained and made available for inspection at any time upon request by Council.
42. Materials and equipment must be available on site to adequately contain and clean up spills of potentially polluting materials. An inventory of all clean up and containment materials and equipment, and documented emergency response and clean up procedures, must be kept on site.
43. Wet litter must be immediately removed from sheds and replaced with clean, dry litter material.
44. A minimum litter depth of 45 mm must be maintained at all times.
45. Litter must be completely replaced in each shed at the end of each batch.
46. No storage or stockpiling of poultry waste/litter is permitted on site.
47. Contaminants or contaminated water must not be directly or indirectly released to surface water or groundwater at or outside the site except for:
 - (a) uncontaminated overland stormwater flow, or
 - (b) uncontaminated stormwater to the stormwater system.
48. All chemical packages and tank storages (including, but not limited to, oil or waste oil, paint, lacquers, thinners, adhesives, and cleaning solvents) must be banded in accordance with the following:
 - (a) for tanks, the capacity of the band must be sufficient to contain at least one hundred and ten percent (110%) of the largest storage tank plus ten percent (10%) of the second largest tank within the band
 - (b) for package storages, the capacity of the band must be sufficient to contain at least one hundred percent (100%) of the largest container plus twenty-five percent (25%) of the total storage capacity
 - (c) all banding must be constructed of materials which are impervious to the materials stored.
49. From commencement of the approved use, a site based management plan (SBMP) must be implemented. The SBMP must identify all sources of environmental harm, including but not limited to the actual and potential release of all contaminants, and the potential impact of these sources and what actions will be taken to prevent the likelihood

of environmental harm being caused. The SBMP must also provide for the review and continual improvement in the overall environmental performance of all activities that are carried out. The SBMP must address the following matters:

- (a) Environmental commitments - a commitment by senior management to achieve specified and relevant environmental goals
- (b) Identification of environmental issues and potential impacts
- (c) Control measures for routine operations to minimise likelihood of environmental harm
- (d) Contingency plans and emergency procedures for non-routine situations
- (e) Organisational structure and responsibility
- (f) Effective communication
- (g) Monitoring of contaminant releases
- (h) Conducting environmental impact assessments
- (i) Staff training
- (j) Record keeping.

REFERRAL AGENCIES

The referral agencies applicable to this application are:

Referral Status	Referral Agency and Address	Referral Trigger	Response
Concurrence	SARA At DSDILGP South East Qld (North) Regional Office PO Box 1129 Maroochydore Qld 4558 Mydas2 At (Https://Prod2.Dev-Assess.Qld.Gov.Au/Suite/) Email:Seqnorthsara@dsdmip.Qld.Gov.Au	Schedule 10, Part 5, Division 4, Table 1, Item 1 (Planning Regulation 2017) Material change of use of premises for an ERA (only if the ERA has not been devolved to a local government) Schedule 10, Part 9, Division 4, Subdivision 1, Table 1, Item 1 (Planning Regulation 2017) Infrastructure – State transport infrastructure	The agency provided its response on 16 March 2023 (SARA Ref 2211-31963 SRA). A copy of this response is attached and forms part of the approval.

DEVELOPMENT PLANS

The following development plans are Approved Plans for the development:

Approved Plans

Plan No.	Rev.	Plan Name	Date
53783/DTM/A	A	<i>Proposed Shed Locations</i> , prepared by Murray & Associates Surveyors and Town Planners	25/5/22
223312 P210	A	<i>Site Plan</i> , prepared by Covey Associates Pty Ltd	16/12/22
223312 P252	A	<i>Detailed Site Sections</i> , prepared by Covey Associates Pty Ltd	16/12/22

REFERENCED DOCUMENTS

The following documents are referenced in the assessment manager conditions:

Referenced Documents

Document No.	Rev.	Document Name	Date
Report No: 200058-B	B	Stormwater Management Plan, 325 Red Road, Beerburum, prepared by Covey Associates Pty Ltd	03/23
223312-P320-A	A	<i>Post Development Stormwater Management plan</i> prepared by Covey Associates Pty Ltd	15/03/2023
CT/CC/102211Rpt	A	<i>Technote: Functional Traffic Assessment</i> , prepared by Covey Associates Pty Ltd	21/12/22
22-141	R1-2	<i>Odour and Dust Assessment Report, prepared by Astute Environmental Consulting Pty Ltd</i>	26/9/22
2022281 R01E	R01E	<i>Acoustic Report, prepared by Acoustic Works Pty Ltd</i>	8/02/2023

ADVISORY NOTES

The following notes are included for guidance and information purposes only and do not form part of the assessment manager conditions:

Infrastructure Charges

1. Infrastructure charges, determined in accordance with council's Infrastructure Charges Resolution, apply to this development approval based on the gross floor area identified on the approved plans. Any increase to the gross floor areas may require additional infrastructure charges. The Infrastructure Charges Notice, for council's proportion of the infrastructure charge, has been issued. Unitywater may issue an infrastructure charges notice for their proportion of the infrastructure charge.

Equitable Access and Facilities

2. The plans for the proposed building work have NOT been assessed for compliance with the requirements of the *National Construction Code - Building Code of Australia (Volume 1)* as they relate to people with disabilities. Your attention is also directed to the fact that in addition to the requirements of the National Construction Code as they relate to people with disabilities, one or more of the following may impact on the proposed building work:
 - (a) the *Disability Discrimination Act 1992 (Commonwealth)*
 - (b) the *Anti-Discrimination Act 1991 (Queensland)*
 - (c) the *Disability (Access to Premises – Buildings) Standards*.

Aboriginal Cultural Heritage Act 2003

3. There may be a requirement to establish a Cultural Heritage Management Plan and/or obtain approvals pursuant to the *Aboriginal Cultural Heritage Act 2003*.

The ACH Act establishes a cultural heritage duty of care which provides that: *"A person who carries out an activity must take all reasonable and practicable measures to ensure the activity does not harm Aboriginal cultural heritage."* It is an offence to fail to comply with the duty of care. Substantial monetary penalties may apply to individuals or corporations breaching this duty of care. Injunctions may also be issued by the Land Court, and the Minister administering the Act can also issue stop orders for an activity that is harming or is likely to harm Aboriginal cultural heritage or the cultural heritage value of Aboriginal cultural heritage.

You should contact the Cultural Heritage Unit on 07 3247 6212 to discuss any obligations under the ACH Act.

Development Compliance Inspection

4. Prior to the commencement of the use, please contact council's Development Audit & Response unit to arrange a development compliance inspection.

Easements and Future Works over External Land

5. Should the conditions of this Decision Notice require easements or works to be undertaken over land external to the site, Council recommends that easement and works requirements are negotiated with the relevant land owner/s prior to advancing to detailed design stages of the development to avoid unexpected costs or delays. To discuss easement or works requirements over Council owned or controlled land, please liaise directly with Council's Property Management Branch and note that compensation may be payable.

Pre-Design Meeting Services

6. Council offers a free pre-design meeting service specifically for operational works applications. Applicants are encouraged to utilise this service prior to the submission of their operational works application to ensure that their application is not held up by avoidable design issues. It is anticipated that the pre-design meeting will ultimately assist in fast tracking the assessment of an operational works application once it is lodged with Council as a result of design and application issues being resolved or substantially resolved prior to the application being submitted. For more information on this service or to book a pre-design meeting please visit Council's website or contact (07) 5475 PLAN.

Building and Construction Industry (Portable Long Service Leave) Levy ("Qleave")

7. The QLeave levy must be paid prior to the issue of a Development Permit for Operational Works where required. Council will not be able to issue a development approval for operational works without receipt of details that the Levy has been paid. QLeave contact: 1800 803 491 (free call) or (07) 3212 6844.

Co-ordination of Operational Works

8. Additional application fees apply to operational work applications where the different aspects of the works are lodged separately. Significant savings in application fees will result if all works are lodged in a single application.

Unitywater - Water and Sewerage Services

9. Where water and sewerage infrastructure is proposed to be constructed within an existing road reserve controlled by Council, a further consent approval for the alignment and extent of works will be required under Section 75 of the *Local Government Act 2009*. This consent must be obtained prior to any water and sewerage related works occurring within the road reserve. The consent request must be submitted in the approved form to Council's Infrastructure Services Department.
10. Where water and sewerage infrastructure is proposed to be constructed within an existing park or reserve controlled or owned by Council, consent approval from Council, as owner of the land, is required for the alignment and extent of works. This consent must be obtained prior to any water and sewerage related works occurring within the park or reserve. The consent request must be submitted in the approved form to Council's Land Management Unit.

Telecommunications

11. Requirements (with some exemptions in particular for non-urban areas) for supplying fibre-ready facilities are placed on developments under the *Telecommunications Act 1997*. Meeting the obligations of this Act is the responsibility of the developer, and this approval does not relieve the developer of any responsibility to meet provisions of this or other applicable Federal or State Act.

Preparation of a Preliminary Construction Management Plan

12. A preliminary construction management plan must be submitted with the Operational Works application and must address the following:
 - (a) traffic management during all aspects of the construction phase including:
 - (i) a traffic management control plan in accordance with the *Manual of Uniform Traffic Control Devices (MUTCD)* detailing all temporary signage and traffic control measures prior to construction.
 - (ii) maintenance of safe pedestrian access for the areas affected by the works during and after daily construction has ceased.
 - (iii) proposed fencing to the site during the construction phase of the development.
 - (iv) provision for worker car parking.
 - (b) maintenance and protection of water quality and existing drainage lines through the construction site, through the implementation of appropriate erosion and sediment control measures.
 - (c) works programme identifying key components of the works and their respective durations.
 - (d) establishment of a communication protocol with the general public, adjoining owners, emergency services and local businesses to advise of agreed construction times, impacts on traffic, services and other relevant issues.
 - (e) identification of complaint management procedures including:
 - (i) contact details for the on-site manager.
 - (ii) dispute resolution procedures.
 - (f) details on the location of external fill sites/sources, the haulage route, type of vehicle to be utilised during filling operations and frequency of usage. NOTE: any damage to the existing road system as a result of haulage operations shall be fully repaired at the applicant's expense.

It is acknowledged that the preliminary construction management plan will be a draft document requiring finalisation upon appointment of the principal contractor employed to construct the works and a final document will be required to be submitted at the pre-start meeting for the project.

Qualified Person

13. For the purpose of certifying acoustic matters or treatments for the development, a qualified person is considered to be either:
 - (a) a Registered Professional Engineer of Queensland (RPEQ);
 - (b) an environmental consultant with a minimum of three (3) years current experience in the field of acoustics.
14. For the purpose of certifying air quality report matters or treatments for the development, a qualified person is considered to be either:
 - (a) a Registered Professional Engineer of Queensland (RPEQ);
15. For the purpose of certifying lighting devices for the development, a qualified person is considered to be either:
 - (a) a Registered Professional Engineer of Queensland (RPEQ);
 - (b) an environmental or electrical design consultant with a minimum of three (3) years current experience in the field of outdoor lighting.

Noise – Fixed Plant and Equipment

16. For the building design and construction of the approved use, the direction of a qualified acoustic consultant will ensure the installation of fixed plant and equipment (eg air-conditioning condenser units, refrigeration plant and mechanical exhaust discharge) is suitably located and/or shielded to avoid nuisance being caused by any noise from the plant and equipment.

Landscape Buffer

17. Conditions of approval require a landscape buffer to be established at the sites frontage to enhance visual amenity. An operational works application and approval are not required for the landscape buffer.

On Site Effluent Treatment and Disposal – ERA 63

18. The establishment of a waste water treatment and disposal system for the site requires a compliance permit to be obtained from Council under the *Plumbing and Drainage Act 2002*. The system must be designed in accordance with the *Queensland Plumbing and Wastewater Code* (Department of State Development and Infrastructure & Planning, 2018) and AS1547 - On-site Domestic Wastewater Management. Where an effluent disposal system's design capacity exceeds twenty-one (21) or more Equivalent Persons, an Environmental Authority is required to be obtained from the Department & Environment & Science.

Environmental Harm

19. *The Environmental Protection Act 1994* requires that a person must not carry out any activity that causes, or is likely to cause, environmental harm unless the person takes all reasonable and practicable measures to prevent or minimise the harm. Contact Council or the Department of Environment & Science for further information with respect to *Environmental Protection Act 1994* requirements.

Environmentally Relevant Activities

20. The *Environmental Protection Act 1994* prescribes specific Environmentally Relevant Activities (ERA) that require a Development Approval and/or Environmental Authority in order to be carried out on land. The administration and enforcement responsibility for ERAs is divided between State and Local Government. It is unlawful for a person to carry out an ERA without an Environmental Authority granted by the Administering Authority. Contact Council or the Department of Environment & Science for further information on ERAs.

PROPERTY NOTES

Not applicable.

VARIATION APPROVAL

Not applicable.

FURTHER DEVELOPMENT PERMITS REQUIRED

- Development Permit for Operational Work (Access, Parking, Manoeuvring Earthworks, Stormwater and Environmental Performance)
- Development Permit for Building Works

SUBMISSIONS

There were 138 properly made submissions about the application. In accordance with the *Planning Act 2016*, the name, residential or business address, and electronic address of the principal submitter for each properly made submission is provided and attached.

INCONSISTENCY WITH EARLIER APPROVAL

Not applicable.

ENVIRONMENTAL AUTHORITY

Not applicable.

RIGHTS OF APPEAL

You are entitled to appeal against this decision. A copy of the relevant appeal provisions from the *Planning Act 2016* is attached.

OTHER DETAILS

If you wish to obtain more information about council's decision, please refer to the approval package for the application on Council's Development.i webpage at www.sunshinecoast.qld.gov.au, using the application number referenced herein.



DETAILED ASSESSMENT REPORT

DEVELOPMENT SERVICES

APPLICATION SUMMARY	
Division:	1
Applicant:	Woodlands Enterprises Pty Ltd
Consultant:	Plan A Town Planning Pty Ltd
Owner:	Woodlands Enterprises Pty Ltd
Application Received Date:	26 September 2022
Original Approval Type (assessed under Caloundra City Plan 1996)	Development Permit for Material Change of Use of Premises to Establish a Poultry Farm Including an Environmentally Relevant Activity (Poultry Farming), Additional Sheds and Driveway
Proposal (assessed under Sunshine Coast Planning Scheme 2014)	Other Change to Existing Approval. Under Sunshine Coast Planning Scheme 2014, the proposal is defined as Intensive animal industry
Street Address:	325 & 367 Red Road BEERBURRUM
RP Description:	Lot 684 CG 1102 Lot 2 SP 135548
Assessment Type:	Impact Assessable Other Change
Number of Properly Made Submissions:	138 Properly Made submissions were received. All were in support of the proposal. 30 Not Properly Made submissions were received. All were in support of the proposal. No objections were received.
State Referral Agencies:	<u>Concurrence</u> SARA at DSDILGP
Referred Internal Specialists:	<ul style="list-style-type: none"> • Development Engineer • Hydraulics and Water Quality Specialist • Environment Officer • Strategic Planning Officer

PROPOSAL:

The application is seeking approval for a s82 Other Change to the existing approval (Council Ref 1999/510068) for the purposes of extensions to the existing and operating Poultry Farm, which was approved under Caloundra City Plan 1996 as follows:

- Development Permit for Material Change of Use of Premises to Establish a Poultry Farm Including an Environmentally Relevant Activity (Poultry Farming), Additional Sheds and Driveway (Council Ref 1999/510068)

The proposal is defined as Intensive animal industry under the *Sunshine Coast Planning Scheme 2014*.

The site currently contains 4 poultry sheds (Figure 1). It is proposed to install an additional 6 sheds to achieve a cumulative total of 10 sheds onsite (Figure 2 and Figure 3). The proposed sheds have been designed and located to integrate with the existing development and minimise the potential for any adverse impacts for surrounding land or properties. The sheds are of a similar scale to that which lawfully exists on site and are within proximity of the existing development footprint as much as reasonably possible to minimise any clearing. The proposed extensions amount to approximately 17,809m² gross floor area. The farm currently has 171,456 existing birds and the extension would accommodate a total of up to 452,640 birds. The site achieves access via Red Road. Existing access points would be maintained, with driveway works limited to the internal extensions.



Figure 1 - Existing site plan

FM1525Q/11-25/08/2022



Figure 2 - Proposed Site Plan footprint of existing and proposed new buildings.



Figure 3 - Proposed development.

FM1525Q/11-25/08/2022

BACKGROUND:

On 9 May 2000 Council approved a Development Permit for Material Change of Use to establish a Poultry Farm including an Environmentally Relevant Activity (Poultry Farming). On 18 July 2000, a Negotiated Decision Notice was issued in response to representations provided by the applicant (Council Ref 1999/510068). An Approved Plan from the 1999/510068 approval is shown as Figure 4.

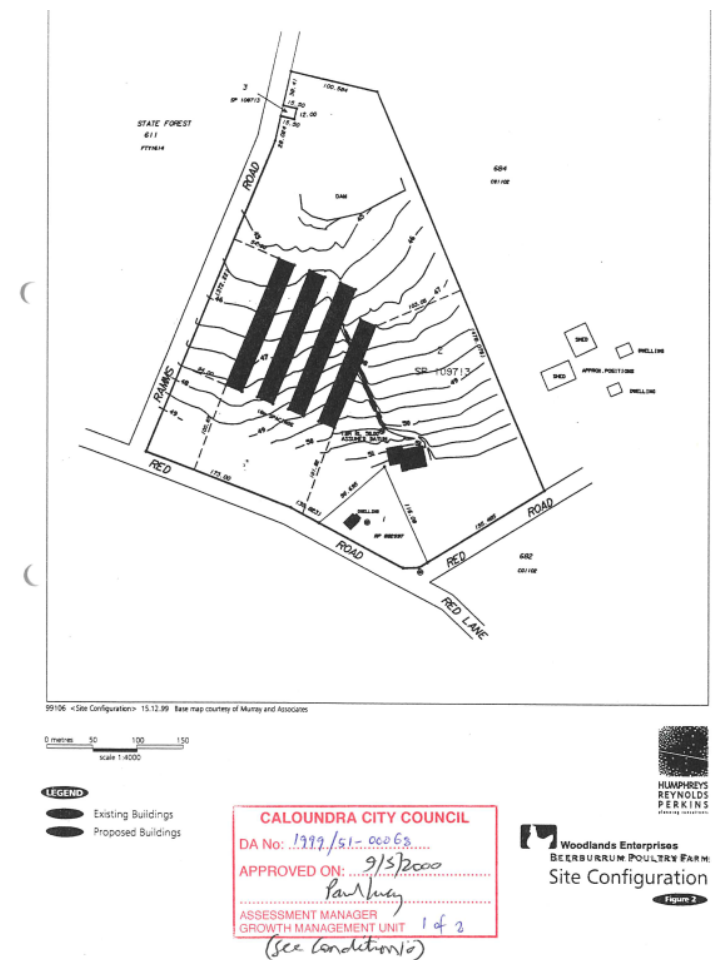


Figure 4 – Existing approved development.

SITE DETAILS:

Site Features and Location

SITE AND LOCALITY DESCRIPTION	
Land Area:	31.01ha
Existing Use of Land:	Poultry Farm
Road Frontage:	795m to Red Road 725m to Ramms Road
Significant Site Features:	Mature vegetation and waterway which is largely not impacted by the proposed development
Topography:	Slope less than 15%
Surrounding Land Uses:	The subject site is located in an isolated rural area with significant setback from any sensitive land uses, including a separation distance of around 3.2km to the nearest residential zoned land. The nearest dwelling house on Rural zoned land is located approximately 700m away. There are a number of other poultry farms in this area.

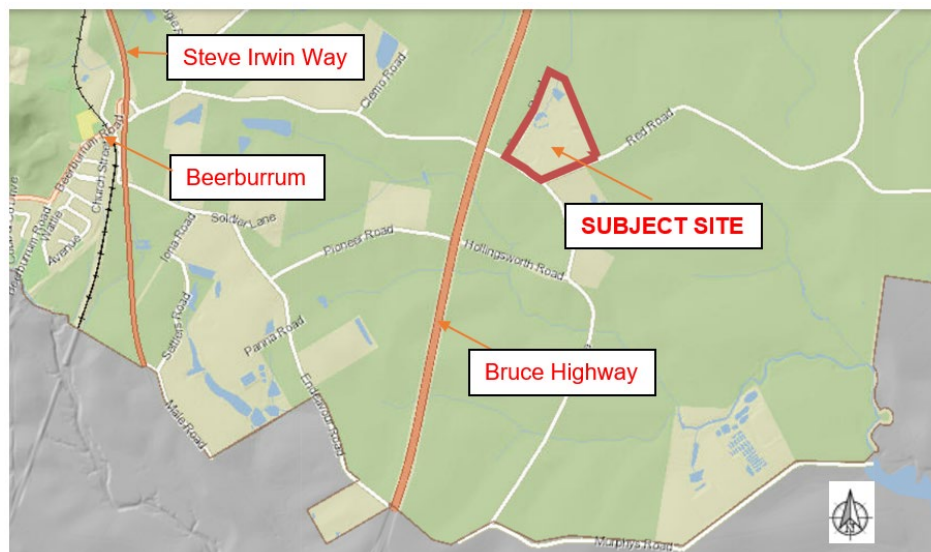


Figure 5 - Site location.



Figure 6 - Aerial photo of the site.

The two land parcels of the subject site in relation to the surrounding rural lands are shown in the image below.

FM1525Q/11-25/08/2022

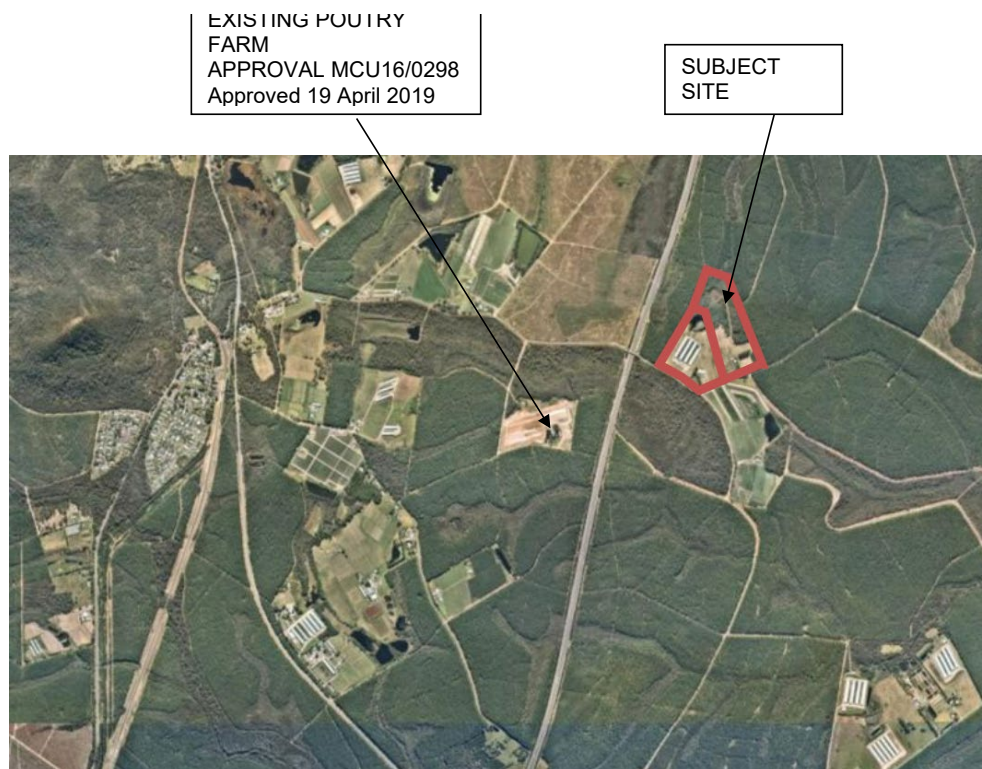
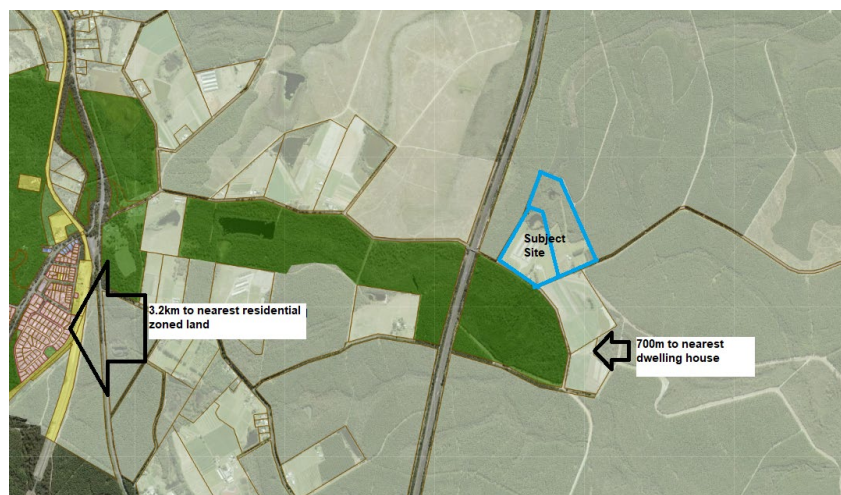


Figure 7 - Aerial image of the site and surrounding area.

The zoning of the site and surrounds is shown in Figure 8, which identifies a separation distance of around 3.2km to the nearest residential zoned land in Beerburum and that the nearest dwelling house on Rural zoned land is located approximately 700m away.



FM1525Q/11-25/08/2022



Figure 8 - Zoning Plan

STATUTORY PROCESS:

The applicant has made an application for a change to a development approval (other than a minor change) under s78 and s82 of the *Planning Act 2016*. A request to make a change to a development approval (other than a minor change) can be made in any circumstances. The proposed changes could not be treated as a 'minor change' in accordance with the term defined in the Act, for the following reasons:

- The change would result in a substantially different development because of the proposed increase in the scale and intensity of the development,
- The change would require the application to be referred to extra referral agencies,
- The change proposes to include an additional lot.

On this basis, the applicant has followed lawful process in making a request under s78 and s82 of the Act.

ASSESSMENT:

The *Planning Act 2016* requires the change application to be assessed as if the change application were the original application but was made when the change application was made.

This report details the assessment of the change application as if it were the original application.

Framework for Assessment

Categorising Instruments for Statutory Assessment

For the *Planning Act 2016*, the following Categorising Instruments may contain assessment benchmarks applicable to development applications:

- the *Planning Regulation 2017*
- the Planning Scheme for the local government area
- any Temporary Local Planning Instrument
- any Variation Approval

Of these, the planning instruments relevant to this application are discussed in this report.

Assessment Benchmarks Related to the *Planning Regulation 2017*

The *Planning Regulation 2017* (the Regulation) prescribes assessment benchmarks that the application must be carried out against, which are additional or alternative to the assessment benchmarks contained in council's Planning Scheme. These assessment benchmarks may be contained within:

- the SEQ Regional Plan and Part E of the State Planning Policy, to the extent they are not appropriately integrated into the Planning Scheme; and
- Schedule 10 of the Regulation.

PLANNING REGULATION 2017 DETAILS	
Applicable Assessment	<u>State Planning Policy</u>
Benchmarks:	<ul style="list-style-type: none"> • Part E

State Planning Policy (SPP), Part E

The assessment benchmarks of the SPP Part E that are relevant to the development proposal do not vary the current provisions of the Planning Scheme.

Assessment Benchmarks Related to the Planning Scheme

The following sections relate to the provisions of the Planning Scheme.

PLANNING SCHEME DETAILS	
Planning Scheme:	Sunshine Coast Planning Scheme 2014 (16 May 2022).
Strategic Framework Land Use Category	Rural enterprise and landscape area. The site is located within the Regional Inter - Urban Break.
Local Plan Area:	Not applicable.
Zone:	Rural zone.
Consistent/Inconsistent Use:	Potentially Consistent.
Assessment Benchmarks:	Application is assessable against the whole of planning scheme, including the Strategic Framework.

Strategic Framework

The Strategic Framework is an Assessment Benchmark for Impact Assessable applications and considers the following matters:

- Settlement Pattern
- Economic Development
- Transport
- Infrastructure and Services
- Natural Environment
- Community Identity, Character and Social Inclusion
- Natural Resources
- Natural Hazards

The application has been assessed against each of the matters above. Extracts of the Strategic Framework are provided below. The pertinent issues arising out of assessment against the Strategic Framework are discussed further below.

3.3.1 Strategic outcomes

- (d) Outside these areas, rural lands and natural areas are maintained predominantly for their rural enterprise, landscape and environmental values. These areas reinforce the character of the Sunshine Coast as a place with large areas of open space surrounding distinct and separate urban and rural residential areas. The Regional Inter-urban Break preserves the geographic separation between the Sunshine Coast and the greater Brisbane and Caboolture urban area.

3.3.3 Element 2 – Growth management boundaries and land use categories Specific outcomes

- (d) The physical extent of urban development and rural residential development is contained within defined local growth management boundaries so as to:-
- (i) protect biophysical values including those within habitat areas, ecological linkages and natural waterways, wetlands and water bodies;
 - (ii) protect natural resources including agricultural land class A and class B1, strategic cropping land and potential strategic cropping land, rural land in general and extractive resources;
 - (iii) avoid natural hazards, including an allowance for the predicted impacts of climate change that may worsen these hazards;
 - (iv) maintain the largest possible area of land for rural, landscape and environmental protection purposes into the future;
 - (v) protect the discrete identities of individual places and communities; and
 - (vi) maximise opportunities for the efficient delivery of infrastructure and services.

3.3.9 Element 8 – Local settings and local planning responses 3.3.9.1 Specific outcomes

- (b) In addition to local character and identity, five broader settings are recognised and protected on the Sunshine Coast - coastal urban areas, rural towns, rural villages, rural residential areas and rural areas.

3.4 Economic development

- (10) Well-located and designed rural enterprises that provide business and employment opportunities including agribusiness.

3.4.1 Strategic outcomes

- (t) Rural lands are protected and support a range of innovative and sustainable agribusinesses which contribute to the Sunshine Coast

economy including niche food and beverage product and value adding production in a clean environment. Agricultural land class A and class B, strategic cropping land (SCL), potential SCL and fisheries habitat areas are maintained to support and encourage local food production and supply growing markets external to the region. Sustainable farming practices and rural industries which supply the local population and have potential to provide education and tourism opportunities are encouraged.

3.4.2 *Element 1 – Natural (competitive) advantage and key economic sectors*
Specific outcomes

(b) *The traditional sectors of retail, construction, tourism and rural activities are supported through the following:-*

(iii) *protection of rural lands and the promotion of sustainable rural enterprise.*

3.4.7 *Element 6 – Rural enterprise* 3.4.7.1 *Specific Outcomes*

(a) *Rural enterprise and landscape areas are protected as a key element of the character, lifestyle and environment attributes that contribute to the Sunshine Coast's natural (competitive) advantage.*

(b) *Rural enterprises and other complementary uses which contribute to the regional economy and provide essential services to rural areas are encouraged to establish in rural areas.*

(e) *Rural enterprise is undertaken on a sustainable basis that capitalises upon the availability of agricultural land and other natural resources, including mineral resources, forestry resources, fishery resources and water resources.*

3.8.2 *Element 1 – Landscape elements and features*

(b) *Regional and sub-regional inter-urban breaks are not reduced, fragmented or otherwise adversely impacted by urban or rural residential development.*

Assessment:

Under the Strategic Framework, the subject land is included in the Rural enterprise and landscape area and within the Regional inter-urban break. The proposed development avoids natural resources, is set back from waterbodies and would not cause a permanent irreversible alienation of the land from agricultural/horticultural use.

Advice from the Department of Agriculture and Fisheries for other uses such as intensive horticultural uses on land containing good quality agricultural land Class A/B land includes the following:

... if Council is concerned about the sterilisation of ALC Class A/B land at the site, DAFs position is that if the land use that sterilises ALC Class A/B land is used for agricultural production, then it is an acceptable development. For example, poultry farms are an acceptable development on ALC Class A/B land, as is aquaculture.

These agricultural land uses have the potential to permanently sterilise the land from cropping, but importantly, not from agricultural production. It is preferable that impacts to ALC A/B land are avoided and minimised where possible, but if not possible, then so be it. Please refer to the State Planning Policy – state interest guidance material, Agriculture, for further details. (Section 2.5 on Page 6).

The proposal is largely located within existing cleared areas on the site and does not impact upon bio-physical values. The site is rural and the use of Intensive Animal Industry is described in the planning scheme as a “rural activity”. The proposed use is consistent with what is intended to occur in the Rural zone.

The proposal is well-located and designed for a rural activity and appropriately separated from existing dwellings. The rural enterprise would create employment opportunities (according to the applicant approximately 50 jobs) and the rural land largely remains protected through the nature of the proposal.

It is intended that land within the Rural enterprise and landscape area is maintained predominantly for their rural enterprise, landscape and environmental values and that the Regional inter-urban break preserves the geographic separation between the Sunshine Coast and the greater Brisbane and Caboolture urban area (refer Strategic outcome 3.3.1 (d)).

Specific outcome (a) and (b) of Section 3.4.7 Element 6 (Rural enterprise) of the Strategic Framework states that “*Rural enterprise and landscape areas are protected as a key element of the character, lifestyle and environmental attributes that contribute to the Sunshine Coast’s natural (competitive) advantage*” and that “*Rural enterprise and other complementary uses which contribute to the regional economy and provide essential services to rural areas are encouraged to establish in rural areas.*” Specific outcome (e) of Section 3.4.7 states that “*Rural enterprise is undertaken on a sustainable basis that capitalises upon the availability of agricultural land and other natural resources.....*”.

Specific outcome (b) of Section 3.8.2 Element 1 (Landscape elements and features) of the Strategic Framework states that “*Regional and sub-regional inter-urban breaks are not reduced, fragmented or otherwise adversely impact by urban or rural residential development.*”

Noting that the subject land is included in the Rural zone, the purpose and overall outcomes of the Rural zone code states that “*The purpose of the Rural zone code is to provide for a wide range of rural activities and a limited range of non-rural activities which complement, value add or provide a service to rural areas.*” Overall outcome (2)(b) and (g) of the Rural zone code state that “*more intensive rural activities including animal keeping, intensive animal industry and extractive industry may also be established in the zone provided that adverse environmental and amenity impacts are avoided or appropriately managed*” and “*intensive rural activities are not located adjacent to sensitive land uses, and are designed and operated to maintain the rural character and amenity of the zone*”.

It is also noted that under the *ShapingSEQ South East Queensland Regional Plan 2017* (SEQ Regional Plan), the subject land is located within the Regional Landscape and

Rural Production Area and the Moreton Bay-Sunshine Coast (Northern) inter-urban break.

The intent of the Regional Landscape and Rural Production Area is to protect the values of this land from encroachment by urban and rural residential development, to protect the natural assets and regional landscape and to support development and economic growth of rural communities and industries.

The intent of the Moreton Bay-Sunshine Coast (Northern) inter-urban break is to protect the landscape setting of the heritage-listed Glass House Mountains National Park and water quality of the Ramsar listed wetlands of the Pumicestone Passage, and preserve opportunities for agricultural production and forestry, tourism and outdoor recreation. Strategy 1 of Element 4 (Regional landscapes) of Goal 4 (Sustain) of the SEQ Regional Plan seeks to *“Protect the values of the inter-urban breaks, while providing for a range of activities compatible with their predominantly rural or natural character.”*

The Rural zone under the planning scheme reflects the areas which are included in the Regional Landscape and Rural Production Area under the SEQ Regional Plan. The relevant provisions in the Strategic Framework recognises the importance of rural enterprises on the Sunshine Coast and the planning scheme more generally seeks to protect rural land and support a range of rural uses to contribute to the Sunshine Coast economy.

Noting that the proposed development is for an extension to an existing rural activity (Intensive animal industry), located on a site within the Rural zone and generally surrounded by state forest and not adjacent to sensitive land uses, it is considered that the proposed development is consistent with the relevant outcomes of the Strategic Framework and with the purpose and overall outcomes of the Rural zone code of the planning scheme.

Planning Scheme Codes

The application has been assessed against each of the applicable codes and found to be compliant with, or can be conditioned to comply with, each.

Local Plan Code

The subject site is not located within a Local Plan area and therefore no Local Plan Code applies.

Development Codes and Overlay Codes

The following codes which regulate land use and design are applicable to this application:

- *Rural zone code*
- *Vegetation management code*
- *Rural industries code*
- *Rural uses code*
- *Landscape code*
- *Nuisance code*
- *Safety and security code*

- *Stormwater management code*
- *Sustainable design code*
- *Transport and parking code*
- *Waste management code*
- *Works, services and infrastructure code*

The following overlay codes are applicable to this application:

- *Biodiversity, waterways and wetlands overlay code*
- *Regional infrastructure overlay code*
- *Scenic amenity overlay code*
- *Bushfire hazard overlay code*
- *Landslide hazard and steep land overlay*
- *Height of buildings and structure overlay code*

The application has been assessed against each of the above applicable codes and found to be compliant with, or can be conditioned to comply with, each. The pertinent issues arising out of assessment against the codes are discussed below:

Proposed Operations

The proposal would maintain the existing lawfully operating use on-site, being a poultry farm. "Intensive animal industry" falls within the "Rural activity group" pursuant to Schedule 1 Definitions of the *Sunshine Coast Planning Scheme 2014*. The proposed use is a "potentially consistent use" in the Rural zone and the *Rural uses code* is applicable.

Table 9.3.16.3.3 *Siting and setback requirements for intensive rural uses* has the following Acceptable Outcome requirements for an Intensive animal industry (poultry farm).

Table 9.3.16.3.3 Siting and setback requirements for intensive rural uses

Column 1 Rural Use	Column 2 Minimum site area	Column 3 Minimum boundary setbacks in metres (m)	Column 4 Minimum distance from a residential building on surrounding land	Column 5 Distance from a wetland or waterway
<i>Intensive animal industry (poultry farm)</i>	50 hectares	100m from any road <i>frontage</i> . 100m from any side or rear boundary.	400 metres	100 metres

Of these, the proposal complies with all acceptable outcome requirements except the minimum site area and minimum separation to Residential zoned land.

Performance Outcome PO1 of the code states:

PO1 The intensive rural use is located on a site which has sufficient area to accommodate the use (including buildings, pens, ponds, other structures and waste disposal areas involved in the use) and to provide for adequate setbacks to:-

- (a) road frontages;*
- (b) site boundaries;*
- (c) residential uses on surrounding land; and*
- (d) waterways or wetlands.*

The proposal is for extensions to an existing, lawfully operating poultry farm on a site of approximately 31ha. The proposal achieves adequate setbacks from road frontage, site boundaries, nearby residential uses, waterways and/or wetlands and as such it is considered the site is appropriately sized to accommodate the extensions and satisfies the performance outcome of the code.

Acceptable outcome AO2 of the *Rural use code* deemed to comply requirement is that the intensive rural use is located on a site which is not less than: - (a) 5,000 metres from land included in a residential zone. The site is located approximately 3.2km from land zoned as Low density residential in Beerburum. As Acceptable outcome AO2 is not satisfied assessment of the Performance outcome PO2 is required.

Performance Outcome PO2 of the *Rural use code* states:

PO2 The intensive rural use is located on a site which is sufficiently separated from any existing or planned residential or rural residential area or other sensitive land use to avoid any adverse impacts with regard to noise, dust, odour, visual impact, traffic generation, lighting, radiation or other emissions or contaminants.

The proposed extensions relate to the construction of 6 additional sheds and an expansion of the internal access driveway to facilitate access to the new sheds. The proposed sheds have been located as close to the existing development footprint as possible to minimise any impacts.

The proposal achieves adequate setbacks from road frontage, site boundaries, nearby residential uses (700m), waterways and/or wetlands (200m) and as such it is considered that the site is appropriately sized to accommodate the extensions.

With respect to setbacks, the proposed extensions are integrated with the existing development footprint and would maintain similar setbacks that are generally consistent with the existing buildings. The proposal achieves compliance with the relevant setback requirements within Acceptable Outcomes AO3.1 and AO3.2 of the *Rural uses code*. The extensions are also suitably distanced and entirely outside of the wetland area at the rear of the site. Existing vegetation onsite would be retained and would not be impacted as part of the proposal.

The site is located in a rural area, with the use achieving appropriate separation from any nearby sensitive uses. The applicant has provided an Acoustic Report and an Air Quality Report, which demonstrate adequate separation from nearby residential uses is achieved.

No feed is proposed to be disposed of and there is no effluent generated onsite. In relation the spent poultry litter of the current operations, this is distributed to turf and macadamia farms locally and would be continued with any approved expansion.

The assessment of the proposal finds that matters relating to noise, dust, odour, air quality, traffic would not have a detrimental impact on this residential area due to the separation distance between the uses. It is also noted that there are existing poultry farms and poultry farms under construction located between the development site and Beerburum. Discussion with councils Development Audit and Response Team indicate there has only been one complaint in 2017 about odour from the existing poultry farm due to some trees being cleared along the property boundary. That issue was addressed by the Department

of Agriculture and Forestry who administer the Environmentally Relevant Activity. The proposal satisfies the requirements of the code regarding location and site suitability.

Nuisance code

An Acoustic Assessment has been submitted to address the *Nuisance code*. The assessment has utilised measurements taken onsite, and used the same source noise for the assessment of the existing and proposed sheds, which has established compliance with the Acoustic Quality Objectives (AQO) and background creep noise limits.

An Air Quality Assessment has been provided to address the *Nuisance code*. The assessment demonstrates compliance with the Queensland *Guideline: Odour Impact Assessment from Developments* (DEHP, 2021) which is the principal guidance document used in Queensland for assessing odour impacts. The *Environment Protection (Air) Policy 2019* sets Air Quality Goals (limits) that are used within modelling assessments to determine the relative risk of a development proposal at sensitive locations. The assessment has established compliance with the relevant Air Quality Objectives listed in Schedule 1, with no mitigation measures required.

Transport and parking code

The internal road configuration has been designed to provide access for an AV. Swept path diagrams have been provided to demonstrate that there is adequate area for the AV service vehicle to perform the required service manoeuvring. The applicant has provided a detailed assessment of the external road network and concluded that there are no road upgrading requirements. The existing frontage access road has been conditioned to be upgraded through application OPW21/0608 (related to an approval at 119 Pioneer Rd Beerburum, which is located approximately 625m to the south west of the subject site). These upgrades include Red Road / Forestry Office Access Road intersection, Red Road / Rapkins Road intersection and Red Road / Forestry Road intersection upgrades.

With regards to car parking, the *Transport and parking code* requires the proposed use to provide *Sufficient spaces to accommodate number of vehicles likely to be parked at any one time*. The site is 31ha in size and sufficient car parking spaces can be provided on site. The development has satisfied the requirements of the code.

Works, services and infrastructure code

There are proposed earthworks related to the building and treatment of areas between the buildings. The internal circulation roads are proposed to be unsealed gravel roads, which in this case is acceptable due to the location. However a section of sealed road at the entrance is recommended as a condition of approval to prevent dirt from being tracked onto Council roads.

Stormwater management code

The applicant has provided a stormwater management plan which has identified that the lot size is greater than 2,500m² and fraction imperviousness is less than 25%. As such, the development is required to achieve stormwater quality objectives unless alternative management measures are implemented in full. For the site this would involve

Development Permit for an Other Change - Material Change of Use of Premises to Extend an Existing Intensive Animal Industry (Poultry Farm), Including an Environmentally Relevant Activity (Poultry Farming), Additional Sheds and Driveway located at 325 & 367 Red Road BEERBURRUM

harvesting tanks for roof water and reuse to landscape areas via an automated irrigation system, outdoor taps and washdown plus ground level impervious areas graded to landscaped areas/gully pit baskets plus providing vegetated buffers to waterways and drainage lines.

It noted that the site has sufficient space, i.e. two dams, to accommodate any detention volume for peak flow mitigation purposes. This would require modification to the existing out flow arrangement or construction of a new detention system as identified in the 'post development stormwater management plan (Figure 9). The proposal satisfies the requirements of the code with conditions recommended which require additional detailed information be provided at the operational works stage.

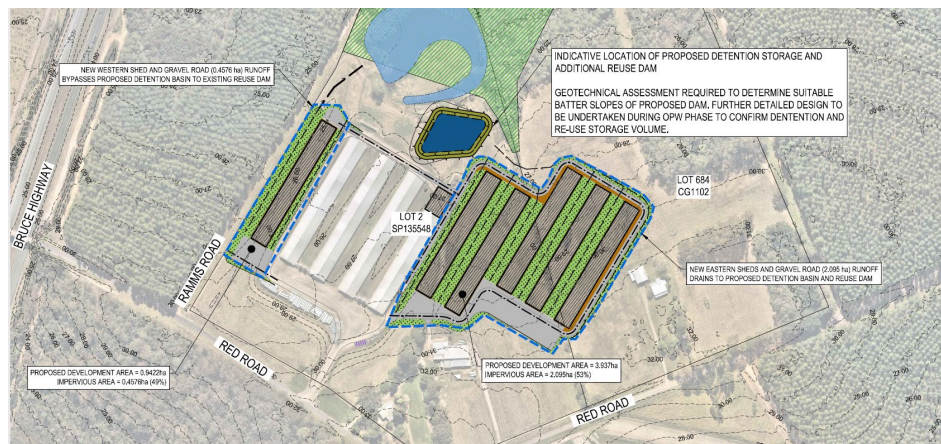


Figure 9 - Location of proposed detention basin

Flood hazard overlay code

The site is not impacted by regional flooding and is located beyond Council's modelling extent. The proposed footprint is above the required floor level as per the *Flood hazard overlay code* and *Planning scheme policy for development works*. The proposed floor level is acceptable, and the application has satisfied the requirements of the code.

Scenic amenity overlay code

The site is within the Regional inter urban break. The *Scenic amenity overlay code* requires that urban and rural residential development do not occur within the regional inter-urban break. A poultry farm is a defined within the Rural activity group and is consistent with the requirements of the *Scenic amenity overlay code*.

Other Assessment Matters

In addition to the assessment benchmarks referred to above, the *Planning Regulation 2017* requires that impact assessment must be carried out having regard to:

- the regional plan for a region; and

- the State Planning Policy, to the extent the State Planning Policy is not identified in the planning scheme as being appropriately integrated in the planning scheme.

South East Queensland Regional Plan (SEQRP)

The development is located within the Regional Landscape and Rural Production Area of the SEQRP. Having regard to the SEQRP, the development is consistent with the outcomes expressed and sought to be achieved by the SEQRP. The proposed development is considered a rural activity and is generally consistent with the regional land use intent, regional policies and desired regional outcomes for the Regional Landscape and Rural Production Area.

State Planning Policy (SPP)

Since the time the *Sunshine Coast Planning Scheme* commenced on 21 May 2014, a new SPP came into effect on 3 July 2017 and must be considered for development assessment to the extent the SPP is inconsistent with the planning scheme.

The state interests outlined in relation to agriculture in the *State Planning Policy 2017* (SPP), seek to promote hard to locate intensive agricultural land uses, such as intensive animal industries in appropriate locations and to protect existing intensive agricultural land uses, such as intensive animal industries from encroachment by development that is incompatible and/or would compromise the safe and effective operation of the existing activity.

It is also noted under the SPP Glossary of terms that 'agriculture' means "*the growing, production and harvesting of food, fish, fibre, timber and foliage, including but not limited to the following uses: animal husbandry, aquaculture, cropping, fishing, **intensive animal industries**, intensive horticulture, native forestry, plantation forestry, production nursery, wholesale nursery, and other complementary primary production activities.*" These kinds of facilities (poultry farms) are generally difficult to locate and the expansion of an existing facility is generally regarded as being preferable to establishing a new facility.

The proposal is consistent with the policy intent of the SPP and does not conflict with any of the identified state interests

Good Agriculture Land

Pursuant to the state government mapping, the subject site is identified as containing the *Queensland Agricultural Land Classes – A and B*.

As shown in Figure 10, part of the site is mapped as Agricultural Land Class A & B (illustrated in green). It not expected that the development would alienate or fragment Agricultural Land Class A and Class B. The site itself is already being lawfully used as a poultry farm and could still be used for an agricultural farm at any time (even concurrently with the poultry farm). Intensive Animal Industry falls into the Rural activity group and is a potentially consistent use in the Rural zone.

Advice from the Department of Agriculture and Fisheries for other uses such as intensive horticultural uses on land containing good quality agricultural land Class A/B includes the following:

... if Council is concerned about the sterilisation of ALC Class A/B land at the site, DAFs position is that if the land use that sterilises ALC Class A/B land is used for agricultural production, then it is an acceptable development. For example, poultry farms are an acceptable development on ALC Class A/B land, as is aquaculture. These agricultural land uses have the potential to permanently sterilise the land from cropping, but importantly, not from agricultural production. It is preferable that impacts to ALC A/B land are avoided and minimised where possible, but if not possible, then so be it. Please refer to the State Planning Policy – state interest guidance material, Agriculture, for further details. (Section 2.5 on Page 6).

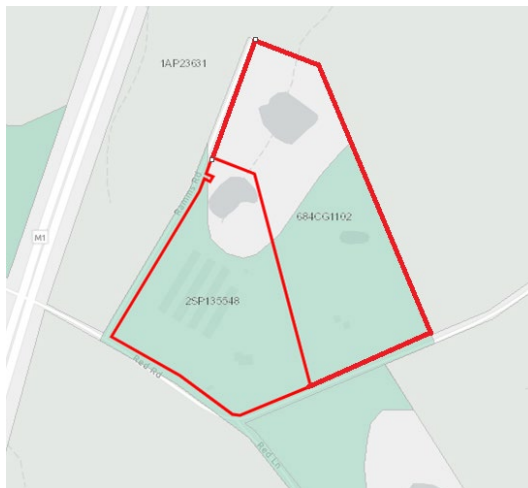
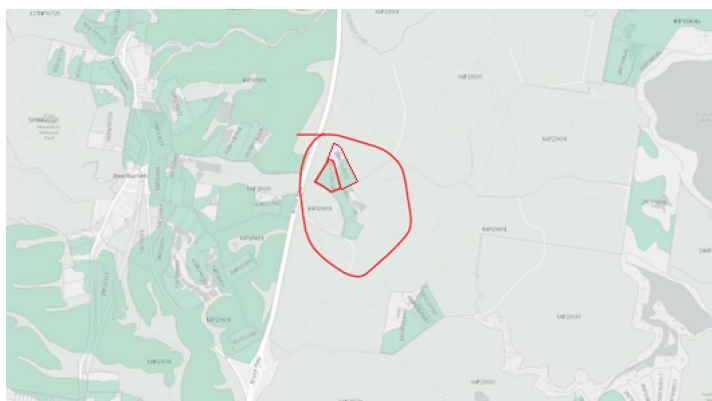


Figure 10 - Location of Good Quality Agricultural Land

Further, an analysis of the mapping of the greater area (Figure 11), shows the Class A/B designation of these land parcels is quite small and fragmented compared to other areas.



FM1525Q/11-25/08/2022

Figure 11 - Good Quality Agricultural Land within the area.

The State Planning Policy interest in agriculture states:

- (2) *Agricultural Land Classification (ALC) Class A and Class B land is protected for sustainable agricultural use by:*
- (a) *avoiding fragmentation of ALC Class A or Class B land into lot sizes inconsistent with the current or potential use of the land for agriculture*
 - (b) *avoiding development that will have an irreversible impact on, or adjacent to, ALC Class A or Class B land*
 - (c) *maintaining or enhancing land conditions and the biophysical resources underpinning ALC Class A or Class B land.*

In relation to the above the proposed use is not a reconfiguration of a lot and therefore the land is not being fragmented. A poultry farm is not considered a permanent irreversible alienation of the land from agricultural use for example being developed for residential uses. It is noted that the sheds could be demolished at any time. Even if the use were to permanently sterilise the land from cropping the Department of Agriculture and Forestry has advised that the use would still be for agricultural production, which is acceptable development. In addition, other parts of the land remain available for agricultural uses.

Limitation on the consideration of animal welfare concerns

Council's interpretation is that a relevant matter under Section 45(5)(b) of the *Planning Act* must have some connection to, or bearing upon, the application, and they must be related to town planning in some way. Matters related to animal welfare are not town planning related. Rather, they are administered through other forms of legislation.

Regulation of Poultry Farms

Operations for Poultry Farms in Queensland are regulated by the state government with specific requirements set for Poultry Farms which are administered and regulated by the Department of Agriculture and Fisheries (DAF). The following state government website hyperlink is relevant information in relation to Biosecurity, Environment, Development permits and assessment, Food safety and Animal Welfare legislation.

<https://www.business.qld.gov.au/industries/farms-fishing-forestry/agriculture/animal/industries/poultry/laws>

The operations are required to follow strict biosecurity protocols as governed by the Queensland Safe Food and Biosecurity Regulations

CONSULTATION:

Referral Agencies

The application was referred to the following Referral Agencies in accordance with the *Planning Act 2016* and the *Planning Regulation 2017*:

Department of State Development, Infrastructure, Local Government and Planning (SARA)

The department has been triggered for the following referrals.

- Schedule 10, Part 5, Division 4, Table 1, Item 1 (Planning Regulation 2017) – Environmentally relevant activities.
- Schedule 10, Part 9, Division 4, Subdivision 1, Table 1, Item 1 (Planning Regulation 2017) – State transport infrastructure.
- Infrastructure – State transport infrastructure

The department is also concurrence agency for Environmentally Relevant Activity (ERA) – Poultry Farming (>200,000 birds), which under the *Environmental Protection Regulation 2019*, requires a Concurrence Referral to the Department of Agriculture and Fisheries, who are referred (through SARA) are referred as a Concurrence Agency Referral.

On 16 March 2023, the State Government provided its Concurrence Agency Response (SARA Reference: 2211-31963 SRA), which recommended approval with conditions. The conditions include requirement for the approval being limited to 10 sheds.

Other External Referrals

The application did not require any other external referrals.

Public Notification

The application was publicly notified for 15 business days between 11 January 2023 and 2 February 2023 in accordance with the requirements of *Planning Act 2016*.

138 Properly Made submissions were received. All were in support of the proposal.
30 Not Properly Made submissions were received. All were in support of the proposal.

No objections were received.

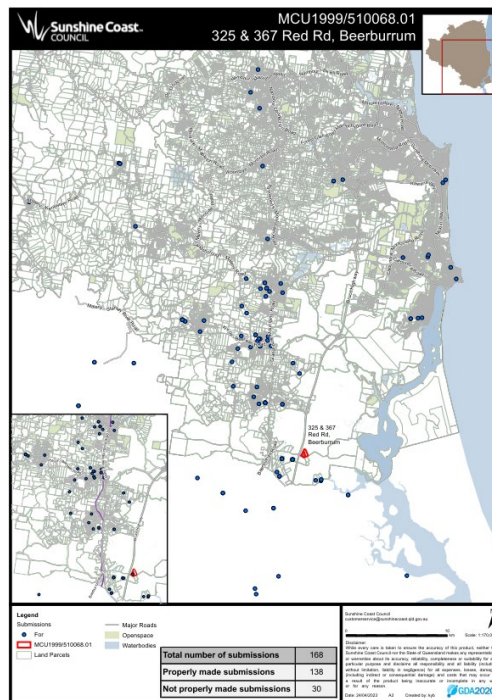


Figure 12 – Submitter location map.

Infrastructure Charges

Council's Transport & Infrastructure Policy Branch have been notified of the proposed changes and advise that the changes would have implications to the infrastructure charges that were levied at the time of the original approval, due to the proposed increases in GFA.

An Infrastructure Charges Notice will be provided for issue with any approval of the changes.

DECISION NOTICE AMENDMENTS:

The existing operations which were lawfully established through the 1999/510068 approval can continue operate under this approval issued under *Caloundra City Plan 1996*.

CONCLUSION:

The proposed development sufficiently complies with the requirements of the Planning Scheme and does not raise any significant issues that cannot be addressed by reasonable and relevant conditions. The application is therefore recommended for approval.

RA6-N



SARA reference: 2211-31963 SRA
Council reference: JND:MD011:1999/510068.01
Applicant reference: 22-229

16 March 2023

Chief Executive Officer
Sunshine Coast Regional Council
Locked Bag 72
Sunshine Coast Mail Centre QLD 4560
mail@sunshinecoast.qld.gov.au

Attention: Jeff Dodd

Dear Sir/Madam

SARA response—325-367 Red Road, Beerburrum

(Referral agency response given under section 28 of the Development Assessment Rules)

The development application described below was confirmed as properly referred by the State Assessment and Referral Agency (SARA) on 15 November 2022.

Response

Outcome:	Referral agency response – with conditions.
Date of response:	16 March 2023
Conditions:	The conditions in Attachment 1 must be attached to any development approval.
Advice:	Advice to the applicant is in Attachment 2 .
Reasons:	The reasons for the referral agency response are in Attachment 3 .

Development details

Description:	Change application (other than minor change)	Development permit for material change of use for poultry farm (extension to an existing shed and six new sheds) and environmentally relevant activity (Poultry farming)
SARA role:	Referral agency	
SARA trigger:	Schedule 10, Part 5, Division 4, Table 1, Item 1 (Planning Regulation 2017)	

22211-31963 SRA

Material change of use of premises for an ERA (only if the ERA has
not been devolved to a local government)

Schedule 10, Part 9, Division 4, Subdivision 1, Table 1, Item 1
(Planning Regulation 2017)

Infrastructure – State transport infrastructure

SARA reference: 2211-31963 SRA
Assessment Manager: Sunshine Coast Regional Council
Street address: 325-367 Red Road, Beerburrum
Real property description: Lot 2 on SP135548 and Lot 684 on CG1102
Applicant name: Woodlands Enterprises Pty Ltd
c/- Plan A Town Planning Pty Ltd
Applicant contact details: PO Box 1661
Milton QLD 4064
planning@planatp.com.au

Representations

An applicant may make representations to a concurrence agency, at any time before the application is
decided, about changing a matter in the referral agency response (s.30 Development Assessment Rules)
Copies of the relevant provisions are in **Attachment 4**.

A copy of this response has been sent to the applicant for their information.

For further information please contact Richard Wilson, Planning Officer, on 5352 9774 or via email
SEQNorthSARA@dsdilgp.qld.gov.au who will be pleased to assist.

Yours sincerely



Garth Nolan
Manager (Planning)

cc Woodlands Pty Ltd, planning@planatp.com.au
enc Attachment 1 – Changed referral agency conditions
Attachment 2 – Changed advice to the applicant
Attachment 3 – Changed reasons for referral agency response
Attachment 4 – Changed representations provisions
Attachment 5 - Approved plans and specifications

Attachment 1—Changed referral agency conditions

(Under section 56(1)(b)(i) of the *Planning Act 2016* the following conditions must be attached to any development approval relating to this application) (Copies of the plans and specifications referenced below are found at Attachment 5)

No.	Conditions	Condition timing
Planning Regulation 2017, Schedule 10, Part 9, Division 4, Subdivision 1, Table 1, Item 1 - State transport infrastructure — The chief executive administering the <i>Planning Act 2016</i> nominates the Department of Transport and Main Roads (DTMR) to be the enforcement authority for the development to which this development approval relates for the administration and enforcement of any matter relating to the following conditions:		
Material change of use		
1.	<p>(a) Stormwater management of the development must ensure no worsening or actionable nuisance to the state-controlled road.</p> <p>(b) Any works on the land must not:</p> <ul style="list-style-type: none"> i. create any new discharge points for stormwater runoff onto the state-controlled road; ii. interfere with and/or cause damage to the existing stormwater drainage on the state-controlled road; iii. surcharge any existing culvert or drain on the state-controlled road; iv. reduce the quality of stormwater discharge onto the state-controlled road. <p>(c) RPEQ certification with supporting documentation must be provided to North Coast Region, Development Assessment Team via North.Coast.IDAS@tmr.qld.gov.au within the Department of Transport and Main Roads, confirming that the development has been designed and constructed in accordance with parts (a) and (b) of this condition.</p>	<p>(a) At all times.</p> <p>(b) At all times.</p> <p>(c) Prior to the commencement of use.</p>
No.	Conditions	Condition timing
Material change of use		
Planning Regulation 2017, Schedule 10, Part 5, Division 4, Table 1, Item 1 — Environmentally relevant activity —The chief executive administering the <i>Planning Act 2016</i> nominates the Department of Agriculture and Fisheries to be the enforcement authority for the development to which this development approval relates for the administration and enforcement of any matter relating to the following conditions:		
2.	<p>Development authorised under this approval is limited to 10 sheds housing a maximum number of 452,640 birds, kept inside sheds at all times, generally in accordance with:</p> <ul style="list-style-type: none"> • Site plan, Covey Associates Pty Ltd, 16 December 2022, Project No. 223312, Sheet No. P210, Issue A; and • Detail plan 1, Covey Associates Pty Ltd, 16 December 2022, Project No. 223312, Sheet No. P250, Issue A; and • Detail plan 2, Covey Associates Pty Ltd, 16 December 2022, Project No. 223312, Sheet No. P251, Issue A. 	<p>Prior to the commencement of use and to be maintained at all times.</p>

22211-31963 SRA

Attachment 2—Changed advice to the applicant

General advice	
1.	Terms and phrases used in this document are defined in the <i>Planning Act 2016</i> its regulation or the <i>State Development Assessment Provisions</i> (SDAP) v3.0. If a word remains undefined it has its ordinary meaning.
2.	DTMR is considering planning that may affect this property, as the property falls within the study area. This planning is not a planned upgrade, and at this time DTMR has no land requirements for the subject site. For further information you may wish to contact the department on North.Coast.IDAS@tmr.qld.gov.au or 5451 7055.

Attachment 3—Changed reasons for referral agency response

(Given under section 56(7) of the *Planning Act 2016*)

The reasons for the SARA's decision are:

- the development site is located at 325 Red Road, Beerburum, formally described as Lot 2 on SP135548 and Lot 684 on CG1102.
- the development application is for a change (other than minor change) to an existing development permit for material change of use for a poultry farm including an environmentally relevant activity (poultry farming).
- the proposed change involves an increase from 4 poultry sheds housing a maximum of 171,500 birds to 10 poultry sheds including an extension to an existing poultry shed to house a maximum of 452,640 birds
- the proposed development exceeds the Schedule 20 threshold for purpose 20 intensive animal industry where the total facility capacity for poultry exceeds 200,000 birds.
- the environmentally relevant activity applied for in this application is a not devolved to a local government under the Environmental Protection Regulation 2019 and is assigned an aggregate environmental score of 25 or less
- SARA has assessed the development against the following state codes of the *State Development Assessment Provisions* (SDAP, version 3.0):
 - o State code 6: Protection of state transport networks
 - o State code 22: Environmentally relevant activities
- SARA determined that the proposed development complies with State code 6, subject to a condition to ensure:
 - o that the impacts of stormwater events associated with development are minimised and managed to avoid creating any adverse impacts on the state-transport corridor
- SARA determined that the proposed development complies with State code 22, subject to a condition to ensure:
 - o the development is carried out in the location and to the extent specified on the plans of development submitted with the application.

Material used in the assessment of the application:

- the development application material and submitted plans
- *Planning Act 2016*
- Planning Regulation 2017
- the SDAP (version 3.0), as published by SARA
- the Development Assessment Rules
- SARA DA Mapping system
- *Human Rights Act 2019*.

22211-31963 SRA

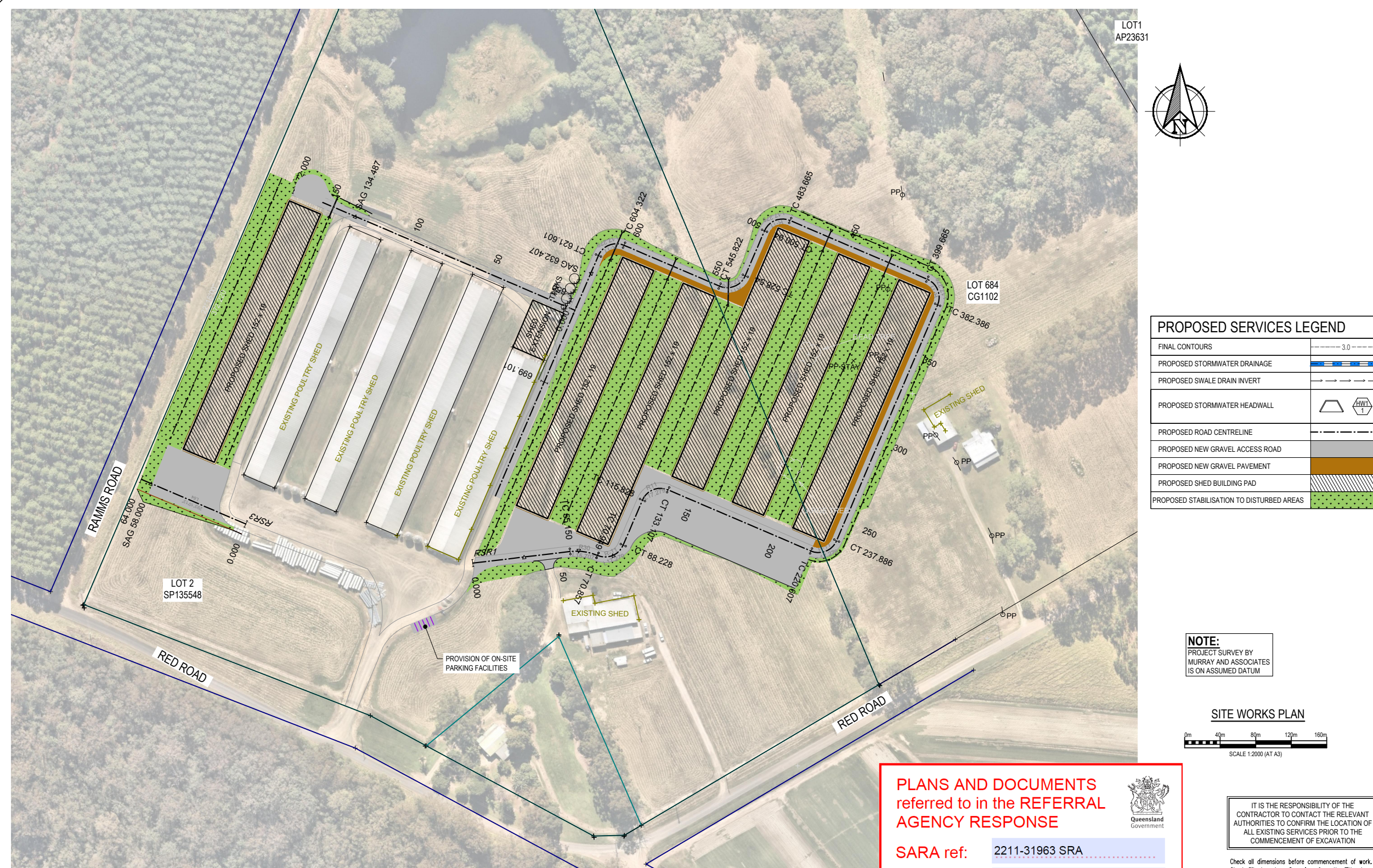
Attachment 4—Change representation provisions










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22211-31963 SRA

Attachment 5—Approved plans and specifications

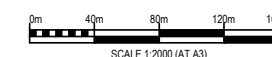
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PROPOSED SERVICES LEGEND	
FINAL CONTOURS	
PROPOSED STORMWATER DRAINAGE	
PROPOSED SWALE DRAIN INVERT	
PROPOSED STORMWATER HEADWALL	
PROPOSED ROAD CENTRELINE	
PROPOSED NEW GRAVEL ACCESS ROAD	
PROPOSED NEW GRAVEL PAVEMENT	
PROPOSED SHED DRAINAGE PAD	
PROPOSED STABILISATION TO DISTURBED AREAS	

NOTE:
PROJECT SURVEY BY
MURRAY AND ASSOCIATES
IS ON ASSUMED DATUM

SITE WORKS PLAN



PLANS AND DOCUMENTS
referred to in the REFERRAL
AGENCY RESPONSE




SARA ref: 2211-31963 SRA

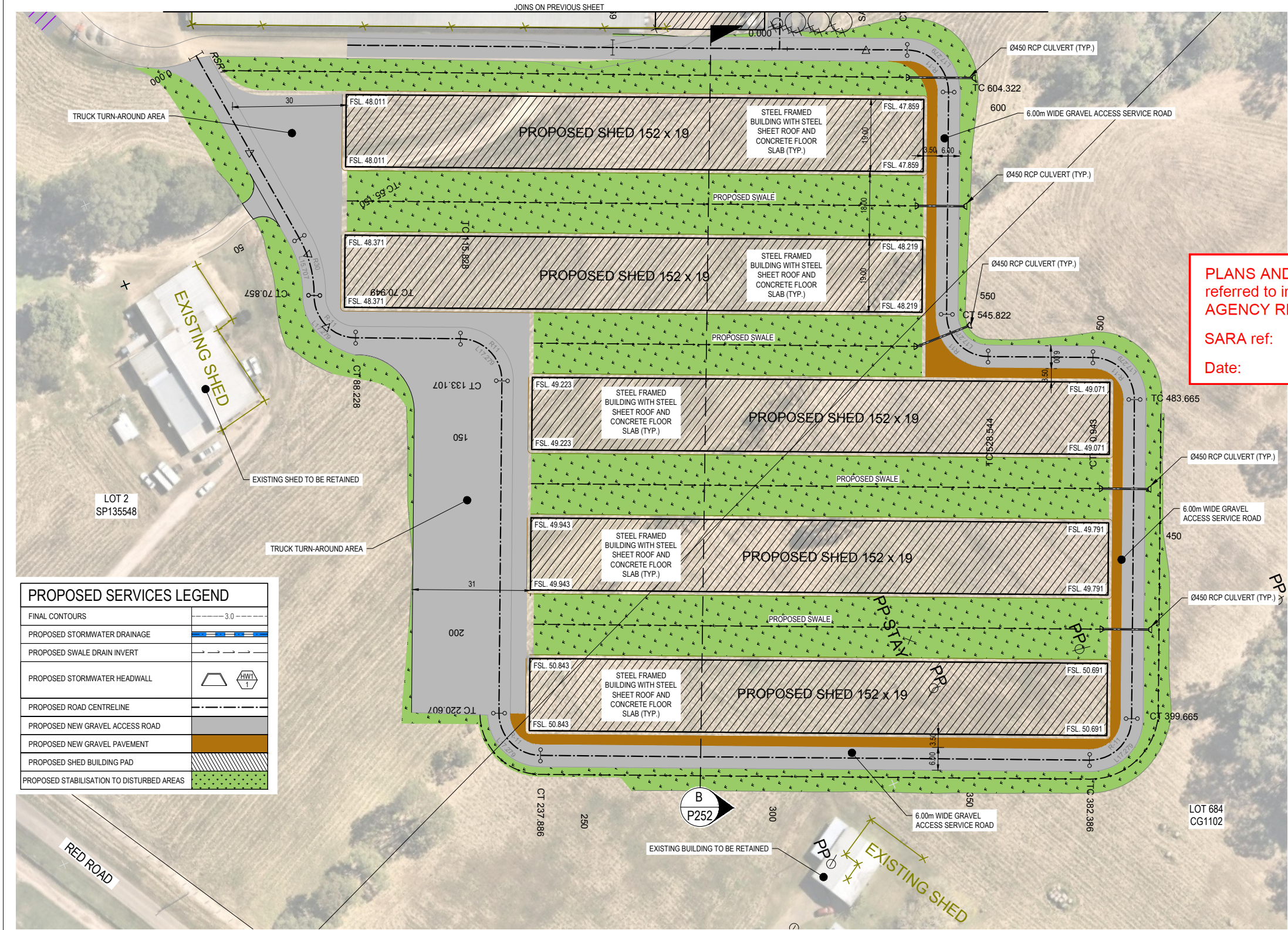
Date: 16 March 2023

IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO CONTACT THE RELEVANT AUTHORITIES TO CONFIRM THE LOCATION OF ALL EXISTING SERVICES PRIOR TO THE COMMENCEMENT OF EXCAVATION

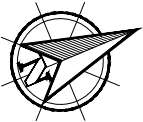
Check all dimensions before commencement of work.
Check Site boundary dimensions from the Title plans
Check Building Boundary clearances by set out.
Notwithstanding the information supplied on this drawing,
the location, depth and extent of underground or
overhead services are to be confirmed and protected on
site by the contractor prior to commencement of works.

Checked - CC				 <p>Consulting Civil & Structural Engineers Project Management & Planning</p>	Approved CHRIS CAMP BEng(Hons), MIEAust, RFPEO-4944 124 DUPORTH AVENUE Ph (07) 5443 7777 PO BOX 16 Fax (07) 5443 7577 MAROOCHYDORE QLD 4558 ABN 59 137 305 992	Drawing title - SITE PLAN	Project - POULTRY FARM EXTENSION	Site - 325 RED ROAD, BEERBURRUM	Project No. 223312 Sheet No. P210
Design - AB Drawn - AB								Client - WOODLANDS ENTERPRISES	Digital Ref : C210 ROADWORKS & STORMWATER PLAN Issue : A
Scales - AS SHOWN									
Document Stage - PRELIMINARY		A 16.12.22	PRELIMINARY				AB		





IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO CONTACT THE RELEVANT AUTHORITIES TO CONFIRM THE LOCATION OF ALL EXISTING SERVICES PRIOR TO THE COMMENCEMENT OF EXCAVATION



DEFINED FLOOD EVENT - (DFE)
1 % AEP + CLIMATE CHANGE (2100)
- 25.79 mAHD
MINIMUM FINISHED FLOOR LEVEL
- DFE + 0.5 m = 26.29 mAHD

PLANS AND DOCUMENTS referred to in the REFERRAL AGENCY RESPONSE



SARA ref: 2211-31963 SRA

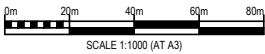
Date: 16 March 2023

PROPOSED SERVICES LEGEND

FINAL CONTOURS	---
PROPOSED STORMWATER DRAINAGE	---
PROPOSED SWALE DRAIN INVERT	---
PROPOSED STORMWATER HEADWALL	---
PROPOSED ROAD CENTRELINE	---
PROPOSED NEW GRAVEL ACCESS ROAD	---
PROPOSED NEW GRAVEL PAVEMENT	---
PROPOSED SHED BUILDING PAD	---
PROPOSED STABILISATION TO DISTURBED AREAS	---

NOTE:
PROJECT SURVEY BY
MURRAY AND ASSOCIATES
IS ON ASSUMED DATUM

DETAILED LAYOUT PLAN



Check all dimensions before commencement of work.
Check Site boundary dimensions from the Title plans
Check Building Boundary clearances by set out.
Notwithstanding the information supplied on this drawing, the location, depth and extent of underground or overhead services are to be confirmed and protected on site by the contractor prior to commencement of works.

Checked - CC	
Design - AB	Drawn - AB
Scales - AS SHOWN	
Document Stage - PRELIMINARY	



Consulting Civil & Structural Engineers
Project Management & Planning

Approved
CHRIS CAMP BEng(Hons), MIEAust, RPEQ-4944
124 DUNFORTH AVENUE Ph (07) 5443 7777
PO BOX 16 Fax (07) 5443 7577
MAROOCHYDORE QLD 4558
E-MAIL: engineers@covey.com.au

Drawing title -
DETAIL PLAN 2

Project - POULTRY FARM EXTENSION

Client - WOODLANDS ENTERPRISES











Site - 325 RED ROAD, BEERBURRUM

Project No. 223312 Sheet No. P251

Digital Ref : C210 ROADWORKS & STORMWATER PLAN Issue : A

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PROPOSED SERVICES LEGEND	
FINAL CONTOURS	 3.0 -
PROPOSED STORMWATER DRAINAGE	
PROPOSED SWALE DRAIN INVERT	
PROPOSED STORMWATER HEADWALL	 
PROPOSED ROAD CENTRELINE	
PROPOSED NEW GRAVEL ACCESS ROAD	
PROPOSED NEW GRAVEL PAVEMENT	
PROPOSED SHED BUILDING PAD	
PROPOSED STABILISATION TO DISTURBED AREAS	

NOTE:
PROJECT SURVEY BY
MURRAY AND ASSOCIATES
IS ON ASSUMED DATUM

SITE WORKS PLAN



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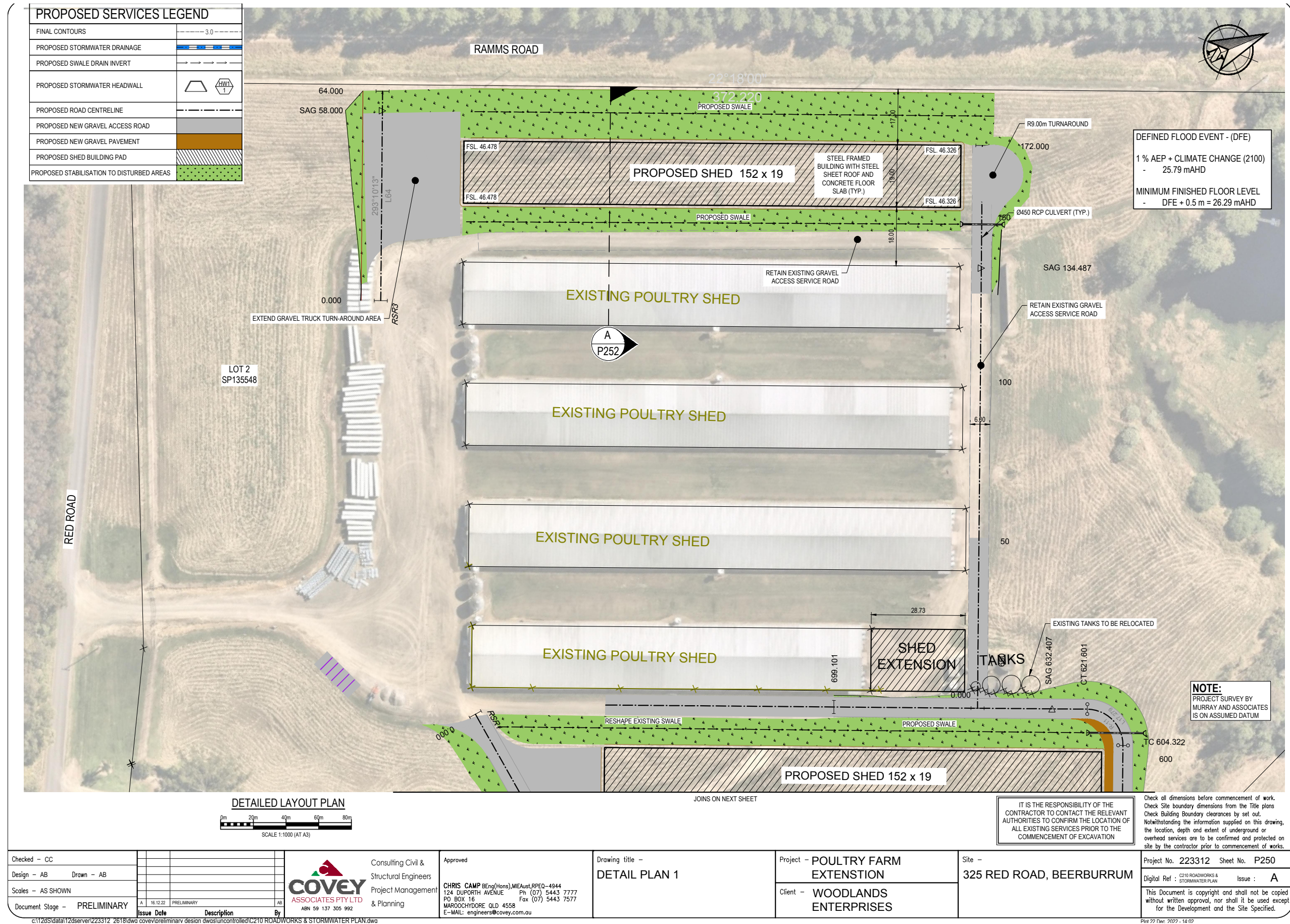
CHRIS CAMP BEng(Hons), MIE Aust, RPEQ-4944
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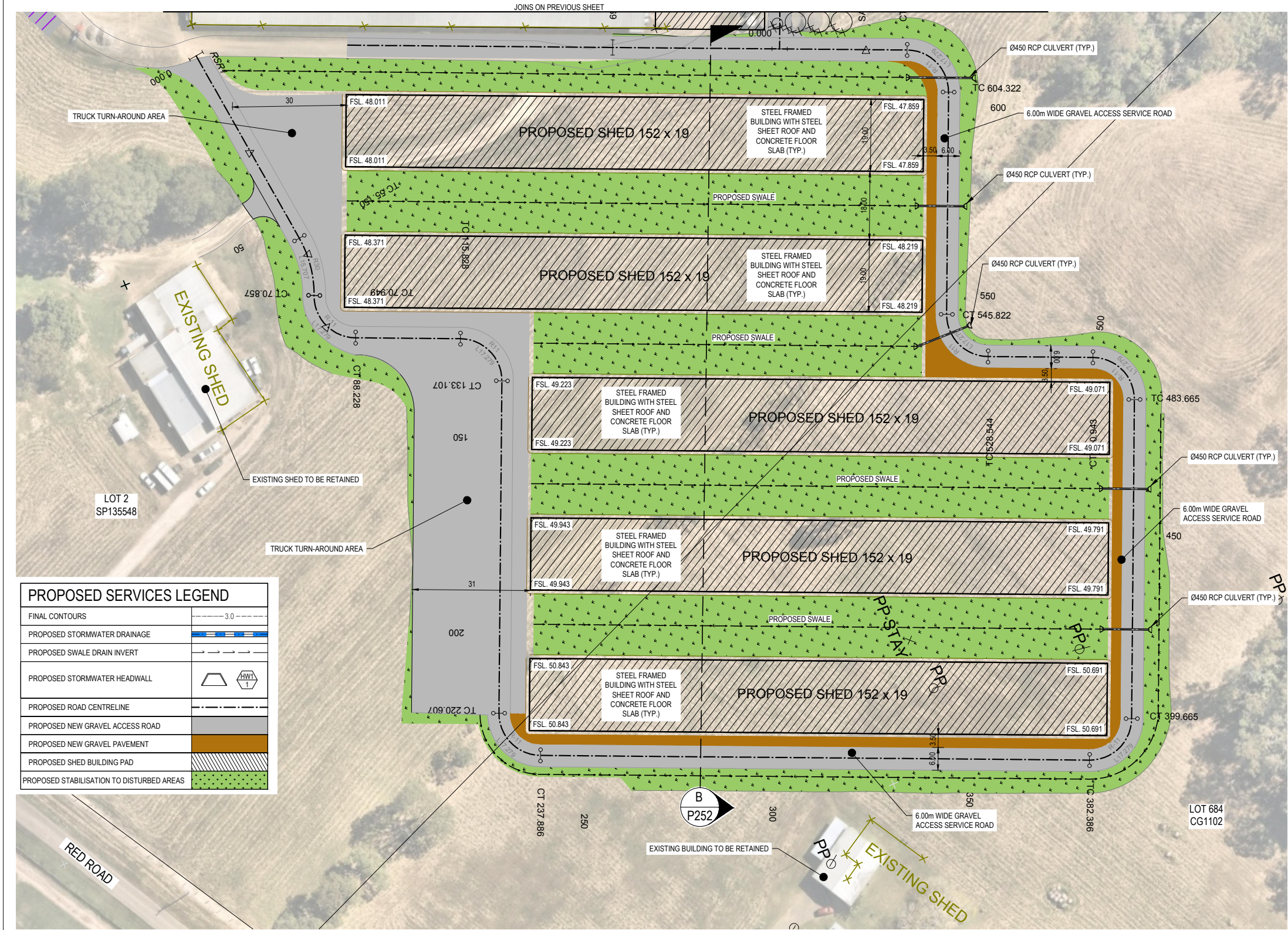
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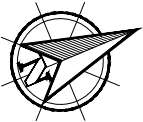
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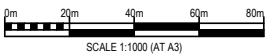
DEFINED FLOOD EVENT - (DFE)
1 % AEP + CLIMATE CHANGE (2100)
- 25.79 mAHD
MINIMUM FINISHED FLOOR LEVEL
- DFE + 0.5 m = 26.29 mAHD

PROPOSED SERVICES LEGEND

FINAL CONTOURS	---
PROPOSED STORMWATER DRAINAGE	---
PROPOSED SWALE DRAIN INVERT	---
PROPOSED STORMWATER HEADWALL	---
PROPOSED ROAD CENTRELINE	---
PROPOSED NEW GRAVEL ACCESS ROAD	---
PROPOSED NEW GRAVEL PAVEMENT	---
PROPOSED SHED BUILDING PAD	---
PROPOSED STABILISATION TO DISTURBED AREAS	---

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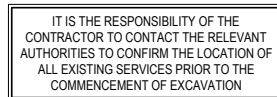
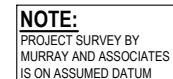
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DETAIL PLAN 2

Project - POULTRY FARM
EXTENSION
Client - WOODLANDS
ENTERPRISES

Site -
325 RED ROAD, BEERBURRUM

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Report

Red Road – Odour and Dust Assessment

Woodlands Enterprises

Job: 22-141

Date: 27 September 2022



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Development Permit for an Other Change - Material Change of Use of
Premises to Extend an Existing Intensive Animal Industry (Poultry Farm),
Including an Environmentally Relevant Activity (Poultry Farming), Additional
Sheds and Driveway located at 325 & 367 Red Road BEERBURRUM



Project Title	Red Road – Odour and Dust Assessment
Job Number	22-141
Client	Woodlands Enterprises
Approved for release by	Geordie Galvin
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1 INTRODUCTION

Plan A Town Planning on behalf of Woodlands Enterprises engaged Astute Environmental Consulting Pty Ltd (Astute) to perform an odour and dust assessment relating to a proposed expansion of an existing meat chicken farm ("the farm") located on Red Road at Beerburrum in Queensland on land described as Lot 2 on SP135548 and Lot 684 on CG1102 ("the site").

1.1 Background

An existing meat chicken farm is located on the site. The existing site is shown in Figure 1-1 where the pink polygons show the site boundary. The existing four sheds can be seen on the south of the site. For this report the sheds are numbered 1 through 4 (left to right) where shed 4 is the smaller of the sheds.

It is proposed that the smaller of the four existing sheds will be extended, and six new sheds will be constructed on site. The proposed layout is shown in Figure 1-2 below. The existing and proposed bird numbers are summarised in Table 1-1 below.



Figure 1-1: The Existing Site

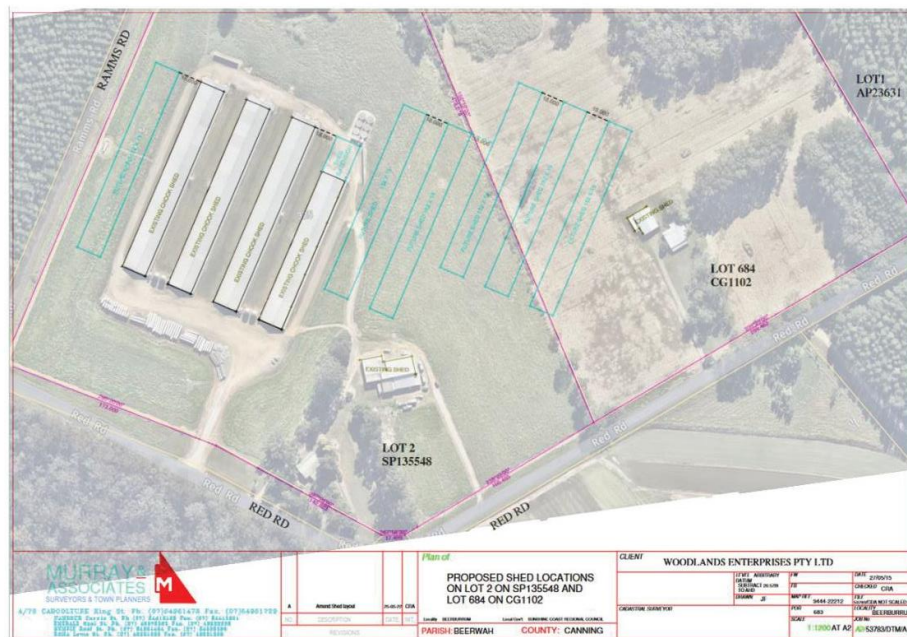


Figure 1-2: Existing and Proposed Sheds

Table 1-1: Existing and Proposed Bird Numbers

Shed Number	Existing Birds	Proposed Birds
1	45,264	45,264
2	45,264	45,264
3	45,264	45,264
4	35,664	45,264
5	N/A	45,264
6	N/A	45,264
7	N/A	45,264
8	N/A	45,264
9	N/A	45,264
10	N/A	45,264
Total	171,456	452,640

1.2 Scope of Work

The methodology for this project follows the document *Application requirements for activities with impacts to air* (DES, 2019).



2 ASSESSMENT CRITERIA

2.1 Queensland Legislation

The *Environmental Protection Act 1994* (OQPC, 2020) ("the EP act") is the primary environmental regulation in Queensland. It lists obligations and duties to prevent environmental nuisance and harm. The EP act sets out enforcement tools that can be used when offences or acts of non-compliance are identified.

The Environment Protection (Air) Policy (OQPC, 2020)¹ sets limits (criteria) that are used within modelling assessments to determine the relative risk of a project at sensitive locations. The criteria relevant to this project are summarised in Table 2-1 below.

Table 2-1: Air Quality Objectives relevant to the site

Indicator	Air Quality Objectives	Averaging Period (µg/m ³)	Source
Particulate matter less than 10 µm (PM ₁₀)	50	24 hours	EPP (Air)
	25	1 year	EPP (Air)
TSP	90	1 year	EPP (Air)

2.2 Odour Impact Criteria

The *Guideline: Odour Impact Assessment from Developments* (DEHP, 2021)² is the principal guidance document used in Queensland for assessing odour impacts.

In addition to guiding how to estimate odour emissions and model the dispersion of odour, the odour guideline states that odour concentrations predicted by the modelling at the "most exposed existing or likely future off-site sensitive receptors" should be compared with the following guideline values:

- 0.5 ou, 1-hour average, 99.5th percentile for tall stacks; and
- 2.5 ou, 1-hour average, 99.5th percentile for ground-level sources and down-washed plumes from short stacks.

For this work, as the sheds are ground level sources, we have adopted the odour criterion of C_{99.5 1hr} = 2.5 ou.

¹ the "EPP (Air)"

² "the odour guideline"

3 MODELLING METHODOLOGY

3.1 Representative year

The selection of a representative meteorological year for dispersion modelling is important. Typically, one single year of data is included in an assessment. Critical meteorological factors for air quality assessments include wind speed, temperature and relative humidity. These need to be assessed against long term data to determine which year is most similar to the average conditions rather than simply selecting a modelling year at random. However, for sites where local data (including on-site data) is used, the selection of a representative year is not considered as significant as for a site where no local data is available.

Ten years of meteorological data were analysed from the Redcliffe Bureau of Meteorology (BoM) Automatic Weather Station (approximately 20 km to the south of the site) from 2009 to 2018 to capture the most recently available data.

The data were analysed using box and whisker plots. A box and whisker plot is a graph that presents information based on factors such as minimum and maximum values, the 25th and 75th quartile values and averages. They are useful for indicating whether a distribution is skewed and whether there are potential unusual observations (outliers) in the data set. They are particularly useful when large numbers of observations are involved and when two or more data sets are being compared (Statistics Canada, 2013).

Figure 3-1 below shows how a box plot is structured. In the case of the figure, the maximum, minimum, quartile, median and average values are shown. The Inter Quartile Range (IQR) in the figure shows the middle 50% of values (the difference between the 75th and 25th percentiles).

The analysis of wind speed, temperature and humidity are provided below in Figure 3-2, Figure 3-3 and Figure 3-4.

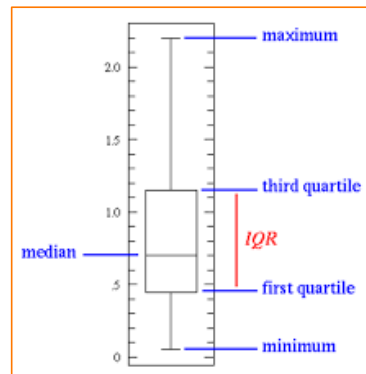


Figure 3-1 Boxplot Structure

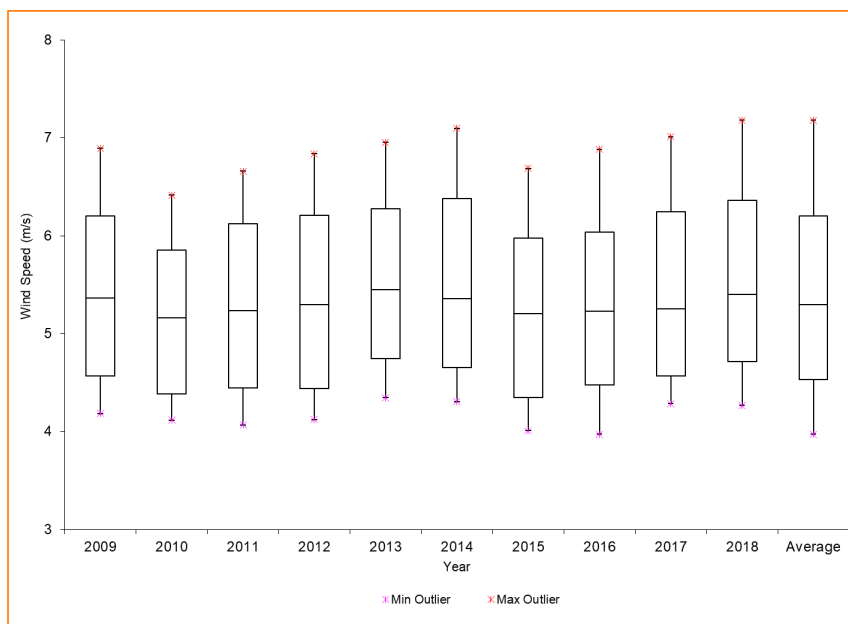


Figure 3-2 Wind speed box and whisker plot

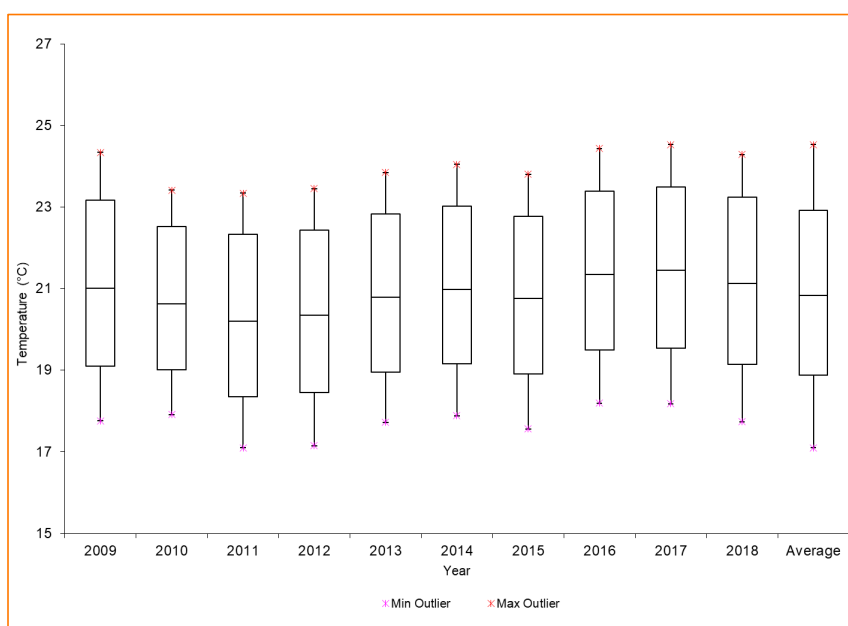


Figure 3-3 Temperature box and whisker plot

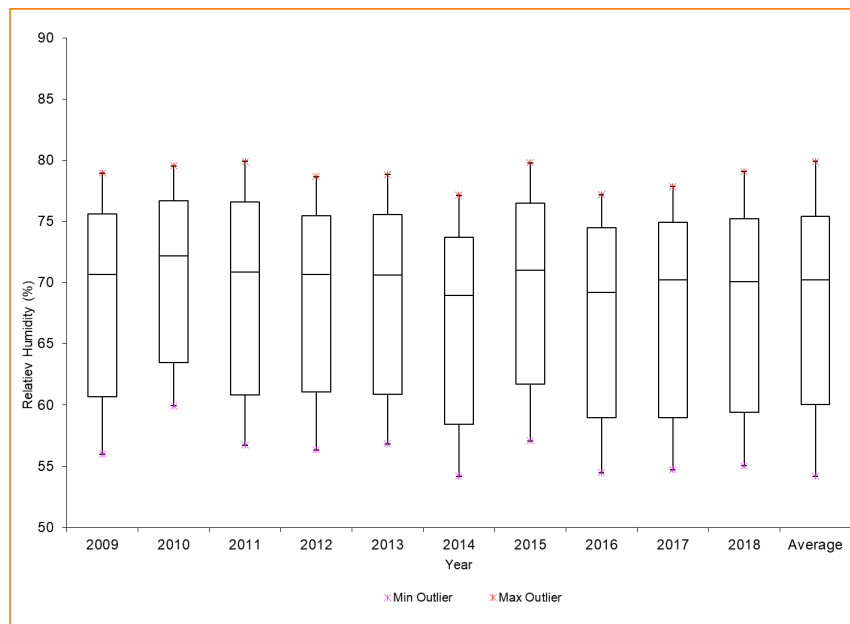


Figure 3-4 Relative humidity box and whisker plot

The year 2014 was selected as the most representative with priority given to wind speed, the key meteorological parameter for the dispersion of odour. There appears to be minimal variation in the results for wind speed, temperature and relative humidity which indicates the choice of representative year is not as critical. The Brisbane Airport and Sunshine Coast Airport data was also recently analysed and 2014 was also found to be representative at those location.

3.2 Weather Research Forecast Model

The Weather Research and Forecast (WRF V4.1)³ model was used to generate hourly 3-dimensional data for the region. WRF is the next-generation mesoscale numerical weather prediction system primarily designed to serve both operational forecasting and atmospheric research. WRF was developed (and continues to be developed) in the United States by a collaborative partnership including the National Center for Atmospheric Research (NCAR), the National Oceanic and Atmospheric Administration (the National Center for Environmental Prediction (NCEP), the Forecast Systems Laboratory (FSL), the Air Force Weather Agency (AFWA), the Naval Research Laboratory, the University of Oklahoma, the Federal Aviation Administration (FAA) and others (NCAR, 2011).

WRF is a fully compressible, Eulerian, non-hydrostatic meso-scale numerical model and is suitable for a broad spectrum of applications across scales ranging from metres to thousands of kilometres. The model utilises global reanalysis data to produce fine-scale 3-dimensional meteorological fields that

³ <http://wrf-model.org/index.php>



considers local terrain and land-use effects. The use of WRF as an input into CALMET/CALPUFF is consistent with OEH (2011).

Physics options in WRF are to represent atmospheric radiation, surface and boundary layer processes as well as cloud and precipitation processes. The physics options selected for the modelling are based on suggested settings in (Ekström, 2014). Six-hourly global final analysis synoptic data (NCAR, 2022) was used to initialise the model and provide boundary conditions.

Land-use and terrain data was sourced from the United State Geological Services (USGS) database. The selection of an appropriate Land Surface Model (LSM) is critically important to provide the boundary conditions at the land-atmosphere interface because the Planetary Boundary Layer (PBL) schemes are sensitive to surface fluxes; the cloud/cumulus schemes are sensitive to the PBL structures; and there is a need to capture mesoscale circulations forced by surface variability in albedo, soil moisture/temperature and land use. The Noah Land-Surface Model was selected in this case to account for the sub-grid-scale fluxes. This sophisticated scheme provides 4 quantities to the parent atmospheric model (WRF), namely:

- surface sensible heat flux;
- surface latent heat flux;
- upward longwave radiation; and
- upward (reflected) shortwave radiation.

The combination of physics options are summarised in Table 3-1 and the model domains are shown in Figure 3-5 and Figure 3-6. Data from WRF was used to drive CALMET in no observations mode.

Table 3-1: Options used in the WRF model

Model	Parameter	Domain 1	Domain 2	Domain 3
WRF (v4.0)	Centre point (ref_lat; ref_long)	-26.96; 153.00		
	Map Projection	Lambert		
	parent_id	1	1	2
	parent_grid_ratio	1	4	4
	i_parent_start	1	57	27
	j_parent_start	1	41	31
	e_we	130	77	65
	e_sn	100	65	57
	dx	24000	6000	1500
	dy	24000	6000	1500
	num_metgrid_levels	27		
	mp_physics	4	4	4
	ra_lw_physics	4	4	4
	ra_sw_physics	4	4	4
	Radt	10	10	10
	sf_sfclay_physics	1	1	1
	sf_surface_physics	2	2	2
	bl_pbl_physics	2	2	2
	bldt	0	0	0
	cu_physics	2	0	0
	cudt	5	5	0

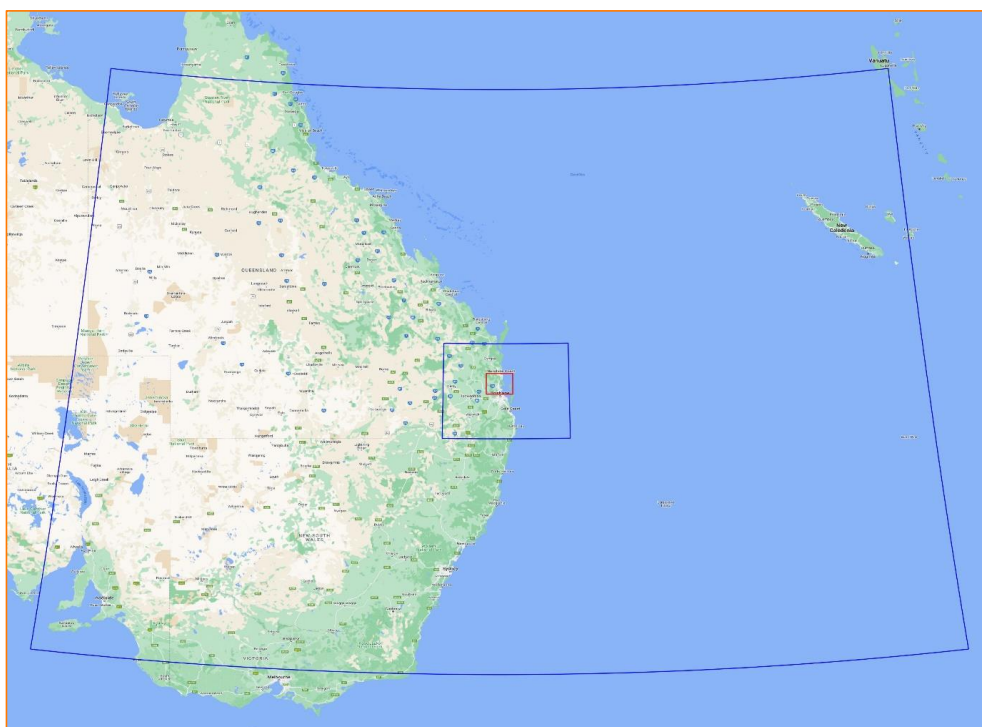


Figure 3-5: WRF Model Domains (1,2 and 3)

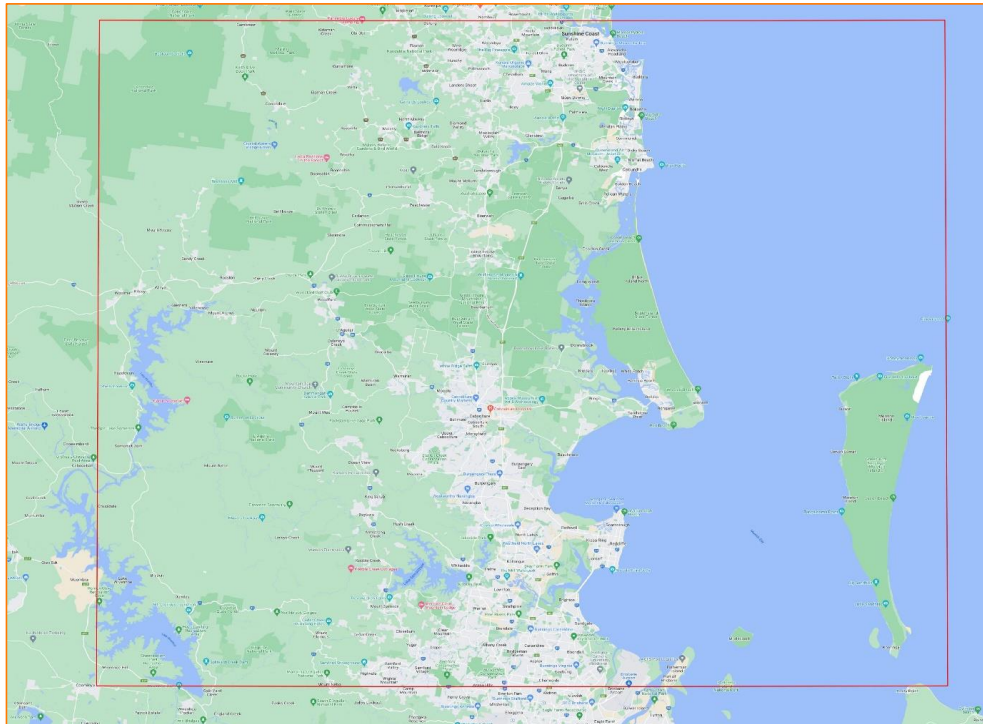


Figure 3-6: WRF Model Domains (Domain 3)

3.3 CALMET

CALMET is the meteorological pre-processor to CALPUFF and generates wind fields which include slope flows, terrain effects, and can incorporate factors including terrain blocking. CALMET uses meteorological inputs in combination with land use and terrain information for the modelling domain to predict a three-dimensional meteorological grid (which includes wind speed, direction, air temperature, relative humidity, mixing height, and other variables) for the area (domain) to be modelled in CALPUFF.

A 10 km x 10 km domain with a terrain resolution of 100 m was modelled with the centre of the domain to the northeast of the site. A terrain resolution of 30 m was used throughout the domain was taken from the SRTM dataset using CALPUFF view. This was then converted to a 100 m resolution grid for the model runs.

Land use was initially based on the Australia Pacific Global Land Cover Characterisation (GLCC) dataset at 1km resolution. The land use was then manually edited at 100 m resolution based on a recent aerial photograph of the area using Google Earth Pro and CALPUFF View.



3.4 CALPUFF

CALPUFF (Exponent, 2011) is a US EPA regulatory dispersion model and is a non-steady state puff dispersion model that simulates the effects of varying meteorological conditions on the emission of pollutants. The model contains algorithms for near source effects including building downwash, partial plume penetration as well as long range effects such as chemical transformation and pollutant removal. CALPUFF is widely recognised as being the best model for odour studies as it handles light wind conditions and terrain effects better than simpler steady state models such as AUSPLUME and AERMOD. As such it is accepted as a regulatory model in all states of Australia.

CALPUFF simulates complex effects including vertical wind shear, coastal winds including recirculation and katabatic drift. The model employs dispersion equations based on a Gaussian distribution of puffs released within the model run, and it takes into account variable effects between emission sources.

Key inputs used in CALMET and CALPUFF for the project are summarised below in Table 3-2.

Table 3-2: CALMET and CALPUFF Setup

Model	Parameter	Value
CALMET (v 6.5.0)	Meteorological grid domain	10 km x 10 km
	Meteorological grid resolution	0.10km
	South-west corner of domain	X = 493.700 km, Y = 7013.00 km
	Surface meteorological stations	N/A
	Upper air meteorological data	N/A
	3D Windfield	m3D from WRF (1.5km) input as in initial guess in CALMET
	Year of analysis	2014
	NOOBS	2 - No surface, overwater, or upper air observations. Use MM4/MM5/3D.DAT for surface, overwater, and upper air data
	Cloud	4 - Gridded cloud cover from Prognostic Relative Humidity at all levels
	IKINE	1
CALPUFF (v 6.40)	Terrad	1.5 km
	Method used to compute dispersion coefficients	2 - dispersion coefficients using micrometeorological variables
	Minimum turbulence velocity (Svmin)	0.5 m/s
	Minimum wind speed (m/s) allowed for non-calm conditions (Wscalm)	0.5
	Building downwash included	NA
	Default settings	All other CALPUFF defaults have been used in line with OEH (2011).

3.5 Emissions Estimation

3.5.1 Odour

The odour emissions model of Ormerod and Holmes (2005) was used as the basis of this assessment. The methodology is referred to in the *Best Practice Guidance for the Queensland Poultry Industry - Plume Dispersion Modelling and Meteorological Processing* (PAEHolmes, 2011) and also the *Planning and environment guideline for establishing meat chicken farms, Guide 1*



Assessment guide (McGahan, et al., 2021) . The method is based on odour test data at a number of farms and uses a series of equations, which enable emissions to be predicted as a function of:

- the size and number of birds present;
- the stocking density of birds; and
- the ventilation rate, which varies by bird age and ambient temperature.

The odour emissions rate is predicted using the following equation (Ormerod & Holmes, 2005; PAEHolmes, 2011):

$$OER = 0.025 \times K \times A \times D \times V^{0.5} \quad \text{Equation 1}$$

Where **OER** = odour emission rate (ou/s), **A** = total shed floor area (m²), **D** = average bird density (in kg/m²), **V** is the ventilation rate in m³/s and **K** if the K factor.

The K factor is a scaling factor which is used to reflect the performance of a farm. For the proposed farm we have used a conservative K factor of 2.2, even though a K factor of approximately 1.9 is relevant for modern farms (McGahan, et al., 2021).

Maximum shed ventilation rates were based on the proposed shed ventilation rates based on the industry standard values (~10 m³/hr/bird at maximum). Table 3-3 shows the shed ventilation rate (% of maximum) as a function of temperature above target temperature based on the method in PAEHolmes (2011). Target temperatures were based on industry standard values. A 49 day batch was modelled with a 52% thin at day 33, with all birds gone by day 50. A cleanout period of 12 days was included in the modelling method.

Table 3-3: Calculated Shed Ventilation as Percentage Of Maximum Ventilation

Bird Age (weeks)	1	2	3	4	5	6	7	≥8
Temperature (°C) above Target	Ventilation Rate (% of maximum)							
<1	1.7	2.5	5.1	7.6	9.8	11.5	17.0	17.0
1	1.7	12.5	12.5	25.0	25.0	25.0	25.0	25.0
2	1.7	25.0	25.0	37.5	37.5	37.5	37.5	37.5
3	1.7	37.5	37.5	50.0	50.0	50.0	50.0	50.0
4	1.7	37.5	37.5	50.0	50.0	50.0	50.0	50.0
6	1.7	37.5	37.5	62.5	75.0	75.0	75.0	75.0
7	1.7	37.5	37.5	62.5	75.0	75.0	87.5	100.0
8	1.7	62.5	62.5	62.5	75.0	75.0	100.0	100.0
9	1.7	62.5	62.5	87.5	100.0	100.0	100.0	100.0

An example emission profile for existing shed 1 is shown below in in Figure 3-7. The removal of birds can be seen in the profile where the emissions drop, here at day 33 and again at day 50.

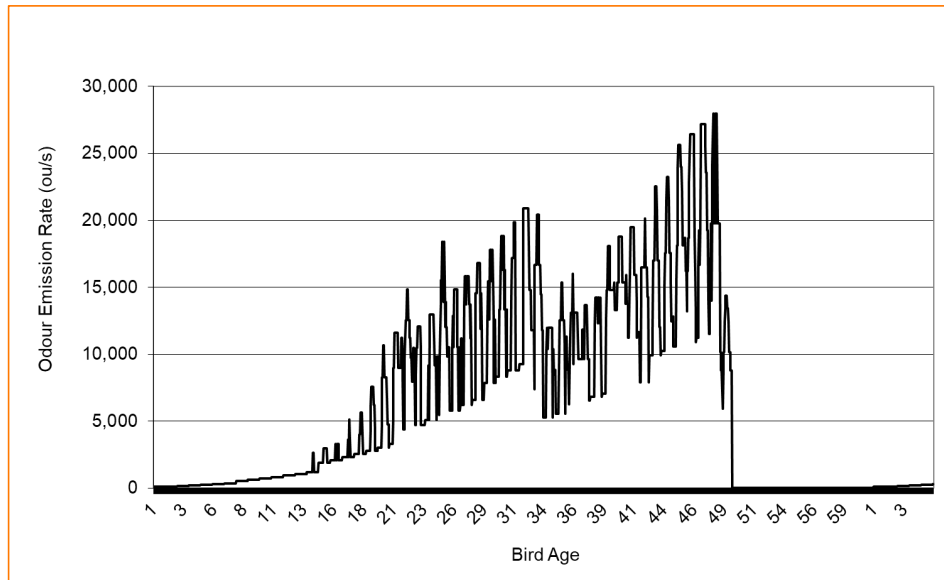


Figure 3-7: Example Emission Profile Single Batch - Existing Shed 1

3.5.2 Particulate Matter

Particulate emissions were based on the latest methods detailed in the *Planning and environment guideline for establishing meat chicken farms, Guide 1 Assessment guide* (McGahan, et al., 2021).

Particulate matter (PM₁₀) emission rates in mg/s/1000 birds at a point in time can be estimated using the following equation from McGahan et al. (2021):

$$D(PM_{10})C = 0.0367 \times A \quad \text{Equation 2}$$

Where **A** = bird age in days, **D** = maximum PM₁₀ emissions at growth cycle age (mg/s/1000 birds at age **A**).

For Total Suspended Particulate (TSP) emissions, Equation 3 below can be used (see McGahan et al. (2021)) to predict TSP emissions at the same point in time as PM₁₀ emissions.

$$D(TSP) = D(PM_{10}) \times 2.8 \quad \text{Equation 3}$$

Hourly varying TSP and PM10 emissions were modelled based on Equation 2 and Equation 3.



4 EXISTING ENVIRONMENT

The principal meteorological parameters that influence plume dispersion are wind direction, wind speed, atmospheric stability (turbulence) and atmospheric mixing height (height of turbulent layer). This section presents a summary of the key meteorological features

4.1 Metrological Data

4.1.1 Wind Speed and Direction

Wind roses are used to show the frequency of winds by direction and strength. The bars show the compass points (north, north-north-east, north-east etc) from which wind could blow. The length of each bar shows the frequency of winds from that direction and the different coloured sections within each bar show the wind speed categories and frequency of winds in those categories. In summary, wind roses are used to visually show winds over a period of time.

The wind roses below were created from data extracted from CALMET and are presented in Figure 4-1 and Figure 4-2. The annual wind rose (Figure 4-1) shows that the site is dominated by south easterly and westerly winds component reflecting the influence of the land breeze at night, and the sea breeze during the day..

The wind roses show a low proportion of calm winds (~0.4%) with light winds over the year (up to 3 m/s) occurring ~54% of the time. The wind speed frequencies are summarised graphically in Figure 4-3.

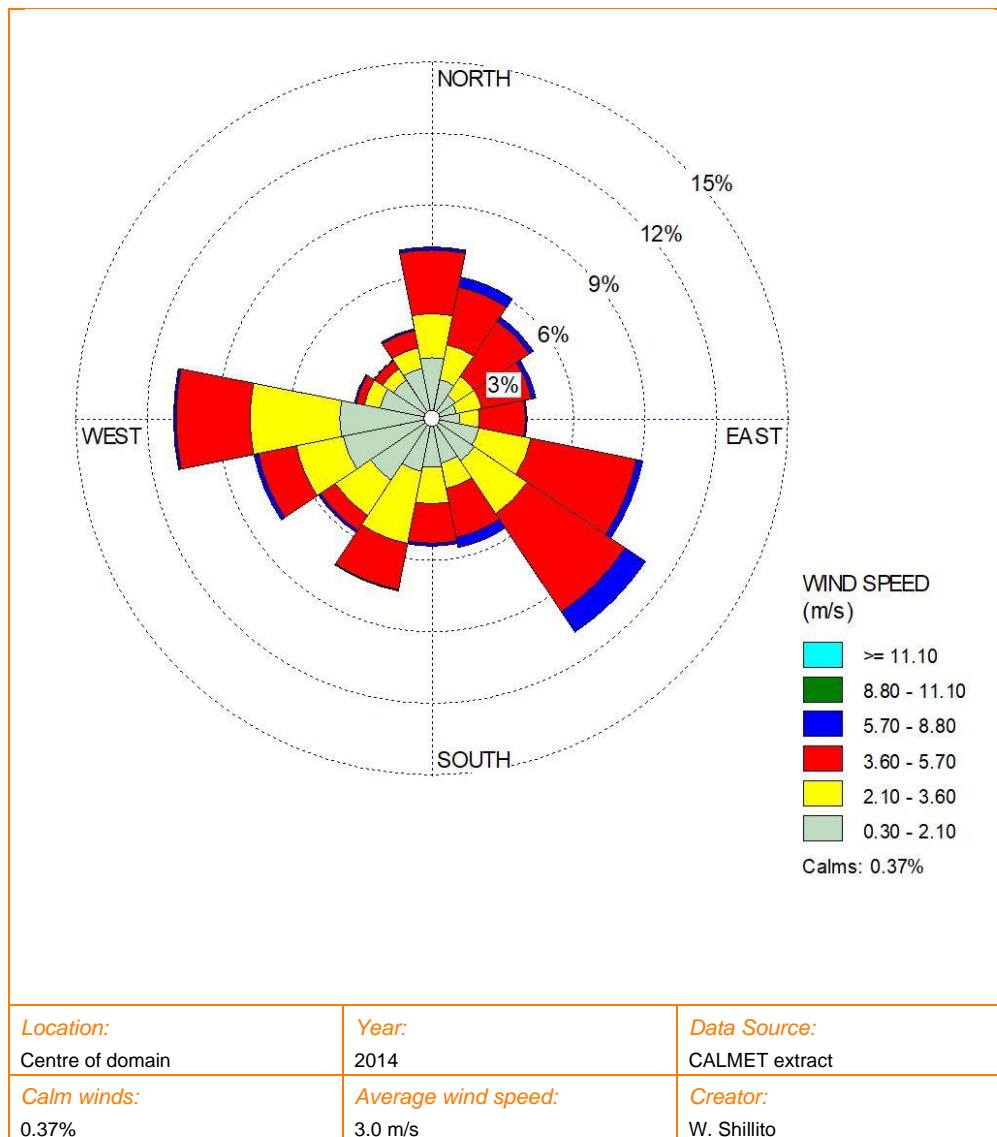


Figure 4-1: Annual Wind Rose for Centre of Domain

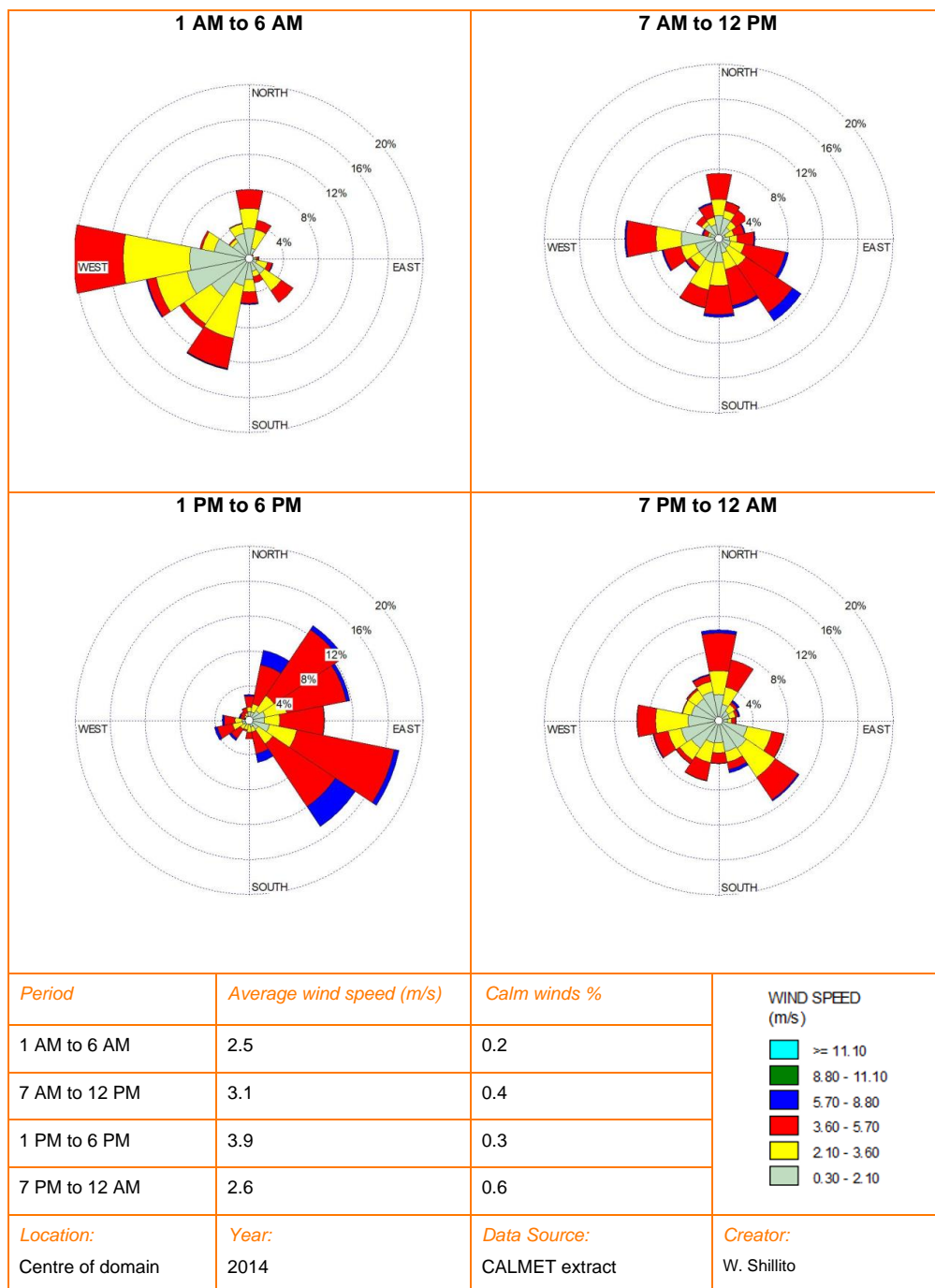


Figure 4-2: Time of Day Wind Roses

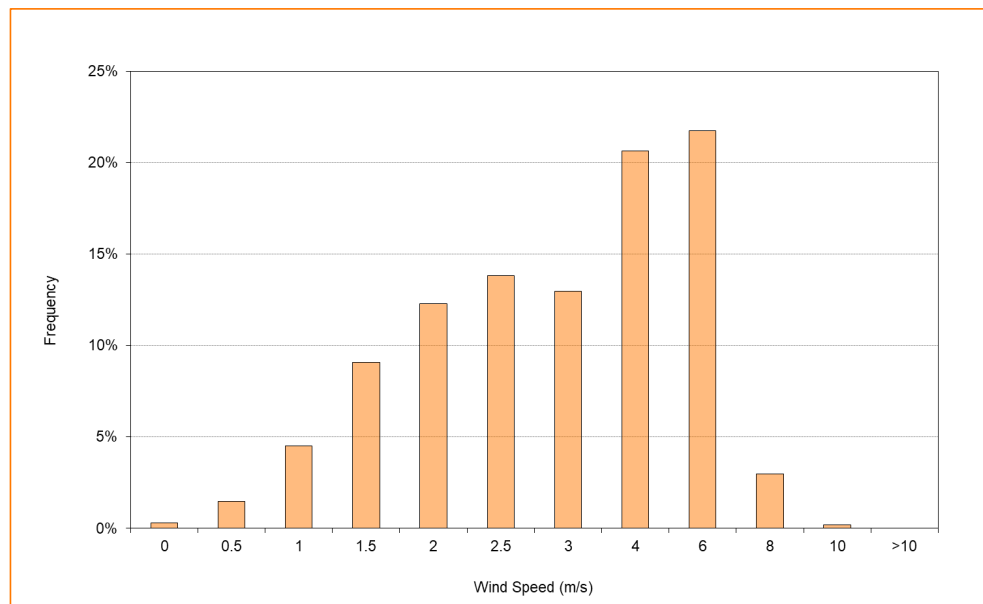


Figure 4-3: Wind Speed Frequency from CALMET

4.1.2 Atmospheric Stability

Atmospheric stability is a key factor in dispersion modelling and is used to describe turbulence in the atmosphere. Turbulence is an important factor in plume dispersion. Turbulence increases the width of a plume due to random motion within the plume. This changes the plume cross-sectional area (width and height of the plume), thus diluting or spreading the plume. As turbulence increases, the rate at which this occurs also increases. Limited or weak turbulence, therefore, does not dilute or diffuse the plume as much as strong turbulence, and leads to high downwind concentrations. This is often associated with low wind speeds (<0.3 m/s).

The Pasquill-Gifford stability scheme has been in use for many years to define turbulence in the atmosphere. The scheme uses stability classes from A to F⁴. Class A is highly unstable and at the other end of the scheme are class F conditions, which are very stable conditions that commonly occur at night and in the early morning. As noted above, under stable conditions, plumes do not disperse as well as during the day (unstable conditions) and these conditions can lead to impacts, especially for ground level sources.

Between Class A and Class F are stability classes which range from moderately unstable (B), through neutral (D) to slightly stable (E). Whilst classes A and F are most often associated with clear skies, class D is linked to sunset and sunrise, or cloudy and/or windy daytime conditions. Unstable conditions most often occur during the daytime and stable conditions are most common at night.

The stability classes predicted by CALMET for the Development Site are summarised in Figure 4-4. The data shows that E and F class stability occurs ~39% of the time. The frequency of D class

⁴ Note that CALPUFF uses a more accurate micrometeorological scheme for turbulence.



stability (32%) is commonly seen in areas with winds above 2.5 m/s at night or site with a high frequency of cloudy days.

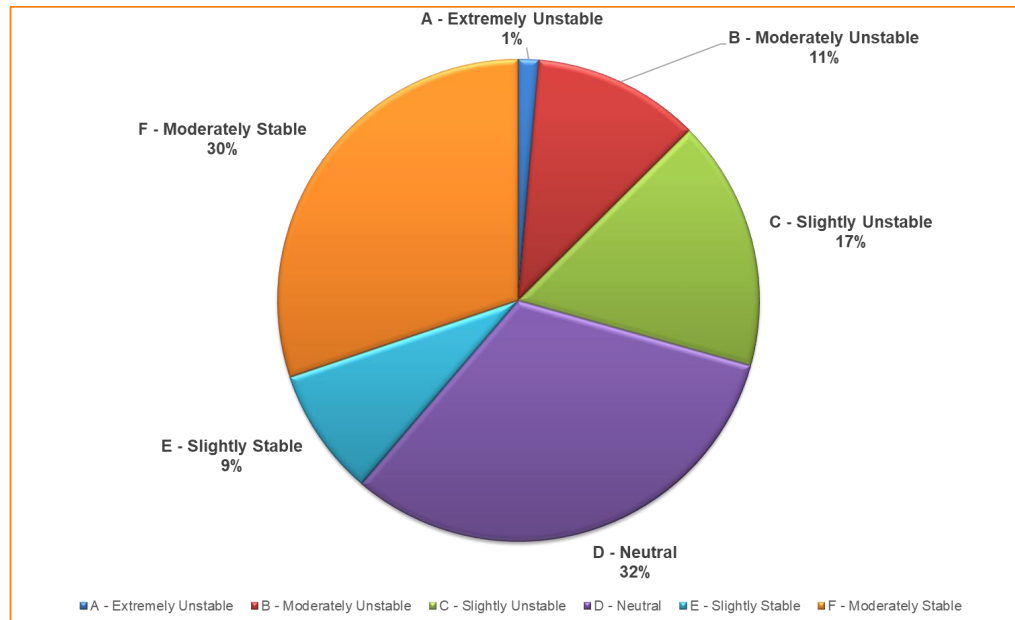


Figure 4-4: Atmospheric Stability

4.1.3 Atmospheric Mixing Height

The mixing height is the height of vertical mixing of air and suspended gases or particles above the ground. This height can be measured by the observation of the atmospheric temperature profile. A parcel of air rising from the surface of the Earth will rise at a given rate (called the dry-adiabatic lapse rate). As long as the parcel of air is warmer than the ambient temperature, it will continue to rise. However, once it becomes colder than the temperature of the environment, it will slow down and eventually stop (University of Michigan , 2004).

The mixing height is commonly referred to as an inversion layer. It is an important parameter when assessing air emissions as it defines the vertical mixing of a plume. This is because the air below the layer has restricted dispersion vertically and therefore the higher the mixing height, the more potential for dispersion.

The estimated variation of mixing height over time predicted at the site by CALMET is shown in Figure 4-5. The diurnal cycle is clear in this figure whereby at night the mixing height is normally relatively low and after sunrise, it increases as a result of heat associated with the sun on the Earth's surface. Overall, the estimated mixing height shown below is as expected.

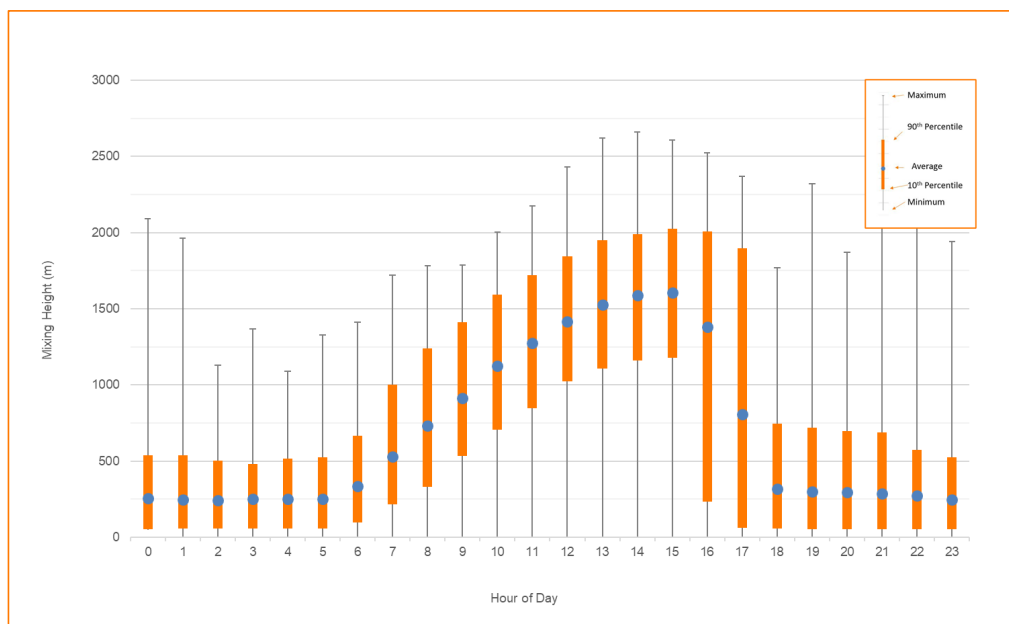


Figure 4-5: CALMET Extract – Predicted Mixing Heights

4.2 Background Particulate Matter Data

Site specific air quality monitoring was not performed for this assessment. Instead, in line with standard methods, data from the closest Department of Environment and Science (DES, previously DEHP) monitoring station at Mountain Creek (located approximately 32 km to the north west) was used.

A summary of the average and 70th percentile ambient air pollutant measurements for the period of 2014 are presented in Table 4-1. The use of the 70th percentile value is consistent with guidance documents including Brisbane City Council (2014). The background data were included in the dispersion modelling predictions as background concentrations whereby the background concentrations were added maximum predicted concentrations.

An estimate of TSP concentration has been made at 2.8 times higher than PM₁₀. This method was adopted as TSP is not widely measured in by DES. We note that this method derives a higher yearly average TSP concentration than measured at the DES monitoring station at Cannon Hill in Brisbane where TSP is typically 1.8 times higher than PM₁₀. For that site, as an example for 2018/2019 typical TSP concentrations ranged from 16-34 µg/m³ (25th to 75th percentiles of hourly average data).

Table 4-1: Background Data Used in The Assessment

Pollutant	Averaging Period	Statistic	Value (µg/m ³)
PM ₁₀	24 – hours	70 th percentile	15.8
	Annual	Average	14.5
TSP	Annual	Average	40.6

4.3 Sensitive Receptors

The closest sensitive receptors to the site not owned by the applicant are shown in Figure 4-6 below⁵.

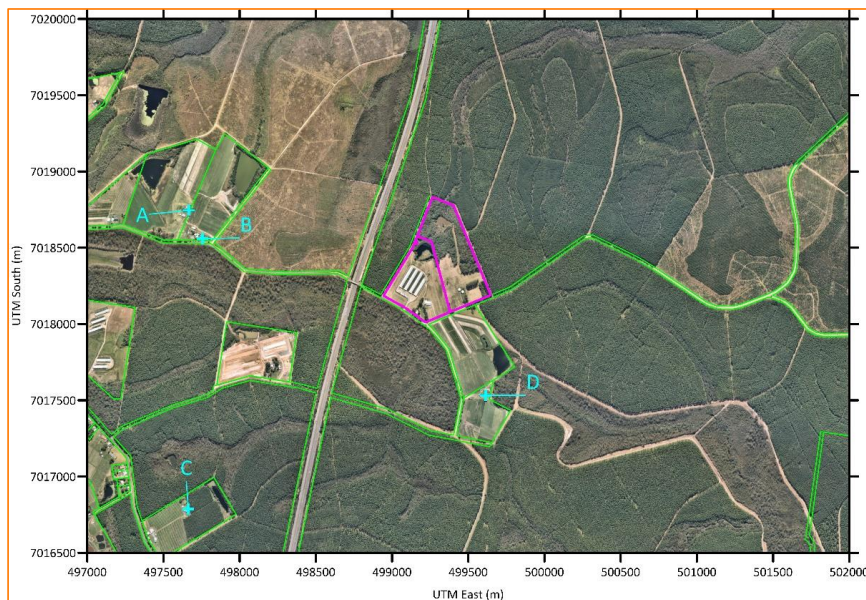


Figure 4-6: Closest Receptors Not Owned By The Applicant

⁵ Receptor E constructed in 2017.

5 RESULTS

5.1 Odour

The predicted odour concentrations are shown below as follows:

- Figure 5-1: Odour - Existing;
- Figure 5-2: Odour - Proposed; and
- Table 5-1: Existing and Proposed Odour Concentrations (99.5th 1 hour).

Compliance is predicated at all receptors. The results are discussed in Section 6 below.

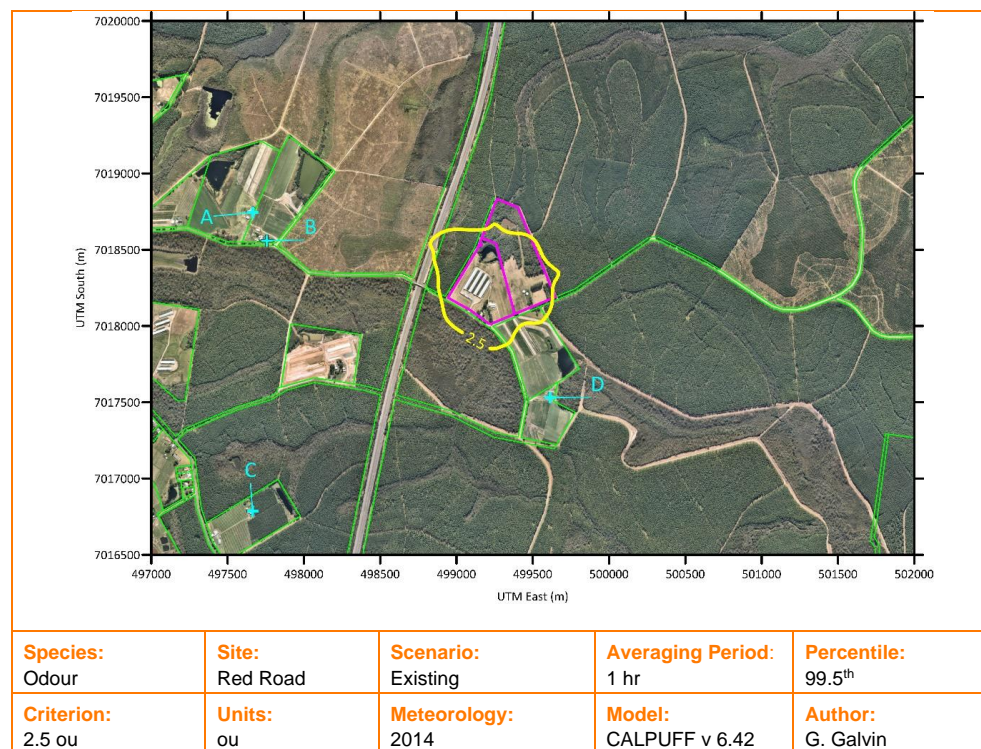


Figure 5-1: Odour - Existing

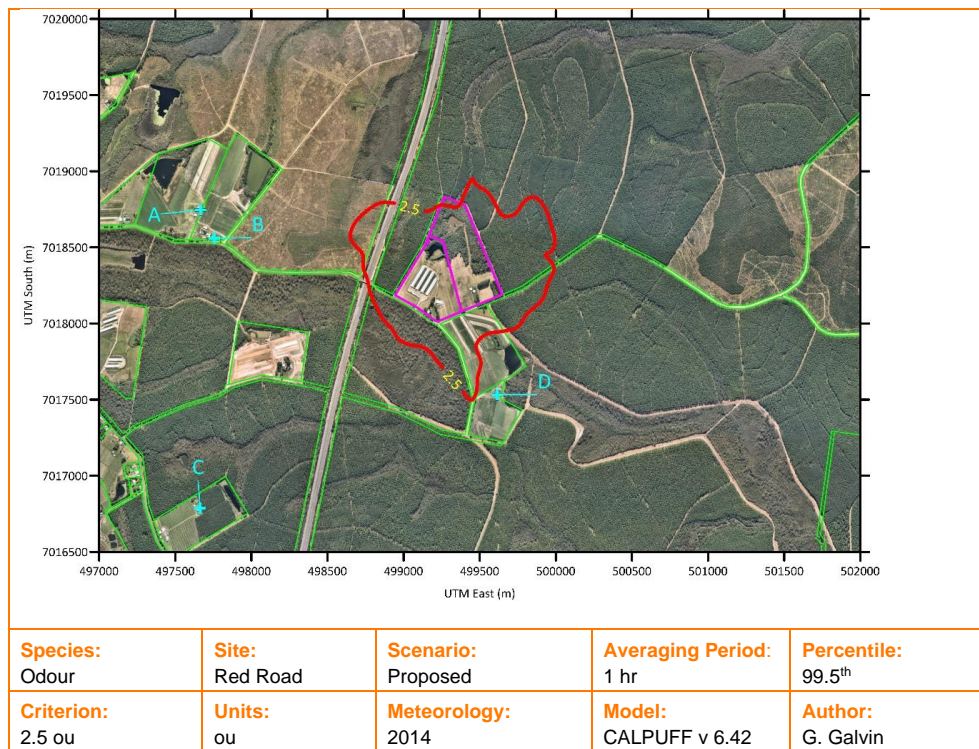


Figure 5-2: Odour - Proposed



Table 5-1: Existing and Proposed Odour Concentrations (99.5th 1 hour)

Receptor Number	Existing (ou)	Proposed(ou)
A	0.3	0.5
B	0.3	0.6
C	0.2	0.3
D	1.0	1.9

5.2 Particulate Matter

The predicted particulate matter concentrations are shown below as follows:

- Figure 5-3: 24 Hour PM₁₀ with Background;
- Figure 5-4: Annual PM₁₀ with Background; and
- Figure 5-5: Annual TSP with Background.

When background is included, compliance is predicated at all receptors. The results are discussed in Section 6 below.

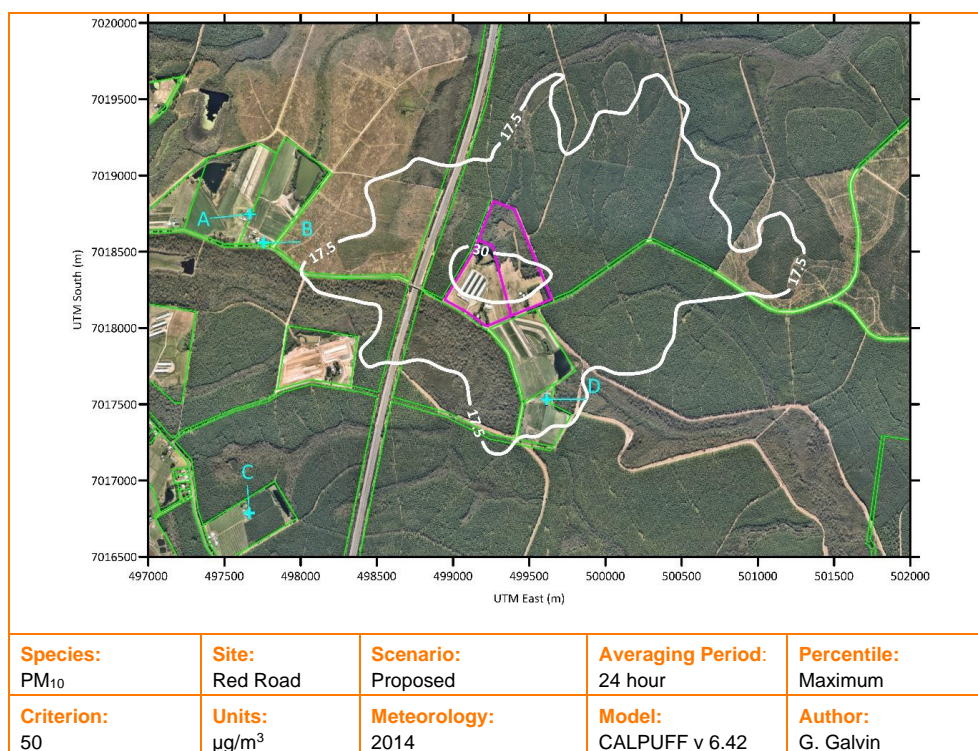


Figure 5-3: 24 Hour PM₁₀ with Background

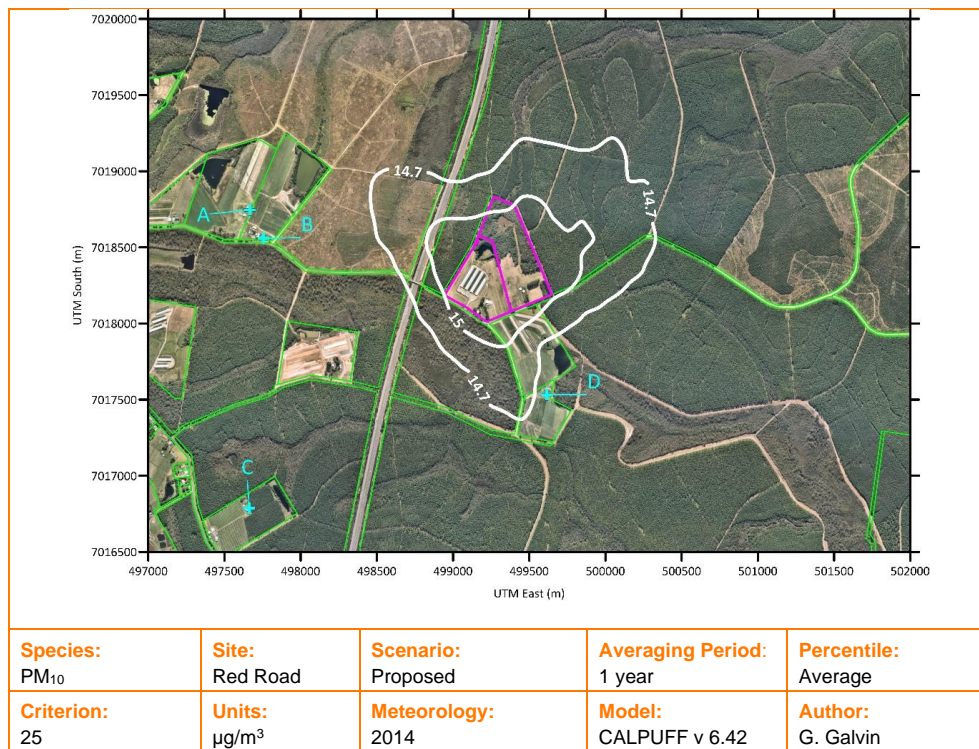


Figure 5-4: Annual PM₁₀ with Background

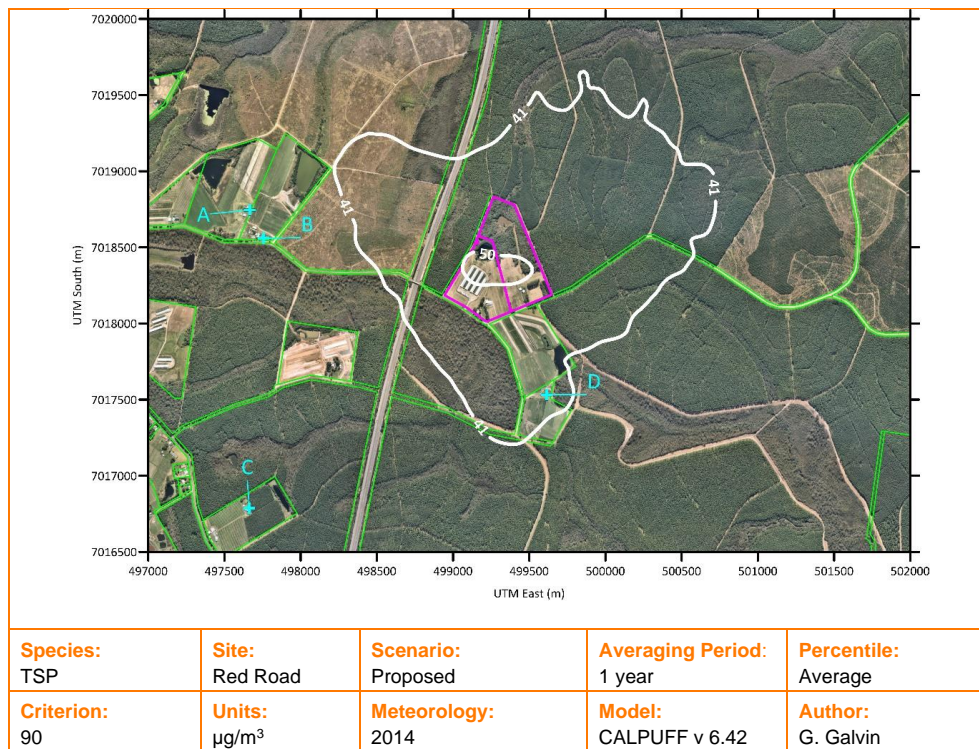


Figure 5-5: Annual TSP with Background



6 DISCUSSION

The results of the particulate (dust) modelling and the odour modelling were detailed in Section 5 above.

The particulate matter (dust) results showed that the predicted concentrations with background included were below the relevant criteria. Concerning particulate matter, research has shown that dust concentrations from livestock operations can be reduced by 35% to 65% using vegetative buffers (Laird, 1997; Thernelius, 1997; Malone, et al., 2006; Malone, et al., 2008). As a specific example, Malone *et. al.* (2006; 2008) showed an average dust reduction over three years of 56%. This was found to be associated with the dust impacting on the trees and depositing out. For those studies, the vegetation was not as significant in extent as that here, which extends over a significant distance in all directions.

The results of the odour modelling for both the existing and proposed farm were shown in Figure 5-1 and Figure 5-2 above. As expected, the expanded farm had a larger contour, which was a function of the increase in bird numbers. As noted above, significant vegetation exists around the farm.

Concerning vegetation between the site and receptors A through D and odour, studies have shown reductions in the order of 60% (Parker, et al., 2012) downwind of a vegetative barrier at a pig farm. In a different study, Patterson *et. al.* (2009) reported a 34% odour reduction downwind of a poultry layer farm with a four-row vegetative planting, and 46-54% reductions downwind of a five-row vegetative barrier.

Irrespective of this, when approved the farm should have a condition relating to odour nuisance which could include:

- The activity must not cause environmental nuisance at a nuisance sensitive place.



7 CONCLUSION

The modelling presented in this report considers the proposed site and has been performed in accordance with standard methods.

With a conservative K factor of 2.2, the modelling indicates that the proposed site would not lead to any exceedances of the odour criterion at the nearest sensitive locations. The modelling has also demonstrated that the risk associated with particulate matter is low as there will not be exceedances at the receptors.

Based on our assessment we recommend the development be approved and operated in line with current industry best practice and have standard nuisance conditions included in its approval.



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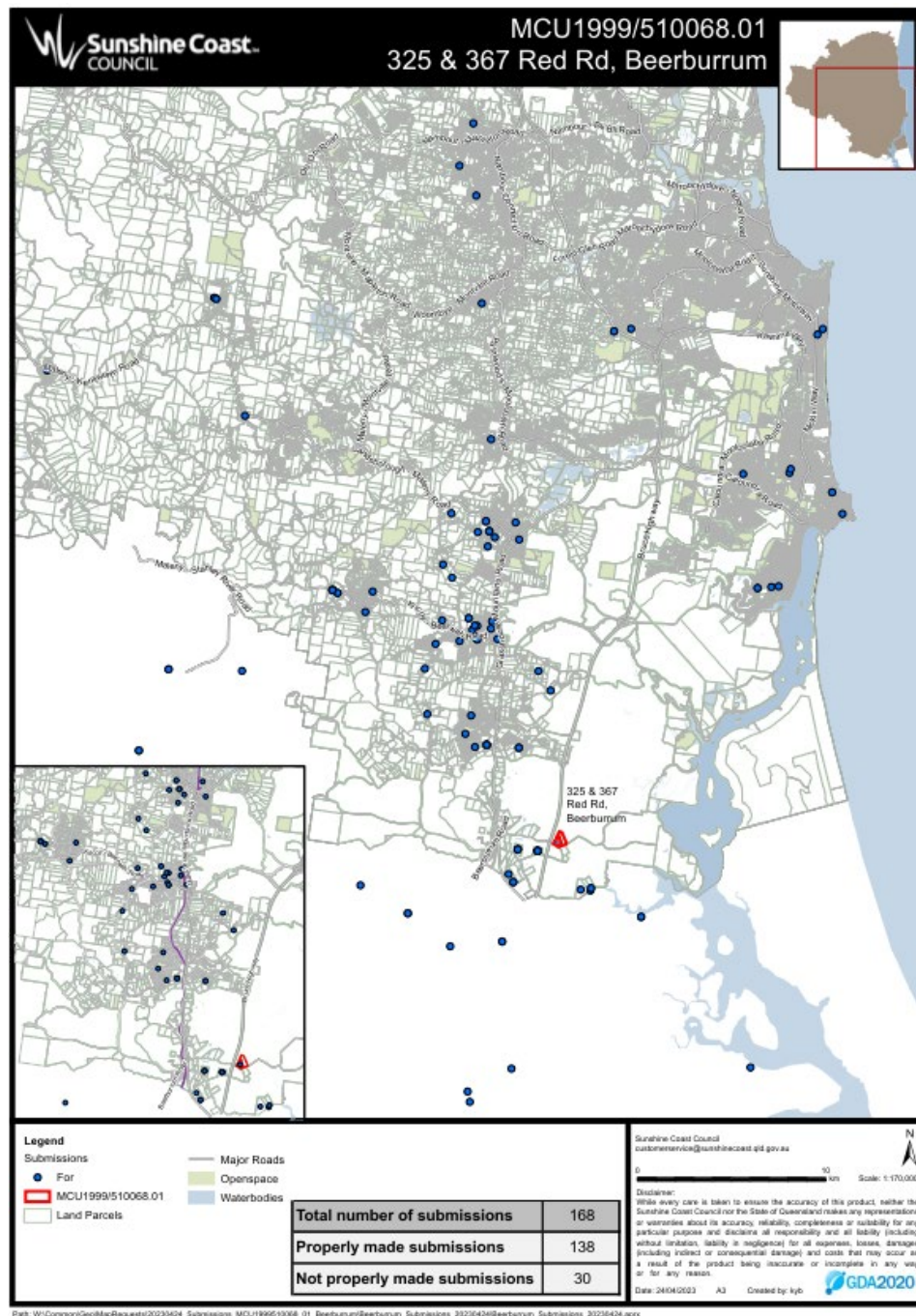
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8.2 APPLICATION OF NATIONAL COMPETITION POLICY 2023/2024

File No:	Council Meetings	
Author:	Coordinator Commercial Analysis Business Performance Group	
Appendices:	App A - Justification for not applying the Code of Competitive Conduct	109 ↓ 
Attachments:	Att 1 - Legislative requirements 2023/2024	115 ↓ 
	Att 2 - Business Activity Identification 2023/2024.....	121 ↓ 
	Att 3 - Full Cost Performance 2021/2022	125 ↓ 

PURPOSE

The purpose of this report is to make recommendations for the application of National Competition Policy reforms for the 2023/2024 financial year.

EXECUTIVE SUMMARY

The key recommendations for the 2023/2024 financial year resulting from the annual review of the application of National Competition Policy reforms to Council's business activities are outlined in this report.

The recommended business activity structure for 2023/2024 is as follows:

- Apply Full Cost Pricing to the Waste & Resources Management significant business activity
- Apply the Code of Competitive Conduct to Sunshine Coast Holiday Parks and Quarries business activities.
- Do not apply the Code of Competitive Conduct to eleven business activities. Justification for not applying the Code to these activities is detailed in **Appendix A**.

The current statutory requirements and key differences between Full Cost Pricing, Commercialisation and the Code of Competitive Conduct are outlined in **Attachment 1**.

The annual review and identification of business activities is detailed in **Attachment 2**.

Business activity full cost pricing performance for 2021/2022 is shown in **Attachment 3**.

OFFICER RECOMMENDATION

That Council:

- receive and note the report titled "Application of National Competition Policy 2023/2024"
- apply Full Cost Pricing to the Waste and Resource Management significant business activity for the 2023/2024 financial year in accordance with section 44(1)(b) of the *Local Government Act 2009*
- apply the Code of Competitive Conduct to the following business activities, for the 2023/2024 financial year, in accordance with section 47 of the *Local Government Act 2009*:
 - Sunshine Coast Holiday Parks and
 - Quarries and

- (d) not apply the Code of Competitive Conduct to the following, in accordance with section 47 of the *Local Government Act 2009* for the reasons referred to in Appendix A justification for not applying the Code of Competitive Conduct to certain prescribed business activities:
- (i) Aquatic Centres
 - (ii) Caloundra Indoor Stadium
 - (iii) Caloundra Regional Gallery
 - (iv) Cemeteries
 - (v) Festivals
 - (vi) Multisport and Showgrounds
 - (vii) Off-street Parking
 - (viii) Retail Electricity Strategy and Sunshine Coast Solar Farm
 - (ix) Sunshine Coast International Broadband Cable Network
 - (x) Sunshine Coast Stadium and Kawana Sports Precinct and
 - (xi) Venue 114 and Community Spaces.

FINANCE AND RESOURCING

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

- the application of competitive neutrality principle
- the pricing provisions
- the cost of performing community service obligations, less any revenue received from carrying out those obligations, must be treated as revenue for the business activity when deciding what to charge for goods or services provided
- the competitive neutrality complaints process and
- budget, annual report and financial statement disclosures.

Management of the National Competition Policy reforms can be managed within current resource allocations.

CORPORATE PLAN

Corporate Plan Goal: *Our outstanding organisation*

Outcome: We serve our community by providing this great service.

Operational Activity: S28 - Financial and procurement services – financial and procurement management and governance, ensuring effective business management and legislative compliance, coordination and development of Council's budget process, administration of financial systems, sundry debtors, accounts payable, financial and asset accounting, treasury, procurement, contract and supply functions.

CONSULTATION

Councillor Consultation

Consultation was undertaken with Councillor E Hungerford and Councillor J Natoli as Portfolio Councillors.

Internal Consultation

- Executive Leadership Team
- Chief Financial Officer
- Civil Construction Manager
- Coordinator Business Operations
- Coordinator Cemeteries
- Coordinator Corporate Planning & Performance
- Coordinator Financial Accounting
- Coordinator Financial Services
- Coordinator Healthy Places
- Coordinator Smart City Framework
- Coordinator Sports Venues & Development
- Coordinator Sunshine Coast Holiday Parks
- Head of Economic Development
- Head of Property
- Manager Arts Heritage & Libraries
- Manager Asset Management
- Manager Business and Innovation
- Manager Civil Asset Management
- Manager Customer Response
- Manager Development Services
- Manager Environmental Operations
- Manager Parks & Gardens
- Manager Sport & Community Venues
- Manager Transport Infrastructure Management
- Manager Waste and Resources Management
- Team Leader Multi Sports Complexes & Aquatics
- Parking and Transport Manager
- Quarry Manager

Managers and coordinators were consulted on the application of National Competition Policy reforms to the activities in their branches. Input into justification for not applying the Code of Competitive Conduct to activities was a key area of consultation. The results of the consultation have been included in this report.

External Consultation

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

Community Engagement

There has been no Community Engagement in relation to this report.

PROPOSAL

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

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

National Competition Policy reforms are applied to various identified 'business activities' of the Council.

Council must consider and resolve the application of National Competition Policy on an annual basis to comply with the *Local Government Act 2009*.

Under the **competitive neutrality principle**, an entity that is conducting a business activity in competition with the private sector should not enjoy a net advantage over competitors only because the entity is a public sector entity.

The underlying assumption is that competition is generally desirable, unless it can be demonstrated, on a case-by-case basis, that it will not deliver socially beneficial outcomes. If Council undertakes a new significant business activity in a key market it must undertake a public benefit assessment to determine the costs and benefits of applying competition reforms. This assessment also determines the most effective way to achieve benefits from competitive neutrality.

Council is also required to use its discretion in deciding whether to apply the **Code of Competitive Conduct** to smaller, **prescribed business activities** that are not **significant business activities**. Should Council decide to *not* apply the Code of Competitive Conduct, then it is required to provide detail of the reasons for not doing so. This may include an assessment of the costs and benefits of applying competition reforms.

Additionally, under the *Local Government Act 2009* specific National Competition Policy disclosures of business activities are required in the Budget documents, Annual Report and Financial Statements.

Attachment 1 outlines the legislative requirements, the reform options and the key differences between Full Cost Pricing, Commercialisation, and the Code of Competitive Conduct.

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

Attachment 3 shows business activity full cost pricing performance based on 2021/2022 audited actual results.

Classification of Council's Business Activities

Business activities are classified against expenditure thresholds each financial year. For significant business activities, expenditure for this purpose is the operating expenditure less depreciation and any expenditure to achieve competitive neutrality which is not actually incurred plus loan redemption payments. For prescribed business activities, expenditure is the operating costs, administration and overhead costs, cost of resources and depreciation.

The 2023/2024 thresholds are as follows:

- Significant business activities (SBA) have expenditure over the \$9.7 million threshold
- Business activities (BA) have expenditure over the \$340,000 threshold.

The classification of Council's business activities are listed in the Table 1 below for 2023/2024.

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

Table 1: Proposed Business Activity Classification and NCP reform

Branch	Business Activity	Classification	Full Cost Pricing	Code of Competitive Conduct
Waste and Resources Management	Waste and Resources Management	Significant	✓	
Business and Innovation	Retail Electricity and Sunshine Coast Solar Farm	Prescribed		✗
Civil Asset Management	Quarries	Prescribed		✓
Customer Response	Cemeteries	Prescribed		✗
Arts, Heritage and Libraries	Caloundra Regional Gallery	Prescribed		✗
	Festivals (Horizon)	Prescribed		✗
Economic Development	Festivals (Caloundra Music)	Prescribed		
Sport and Community Venues	Aquatic Centres	Prescribed		✗
	Venue 114 & Community Spaces	Prescribed		✗
	Caloundra Indoor Stadium	Prescribed		✗
	Multisports and Showgrounds	Prescribed		✗
	Sunshine Coast Holiday Parks	Prescribed		✓
	Sunshine Coast Stadium and Kawana Sports Precinct	Prescribed		✗
Submarine Cable IBN	Sunshine Coast International Broadband Cable Network	Prescribed		✗
Transport Infrastructure Management	Off-street Parking	Prescribed		✗

Council controlled entities

Council has 100% controlling interest of three corporatised entities. SunCentral Maroochy Pty Ltd and Sunshine Coast Events Centre Pty Ltd are prescribed business activities. These companies' financial statements are audited by Queensland Audit Office and Annual Reports published on both Council's and the companies' websites and consolidated into Council's financial statements. Sunshine Coast Arts Foundation Ltd expenditure is below the prescribed business activity threshold.

Summary Outcomes of Business Activity Review

The recommended 2023/2024 business activity structure based on the annual business activity review and identification conducted in accordance with the legislation is to:

1. apply the Full Cost Pricing in accordance with section 44(1)(b) of the *Local Government Act 2009* to the Waste and Resource Management significant business activity
2. apply the Code of Competitive Conduct to the Sunshine Coast Holiday Parks and Quarries business activities, in accordance with sections 47 of the *Local Government Act 2009 and*
3. not apply the Code of Competitive Conduct to the following business activities in accordance with sections 47 of the *Local Government Act 2009*.
 - i) Aquatic Centres
 - ii) Caloundra Indoor Stadium
 - iii) Caloundra Regional Gallery
 - iv) Cemeteries
 - v) Festivals
 - vi) Multisport and Showgrounds
 - vii) Off-street Parking
 - viii) Retail Electricity Strategy and Sunshine Coast Solar Farm
 - ix) Sunshine Coast International Broadband Cable Network
 - x) Sunshine Coast Stadium and Kawana Sports Precinct
 - xi) Venue 114 and Community Spaces

Council's Annual Budget

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

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

- Revenue requirements are determined from long term financial plans and full cost pricing models (that includes recovery of efficient operating costs, return of capital and return on capital).
- Activity based costing analysis is undertaken to determine outputs for products and services provided by each business activity
- An overarching price strategy is determined regarding accepted level of cost recovery.
- Council is informed regarding price strategy for each business activity to achieve full cost recovery.
- Approved pricing strategy and activity-based costing outputs used to inform increases in utility charges / fees and charges.

Council's Annual Report

The annual report of Council must include information relating to the identification and performance of business activities. This information is contained in the body of the financial statements in line with legislative requirements, which in turn are published as part of Council's annual report.

Queensland Audit Office

The financial statements and the annual report of Council are audited by the auditor-general and contain the audit report.

Legal

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

Attachment 1 describes the current statutory requirements.

This report responds to the statutory obligation of Council in relation to the identification of business activities and the application of appropriate competition policy reform options.

Policy

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

Risk

Failure to conduct the assessments required in the *Local Government Act 2009* and the *Local Government Regulation 2012* could leave Council exposed to competitive conduct complaints in respect of its business activities that are competing with the private sector, including potential legal and reputational risks for Council.

Previous Council Resolution**Ordinary Meeting 23 June 2022 (OM22/46)**

That Council:

- (a) *receive and note the report titled "Application of National Competition Policy 2022/2022" apply Full Cost Pricing to the Waste and Resource Management significant business activity for the 2022/2023 financial year in accordance with section 44(1)(b) of the Local Government Act 2009*
- (b) *apply the Code of Competitive Conduct to the following business activities, for the 2022/2023 financial year, in accordance with section 47 of the Local Government Act 2009:*
 - (i) *Sunshine Coast Holiday Parks; and*
 - (ii) *Quarries*
- (c) *not apply the Code of Competitive Conduct to the following, in accordance with section 47 of the Local Government Act 2009 for the reasons referred to in Appendix A justification for not applying the Code of Competitive Conduct to certain prescribed business activities:*
 - (i) *Aquatic Centres*
 - (ii) *Caloundra Indoor Stadium*

- (iii) *Caloundra Regional Gallery*
- (iv) *Cemeteries*
- (v) *Festivals*
- (vi) *Multisport and Showgrounds*
- (vii) *Off-street Parking*
- (viii) *Retail Electricity Strategy and Sunshine Coast Solar Farm*
- (ix) *Sunshine Coast International Broadband Cable Network*
- (x) *Sunshine Coast Stadium and Kawana Sports Precinct*
- (xi) *Venue 114 and Community Spaces*

Ordinary Meeting 16 September 2021 (OM21/90)

That Council:

- (a) *receive and note the report titled "Application of National Competition Policy - Other Activities 2021/2022"*
- (b) *not apply the Code of Competitive Conduct to the off-street parking business activity in accordance with section 47 of the Local Government Act 2009 as:*
 - (i) *While some private sector parking providers may provide off-street parking, they are at different locations (not proximate to those of Council), provided for different purposes and/or provided for free.*
 - (ii) *The market for parking services is heavily influenced by location (the market can generally be narrowly defined as the region in which the car park is located and the distance that people are willing to walk from their car to their destination). If there are no private off-street parking facilities within close proximity (e.g. within reasonable walking distance) to Council's parking facilities, it is arguable that private sector competition is currently low.*
 - (iii) *Council provides off-street parking to help achieve the objectives of the Mooloolaba Local Area Parking Plan.*
 - (iv) *Council is providing services traditionally provided by a Local Government.*
 - (v) *The Covid-19 pandemic has arguably distorted the market for tourism (and therefore demand for parking) such that any application of the reforms under the code (particularly assessments about the market and pricing) may not be accurate if conducted during the height of a pandemic and could quickly cease to be appropriate when (and if) the pandemic comes to an end.*
 - (vi) *If Council did not provide these services, there would be a clear gap in supply leading to negative outcomes such as traffic congestion in major precincts.*
 - (vii) *Prices charged by Council are benchmarked against private sector providers, so that no price advantage that exists due to government ownership and*
 - (viii) *Council has not received any competition or competitive neutrality complaints regarding its parking facilities from the private sector and*
- (c) *not apply the Code of Competitive Conduct to the festivals business activity in accordance with section 47 of the Local Government Act 2009 as:*
 - (i) *Council's festival events are an integral part of delivering on the objectives of the Sunshine Coast Arts Plan.*
 - (ii) *The market for festival events is heavily influenced by time rather than territory. Other private sector festival organisers are not constrained from starting up or*

visiting the Sunshine Coast because Council's festivals are each conducted over a discrete period of time (over a number of days at most). Like most major events, the date for Council's festivals are also published well in advance and tend to happen at approximately the same time each year, allowing private sector festival organisers to plan their own events at dates and times that do not conflict with those of Council. In addition, Council is not aware of its existing festivals competing with any private sector events on or near the dates that Council's events are conducted.

- (iii) Council is providing a cultural and community service in the form of festivals for community and visitors of all ages and diversities – applying the code (particularly the pricing provisions) may detrimentally impact of the ability of all ages and diversities to attend and enjoy such cultural and community events.
- (iv) The Covid-19 pandemic has arguably distorted the market for tourism and, therefore, the ability to hold large festivals (for example, Council's Horizon Festival was recently cancelled due to the pandemic). The application of reforms under the code (particularly assessments about the market and pricing) may not be accurate if conducted during the height of a pandemic and could quickly cease to be appropriate when (and if) the pandemic comes to an end.
- (v) Private sector organisers of large-scale festivals would generally not be interested in delivering the type of cultural and community service festival events that are run by Council (namely, the Caloundra Music Festival and the Horizon Festival) - it is therefore arguable that the festivals do not directly compete with the type of events that would normally be conducted by the private sector.
- (vi) Council is providing festivals, some of which are free or below cost of delivery. This pricing has been established to reflect social objectives, such as enabling a diverse range of ages and diversities to attend, promoting local talent, generating economic activity and encouraging tourism and
- (vii) Community based events attract a strong community involvement in the form of a large volunteer base. Similarly, other groups, such as school groups and not-for-profit organisations rely upon festivals for unique fundraising opportunities.

Ordinary Meeting 24 June 2021(OM21/49)

That Council:

- (a) receive and note the report titled “**Application of National Competition Policy 2021/2022**”
- (b) apply Full Cost Pricing to the Waste and Resource Management significant business activity for the 2021/2022 financial year in accordance with section 44(1)(b) of the Local Government Act 2009
- (c) apply the Code of Competitive Conduct to the following business activities, for the 2021/2022 financial year, in accordance with section 47 of the Local Government Act 2009:
 - (i) Sunshine Coast Holiday Parks; and
 - (ii) Quarries
- (d) not apply the Code of Competitive Conduct to the International Broadband Submarine Cable Network, in accordance with section 47 of the Local Government Act 2009 as:
 - (i) Council considers this an economic development project being a mechanism to future proof telecommunications capacity and access on the Sunshine Coast
 - (ii) Council will not be able to influence price setting and

- (iii) costs and prices of the project are already isolated, documented, and transparent and*
- (e) request the Chief Executive Officer to provide a further report to Council by the end of September 2021 on the outcome of the current assessments of other business activities of Council.*

Related Documentation

There is no related documentation relevant to this report.

Critical Dates

This recommendation needs to be adopted each financial year per legislative requirements.

Implementation

Should the recommendation be accepted by Council, it is noted that the Chief Executive Officer will apply the revised National Competition Policy reforms for the 2023/2024 financial year. As the recommended business activity structure for 2023/2024 is the same as the business activity structure currently in place, there are no significant changes in process required.

Justification for not applying the Code of Competitive Conduct to certain prescribed business activities

Prescribed business activity	Corporate Plan & Policy linkage	Reasons for not applying the Code of Competitive Conduct
Aquatic Centres	The Sunshine Coast Aquatic Plan 2011 - 2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2021-2025.	<p>Aquatic centres are provided by Council to achieve public benefit objectives. Aquatic centres generate health benefits, ranging across a reduction in the burden of disease, improved mental health outcomes, reduced absenteeism, and fewer childhood drownings.</p> <p>They also provide social benefits such as: enhancing an individual's leisure time or creating increased life satisfaction; by bringing people together; supporting more vulnerable groups; and supporting early learning.</p> <p>Entry prices are set to provide equitable access to the community. Learn to swim services are provided by the private sector.</p>
Caloundra Indoor Stadium	The Sunshine Coast Sport and Active Recreation Plan 2011-2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2021-2025.	<p>Caloundra Indoor Stadium is provided by Council to achieve public benefit objectives. Providing equitable access to sport facilities and services contributes to the health and wellbeing, social cohesion and broadening of the regional economy of the Sunshine Coast.</p> <p>Encouraging and facilitating increased physical activity reduces health costs and increases productivity. There is a positive association between sport and social integration, cohesion and community development.</p> <p>Pricing for these facilities reflects these objectives.</p>
Caloundra Regional Gallery	<p>The Sunshine Coast Arts Plan 2018 - 2038 is an important contributor to outcomes of the Sunshine Coast Council Corporate Plan 2021-2025 including:</p> <ul style="list-style-type: none"> • A shared future that embraces culture, heritage and diversity; and • a creative identity that supports community, cohesiveness development and wellbeing 	<p>Caloundra Regional Gallery is provided by Council to achieve public benefit objectives. Caloundra Regional Gallery presents a changing exhibition program featuring leading local and national artists. Professional curators and education staff develop and deliver a range of exhibitions and public programs that explore the unique culture and character of the Sunshine Coast.</p>

Prescribed business activity	Corporate Plan & Policy linkage	Reasons for not applying the Code of Competitive Conduct
Cemeteries	The Cemetery Plan 2019-2028 informs the delivery of Sunshine Coast Council's cemetery network. The Plan contributes to the Sunshine Coast Council Corporate Plan 2021-2025, Sunshine Coast Community Strategy 2019-2041, Environment and Liveability Strategy 2017 and South East Queensland Regional Plan 2017.	<p>Cemetery services are mostly provided by local governments in the Queensland market. Private enterprise operating within the Sunshine Coast local government area provide options for ash interments and memorialisation but not burials.</p> <p>The majority of Council's cemeteries are located on State land entrusted to Council for the purpose of providing cemetery services including burials. Two cemeteries are owned as freehold.</p> <p>A proportion of the community continue to choose burials rather than cremation. This trend remains constant. Services would not meet the needs of the community if Council did not facilitate burials.</p> <p>Pricing for Council memorial services are set on a full cost recovery basis. Pricing for other services are set on a cost recovery basis, which does not take into account notional costs under the full-cost pricing provisions required by the code of competitive conduct. Pricing practices are a not a deterrent to new businesses entering the market.</p>
Festivals	<p>The Sunshine Coast Arts Plan 2018 - 2038 is an important contributor to outcomes of the Sunshine Coast Council Corporate Plan 2021-2025 including:</p> <ul style="list-style-type: none"> • A shared future that embraces culture, heritage and diversity; and • a creative identity that supports community, cohesiveness development and wellbeing 	<p>Council's festival events are provided by Council to achieve public benefit objectives and form an integral part of delivering on the goals of the Sunshine Coast Arts Plan which are:</p> <ul style="list-style-type: none"> • Local artists and artistic content is developed and celebrated. • Arts audiences and creative opportunities flourish through investment and development. • Dedicated networks of places and spaces for artists to connect, create and collaborate. • Art and creativity is embedded in the identity and experience of the Sunshine Coast. <p>The market for festival events is heavily influenced by time rather than territory. Other private sector festival organisers are not constrained from starting up or visiting the Sunshine Coast because Council's festivals are each conducted over a discrete period of time (over a number of days at most). Like most major events, the date for Council's festivals are also published well in advance and are held at approximately the same time each year, allowing private sector festival organisers to plan their own events at dates and times that coincide or do not conflict with those of Council.</p> <p>Council is providing a cultural and community service in the form of festivals for community and visitors of all ages and diversities – applying the code (particularly the pricing provisions) may</p>

Prescribed business activity	Corporate Plan & Policy linkage	Reasons for not applying the Code of Competitive Conduct
		<p>detrimmentally impact of the ability of all ages and diversities to attend and enjoy such cultural and community events.</p> <p>Private sector organisers of large-scale festivals would generally not be interested in delivering the type of cultural and community service festival events that are run by Council (namely, the Caloundra Music Festival and the Horizon Festival) as they include a number of non-profitable outcomes - it is therefore arguable that the festivals do not directly compete with the type of events that would normally be conducted by the private sector.</p> <p>Council is providing festivals, some of which are free or below cost of delivery. This pricing has been established to reflect social objectives, such as enabling a diverse range of ages and diversities to attend, promoting local talent, generating economic activity and encouraging tourism; and</p> <p>Community based events attract a strong community involvement in the form of a large volunteer base. Similarly, other groups, such as school groups and not-for-profit organisations rely upon festivals for unique fundraising opportunities.</p>
Multisports Complexes & Showgrounds	The Sunshine Coast Sport and Active Recreation Plan 2011-2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2021-2025.	<p>Multisports Complexes & Showgrounds are provided by Council to achieve public benefit objectives.</p> <p>Providing equitable access to these facilities and services contributes to the health and wellbeing, social cohesion and broadening of the regional economy of the Sunshine Coast.</p> <p>Encouraging and facilitating increased physical activity reduces health costs and increases productivity. There is a positive association between sport and social integration, cohesion and community development.</p> <p>Multisports Complexes and Showgrounds are utilised by a diverse range of community and sporting groups that provide social benefits such as: enhancing an individual's leisure time or creating increased life satisfaction; by bringing people together.</p> <p>Pricing for these facilities reflects these objectives.</p>
Off-street Parking	<p>The Sunshine Coast Council Parking Management Plan is guided by a range of strategic and legislative documents including:</p> <ul style="list-style-type: none"> Sunshine Coast Council Corporate Plan 2021-2025 	<p>While some private sector parking providers may provide off-street parking, they are at different locations (not proximate to those of Council), provided for different purposes and/or provided for free.</p> <p>The market for parking services is heavily influenced by location (the market can generally</p>

Prescribed business activity	Corporate Plan & Policy linkage	Reasons for not applying the Code of Competitive Conduct
	<ul style="list-style-type: none"> Sunshine Coast Sustainable Transport Strategy 2011-2031 Sunshine Coast Smart City Framework Sunshine Coast Planning Scheme 2014. 	<p>be narrowly defined as the region in which the car park is located and the distance that people are willing to walk from their car to their destination). If there are no private off-street parking facilities within close proximity (e.g. within reasonable walking distance) to Council's parking facilities, it is arguable that private sector competition is currently low;</p> <p>Council provides off-street parking to achieve the objectives of the Local Area Parking Plans;</p> <p>Council is providing services traditionally provided by a Local Government;</p> <p>If Council did not provide these services, there would be a clear gap in supply leading to negative outcomes such as traffic congestion in major precincts; and</p> <p>Prices charged by Council are benchmarked against private sector providers, so that no price advantage that exists due to government ownership.</p>
Retail Electricity and Sunshine Coast Solar Farm	<p>The Retail Electricity Strategy incorporating Sunshine Coast Solar Farm ensures affordable and reliable electricity supplies to Council operations which is essential to achieving the outcomes of the Sunshine Coast Council Corporate Plan 2021-2025.</p> <p>The Retail Electricity Strategy supports the policy positions on energy contained in Council's Environment and Liveability Strategy including: <i>"Renewable energy usage is maximised and underpins a transition to a clean energy future."</i></p>	<p>The Sunshine Coast Solar Farm is a cost replacement project being a mechanism to replace a portion of pre-existing committed electricity spend by offsetting Council's own electricity usage against the electricity generated by the Solar Farm.</p> <p>Excess generation is sold into, or any electricity requirement is purchased from, the wholesale electricity market as required.</p> <p>Council is not able to influence price setting and will take:</p> <ul style="list-style-type: none"> the Queensland spot price for electricity generated the market price for large-scale generation certificates.
Sunshine Coast International Broadband Cable Network	<p>The Sunshine Coast International Broadband Cable Network project contributes to Sunshine Coast Council's Regional Economic Development Strategy which provides a 20-year vision and blueprint for sustainable economic growth.</p>	<p>The Sunshine Coast International Broadband Cable Network project helps to stimulate local business, generate new investment and improve telecommunications diversity to Australia's east coast. The cable will help to future proof the Sunshine Coast telecommunications capacity and increase our smart city capability, ensuring access to important data networks.</p> <p>The Sunshine Coast provides the fastest international connection point from Queensland and east Australia to Asia, a significant step-</p>

Prescribed business activity	Corporate Plan & Policy linkage	Reasons for not applying the Code of Competitive Conduct
		<p>change in the Sunshine Coast's attractiveness as an investment location and a key deliverable under Council's Regional Economic Development Strategy.</p> <p>RTI Connectivity Pty Ltd control pricing and access to the network. As such the International Broadband Submarine Cable Network is not a business activity of Council.</p> <p>In December 2021 Council sold the cable landing station facility to data centre provider NextDC.</p>
Sunshine Coast Stadium and Kawana Sports Precinct	The Sunshine Coast Sport and Active Recreation Plan 2011-2026 is an important contributor to the Safe and Healthy Communities outcome of the Sunshine Coast Council Corporate Plan 2021-2025.	<p>Providing equitable access to sport facilities and services contributes to the health and wellbeing, social cohesion and broadening of the regional economy of the Sunshine Coast.</p> <p>Encouraging and facilitating increased physical activity reduces health costs and increases productivity.</p> <p>As a regional facility Sunshine Coast Stadium serves the regional and national event markets. Elsewhere in Queensland these markets primarily utilise Queensland Government owned facilities.</p> <p>Pricing for these facilities to community-based groups reflects these objectives and does not take into account notional costs under the full-cost pricing provisions required by the code of competitive conduct. Pricing for commercial hire, are benchmarked against industry prices, thus avoiding any pricing advantage from government ownership.</p>
Venue 114 & Community Spaces	<p>The Sunshine Coast Arts Plan 2018 - 2038 is an important contributor to outcomes of the Sunshine Coast Council Corporate Plan 2021-2025 including:</p> <ul style="list-style-type: none"> A shared future that embraces culture, heritage and diversity; and a creative identity that supports community, cohesiveness development and wellbeing 	<p>Venues and community spaces are provided by Council to achieve public benefit objectives. Providing a range of facilities and venues enables the community to access and enjoy arts, entertainment and environmental activities. This contributes to the health and wellbeing, social cohesion and regional economy of the Sunshine Coast. Pricing for these facilities reflects these objectives. Pricing for commercial hire, are benchmarked against industry prices, thus avoiding any pricing advantage from government ownership.</p>

NATIONAL COMPETITION POLICY

CURRENT STATUTORY REQUIREMENTS AND REFORM OPTIONS

In April 1995, the Australian Government and all states and territories agreed to the implementation of a National Competition Policy (NCP). The NCP represents a commitment from governments to reduce restrictions to competition to enhance the overall efficiency of Australia's economic performance.

At the local government level, the underlying philosophy is to improve service delivery efficiency and reduce costs to both government and the community through competitive neutrality, while removing any competitive advantage enjoyed by Council purely due to its nature.

Under the competitive neutrality principle, an entity that is conducting a business activity in competition with the private sector should not enjoy a net advantage over competitors only because the entity is a public sector entity.

The underlying assumption is that competition is generally desirable, unless it can be demonstrated, on a case-by-case basis, that it will not deliver socially beneficial outcomes. If Council undertakes a new significant business activity in a key market with operational expenditure exceeding \$9.7 million it must undertake a public benefit assessment to determine the costs and benefits of applying competition reforms. This assessment also determines the most effective way to achieve benefits from competitive neutrality.

Council is also required to use its discretion in deciding whether to apply the Code of Competitive Conduct (the Code) to smaller, prescribed business activities that are not "significant" business activities, but which meet a \$340,000 expenditure threshold. Should Council decide to not apply the Code, then it is required to provide detail of the reasons for not doing so.

Additionally, under the *Local Government Act 2009* and *Local Government Regulations 2012*, specific National Competition Policy disclosures of business activities are required in the Budget documents, Annual Report and Financial Statements.

Current Statutory Requirements

Council must consider and resolve the application of the National Competition Policy on an annual basis to comply with the *Local Government Act 2009* and *Local Government Regulations 2012*.

Of note, it is intended that the National Competition Policy reforms apply to overall "activities" and not to individual or component parts such as the individual assets or services comprising that activity. For each "activity" the following must be considered:

- Whether the activity meets the definition of a "business activity" under the *Local Government Act 2009*. "Business activity" is defined as "trading in goods and services"
- If the activity meets this definition, then based on its expenditure for the previous financial year:
 - is it a "significant business activity", with expenditure exceeding the \$9.7 million threshold set out in the *Local Government Regulations 2012*? or
 - is it a "prescribed business activity" with expenditure exceeding the \$340,000 threshold set out in the *Local Government Regulations 2012*? or
- If it does not meet the definition of business activity, then the National Competition Policy regime does not apply.

An activity is less likely to be a business activity within the meaning of the *Local Government Act 2009* if it:

- is predominantly a regulatory or policy-making function, particularly if revenue is derived from cost-recovery fees; or
- involves the provision of goods or services internally (i.e. to customers within Council) – such supplies are unlikely to meet the “trading” element of the definition of business activity;
- has, as its primary function, public benefit community service or social policy objectives. Of note, such an objective alone will not prevent the activity falling within the definition of business activity if it involves the trading of goods or services;
- does not meet the necessary “trading” requirements, such as where the relevant goods or services are supplied on a one-off basis, rather than repeatedly or the level of trading activity is so trivial that it is regarded as inconsequential and incidental to the primary activity and function of Council.

Ways to apply the competitive neutrality principle to business activities

- The competitive neutrality principle for significant business activities (over \$9.7 million expenditure) can be applied under the *Local Government Act 2009* by:
 - Full Cost Pricing;
 - Commercialisation; or
 - Corporatisation.
- The way to apply the competitive neutrality principle for prescribed business activities (expenditure over \$340,000) under the *Local Government Act 2009* is the Code of Competitive Conduct (the Code).
- The competitive neutrality principle is achieved by:
 - removing any competitive advantage or competitive disadvantage, wherever possible and appropriate.
 - promoting efficiency of the use of resources to ensure markets are not unnecessarily distorted; and
 - if any net advantage over competitors remains, which exist only because Council is in competition with the private sector, and which cannot be eliminated, then:
 - Council must ensure that when setting the price of goods or services, the individual advantages and disadvantages that make up the net advantage are taken into account in deciding the required revenue in relation to the pricing provisions.
- The pricing provisions.
- The cost of performing community service obligations, less any revenue received from carrying out those obligations, must be treated as revenue for the business activity when deciding what to charge for goods or services provided.
- Budget, annual report and financial statement disclosures.
- The competitive neutrality complaints process.

Pricing Provisions

- The pricing provisions require that:
 - The projected Total Revenue from conducting the business activity must cover the projected Total Costs of conducting the activity over a projected period.
 - for significant business activities the projected period is each financial year
 - for prescribed business activities the projected period is more than one year but not more than five years
 - Total Costs includes:
 - operational costs
 - administration and overhead costs
 - cost of resources
 - depreciation
 - equivalent amounts for taxes that Council is not liable to pay
 - equivalent amounts for any cost of funds advantage that Council obtains over commercial interest rates because of State guarantees on borrowings; and
 - return on capital which must be determined using the rate at which, in the Council's opinion, a comparable private sector business conducting the activity would be able to obtain the capital in the market.
 - Goods or services may be priced at an amount that could reasonably be charged by an entity conducting the activity with the primary object of making a profit.

Discretion on whether to apply the Code

While Council has discretion to *not* apply the code of competitive conduct to a prescribed business activity, it is recommended that any decision to not apply the code is:

- Reasonable;
- Defensible;
- Takes into account competition with the private sector; and
- Considers principles similar to the public benefit assessment:
 - Competition generally leads to better, more efficient organisations, giving consumers lower prices, greater choice and higher quality services
 - The underlying assumption is that competition is generally desirable for significant business activities that operate in key markets, unless it can be demonstrated, on a case-by-case basis, that it will not deliver socially beneficial outcomes.
 - In smaller, prescribed business activities:
 - The benefits from competition are likely to be more limited
 - the costs of competition reforms may exceed the benefits and detract from the delivery socially beneficial outcomes.

Should Council decide to not apply the Code the resolution must state the reasons for not doing so.

1. Significant Business Activities

The significant business activity expenditure threshold is \$9.7 million. Competition reforms may be applied to significant business activities via Full Cost Pricing or Commercialisation.

Full Cost Pricing

- Reform option applied via public benefit assessment process.
- Retention of the business activity within Council's current organisational structure.
- Setting prices in accordance with commercial full cost recovery principles, including recovery of:
 - Efficient operating expenses;
 - A return of capital (i.e. depreciation expense); and
 - A return on capital (i.e. cost of debt plus return on equity invested in the business).
- Full cost pricing reform implies the application of competitive neutrality principles.

Commercialised Business Unit

- Reform option applied via public benefit assessment process.
- Creation of a commercialised business unit (not a separate legal entity) to manage the business.
- Setting prices in accordance with commercial full cost recovery principles, including recovery of:
 - Efficient operating expenses;
 - A return of capital (i.e. depreciation expense); and
 - A return on capital (i.e. cost of debt plus return on equity invested in the business).
- Increased managerial autonomy for day-to-day operations.
- Greater ability to source inputs from outside of Council.
- Own business and operating plan.
- More commercial orientation than full cost pricing.
- Additional reporting obligations such as annual tax equivalent returns, annual performance plan and separate reporting of performance in Council's annual report.
- Commercialisation requires the application of competitive neutrality principles.

Corporatisation

The corporatisation processes within the *Corporations Act 2001 (Cwlth)* applies to local governments seeking to establish corporations. Creation of separate legal entity to manage a business results in the corporation being subject to National Competition Policy through the *Competition and Consumer Act 2010 (Cwlth)*.

2. Code of Competitive Conduct Business Activities

- The business activity expenditure threshold is \$340,000.
- Reform option applied via annual Council resolution.
- Retention of the business activity within Council's current organisational structure.
- Setting prices in accordance with commercial full cost recovery principles, including recovery of:
 - Efficient operating expenses;
 - A return of capital (i.e. depreciation expense); and
 - A return on capital (i.e. cost of debt plus return on equity invested in the business).
- Code of competitive conduct implies the application of competitive neutrality principles.
- Automatic application of the code of competitive conduct to building certification and competitive roads activities.

3. No Reforms Elected to Be Applied

Cost Recovery Pricing Principles

- Retention of the activity within Council's current organisational structure.
- Setting prices to reflect the cost of providing non-competitive services including recovery of:
 - Efficient operating expenses; and
 - A return of capital (i.e. depreciation expense).

ATTACHMENT 2

BUSINESS ACTIVITY IDENTIFICATION

1. Annual Review and Identification of Business Activities

To identify activities that may be a business activity within the meaning of the *Local Government Act 2009*, Council officers undertook a review of the:

- *Register of General Cost-recovery Fees and Commercial Charges 2022/23* and the
- *Development Services Register of Cost-recovery Fees and Commercial Charges 2022/23*.

Of note, it is intended that National Competition Policy reforms apply to overall “activities” and not to individual or component parts such as the individual assets or services comprising that activity. For each “activity” the following must be considered:

- Whether the activity meets the definition of a business activity under the *Local Government Act 2009*. Business activity is defined as trading in goods and services.
- If the activity meets this definition, then based on its expenditure for the previous financial year:
 - is it a “significant business activity”, with expenditure exceeding the \$9.7 million threshold set out in the *Local Government Regulations 2012*? or
 - is it a “prescribed business activity” with expenditure exceeding the \$340,000 threshold set out in the *Local Government Regulations 2012*? or
- If it does not meet the definition of business activity, then the National Competition Policy regime does not apply.

Generally changes to the status of a business activity may arise due to the following:

- New business activities are established as a result in a change in Council’s structure or as a result of the establishment of new business ventures.
- Existing businesses are divested.
- Annual expenditure threshold levels are reached or not (generally impacting on significant business activities).

Once the process of reviewing current business activities and identifying potential new significant business activities and all other types of business activities has been completed, it is necessary to apply the appropriate reforms to ensure legislative compliance.

2. Business Activity Threshold Analysis 2023-2024

Threshold analysis is based on the 2022-2023 expenditure data.

Table 1: Significant business activity – full cost pricing reform

(Expenditure threshold \$9.7 million)

Branch	Significant Business Activity	FY2023 Opex \$'000
Waste and Resource Management	Waste and Resources Management	\$60,669,824

Table 2: Prescribed business activities – reform option code of competitive conduct

(Expenditure threshold \$340,000)

Group	Branch	Prescribed Business Activity	FY2023 Opex
Built Infrastructure	Civil Asset Management	Quarries	\$6,657,758
	Transport Infrastructure Management	Off-street Parking	\$824,051
Business Performance	Business and Innovation	Retail Electricity Strategy and Sunshine Coast Solar Farm	\$2,056,746
Customer Engagement and Planning Services	Customer Response	Cemeteries	\$2,757,555
Economic and Community Development	Arts, Heritage and Libraries	Caloundra Regional Gallery	\$2,009,486
		Cultural Heritage	\$2,392,651
		Festivals (Horizon)	\$2,310,039
	Economic Development	Festivals (Caloundra Music)	\$2,115,868
	Sport and Community Venues	Aquatic Centres	\$3,424,271
		Venue 114 & Community Spaces	\$2,716,101
		Caloundra Indoor Stadium	\$897,168
		Multisports Complexes & Showgrounds	\$747,124
		Sunshine Coast Holiday Parks	\$8,716,017
		Sunshine Coast Stadium and Kawana Sports Precinct	\$7,269,410
		Sunshine Coast International Broadband Cable Network	\$426,279
	Submarine Cable IBN		

Council controlled entities

Table 3 below lists corporatised entities which Council has 100% controlling interests. Their financial statements are audited by Queensland Audit Office and Annual Reports published on both Council's and the companies' websites. SunCentral Maroochydore Pty Ltd and Sunshine Coast Events Centre Pty Ltd are consolidated into Council's financial statements. Sunshine Coast Arts Foundation Ltd had expenditure of \$86,000 in FY 2021/22 which is below the prescribed business activity threshold.

Table 3: Prescribed business activities – corporatisation reform

Company	FY2022 Operating Expenditure
SunCentral Maroochydore Pty Ltd	\$2,671,598
Sunshine Coast Events Centre Pty Ltd	\$3,468,341

Non-business activities

Table 4 below lists activities that are **not** considered business activities as these are activities that have one or more of the following attributes:

1. Have a predominantly regulatory or policy-making role and levy cost-recovery fees (under *Local Government Act 2009* section 97).
 - o A cost-recovery fee must not be more than the cost to the local government of taking the action for which the fee is charged

- The constrained cost base of these activities is not consistent with the competitive neutrality adjustments required by the pricing provisions
 - The pricing provisions sets the total revenue requirement of business activities to include costs which Council does not actually incur such as tax equivalents, equivalents for the costs of funds advantage and return on capital at market rates experienced by the private sector. A profit margin is also envisioned by the pricing provisions.
2. Involve the provision of goods or services internally (i.e. to customers within Council) – such supplies are unlikely to meet the “trading” element of the definition of business activity.
 3. Have, as their primary function, responsibility for providing public benefit, community service or social policy functions. Total revenue for these activities may include a small proportion of fees and charges with the majority of funding from general rates, environment and heritage levies or grants from other levels of government.
 4. Do not meet the necessary “trading” requirements, such as where the relevant goods or services are supplied on a one-off basis, rather than repetitively or the level of trading activity is so trivial as to be inconsequential and incidental to the primary activity and functions of Council.

Table 4: Non-business activities

Branch	Activity	Attributes above	FY2023 Opex \$'000
Asset Management	Fleet Management	2	\$9,499
Civil Asset Management	Roads	3, 4	\$101,710
Parks and Gardens	Parks & Gardens	3, 4	\$56,028
Finance	Property Information	1	\$7,824
Property Management	Property Management	2, 3	\$25,028
Customer Response	Healthy Places, Response Services, Community Land Permits and Parking	1	\$21,298
Development Services	Development Services	1	\$22,607
Corporate Governance	Right to Information	1	\$5,804
Arts, Heritage and Libraries	Arts, Heritage and Libraries	3, 4	\$21,189
Environmental Operations	Natural Areas Management	3, 4	\$26,927

Roads

Council road works activities are predominantly non-competitive activities focused on internal construction and maintenance rather than external tendering for contract works. Road maintenance and construction activities are undertaken by a combination of day labour force and contract services.

Council does not actively submit competitive tenders for works on state-controlled roads or other roads in neighbouring Council areas. Council undertakes minor works for Main Roads based on negotiated shared cost arrangements.

Accordingly, road works has not been identified as a business activity of Council.

Applying National Competition Policy reforms for FY2023/2024

Council Officers have assessed Council's activities and recommend the following business activity classifications and National Competition Policy applications:

- Waste and Resources Management is a significant business activity and competitive neutrality is achieved through Full Cost Pricing.
- Sunshine Coast Holiday Parks and Quarries are prescribed business activities and competitive neutrality is achieved through applying the Code of Competitive Conduct.
- Council uses its discretion not to apply the Code of Competitive Conduct to the following prescribed business activities for the reasons as set out in Appendix 1:
 - Aquatic Centres
 - Caloundra Leisure Centre
 - Caloundra Regional Gallery
 - Cemeteries
 - Festivals
 - Multisport and Showgrounds
 - Off-street Parking
 - Retail Electricity Strategy and Sunshine Coast Solar Farm
 - Sunshine Coast International Broadband Cable Network
 - Sunshine Coast Stadium and Kawana Sports Precinct
 - Venue 114 and Community Spaces
- SunCentral Maroochydore Pty Ltd and Sunshine Coast Events Centre Pty Ltd are prescribed business activities and competitive neutrality is achieved through corporatisation.









2021-2022 Actual	Waste and Resources Management \$'000	Sunshine Coast Holiday Parks \$'000	Quarries Business Unit \$'000
Operating Revenue	\$88,235	\$21,275	\$4,504
Community Service Obligations	\$1,199	\$0	\$255
Total Operating Revenue	\$89,434	\$21,275	\$4,759
Operating Expenditure excluding interest	\$66,974	\$9,294	\$11,766
Depreciation	\$4,264	\$977	\$232
Competitive Neutrality Costs excluding income tax equivalent	\$492	\$553	\$38
Total Operating Expenditure	\$71,731	\$10,825	\$12,036
Earnings before interest and tax	\$17,703	\$10,451	-\$7,277
Return (pre-tax nominal) %	16.5%	20.9%	-134.0%
Target return	\$9,002	\$4,911	\$427
Weighted average cost of capital %	7.3%	11.1%	9.1%
Surplus (Shortfall) EBIT to target return	\$8,701	\$5,539	-\$7,704
Value of Council's Investment in the Business Activity	\$72,090	\$58,889	\$5,915

Note: Weighted average cost of capital and Return on Capital are calculated on a pre-tax nominal basis.
Value of Council's Investment in the Business Activity excludes strategic land holdings.

8.3 2023/24 PROCUREMENT POLICY AND PROCUREMENT AND DISPOSAL FRAMEWORK

File No: Council meetings

Author: Acting Manager Business and Innovation
Business Performance Group

Appendices:	App A - Procurement Policy	5/467	
	App B - Contract Manual	17/467	
	App C - Contracting Plan	45/467	
	App D - Local Preference in Procurement Guideline	55/467	
	App E - Social Benefit Procurement Guideline	61/467	
	App F - First Nations Procurement Guideline	65/467	
	App G - Innovation and Market-Led Engagement Guideline	71/467	
	App H - Environment and Sustainability Guidelines	81/467	

PURPOSE

The purpose of this report is to present for the consideration of Council the 2023/24 Procurement Policy and related documents forming Council's procurement and disposal framework.

EXECUTIVE SUMMARY

The *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation) outline the procurement and disposal frameworks through which Council must conduct procurement of goods and services and disposal of non-current assets.

The Regulations require the Procurement Policy and the procurement and disposal framework to be reviewed and adopted on an annual basis. The framework consists of:

- Procurement Policy
- Contract Manual
- Contracting Plan
- Local Preference in Procurement Guideline
- Social Benefit Procurement Guideline
- First Nations Procurement Guideline
- Innovation and Market-Led Engagement Guideline
- Environment and Sustainability in Procurement Guideline
- Significant Contracting Plan/s.

The proposed procurement and disposal framework complies with all legislative obligations. It provides an appropriate framework for conducting effective and efficient contracting activities.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “2023/24 Procurement Policy and Procurement and Disposal Framework” and
- (b) adopt the proposed procurement and disposal framework as follows:
 - (i) Procurement Policy (Appendix A)
 - (ii) Contract Manual (Appendix B)
 - (iii) Contracting Plan (Appendix C)
 - (iv) Local Preference in Procurement Guideline (Appendix D)
 - (v) Social Benefit Procurement Guideline (Appendix E)
 - (vi) First Nations Procurement Guideline (Appendix F)
 - (vii) Innovation and Market-Led Engagement Guideline (Appendix G) and
 - (viii) Environment and Sustainability in Procurement Guideline (Appendix H).

FINANCE AND RESOURCING

The Procurement Policy and procurement and disposal framework will be administered by the Business and Innovation Branch of Business Performance Group. Resourcing is within the branch and no additional funding is required to implement or administer the framework.

Budget for each of the projects to which a Significant Contracting Plan relates, will be secured upon adoption of the Sunshine Coast Council 2023/24 budget.

CORPORATE PLAN

Corporate Plan Goal: *Our outstanding organisation*

Outcome:

Operational Activity: We serve our community by providing this great service
S28 - Financial and procurement services – financial and procurement management and governance, ensuring effective business management and legislative compliance, coordination and development of Council’s budget process, administration of financial systems, sundry debtors, accounts payable, financial and asset accounting, treasury, procurement, contract and supply functions.

CONSULTATION**Councillor Consultation**

- Councillor T Landsberg - Economy Portfolio Councillor
- Councillor J O’Pray - Economy Portfolio Councillor
- Councillor P Cox – Environment and Liveability Portfolio Councillor
- Councillor M Suarez – Environment and Liveability Portfolio Councillor

Internal Consultation

During the operation of the current procurement and disposal framework and development of this framework, engagement has occurred with all Managers and other various officers across the organisation. Specific engagement has occurred with:

- Group Executive, Business Performance

- Project Manager, Civic Governance
- Manager, Project Delivery
- Head of Property, Property Management
- Head of Communication
- Manager, Parks and Gardens
- Manager, Sport & Community Venues
- Manager, Civil Asset Management
- Sunshine Coast Program Lead – Brisbane 2032
- Manager, Waste and Resource Management
- Manager, Strategic Planning
- Manager, Development Services
- Manager, Design and Placemaking
- Coordinator, Contracts and Supply Services
- Coordinator, Strategic Procurement and Commercial Opportunities
- Coordinator, Procurement and Contract Performance.

A Communications Plan will be developed to inform internal stakeholders.

External Consultation

External Legal Advice was sought when Council first adopted the Strategic Contracting Procedures. The Procurement Policy and procurement and disposal framework remains consistent with that external legal advice.

A Communications Plan will be developed to inform the local community of the adoption of the policy and framework. This includes presentation at Supplier Briefings and other business and community engagement opportunities.

Community Engagement

No community consultation was undertaken in the preparation of this report.

PROPOSAL

The *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation) outline the procurement and disposal frameworks through which Councils may conduct procurement of goods and services, and disposal of non-current assets.

Strategic Contracting Procedures

The Regulation provides two frameworks through which Council may conduct procurement of goods and services and the disposal of surplus assets. The two frameworks are:

- Strategic Contracting Procedures
- Default Contracting Procedures.

Council is bound to use the Default Contracting Procedures unless it adopts the Strategic Contracting Procedures.

At the Ordinary Meeting of 17 May 2018, Council resolved to adopt the Strategic Contracting Procedures to empower Council to pursue improved contracting outcomes. The Strategic Contracting Procedures have been reviewed and adopted each year since.

Council's Procurement and Disposal Framework

The Regulations require Council's Procurement Policy and the procurement and disposal framework to be reviewed and adopted on an annual basis. The documents forming part of this framework are:

Procurement Policy

The Procurement Policy (Appendix A) is the central document in establishing a procurement and disposal framework. The Regulation requires any Procurement Policy to outline the principles the Council will apply in its procurement activities, including stating how it will meet the Sound Contracting Principles provided in the Act.

Contract Manual

The Contract Manual (Appendix B) outlines how Council will conduct procurement and disposal activities for both the procurement of goods and services and the disposal of non-current assets in a manner consistent with the Regulation.

Whether contracting for the supply of goods and services, or when disposing of non-current assets, Council will generally engage a competitive process designed to realise value to Council.

The Regulation prohibits the Strategic Contracting Procedures from being applied to disposal activities relating to land. Disposal of land, or an interest in land, whether by sale, lease, or other form of disposal, will still be conducted under the provisions of the Regulations.

Contracting Plan

The Contracting Plan (Appendix C) is a document which outlines the types of contracts that Council proposes to enter into during the financial year, including principles and strategies for performing those contracts within the various markets being approached. The Contracting Plan must be consistent with, and support achievement of the strategic directions outlined in the Corporate Plan.

The Contracting Plan must include the contracts that Council considers will be significant together with a policy about the making of a Significant Contracting Plan.

Supporting Guidelines

The procurement and disposal framework is supported by five guidelines. Details of the guidelines are as follows:

Local Preference in Procurement Guideline

The Local Preference in Procurement Guideline (Appendix D) was developed to support Council's Regional Economic Development Strategy 2013-2033.

The current Local Preference in Procurement Guideline has guided Council's preference for engaging with local suppliers. This has resulted in Council spending more than \$252 million with local suppliers for the current financial year (to 30 April 2023), which represents 70% of the available procurement spend.

Social Benefit Procurement Guideline

The Social Benefit Procurement Guideline (Appendix E) was developed to support Council's Sunshine Coast Community Strategy 2019 - 2041.

Social Benefit Suppliers have social missions centred on benefitting a group of people who are considered disadvantaged in the local community. The guideline seeks to support Social Benefit Suppliers through strategies that:

- Direct procurement processes with Social Benefit Supplier's
- Encourage principal contractors to engage/sub-contract to Social Benefit Suppliers

- Drive employment of Social Benefit groups

First Nations Procurement Guideline

The First Nations Procurement Guideline (Appendix F) supports pursuit of Council's Reconciliation Action Plan 2021-22. The guideline seeks to support First Nation People through strategies that:

- Direct procurement processes targeted at First Nation Businesses
- Encourage principal contractors to engage/sub-contract with First Nation Businesses
- Drive employment of First Nation People
- Address business development opportunities.

Innovation and Market-Led Engagement Guideline

The Innovation and Market-Led Guideline (Appendix G) creates a pathway for specialised engagements of contractors:

- Providing innovative solutions
- Market Led Proposals (similar to the State Government Framework).

The guideline contains appropriate checks and balances to ensure compliance with legislation and community expectations.

Environment and Sustainability in Procurement Guideline

The Environment and Sustainability in Procurement Guideline (Appendix H) outlines Council's framework for, and approach to, conducting Contracting Activities in an environmentally considerate and sustainable manner.

Significant Contracting Plan/s

The Regulation requires Council to make a Significant Contracting Plan for each significant contract before the contract starts.

Significant Contracts are contracts that:

- have an anticipated value of \$5 million or more and/or
- are deemed Significant Contracts following assessment under the Procurement Profiling Matrix, and Risk Assessment Calculator.

Council has identified those Contracts which is considers will be Significant Contracts in the Contracting Plan. Each of these will require a Significant Contracting Plan to be prepared in accordance with the Contracting Plan prior to their commencement.

Amendments from 2022/23 Procurement Policy and Framework

Council seeks to continually improve and refine its procurement services and capability. Amendments and additions from the previously adopted Procurement Policy and Framework include:

- **Procurement Threshold adjustments** – increasing the 1 Quote Procurement Threshold from \$25,000 to \$50,000 and the 3 Quote Procurement Threshold from \$250,000 to \$500,000. These increased Procurement Thresholds will better align with current market movements. The requirement to seek quotes from local suppliers only with increase to \$500,000 in line with the 3 Quote Procurement Threshold.
- **Significant Contracting Plans** – The Regulation requires Council to make and adopt a Contracting Plan each financial year which includes the contracts that Council considers will be a Significant Contract. Following adoption of the Contracting Plan, the Regulation only requires that Council make a Significant Contracting Plan for each Significant Contract before the contract starts. The Contracting Plan has been

amended to provide the Policy for the creation of each Significant Contracting Plan that each plan will be approved by the Chief Executive Officer prior to the commencement of the contract to which it relates.

Further development during 2023/24

Council will continue to develop and progress several initiatives during the coming financial year. These include:

- **Work Health and Safety**

Council continues to progress and develop its approach to work health and safety. As reviews and other activities are finalised during the coming year, Council Officers will develop and implement appropriate changes to the procurement and disposal framework and contract management activities to pursue improved work health and safety outcomes with and from suppliers/contractors to Council.

- **Procurement Review**

Procurement challenges continue in relation to many of the goods and services that Council procures. During the coming year, a procurement function review will be undertaken to investigate new models and methods of procurement that deliver improved outcomes and reduced costs.

Supporting Strategies and Programs

Council continues to deliver support programs, including:

- **Suppliers Briefings** - Council has traditionally conducted in-person Supplier Briefings which outline Council plans for the coming year with regards to contracting for capital works delivery and goods and services generally. The Supplier Briefings also provide information to business on Council's safety requirements, procurement processes and communication plans.

Future Supplier Briefings will be conducted online and incorporate further valuable information from a variety of branches within Council.

- **Doing Business with Council workshops** - The workshops assist mostly local attendees in explaining how to best reply to Invitations to Tender and Request for Quotes from Council.

These workshops will be incorporated into the new supplier briefing format.

- **Communication and Procurement Platforms** – Council will continue to communicate and conduct procurement with business and community through various platforms and methods. These include the Q-Tender and Open Windows platforms through which we advertise and receive tenders and quotes. Other relevant platforms include the Council Tender Alert Service, Sunshine Coast Business Gateway and Information Sessions.

Legal

External legal advice has previously been sought regarding the format and content of the proposed Procurement Policy and the procurement and disposal framework. This advice supports the policy and framework as being compliant and appropriate for Council.

Recent external legal advice was sought regarding Significant Contracting Plans. This advice confirmed that the Regulation contains no requirement for Council to adopt individual Significant Contracting Plans. Council is required to adopt a Contracting Plan which must identify Significant Contracts and include a policy for the making of Significant Contracting Plans.

Policy

The Procurement Policy and procurement and disposal framework will provide a structured framework for Council's procurement and disposal contracting activities and ensure compliance with the relevant legislation.

Risk

The Procurement Policy and procurement and disposal framework mitigates the risks associated with undertaking contracting activities for the procurement of goods and services and disposal of assets.

Previous Council Resolution**Ordinary Meeting 23 June 2022 (OM22/45)**

That Council:

(a) *receive and note the report titled “**2022/23 Procurement Policy and Procurement and Disposal Framework**”*

(b) *adopt the proposed procurement and disposal framework as follows:*

- (i) Procurement Policy (Appendix A)*
- (ii) Contract Manual (Appendix B)*
- (iii) Contracting Plan (Appendix C)*
- (iv) Local Preference in Procurement Guideline (Appendix D)*
- (v) Social Benefit Procurement Guideline (Appendix E)*
- (vi) First Nations Procurement Guideline (Appendix F)*
- (vii) Innovation and Market-Led Engagement Guideline (Appendix G)*
- (viii) Environment and Sustainability in Procurement Guideline (Appendix H) and*

(c) *adopt Significant Contracting Plans for the following:*

- (i) Caloundra Centre Activation - Library (Appendix I)*
- (ii) First Avenue Streetscape (Appendix J)*
- (iii) Road Surfacing, Rehabilitation and Construction Asphalt Program (Appendix K)*
- (iv) Stringybark Road Footbridge Pathway (Appendix L)*
- (v) Organic Waste Processing Service (Appendix M)*
- (vi) Street Sweeping Services (Appendix N)*
- (vii) Tree Maintenance Services (Appendix O)*
- (viii) Resource Recovery Centre Operations (Appendix P)*
- (ix) Landfill Services (Appendix Q).*

Ordinary Meeting 24 June 2021 (OM21/50)

That Council:

(a) *receive and note the report titled “**2021/2022 Procurement Policy and Procurement and Disposal Framework**”*

- (b) *adopt the proposed procurement and contracting as the procurement and disposal framework:*
 - (i) *Procurement Policy (Appendix A)*
 - (ii) *Contract Manual (Appendix B)*
 - (iii) *Contracting Plan (Appendix C)*
 - (iv) *Local Preference in Procurement Guideline (Appendix D)*
 - (v) *Social Benefit Procurement Guideline (Appendix E)*
 - (vi) *First Nations Procurement Guideline (Appendix F)*
 - (vii) *Innovation and Market-Led Engagement Guideline (Appendix G) and*
- (c) *adopt Significant Contracting Plans for the following:*
 - (i) *Design and Construct – Sunshine Coast City Hall Fitout (Appendix H)*
 - (ii) *Microsoft Enterprise Licences (Appendix I)*
 - (iii) *Pavement Marking Services (Appendix J)*
 - (iv) *Lifeguard Services (Appendix K)*
 - (v) *Kawana Waters Regional Aquatic Centre (Appendix L) and*
 - (vi) *Nambour Landfill Expansion (Appendix M).*

Ordinary Meeting 23 July 2020 (OM20/79)

That Council:

- (a) *receive and note the report titled “2020/2021 Contracting Plan and Significant Contracting Plans”*
- (b) *adopt the proposed:*
 - (i) *Contracting Plan (Appendix A) and Significant Contracting Plans as follows:*
 - (ii) *Mooloolaba Foreshore Revitalisation Project (Appendix B)*
 - (iii) *Supply of Fuel Card (Appendix C)*
 - (iv) *Open Space Turf and Vegetation Maintenance (Appendix D)*
 - (v) *Landscape Maintenance (Appendix E) and*
 - (vi) *Waste Collection Services (Appendix F).*

Special Meeting 11 June 2020 (SM20/13)

That Council:

- (a) *receive and note the report titled “2020/2021 Procurement Policy and Procurement and Contracting Framework” and,*
- (b) *adopt the proposed procurement and contracting framework for 2020/21 as follows:*
 - (i) *Procurement Policy (Appendix A)*
 - (ii) *Contract Manual (Appendix B)*
 - (iii) *Local Preference in Procurement Guideline (Appendix C)*
 - (iv) *Social Benefit Procurement Guideline (Appendix D)*
 - (v) *First Nations Procurement Guideline (Appendix E)*

- (vi) *Innovation and Market-Led Engagement Guideline (Appendix F).*

Ordinary Meeting 20 June 2019 (OM19/93)

That Council:

- (a) *receive and note the report titled “2019/2020 Procurement Policy and Procurement and Contracting Framework”*
- (b) *adopt the Strategic Contracting Procedures framework for 2019/20 as follows:*
 - (i) *Procurement Policy (Appendix A)*
 - (ii) *Contract Manual (Appendix B) and*
 - (iii) *Contracting Plan (Appendix C) and Significant Contracting Plans (Appendix D, E, F, G, H and I).*

Ordinary Meeting 21 June 2018 (SM18/9)

That Council:

- (a) *receive and note the report titled “2018/19 Contracting Plan”*
- (b) *adopt the 2018/19 Contracting Plan which is to remain in force from 1 July 2018 to 30 June 2019 (Appendix A)*
- (c) *adopt the Significant Contracting Plan for Retail Electricity Services - Street Lighting (Appendix B)*
- (d) *adopt the Significant Contracting Plan for Street Sweeping Services (Appendix C) and*
- (e) *adopt the Significant Contracting Plan for Tree Maintenance Services (Appendix D).*

Ordinary Meeting 14 June 2018 (OM18/95)

That Council:

- (a) *receive and note the report titled “2018/2019 Procurement Policy”*
- (b) *adopt the 2018/2019 Procurement Policy (Appendix A).*

Ordinary Meeting 14 June 2018 (OM18/94)

That Council:

- (a) *receive and note the report titled “2018/2019 Contracting Manual” and*
- (b) *adopt the 2018/19 Contracting Manual which is to remain in force from 1 July 2018 to 30 June 2019.*

Ordinary Meeting 17 May 2018 (OM18/62)

That Council:

- (a) *receive and note the report titled “Strategic Contracting Procedures” and*
- (b) *apply Chapter 6 Part 2 Strategic Contracting Procedures of the Local Government Regulation 2012 to its contracts, following adoption by Council of:*
 - (i) *a contracting plan; and*

- (ii) *a contracting manual*
which will not be more than one year after the date of this resolution.

Related Documentation

Local Government Act 2009

Local Government Regulation 2012

Internal and External Audit Reports conducted on procurement and contracting activities.

Critical Dates

The *Local Government Regulation 2012* requires Council review its Procurement Policy annually and adopt a Contracting Plan for each financial year.

The Contracting Plan and Significant Contracting Plans may only be adopted after the budget for the year is adopted.

Implementation

The Procurement Policy and documents comprising the procurement and disposal framework will commence on 1 July 2023 and will continue use of the Strategic Contracting Procedures for Council.

Chief Executive Officer will ensure that:

- Council conducts its procurement and contracting activities in a manner consistent with the Procurement Policy and the procurement and disposal framework and
- each contracting activity, which has a Significant Contracting Plan, is undertaken in a manner consistent with the plan.

8.4 MAY 2023 FINANCIAL PERFORMANCE REPORT

File No: Council Meetings

Author: Isaac Pickersgill, Coordinator Financial Services
Business Performance Group

Attachments: Att 1 - May 2023 Financial Performance Report..... 141 [↓](#) 
Att 2 - Capital Grant Funded Project Report May 2023..... 151 [↓](#) 

PURPOSE

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

EXECUTIVE SUMMARY

This monthly financial performance report provides Council with a summary of performance against budget as at 31 May 2023 in terms of the operating result and delivery of the capital program.

Operating Performance

Table 1: Operating Budget as at 31 May 2023

	Original Budget \$000	Current Budget \$000
Total Operating Revenue	535,020	546,939
Total Operating Expenses	503,237	522,939
Operating Result	31,783	24,000

Details of the monthly financial report are contained in Attachment 1.

OFFICER RECOMMENDATION

That Council receive and note the report titled "May 2023 Financial Performance Report".

FINANCE AND RESOURCING

This report sets out the details of Council's financial performance and investments for the month ending 31 May 2023 and meets Council's legislative reporting requirements.

CORPORATE PLAN

Corporate Plan Goal: *Our outstanding organisation*

Outcome: We serve our community by providing this great service.

Operational Activity: S28 - Financial and procurement services – financial and procurement management and governance, ensuring effective business management and legislative compliance, coordination and development of Council's budget process, administration of financial systems, sundry debtors, accounts payable, financial and asset accounting, treasury, procurement, contract and supply functions.

CONSULTATION

Councillor Consultation

Consultation has been undertaken with the Portfolio Councillor, E Hungerford.

Internal Consultation

This report has been written in conjunction with advice from:

- Acting Group Executive Business Performance
- Chief Financial Officer

External Consultation

No external consultation is required for this report.

Community Engagement

No community engagement is required for this report.

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

Sunshine Coast Council's 2022/23 Investment Policy and
Sunshine Coast Council's 2022/23 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 23 February 2023 (OM23/9)

That Council:

- (a) *receive and note the report titled "**Budget Review 2 – 2022/23**"*
- (b) *adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's amended budget for 2022/23 financial year incorporating:*
 - (i) *the statement of income and expenditure*
 - (ii) *the statement of financial position*
 - (iii) *the statements of changes in equity*
 - (iv) *the statement of cash flow*
 - (v) *the relevant measures of financial sustainability*
 - (vi) *the long-term financial forecast*

- (c) *note the following documentation applies as adopted 23 June 2022*
 - (i) *the Debt Policy*
 - (ii) *the Revenue Policy*
 - (iii) *the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget*
 - (iv) *the Revenue Statement and the rates and charges to be levied for the 2022/23 financial year and other matters as adopted 21 September 2022 and*
- (d) *endorse the Minor Capital Works Program (Appendix B).*

Ordinary Meeting 21 September 2022 (OM22/76)

That Council:

- (a) *receive and note the report titled “**Budget Review 1 – 2022/23**”*
- (b) *adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council’s amended budget for 2022/23 financial year incorporating:*
 - (i) *the statement of income and expenditure*
 - (ii) *the statement of financial position*
 - (iii) *the statements of changes in equity*
 - (iv) *the statement of cash flow*
 - (v) *the relevant measures of financial sustainability*
 - (vi) *the long-term financial forecast*
 - (vii) *the Debt Policy*
 - (viii) *the Revenue Statement*
- (c) *adopt Appendix A as tabled, pursuant to section 120, 121 and 122 of the Local Government Regulation 2012, Council grants a concession by way of a part rebate of the differential general rate levied, to those ratepayers described in section 2.4.4 in the 2022/23 Revenue Statement, subject to the eligibility criteria and conditions set out in section 2.4.4 in the 2022/23 Revenue Statement*
- (d) *note the following documentation applies as adopted 23 June 2022*
 - (i) *the Revenue Policy*
 - (ii) *the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget*
 - (iii) *the rates and charges to be levied for the 2022/23 financial year and other matters as adopted 23 June 2022*
 - (iv) *the Strategic Environment Levy Policy*
 - (v) *the Strategic Arts and Heritage Levy Policy*
 - (vi) *the Strategic Transport Levy Policy and*
- (e) *endorse the Minor Capital Works Program (Appendix B).*

Related Documentation

2022/23 Adopted Budget

Critical Dates

There are no critical dates for this report.

Implementation

There are no implementation details to include in this report.



Statement of Income and Expenses



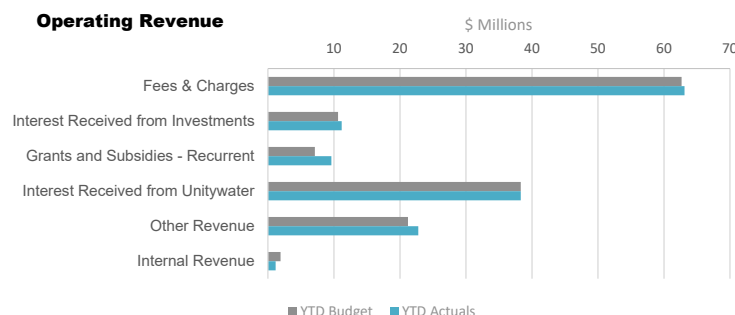
Council has a positive operating result of \$47 million, which is \$4.5 million below current budget as at 31 May 2023.

Council has an end of year forecast operating result of \$18.5 million, due to increasing depreciation expense and one off recurrent capital expenses.

The forecast net result of \$147 million, after capital revenue and non-recurrent expenses, provides an improved net position to the expected budget of \$9 million.

Statement of Income & Expenses							
	Annual		YTD				Annual
	Original Budget \$'000	Current Budget \$'000	Current Budget \$'000	Actuals \$'000	Variance \$'000	Variance %	Forecast Budget \$'000
Operating Revenue							
Net Rates and Utility Charges	369,957	370,198	370,743	371,309	567	0.2%	370,198
Fees and Charges	70,045	67,857	62,666	63,104	438	0.7%	67,857
Interest Received from Investments	3,000	11,820	10,613	11,167	554	5.2%	11,820
Operating Grants and Subsidies	12,804	16,167	7,102	9,600	2,498	35.2%	16,261
Operating Contributions	320	320	246	234	(12)	(4.9%)	320
Unitywater Participation	52,438	52,438	38,295	38,295	-	-	52,438
Other Revenue	23,824	25,880	21,220	22,776	1,555	7.3%	25,880
Internal Sales/Recoveries	2,632	2,260	1,912	1,153	(759)	(39.7%)	2,186
Total Operating Revenue	535,020	546,939	512,797	517,638	4,841	0.9%	546,959
Operating Expenses							
Employee Costs	163,519	163,092	141,769	139,853	(1,916)	(1.4%)	163,092
Materials and Services	200,548	209,799	185,906	190,052	4,146	2.2%	209,889
Finance Costs	12,771	13,167	12,286	12,452	166	1.4%	13,423
Company Contributions	4,413	4,483	4,483	4,484	1	0.0%	4,483
Depreciation Expense	95,499	101,215	88,267	88,267	-	-	101,215
Other Expenses	23,292	24,447	21,636	23,635	1,999	9.2%	24,450
Recurrent Capital Expenses	3,195	6,737	6,737	11,695	4,958	73.6%	6,737
Total Operating Expenses	503,237	522,940	461,084	470,438	9,354	2.0%	523,290
Operating Result	31,783	24,000	51,713	47,200	(4,513)	(8.7%)	23,669
Capital Revenue							
Capital Grants and Subsidies	18,186	35,014	32,000	40,098	8,098	25.3%	48,523
Capital Contributions - Cash	32,000	32,000	32,000	38,700	6,700	20.9%	32,888
Capital Contributions - Fixed Assets	50,417	50,417	17,949	17,949	(0)	(0.0%)	50,417
Total Capital Revenue	100,602	117,430	81,949	96,747	14,798	18.1%	131,827
Non-recurrent Expenses							
Profit/Loss on disposal, revaluation & impairment	-	-	-	1,980	1,980	-	-
Movements in landfill and quarry provisions	3,010	3,010	2,760	2,760	-	-	3,010
Assets Transferred to Third Parties	-	-	-	37	37	-	-
Total Non-recurrent Expenses	3,010	3,010	2,760	4,776	2,017	73.1%	3,010
Net Result	129,375	138,419	130,903	139,170	8,268	6.3%	152,486

Operating Result – May 2023



Operating Summary						
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	535,020	546,939	512,797	517,638	4,841	0.9%
Operating Expenses	500,042	516,203	454,347	458,743	4,396	1.0%
Recurrent Capital Expenses	3,195	6,737	6,737	11,695	4,958	73.6%
Operating Result	31,783	24,000	51,713	47,200	(4,513)	(8.7%)
Capital Revenue	100,602	117,430	81,949	96,747	14,798	18.1%
Non-recurrent Expenses	3,010	3,010	2,760	4,776	2,017	73.1%
Net Result	129,375	138,419	130,903	139,170	8,268	6.3%

As at 31 May 2023, \$517.6 million operating revenue had been achieved which is \$4.8 million more than current budget.

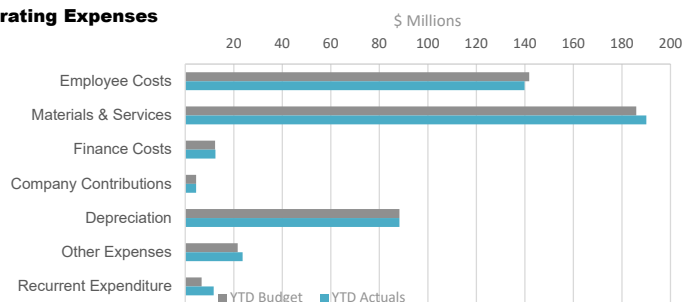
Substantial Revenue Variance for the Period Ending May 2023							
	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Operating Revenue							
Operating Grants and Subsidies	12,804	16,167	7,102	9,600	2,498	35.2%	16,261
Other Revenue	23,824	25,880	21,220	22,776	1,555	7.3%	25,880

Significant revenue variances:

- **Operating Grants and Subsidies** – an additional \$527,000 of emergency operations grants were received during May for disasters from February 2022, bringing Council's total operational grant revenue to \$1.6 million for the current financial year.
- **Other Revenue** – Council has received \$1 million additional external revenue for environmental offset works. The revenues for environmental offsets are received in advance with works being carried out over numerous years depending on the agreed contract.
- **Capital Revenue** – Council has received \$38 million in developer contributions revenue this financial year to date against the expected budget of \$32 million.

Operating Result – May 2023 (continued)

Operating Expenses



Operating Summary						
	Annual		YTD			
	Original Budget \$000s	Current Budget \$000s	Current Budget \$000s	Actuals \$000s	Variance \$000s	Variance %
Operating Revenue	535,020	546,939	512,797	517,638	4,841	0.9%
Operating Expenses	500,042	516,203	454,347	458,743	4,396	1.0%
Recurrent Capital Expenses	3,195	6,737	6,737	11,695	4,958	73.6%
Operating Result	31,783	24,000	51,713	47,200	(4,513)	(8.7%)
Capital Revenue	100,602	117,430	81,949	96,747	14,798	18.1%
Non-recurrent Expenses	3,010	3,010	2,760	4,776	2,017	73.1%
Net Result	129,375	138,419	130,903	139,170	8,268	6.3%

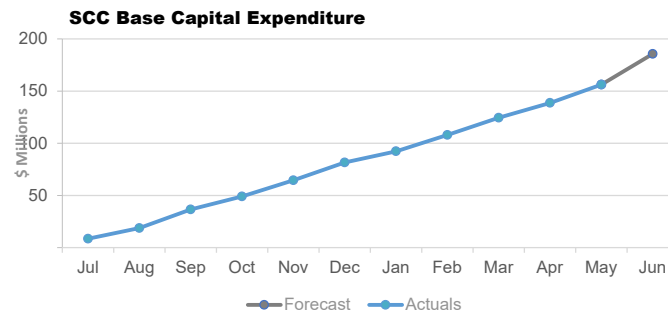
Substantial Expenditure Variance for the Period Ending May 2023

	Annual		YTD				Annual Forecast Budget \$000
	Original Budget \$000	Current Budget \$000	Current Budget \$000	Actuals \$000	Variance \$000	Variance %	
Operating Expenses							
Employee Costs	163,519	163,092	141,769	139,853	(1,916)	(1.4%)	163,092
Materials and Services	200,548	209,799	185,906	190,052	4,146	2.2%	209,889
Recurrent Capital Expenses	3,195	6,737	6,737	11,695	4,958	73.6%	6,737

As at 31 May 2023, \$470 million had been expended resulting in a variance of \$9.4 million (2%) higher than budget.

- Employee costs are below budget for the current financial year due to ongoing vacancies
- Sunshine Coast Stadium has incurred \$858,000 additional expenses above the current budget due to additional events being held. Increased ticket sales revenue as well as food and beverage sales have also been received
- Parks and Gardens have completed additional arborists works to clear backlog, incurring an additional \$266,000 above the \$2 million annual budget
- Recurrent capital expenses relates to works undertaken through Council's Capital Works Program that do not meet the definition of an asset under Accounting Standard AASB 116 Property Plant and Equipment. This predominately relates to the following programs –
 - Sunshine Coast Airport Runway Expansion
 - Information Technology
 - Transportation

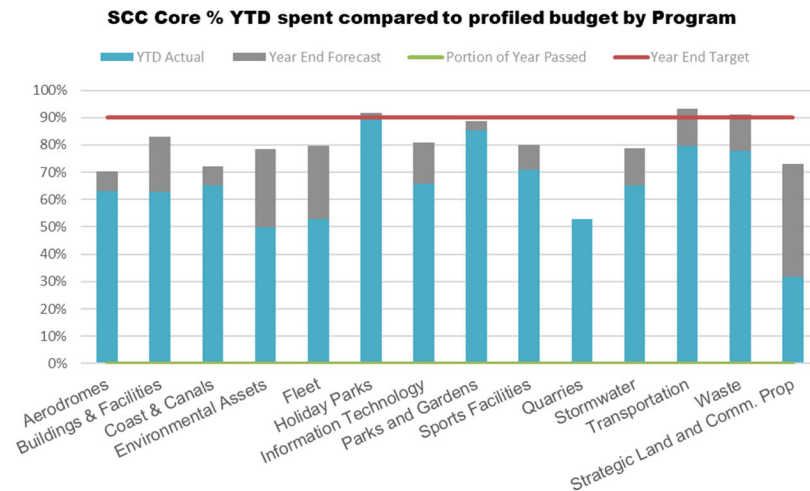
Capital Expenditure - May 2023



- As at 31 May 2023, \$199.7 million (68.2%) of Council's \$292.9 million Capital Works Program was financially expended.
- The Core Capital Program has progressed 74.6% of budget, an actual spend of \$156.9 million.
- Corporate Major Projects progressed 66% consisting of –
 - Sunshine Coast City Hall - 78%
 - Maroochydore PDA Multi Deck – 33%

Capital Expenditure						
	Annual		YTD		Year End	
	Original Budget \$000s	Current Budget \$000s	Actuals \$000s	% of FY Budget Spent	Forecast Year End Actual	Forecast Year End Variance to Budget
Core Capital Works Program						
Aerodromes	530	1,327	836	63.0%	932	(395)
Buildings and Facilities	21,764	20,116	12,652	62.9%	16,667	(3,449)
Coast and Canals	4,440	5,403	3,523	65.2%	3,901	(1,502)
Environmental Assets	3,840	2,697	1,348	50.0%	2,113	(584)
Minor Works	4,850	4,874	3,426	70.3%	3,997	(877)
Fleet	4,000	5,559	2,942	52.9%	4,424	(1,135)
Holiday Parks	4,095	2,112	1,885	89.2%	1,934	(178)
Information Technology	7,059	9,238	6,086	65.9%	7,480	(1,758)
Parks and Gardens	9,805	11,243	9,609	85.5%	9,975	(1,268)
Sports Facilities	8,575	9,452	6,715	71.0%	7,559	(1,893)
Quarries	610	242	128	52.9%	128	(114)
Stormwater	9,141	8,204	5,347	65.2%	6,464	(1,740)
Transportation	75,526	78,184	62,206	79.6%	72,810	(5,374)
Waste	52,546	51,683	40,177	77.7%	47,085	(4,598)
Total SCC Core Capital Program	206,781	210,334	156,879	74.6%	185,469	(24,865)
Corporate Major Projects	44,731	39,950	26,533	66.4%	27,821	(12,129)
Strategic Land and Commercial Properties	21,697	37,358	11,907	31.9%	27,249	(10,110)
Maroochydore City Centre	-	464	103	22.1%	43	(421)
Sunshine Coast Airport Runway	-	4,842	4,325	89.3%	4,244	(598)
Total Other Capital Program	66,428	82,614	42,867	51.9%	59,356	(23,258)
TOTAL	273,210	292,948	199,746	68.2%	244,825	(48,123)

Capital Expenditure - May 2023 (continued)



Buildings and Facilities

- Construction continues on stage 1 of the Kawana Waters regional aquatic centre upgrade project.

Fleet

- \$4.6 million of orders have been placed with delivery expected throughout the 2022/23 and following financial year.

Holiday Parks

- Construction for the replacement of amenities at the Coolum Beach and Mudjimba holiday park are both finalised

Stormwater

- Council's \$2.1 million stormwater pipe relining program has progressed with \$1.9 million in expenditure

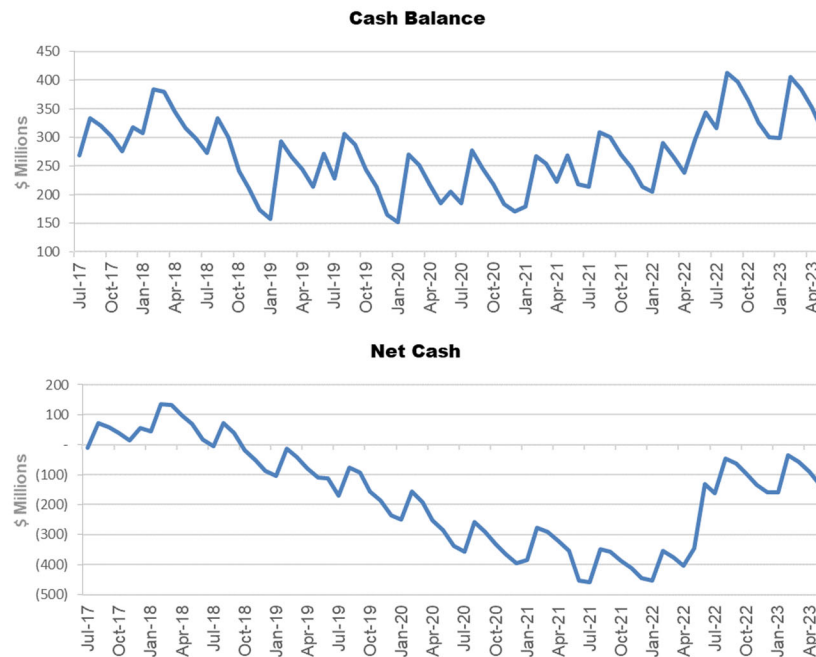
Transportation

- Council's \$23 million road resurfacing and rehabilitation program has progressed 92% with a total expenditure of \$21 million.
- Council's \$2.3 million bus stop program has progressed 104% with a total expenditure of \$2.4 million.
- Construction continues for Council's major transport corridor upgrade at Brisbane Road Mooloolaba

Waste

- Design and construction is progressing for the new material resource facility at the Nambour resource recovery centre.

Cash Flows and Balance Sheet



Cash and Balance Sheet - May 2023	
	Original Budget \$000s
CASH FLOWS	
Opening Cash	289,721
Net Cash Inflow/(Outflows) from:	
Operating Activities	78,211
Investing Activities	(177,162)
Financing Activities	19,509
Net Increase/(decrease) in Cash Held	(79,442)
Cash at year end	210,279
BALANCE SHEET	
Current Assets	269,810
Non Current Assets	6,319,144
Total Assets	6,588,954
Current Liabilities	136,038
Non Current Liabilities	541,261
Total Liabilities	677,299
Net Community Assets/Total Community Equity	5,911,655

- Council's cash at 31 May 2023 is \$308.5 million excluding trust
- Council's debt at 31 May 2023 is \$457 million

Debt

Sunshine Coast Council's debt program is governed by the 2022/23 Debt Policy, which was adopted with the Original Budget adoption on 23 June 2022.

New borrowings are undertaken in accordance with the Queensland Treasury Corporation Guidelines, the Statutory Bodies Financial Arrangements Act 1982 and Section 192 of the Local Government Regulation 2012.

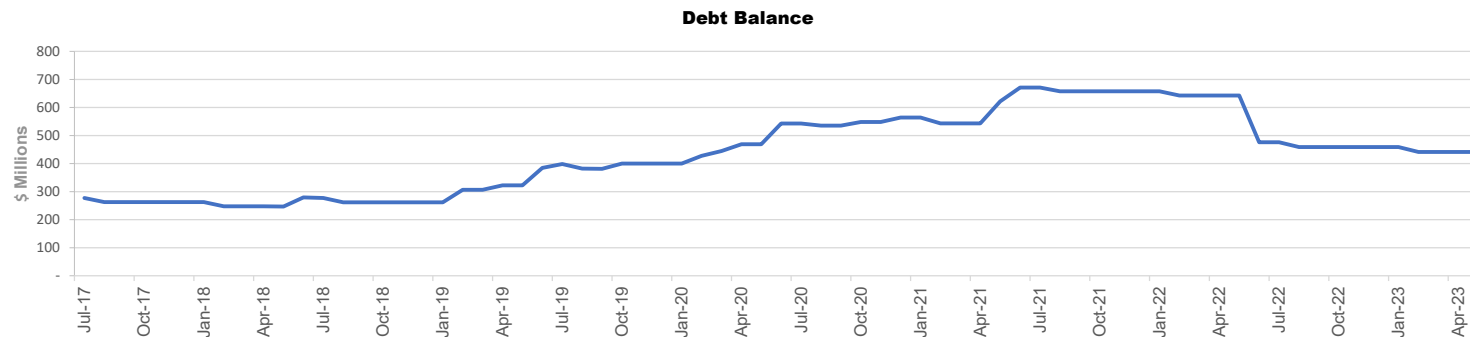
Council's debt as at 31 May 2023 is \$457 million.

In March 2023, Queensland Treasury Corporation completed the Credit Review process for Sunshine Coast Regional Council (SCRC). SCRC's credit rating has been affirmed as **Strong** with the outlook changed from Developing to **Neutral**.

The aim of the review is to determine Council's ability to service its current and future debt obligations; Identify credit and other risks which may affect Council's debt servicing capacity and the impact of such risks on Council's financial sustainability and; Determine a QTC credit rating and outlook.

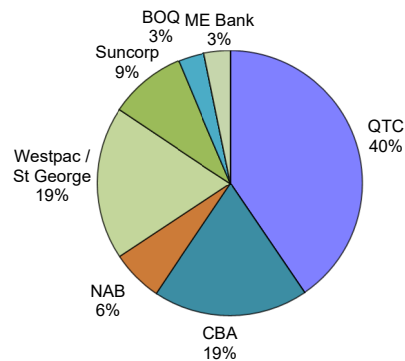
Debt - 2022/23				
	Opening Balance	Debt Redemption	New Borrowings	Closing Balance
	\$000	\$000	\$000	\$000
Sunshine Coast Council Core	345,766	16,680	34,200	363,286
Maroochydore City Centre	138,717	6,879	-	131,837
Total	484,483	23,559	34,200	495,124

Table 1: 2022/23 Adopted Debt Balance

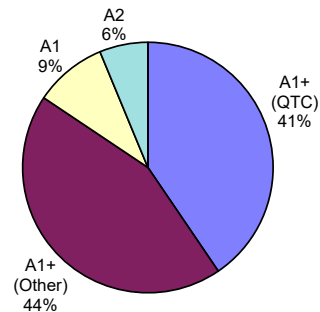


Investment Performance

Investment per financial institution (%)



Investment by Standard & Poor's (Short Term Credit Rating)



Investment Performance - May 2023			
Liquidity as at:		31/05/2023	
		\$'000's	
At-call accounts			
QTC + CBA (excl. trust)		158,504	49.48%
Maturities within 7 days		-	0.00%
Total at-call		158,504	49.48%
Investment Policy Target			10.00%

Term deposits maturing:			
	\$'000's	Count	
within 30 days	20,000	2	
30-59 days	40,000	4	
60-89 days	40,000	4	
90-179 days	20,000	2	
180-364 days	30,000	2	
1 year - 3 years	-	-	
Total	150,000	14	

INVESTMENT SUMMARY (including Trust) as at:							Investment Policy	
	31/05/2023		28/02/2023		31/05/2022		Individual Limit	Group Limit
A1+ (QTC)	129,710	40%	154,135	38.0%	259,250	87.2%	100%	100%
A1+ (Other)	140,634	44%	201,964	49.7%	27,936	9.4%	40%	100%
A1	30,000	9%	30,000	7.4%	-	0.0%	30%	50%
A2	20,000	6%	20,000	4.9%	10,000	3.4%	30%	45%
A3	-	0%	-	0.0%	-	0.0%	5%	10%
Total Funds	320,343		406,099		297,186			
FUND SUMMARY								
General Funds	308,504		394,092		285,281			
Trust Funds	11,839		12,006		11,904			
Total Funds	320,343		406,099		297,186			

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 31 May 2023 Council had \$308.5 million cash (excluding Trust Fund), with an average interest rate of 4.52%, being 1.12% above benchmark. This is compared to the same period last year with \$285 million cash (excluding Trust Fund) with an average interest rate of 0.77%, being 0.47% above benchmark.
- The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill index (BAUBIL).



2022/23 Financial Year Grant Funding

	Description	Division	Suburb	Estimated Construction Start Month	Construction Completed Month	TOTAL Grant Revenue \$'000	Project Expenditure to date \$'000
Federal Government						(\$24,117)	\$16,720
1	Roads to Recovery Program					(\$3,600)	
Local Road and Community Infrastructure Grant Funding - Round 2 - Agreement end date 30 June 2022						(\$1,107)	\$2,056
2	H3790 - LRCIP2 - Citrus Road Gravel Road Upgrade	Division 05	Palmwoods	August 2021	February 2022	(\$220)	\$3
3	H3799 - LRCIP2 - Zgrajewski Road Gravel Road Upgrade	Division 09	Yandina Creek	January 2022	November 2022	(\$400)	\$1,925
4	H3941 - LRCIP2 - Crosby Hill Road Pathway	Division 07	Buderim	July 2021	January 2022	(\$81)	\$16
5	H4223 - LRCIP2 - Scholars Drive to Columbia Street - Road Link	Division 06	Sippy Downs	May 2022	July 2022	(\$289)	\$112
6	K1484 - LRCIP2 - Meridan Way Lighting	Division 03	Meridan Plains	September 2021	November 2021	(\$35)	\$0
7	K1492 - LRCIP2 Spray Seal - Old Gympie Road Resurfacing	Division 01	Glass House Mountains	October 2021	October 2021	(\$17)	\$0
8	K1493 - LRCIP2 Spray Seal - Bald Knob Road	Division 05	Peachester	October 2021	October 2021	(\$19)	\$0
9	K1495 - LRCIP2 Asphalt - Mountain View Road	Division 05	Maleny	October 2021	October 2021	(\$46)	\$0
Local Road and Community Infrastructure Grant Funding - Round 3 - Agreement end date 30 June 2023						(\$7,308)	\$2,337
10	K1622 - LRCIP3 North Shore Football Club - Sports Field Lighting	Division 08	Marcoola	April 2023	July 2023	(\$400)	\$96
11	H2095 - LRCIP3 Buderim Lions Park Public Amenity Rehab	Division 06	Buderim	June 2023	August 2023	(\$245)	\$77
12	H5465 - LRCIP3 Lake Weyba Foreshore Trail Upgrade	Division 09	Weyba Downs			(\$300)	\$206
13	K3000 - LRCIP3 Eumundi Tennis court replacement	Division 10	Eumundi			(\$600)	\$404
14	K3488 - LRCIP3 Palmwoods Cricket AFL - LED Lighting	Division 05	Palmwoods	October 2022	March 2023	(\$450)	\$498
15	H9256 - LRCIP3 Outrigger Boat Ramp Carparking	Division 04	Minyama			(\$400)	\$10
16	H8037 - LRCIP3 Lindsay Road Buderim - Pathway	Division 07	Buderim	May 2023	May 2023	(\$78)	\$14
17	K1397 - LRCIP3 Katherine Street Beerwah Pathway	Division 01	Beerwah	July 2022	January 2023	(\$125)	\$94
18	H5978 - LRCIP3 Brandenburg Road Seal Widening	Division 05	Mooloolah Valley	February 2023	June 2023	(\$385)	\$628
19	K1030 - LRCIP3 Claymore Road Pathway Lighting	Division 06	Sippy Downs	March 2023	May 2023	(\$325)	\$285
20	K2732 - LRCIP3 WOR LED Streetlighting Upgrades	Whole of Council				(\$4,000)	\$23
Urban Congestion Fund						(\$12,000)	\$12,313
21	H3747 - Mooloolaba Transport Corridor - D and C	Division 04	Mooloolaba		November 2023	(\$12,000)	\$12,313
Black Summer Bushfire Recover Grants Program						(\$102)	\$15
33	K3402 - Nambour Showgrounds PA System	Division 10	Nambour			(\$102)	\$15

2022/23 Financial Year Grant Funding

	Description	Division	Suburb	Estimated Construction Start Month	Construction Completed Month	TOTAL Grant Revenue \$'000	Project Expenditure to date \$'000
State Government						(\$13,590)	\$10,104
	<i>Walking Local Government Grant</i>					(\$54)	\$37
22	K3037 - Walking Network Plans	Whole of Council				(\$54)	\$37
2022-24 Local Government Grants and Subsidies Program						(\$180)	\$211
23	H5637 - Caloundra Headland Coastal Pathway	Division 02	Kings Beach	May 2023	December 2023	(\$180)	\$211
Queensland Transport Cycle Network Program						(\$2,897)	\$1,445
24	H9547 - BA238 Bokarina-Warana Coastal Pathway	Division 03	Warana			(\$270)	\$112
25	H3732 - Oval Avenue and Gosling St Upgrade	Division 02	Caloundra	May 2024	November 2025	(\$237)	\$878
26	H3839 - LGIP Stringybark Rd Footbridge-Pathway	Division 07	Sippy Downs	September 2023	December 2023	(\$2,100)	\$81
27	H4851 - LGIP Ballinger Rd Cycle Lanes	Division 07	Buderim			(\$56)	\$75
28	B4344 - Sixth Avenue Road Cycle Treatments	Division 04	Maroochydore	September 2022	March 2023	(\$234)	\$298
Blackspot Funding						(\$1,551)	\$10
29	K3443 - Blackspot Old Gympie Road Beerwah	Division 01	Beerwah			(\$133)	\$0
30	K3444 - Blackspot Ilkley Road Ilkley - Hazard	Division 05	Ilkley			(\$515)	\$4
31	K3445 - Blackspot Brisbane Road Mooloolaba	Division 04	Mooloolaba			(\$153)	\$0
32	K2085 - Blackspot Edmund St and William St Intersection	Division 02	Shelley Beach			(\$750)	\$6
34 Local Government Subsidy - SES						(\$54)	
35 Bus Stop Shelter Program						(\$380)	
36 Passenger Transport Accessible Infrastructure Program						(\$321)	
37 Passenger Transport Infrastructure Investment Program						(\$273)	
Transport Infrastructure Development Scheme						(\$1,355)	\$2,355
38	H1251 - North Arm Yandina Creek Road Stage 3 Gravel Road	Division 09	Yandina Creek			(\$164)	\$38
39	H3802 - North Arm Yandina Creek Road Stage 2 Gravel Road	Division 09	Yandina Creek			(\$104)	\$317
40	H4615 - Sippy Downs School Precinct	Division 06	Sippy Downs			(\$200)	\$19
41	K3738 - TIDS Jacana St Raised Priority Crossing	Division 03	Currimundi	May 2023	May 2023	(\$45)	\$44
42	K3739 - TIDS Beerburum St Raised Zebra Crossing	Division 03	Aroona			(\$100)	\$40
43	K3740 - TIDS Bellara Dr Raised Priority Crossing	Division 03	Currimundi	April 2023	April 2023	(\$45)	\$224
44	K3741 - TIDS Kalana Road Zebra Crossing	Division 03	Currimundi			(\$10)	\$10
45	K2723 - Camp Flat Road Upgrade Stage 4	Division 09	Bli Bli	May 2023		(\$170)	\$148
46	H8013 - Chevallum Road Widening	Division 05	Chevallum	December 2022	February 2023	(\$206)	\$718
47	H9439 - Glenview Road Upgrade Stage 5	Division 05	Glenview	November 2022	March 2023	(\$300)	\$796
48	B1514 - TMR Local Government Alliance	Whole of Council				(\$11)	\$0
South East Queensland Community Stimulus Program - Agreement end date 30 June 2024						(\$6,525)	\$6,046
49	H1670 - SEQCSP First Avenue Streetscape	Division 04	Maroochydore	October 2022	November 2023	(\$910)	\$129
50	H9957 - SEQCSP Buderim Village Park Buderim Stage 9	Division 07	Buderim		December 2022	(\$550)	\$434
51	K1618 - SEQCSP Caloundra Indoor Sports Stadium - Roof Replacement	Division 02	Caloundra	June 2023	September 2023	(\$700)	\$222
52	K1898 - SEQCSP Parkyn Parade Pedestrian Facilities	Division 04	Mooloolaba	March 2022	September 2022	\$0	\$144
53	K2259 - SEQCSP Albany Lakes Park Play Upgrade Stage 2	Division 06	Sippy Downs	August 2022	November 2022	(\$400)	\$423
54	K2406 - SEQCSP Turner Park Beerwah Activation Stage 2	Division 01	Beerwah	August 2022	November 2022	(\$100)	\$121
55	K2449 - SEQCSP North Shore Multi-Sports Complex	Division 08	Mudjimba	March 2023	September 2023	(\$650)	\$812
56	K2478 - SEQCSP Palmwoods Warriors Football Club	Division 05	Palmwoods		March 2023	(\$400)	\$626
57	K2843 - SEQCSP Landsborough Streetscape - Stage 2	Division 01	Landsborough	September 2023	January 2024	(\$100)	\$23
58	K1647 - SEQCSP Outrigger Park - Public Amenity	Division 04	Minyama		September 2023	(\$215)	\$20
59	H7863 - SEQCSP Coolool Sports Complex Intersection	Division 09	Coolool Beach	September 2023	January 2024	(\$700)	\$47
60	H4602 - SEQCSP Woombye Streetscape Placemaking	Division 05	Woombye	October 2022	May 2023	(\$500)	\$1,340
61	H4605 - SEQCSP Eumundi Town Centre Placemaking	Division 10	Eumundi	July 2023	March 2024	(\$500)	\$323
62	K1308 - SEQCSP Ocean Street Placemaking Renewal	Division 08	Maroochydore	May 2023	June 2024	(\$300)	\$75
63	B3888 - Sunshine Coast Stadium Stage1 Northern Carpark	Division 09	Bokarina	October 2022	January 2023	(\$500)	\$1,305
Project Complete							

8.5 AUDIT COMMITTEE MEETING 22 MAY 2023**File No:** Council Meetings**Author:** Manager Audit & Assurance
Civic Governance**Appendices:** App A - Audit Committee Minutes 22 May 2023 161 [!\[\]\(23d9fc146e83b5c3013cfa32c784f8d5_img.jpg\)](#) [!\[\]\(f5c463b8c1554ac5049d611bd8e33a51_img.jpg\)
App B - Proposed 2023 - 2024 Audit and Assurance Program of
Work..... 185 \[!\\[\\]\\(54f1390f33a36173a1b97c4b6eb40204_img.jpg\\)\]\(#\) \[!\\[\\]\\(1301e78e125668a3a0cedabdef0db7f3_img.jpg\\)\]\(#\)](#)**PURPOSE**

To provide Council with a report on matters reviewed at the Audit Committee (“the Committee”) meeting held on 22 May 2023 and recommendations made by the Committee to Council.

This report is provided in fulfillment of Council’s obligations under section 105 of the *Local Government Act 2009* and section 211 of the *Local Government Regulation 2012*.

EXECUTIVE SUMMARY

Under section 105 (2) of the *Local Government Act 2009*, Council is required to establish and maintain an Audit Committee. Council’s Audit Committee is comprised of Mr Mitchell Petrie (Independent Chair), Mr Pat McCallum (Independent Member), Ms Sue Tindal (Independent Member), Councillor E Hungerford and Councillor J Natoli.

Under Clause 6 of the Audit Committee Charter, the Committee meets (at a minimum) four times each year or as determined by Council or the Committee.

The agenda for the Committee meeting held on 22 May 2023 covered a wide range of matters including:

- an update report from the Chief Executive Officer
- a strategic risk report and operational risk report
- a Governance report on Integrity & Insurance matters
- a report on Annual Financial Statement Risk and Planning Assessment
- an update on the financial sustainability framework
- an update on Climate-Related Financial Disclosure Requirements
- an update from Queensland Audit Office’s 2023 External Audit Plan
- an update from Queensland Audit Office’s its First Interim Report for 2022/23
- a status report from Audit and Assurance relating to the annual work program and progress of audit recommendations
- an Audit and Assurance report on Development Services Planning Assessment Fees and Charges
- a proposal from Audit and Assurance on the 2023-2024 Program of Work
- a proposal from Audit and Assurance on an additional meeting and revised meeting schedule for the Audit Committee for each financial year
- workplace health and safety report
- an update from Built Infrastructure on progress of audit recommendations from previous audits.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Audit Committee Meeting 22 May 2023”
- (b) endorse the Minutes of the Audit Committee meeting of 22 May 2023 (Appendix A)
- (c) accept the recommendation of the Audit Committee dated 22 May 2023 that the proposed 2023 – 2024 Audit and Assurance Program of Work (Appendix B) and
- (d) approve the realigned annual meeting schedule for the Audit Committee as follows, to commence from 1 July 2023:
 - February
 - May
 - Late August/Early September
 - October – teleconference to consider annual financial statements
 - November

FINANCE AND RESOURCING

There are no financial or resourcing issues specifically associated with this report. The report fulfils the statutory reporting obligations of Council.

CORPORATE PLAN

Corporate Plan Goal: *Our outstanding organisation*
Outcome: We serve our community by providing this great service.
Operational Activity: S30 - Governance – providing internal leadership, legal opinion, governance and audit functions ensuring legislative accountability, transparency and ethical obligations are supported.

CONSULTATION**Councillor Consultation**

Councillor Natoli attended and participated in the Audit Committee meeting on 22 May 2023.

Councillor Hungerford was an apology for the meeting. Councillor Hungerford received a briefing on the agenda and a debrief on the Audit Committee meeting.

All Councillors received the Audit Committee agenda and papers prior to the meeting.

Internal Consultation

The Chief Executive Officer and Executive Leadership Team members were present at the Committee meeting and contributed to the development of the Committee Agenda papers. Other officers consulted in the preparation of papers for consideration at the Audit Committee meeting on 22 May 2023 included:

- Coordinator Financial Accounting
- Coordinator Corporate Risk & Insurance
- Coordinator Integrity Management
- Head of People and Culture

- Manager Asset Management
- Manager, Asset Management Branch
- Manager, Parks and Gardens Branch

The Chief Executive Officer and all Executive Leadership Team members received the Audit Committee agenda and papers prior to the meeting.

External Consultation

The independent members of the Committee and representatives of the Queensland Audit Office were present at the Committee meeting on 22 May 2023.

All received the Audit Committee agenda and papers prior to the meeting.

PROPOSAL

Under section 105 (2) of the *Local Government Act 2009*, Council (as a large local government) must establish and maintain an Audit Committee. The Act provides the Audit Committee has the following functions:

- (a) monitors and reviews—
 - (i) the integrity of financial documents; and
 - (ii) the internal audit function; and
 - (iii) the effectiveness and objectivity of Council's internal auditors; and
- (b) makes recommendations to Council about any matters that the Committee considers need action or improvement.

The Committee has no delegated decision-making authority. The Committee is, however, a source of independent advice to Council and the Chief Executive Officer.

The Committee is comprised of Mr Mitchell Petrie (Independent Chair), Mr Pat McCallum (Independent Member), Ms Sue Tindal (Independent Member), Councillor E Hungerford and Councillor J Natoli.

The overall objective of the Committee is to assist Council and the Chief Executive to discharge their responsibilities, 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 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.

Under section 211 of the *Local Government Regulation 2012*, the Committee must provide Council with a written report about the matters reviewed at its meetings and make recommendations to Council on any matters the Committee considers need action or improvement. The Committee meets at least four times each year.

Audit Committee Meeting – 22 May 2023

The items of business considered by the Committee at its 22 May 2023 meeting are summarised in agenda sequence as follows:

Office of the CEO**Chief Executive Officer's Update**

The Chief Executive Officer provided an organisational performance update for the period since the January 2023 Committee meeting. The report covers financial performance, operational plan activities and includes significant project achievements.

Positive progress was reported on:

- Capital program
- Operational Plan
- Service delivery

The report and progress were noted by the Audit Committee.

Governance**Strategic Risk Report**

The Strategic Risk Register and work undertaken in the past quarter was presented for the Audit Committee. The next phases of the work program in support of embedding awareness and management of Strategic Risks in the governance of the organisation were presented.

The Audit Committee noted the report and commented positively on the work undertaken.

Operational Risk Profile Overview

Work undertaken was summarised and cooperation of Groups and Branches in addressing operational risk matters was noted. Several of the reported action plans have brought some high rated risks back into a medium or low residual risk rating.

The Audit Committee noted the report and commented on the progress with this work.

Integrity & Insurance Report

The Audit Committee received an update on corporate governance activities across the following areas:

- Governance in Action Program
- Integrity Management
- Business Continuity and Insurance Management.

The Office of the Information Commissioner (OIC) commenced its Follow Up Audit on Council's Compliance with the *Information Privacy Act 2009* and the *Right to Information Act 2009* in March 2023. The OIC audit is planned to be finalised in mid-June, with the Follow Up Audit Report will be tabled in Parliament at a future date.

The Audit Committee noted the report.

Finance**Annual Financial Statement Risk and Planning Assessment**

The assessment was completed with six minor rated risks and one rated as moderate. The Queensland Audit Office and Council's Finance Branch have agreed on the assessment.

Finance undertook the Queensland Audit Office's Financial Statement Preparation Maturity Self-Assessment. The assessment showed good maturity.

The Audit Committee noted the report.

Financial Sustainability Framework Briefing

Finance reported on their preparation for when the framework comes into effect.

The Audit Committee noted the report.

Climate-Related Financial Disclosure Requirements

A forward briefing was provided on when climate-related financial disclosures may be required in Council's Financial Statements.

The Audit Committee noted the report.

Queensland Audit Office

2023 External Audit Plan

Finance updated the Audit Committee on the finalisation of the Queensland Audit Office (QAO) Audit Plan.

The Audit Committee noted the report.

First Interim Report for 2022/23

Finance updated the Audit Committee on the First Interim Report from QAO. No new recommendations were raised. The QAO is following up on its recommendations from last financial year.

QAO provided an update on:

- the annual Local Government Report to Parliament on the outcome of the audits of all 77 local government councils
- the Improving Asset Management in Local Government review

Both reports are presently being in draft and will be finalised and are anticipated to be tabled in Parliament before 30 June 2023. QAO indicated it would like to present the findings of the Improving Asset Management in Local Government review at the next Audit Committee meeting.

The Audit Committee noted the report.

Audit & Assurance

Program of Work update

The audit committee was briefed on progress with the internal audit program, with an estimated completion rate at this time of approximately 78%.

The Audit Committee noted the report.

Internal Audit Reports

One internal audit report was presented to the Audit Committee on Development Services Planning Assessment Fees and Charges. The report had no audit recommendations. The key findings were:

- All policy documents examined included excerpts of relevant legislative requirements, thereby ensuring compliance with mandated obligations.
- A sample of 24 revenue transactions were selected for review with no discrepancies identified.
- The monthly reconciliations of the Planning Assessment Fees and Charges income were inspected with minor reconciling items identified. The reconciling variances identified were investigated by management and resolved at the time of the review

The Audit Committee noted the report.

Recommendation Monitoring

An update was presented on the status of previous Audit Recommendations. Seven recommendations were closed since the last meeting and seven recommendations were assigned revised due dates.

The audit committee noted the report and endorsed the revised implementation dates for recommendation to the Chief Executive Officer.

Proposed FY2024 Program of Work

The Proposed FY2024 Internal Audit program of Work was presented for consideration, with 10 engagements proposed.

The Audit Committee noted the report and recommended that Council endorse the proposed 2023 – 2024 Proposed Program of Work.

Proposal to realign Audit Committee Meetings

The Audit Committee considered a proposal to introduce an additional meeting each financial year and a revised meeting schedule to commence from 1 July 2023.

The Audit Committee noted the report and recommended that Council approve the realigned annual meeting schedule for the Audit Committee.

PeopleWellbeing Health and Safety Report

A comprehensive update was provided, covering Key Health and Safety Metrics for January to March 2023.

The Audit Committee noted the report.

Built InfrastructureUpdates to Audit recommendation

The audit committee received an update on the future direction and implementation of two key asset management improvement projects previously reported to the Committee. A further update will be provided to the next Audit Committee meeting.

The Audit Committee noted the report.

Legal

This report to Council has been developed in fulfillment of Council's statutory obligations under the *Local Government Act 2009* and *Local Government Regulation 2012*.

Risk

Specific risks associated with each matter contained in the Committee Agenda reports have been raised and addressed in the briefings to the Committee.

Previous Council Resolution**Ordinary Meeting 23 February 2023 (OM23/8)**

That Council:

(a) receive and note the report titled "**Audit Committee Meeting 23 January 2023**" and

- (b) *endorse the Minutes of the Audit Committee meeting of 23 January 2023 at Appendix A to this report.*

Ordinary Meeting 27 October 2022 (OM22/91)

That Council:

- (a) *receive and note the report titled “**Audit Committee Meeting 6 October 2022**” and*
(b) *endorse the Minutes of the Audit Committee meeting of 6 October 2022 at Appendix A to this report.*

Related Documentation

There is no related documentation relevant to this report.

Implementation

Implementation of the Audit Committee resolutions and the internal and external audit recommendations are overseen by the Chief Executive Officer and the Executive Leadership Team and monitored by the Audit Committee.



Minutes

Audit Committee

Monday, 22 May 2023

Sunshine Coast City Hall Chamber, 54 First Avenue, Maroochydore

AUDIT COMMITTEE MEMBERS

Councillor J Natoli	Division 4
Councillor E Hungerford	Division 7
Mr M Petrie	External Member (Chair)
Mr P McCallum	External Member
Ms S Tindal	External Member

AUDIT COMMITTEE MINUTES

22 MAY 2023

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Please Note: The resolutions as shown in italics throughout these minutes are the resolutions carried by the Audit Committee.

AUDIT COMMITTEE MINUTES

22 MAY 2023

1 DECLARATION OF OPENING

The Chair declared the meeting open at 9:05am.

Councillor J Natoli acknowledged the Traditional Custodians of the land on which the meeting took place.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE

AUDIT COMMITTEE MEMBERS

Councillor J Natoli	Division 4
Mr M Petrie	External Member (Chair)
Mr P McCallum	External Member
Ms S Tindal	External Member (Teams)

COUNCIL OFFICERS

Chief Executive Officer
Group Executive Built Infrastructure
A/Group Executive Business Performance
Group Executive Customer Engagement and Planning Services
A/Group Executive Economic and Community Development
A/Group Executive Liveability and Natural Assets
Group Executive Civic Governance
A/ Chief Strategy Officer
Coordinator Corporate Risk & Insurance
Coordinator Integrity Management
Coordinator Financial Accounting
Chief Financial Officer
Manager Audit & Assurance
Principal Auditor Audit & Assurance
Head of People & Culture
Manager Asset Management

APOLOGIES

Councillor E Hungerford	Division 7
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ATTENDEES

Engagement Leader	Queensland Audit Office
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AUDIT COMMITTEE MINUTES

22 MAY 2023

3 INFORMING OF CONFLICTS OF INTEREST

3.1 PRESCRIBED CONFLICTS OF INTEREST

NIL

3.2 DECLARABLE CONFLICTS OF INTEREST

NIL

Patrick McCallum disclosed that his wife is a proud Kabi Kabi woman and is listed as a claimant on the Kabi Kabi Native Title Claim which includes substantial sections of the Sunshine Coast Local Government Area.

Sue Tindal disclosed that she has been reappointed to the Board of Quotable Value Ltd and Quotable Value Pty Ltd until April 2026 and elevated to Deputy Chair from 1 May 2023, and reappointed as the Chair of Brosnan Ltd, Brosnan Holdings Ltd, Brosnan Construction Canterbury Ltd, Brosnan Construction Ltd, Brosnan Maintenance Ltd and Bettabuilt Ltd from 1 May 2023 (note that this is intended to be until November 2023 when I will reassess and may then step back to being an Independent Director only).

AUDIT COMMITTEE MINUTES

22 MAY 2023

4 REPORTS DIRECT TO AUDIT COMMITTEE

4.1 CHIEF EXECUTIVE OFFICER'S UPDATE TO THE AUDIT COMMITTEE

File No: Council Meetings
Author: Acting Chief Strategy Officer
Civic Governance

EXECUTIVE SUMMARY

The Audit Committee considers a regular report from the Chief Executive Officer outlining Council's performance in progressing the implementation of its corporate and operational plans.

This report provides information on the following items for consideration by the Audit Committee:

- financial performance update as of 31 March 2023
- Capital Works Program delivery update as of 31 March 2023
- Workplace Health and Safety update as of 31 March 2023
- significant achievements delivered between 1 January to 31 March 2023 (Quarter 3 2022/23), and
- summary of Operational Plan performance by exception as of 31 March 2023.

Committee Recommendation (AC23/14)

Moved: Councillor J Natoli
Seconded: P McCallum

That the Audit Committee:

- (a) *receive and note the report titled "Chief Executive Officer's update to the audit committee"*
- (b) *receive and note attachment 1 titled "summary of operational plan performance by exception as of 31 march 2023".*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.2 GOVERNANCE: STRATEGIC RISK REPORT

File No: Audit Committee meeting
Author: Coordinator Corporate Risk & Insurance
Civic Governance

EXECUTIVE SUMMARY

Updating and refinement of Council's Strategic Risks Register is progressing, to provide greater clarity and visibility to the risks for strategic significance to Council as previously identified by the Executive Leadership Team.

For the last quarter, this work has focused on:

- defining an updated strategic risk framework for the identification and assessment of strategic risks in the context of Council's corporate goals and policy operating environmental influencers on Council's service outputs (i.e. products and services)
- clarifying executive ownership and impacted groups for each of the strategic risks;
- providing greater clarity on the strategic, tactical and operational mitigation actions that are germane to ongoing response to managing each strategic risk;
- clarifying the role of Civic Governance in monitoring and reporting on strategic risks and providing the enabling tools to all groups and branches to better assist with the documentation, management and reporting on operational risks (as distinct from strategic risks); and
- better defining the scope and measurement of each strategic risk and definition of controls to treat each risk.

Committee Recommendation (AC23/15)

Moved: S Tindal
Seconded: Councillor J Natoli

That the Audit Committee:

- (a) receive and note the report titled "**Governance: Strategic Risk Report**" and
(b) note the updated Strategic Risks Register at Attachment 2.

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.3 GOVERNANCE: OPERATIONAL RISK PROFILE OVERVIEW

File No: Audit Committee Meeting
Author: Coordinator Corporate Risk & Insurance
Civic Governance

EXECUTIVE SUMMARY

Each quarter Council's operational risk controls are reported on by the control owners. A further body of work has been incorporated into these quarterly reviews to include action plans if the risk has a high residual rating:

- The reported action plans have brought seven of the 20 high rated risks back into a medium or low residual risk rating.
- The remaining 13 risks that remain assessed as high have action plans to bring them to a medium residual risk rating within a nominated timeframe.
- Operational annual risk review workshops have begun for each of the risk registers.

Committee Recommendation (AC23/16)

Moved: Councillor J Natoli
Seconded: P McCallum

*That the Audit Committee receive and note the report titled "**Governance: Operational Risk Profile Overview**".*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.4 GOVERNANCE - INTEGRITY & INSURANCE REPORT

File No: Council Meetings
Author: Coordinator Integrity Management
Civic Governance

EXECUTIVE SUMMARY

Good governance underpins all facets of Council's business.

Good governance should operate on a distributed ownership basis – namely, everyone has a role to play in the good governance of the organisation.

To this end, some key deliverables since January 2023 include:

- in partnership with groups and branches across the organisation – continuing to build awareness and employee understanding on the importance of governance processes and practices in all that we do.
- with partners across Council to provide a sound and contemporary operating platform so that Council is suitably placed to discharge its statutory and service responsibilities on behalf of the community.
- community engagement and State Interest checks were undertaken between 1 February and 3 March 2023 in relation to a suite of miscellaneous amendments proposed to Council's local laws and subordinate local laws.
- the Risk and Insurance team has continued to work with groups and branches on the completion of the new templates for the business continuity plans and administering the insurance premium renewal process and claim processes.
- Complaint matters administered by the Civic Governance Group continued to inform the identification of any systemic concerns and relevant management action.
- Working in partnership with Business Performance, Council provided a comprehensive and compelling response to the Office of the Information Commissioner's Follow Up Audit on its 2021 Compliance with the *Information Privacy Act 2009* and the *Right to Information Act 2009* audit of Council.

Committee Recommendation (AC23/17)

Moved: S Tindal
Seconded: Councillor J Natoli

*That the Audit Committee receive and note the report titled "**Governance - Integrity & Insurance Report**".*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.5 FINANCE: ANNUAL FINANCIAL STATEMENT RISK AND PLANNING
ASSESSMENT

File No: Audit Committee
Author: Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

Council has a statutory obligation to prepare General Purpose Financial Statements on an annual basis, culminating in audit certification in late October, before publication in Council's Annual Report.

In conjunction with Queensland Audit Office, Council endeavours each year to strengthen the quality control surrounding this process.

Committee Recommendation (AC23/18)

Moved: P McCallum
Seconded: S Tindal

*That the Audit Committee receive and note the report titled "**Finance: Annual Financial Statement Risk and Planning Assessment**".*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.6 FINANCE: FINANCIAL SUSTAINABILITY FRAMEWORK BRIEFING

File No: Council Meetings
Author: Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

A report was provided to the January 2023 Audit Committee which outlined the impacts of the updated draft Financial Management (Sustainability) Guideline along with the financial metrics and ratios that local governments will be measured upon for sustainability.

Rather than all Queensland councils having identical targets, similar councils are now grouped in tiers to better reflect the varied drivers and circumstances of the sector. The groups are based on remoteness and population, with a separate category for Indigenous councils in recognition of their unique legislative and financial circumstances.

Committee Recommendation (AC23/19)

Moved: Councillor J Natoli
Seconded: P McCallum

*That the Audit Committee receive and note the report titled "**Finance: Financial Sustainability Framework Briefing**".*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.7 FINANCE: CLIMATE-RELATED FINANCIAL DISCLOSURE REQUIREMENTS

File No: Audit Meeting
Author: Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

As per s177 *Local Government Regulation 2012*, Council is required to comply with Australian Accounting Standards as prescribed by the Australian Accounting Standards Board (AASB).

There are currently no mandatory climate-related financial disclosure requirements for Council.

In response to the global demand for sustainability disclosures, the International Financial Reporting Standards (IFRS) Foundation established the International Sustainability Standards Board (ISSB) in November 2021.

In March 2022, the ISSB developed 2 exposure drafts for consultation, with the finalised standards scheduled for release by 30 June 2023, and implementation likely from January 2024 for the for-profit sector.

Using the ISSB work as a foundation, the AASB will develop sustainability reporting standards for Australian reporting entities, with modifications for Australian matters and requirements. These standards are expected to be issued in October/November 2023.

The Australian standards will focus on the profit sector initially, with the not-for-profit sector (including Local Government) being considered at a later stage. The implementation date for Council is not yet known.

Committee Recommendation (AC23/20)

Moved: Councillor J Natoli
Seconded: P McCallum

That the Audit Committee receive and note the report titled “Finance: Climate-Related Financial Disclosure Requirements”.

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.8 QUEENSLAND AUDIT OFFICE: 2023 EXTERNAL AUDIT PLAN (FINAL)

File No: Audit Committee
Author: Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

The draft of the Queensland Audit Office External Audit Plan 2023 was provided to the 23 January 2023 Audit Committee for review the feedback. The final agreed plan was expanded to include more detailed asset revaluation timelines, has been signed by the Chief Executive Officer and is attached for information.

Committee Recommendation (AC23/21)

Moved: S Tindal
Seconded: Councillor J Natoli

That the Audit Committee receive and note the report titled "Queensland Audit Office: 2023 External Audit Plan (Final)".

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.9 QUEENSLAND AUDIT OFFICE: FIRST INTERIM REPORT FOR 2022/23

File No: Audit Committee
Author: Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

The Queensland Audit Office (QAO) conducted the First Interim Audit for the 2022/23 financial statement process during March 2023.

In this phase, QAO assessed the design and implementation of Council's internal controls relevant to the financial report, and whether they are operating effectively. They assessed the key controls they intend to rely on in auditing Council's financial statements.

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

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

Committee Recommendation (AC23/22)

Moved: P McCallum
Seconded: Councillor J Natoli

That the Audit Committee receive and note the report titled "Queensland Audit Office: First Interim Report for 2022/23".

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.10 AUDIT & ASSURANCE: PROGRAM OF WORK UPDATE

File No: Audit Committee
Author: Manager Audit & Assurance
Civic Governance

EXECUTIVE SUMMARY

Work has progressed throughout the course of this calendar year on the continuation of the adopted 2022-2023 Internal Audit Plan. At this time, 64% (ie. nine of 14) audit activities contained in the 2022-2023 Internal Audit Plan have either been completed or are nearing completion.

The summary table below provides a snapshot of the current status of the Internal Audit Program of work against the adopted Audit Plan as at the time of authoring this report.

Status	FY2023	
Completed	7	50%
Reporting	2	14%
Fieldwork	0	0%
Not Started	3	22%
Planning	2	14%
Total No. of IA Activities	14	100%

At this time, it is forecast that of the five remaining activities, two will be substantially progressed prior to the conclusion of the current financial year.

Committee Recommendation (AC23/23)

Moved: S Tindal
Seconded: P McCallum

That the Audit Committee receive and note the report titled "Audit & Assurance: Program of Work update"

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.11 AUDIT & ASSURANCE: INTERNAL AUDIT REPORTS

File No: Audit Committee
Author: Manager Audit & Assurance
 Civic Governance

EXECUTIVE SUMMARY

The Development Services Branch, within the Customer and Planning Services Group, provides a range of statutory assessment and customer focused services to support Council's responsibilities under the *Planning Act 2016*, *Plumbing and Drainage Act 2019* and the *Building Act 1975*.

The review focused on providing assurance as to the effectiveness of established process controls, the accuracy and completeness of revenue and associated adjustments in accordance with the approved fees and charges. The review was limited to Planning Assessment Fees and Charges, including fees associated with the major development areas

There were no adverse findings and no recommendations from this report.

Committee Recommendation (AC23/24)

Moved: P McCallum
Seconded: S Tindal

*That the Audit Committee receive and note the report titled "**Audit & Assurance: Internal Audit Reports**"*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.12 AUDIT & ASSURANCE: RECOMMENDATION MONITORING

File No: Audit Committee
Author: Manager Audit & Assurance
Civic Governance

EXECUTIVE SUMMARY

As at 31 March 2023, there were 39 Audit recommendations which have been completed or are yet to be implemented. The table below summarises the status of those Audit Recommendations.

		Number
All Audit Recommendations		39
	Previously completed and noted by the Audit Committee	15
	Implementation due by 31 March 2023, date has been extended by the responsible Group Executive	2
	Implementation date had been extended to 31 March 2023, have not been finalised, and a revised implementation date is proposed for recommendation to Chief Executive Officer	5
	Implementation date not yet due – update provided by responsible Group Executive	10
	Have been completed and marked as closed in period	7
		39

Committee Recommendation (AC23/25)

Moved: P McCallum
Seconded: S Tindal

That the Audit Committee:

- receive and note the report titled “**Audit & Assurance: Recommendation Monitoring**” and*
- endorse the revised implementation dates for those Audit recommendations in Attachment 3, for recommendation to the Chief Executive Officer.*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.13 AUDIT & ASSURANCE: PROPOSED FY2024 PROGRAM OF WORK

File No: Audit Committee
Author: Manager Audit & Assurance
Civic Governance

EXECUTIVE SUMMARY

Contemporary audit planning requires the chief audit executive to identify audit topics on a strategic, cross-organisational and functional basis, drawing on risk management information.

The proposed 2023-2024 Program of Work for the Audit and Assurance Branch has been developed in consultation with the Chief Executive Officer, Group Executives and business areas to provide timely, relevant, responsive, and risk-based coverage, with the integration of internal audit with risk management and strategic planning.

Once considered by the Audit Committee and endorsed by Council, the Program of Work will become the operating plan for the Audit and Assurance Team.

Committee Recommendation (AC23/26)

Moved: P McCallum
Seconded: S Tindal

That the Audit Committee:

- (a) receive the report titled “**Audit & Assurance: Proposed FY2024 Program of Work**” and
- (b) recommend to Council that the proposed 2023 – 2024 Proposed FY2024 Program of Work be endorsed.

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.14 AUDIT & ASSURANCE: PROPOSAL TO REALIGN AUDIT COMMITTEE MEETINGS

File No: Audit Committee
Author: Manager Audit & Assurance
Civic Governance

EXECUTIVE SUMMARY

There are currently four Audit Committee meeting each financial year. Three “full agenda” meetings are presently scheduled to take place in September, January and May each financial year. In addition, there is an early October meeting held each year to specifically consider the final version of Council’s Annual Financial Statements.

Given the breadth of the Audit Committee meeting agendas, increasing complexities associated with the operating environment within which Council operates and to support Council through maximising the value of the important review and assurance function undertaken by the Audit Committee, it is proposed to increase the number of full agenda meetings of the Committee from three meetings to four meetings per year.

To introduce a stronger alignment between Audit Committee meetings and quarterly reporting to Council - it is proposed the current schedule of meetings be adjusted as follows:

Current Meeting Schedule	Proposed Meeting Schedule
Late January	February
May	May
September	Late August/early September
October – Special meeting to consider annual financial statements	October – Special meeting to consider annual financial statements
-	November

Subject to consideration of this proposal, it is recommended that the realigned meeting schedule for the Audit Committee commence from 1 July 2023.

Committee Recommendation (AC23/27)

Moved: Councillor J Natoli
Seconded: P McCallum

That the Audit Committee:

- (a) *receive and note the report titled “**Audit & Assurance: Proposal to realign Audit Committee Meetings**” and*
- (b) *recommend to Council the realigned annual meeting schedule for the Audit Committee as follows, to commence from 1 July 2023:*
 - *February*
 - *May*
 - *Late August/early September*
 - *October – Special meeting to consider annual financial statements*
 - *November*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.15 PEOPLE: WELLBEING HEALTH AND SAFETY REPORT - JANUARY TO MARCH 2023

File No: Audit Committee Meeting
Author: Head of People & Culture
Business Performance Group

EXECUTIVE SUMMARY

Incidents at Sunshine Coast Council (SCC) have increased this quarter, with an increase in Lost Time Injury Frequency Rate (LTIFR) from 8.1 in January to 8.38 in March.

The Local Government Workers Compensation data indicates SCC as having a lower than average LTIFR (workers compensation) and lower claim Duration Rate compared with the average of other like Councils.

Key milestones continue to be closed out for the four strategic WHS projects, including Critical Risk Program; Safety Management System Refresh; Contractor Safety Management; and Wellbeing Plan.

Committee Recommendation (AC23/28)

Moved: Councillor J Natoli
Seconded: P McCallum

That the Audit Committee receive and note the report titled "People: Wellbeing Health and Safety Report - January to March 2023"; and

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

4.16 BUILT INFRASTRUCTURE: UPDATES ON PREVIOUS AUDITS

File No: Audit Committee Meeting
Authors: Manager Asset Management
Built Infrastructure Group
Manager Audit & Assurance
Civic Governance

EXECUTIVE SUMMARY

The two proposals below provide an update on the two related projects underway.

The Asset Management Transformation Program bringing together the previous two reviews undertaken by Covaris Pty Ltd and BDO Services Pty Ltd.

An update on the arboreal service plan to address risk practice recommendations.

Committee Recommendation (AC23/29)

Moved: P McCallum
Seconded: S Tindal

That the Audit Committee:

- (a) *receive and note the report titled “**Built Infrastructure: Updates on Previous Audits**” and*
- (b) *note the Asset Management Transformation Program brings together the previous two reviews undertaken by Covaris Pty Ltd and BDO Services Pty Ltd, and*
- (c) *note that further progress reports will be provided for the Asset Management Transformation Project in September 2023.*

Carried unanimously.

AUDIT COMMITTEE MINUTES

22 MAY 2023

5 NEXT MEETING

The next Ordinary Meeting will be held on 7 September 2023 Sunshine Coast City Hall Chamber, 54 First Avenue, Maroochydore.

6 MEETING CLOSURE

The meeting closed at 11:57am.



FY2024 PROGRAM OF WORK

DRAFT

AUDIT & ASSURANCE

01 July 2023 to 30 June 2024

Version	FY2024 Program of Work v1.3
Status	Final Draft
Last update	2023-05-15
Author	Audit & Assurance Branch



Audit & Assurance FY2024 Program of Work

Introduction

Context

The International Standards for the Professional Practice of Internal Auditing (the standard) define that a risk-based plan is to be established to determine the priorities of the internal audit activity, consistent with the council's goals.

Audit & Assurance (A&A) provides independent and objective, audit services and advice to management, and the Audit Committee (AC) over the operations, projects, initiatives and activities that underpin the Sunshine Coast Council's delivery of its corporate plan and strategies.

Looking to increase the role and impact of A&A, the Branch will:

- | | |
|--------|---|
| FY2024 | <ul style="list-style-type: none">• Encourage business to engage Audit & Assurance for assurance activities• Provide advisory internal audit services to add value• Continuing the use of external internal audit providers• Working together with business to assess and manage risks, controls, and compliance obligations to enhance and protect the Council. |
|--------|---|

A&A is looking to increase the insights provided to the CEO across the council, and to increase the value and impact of our work within the business areas.

In this context A&A seeks to provide advice and support for business processes and internal controls to strengthen the control environment. There will be opportunities to:

- deliver real time "audit" insights over key projects/reforms, focus reviews in areas of higher risk, leveraging on the work undertaken by the risk management team
- complete key compliance audit reviews
- respond to business needs for audit, process, and internal control advice
- drive an improved internal control environment through education, self-assessment, and advice.

How the internal audit topics are chosen

To identify the areas of focus for audit, the following activities were performed:

- Continuing with themed, Council wide and auditing service enabler areas
- Discussion on the audit universe within the team and insights provided
- Formal discussions with the Chief Executive Officer and Group Executives (and Branch Managers if required)

Audit & Assurance (A&A) will for FY2024 introduce a system of **Substitutions, Deferrals, Additions and Reallocations** needing to be documented for any changes to the FY2024 Program of Work. If a program change is required during the year and A&A assessment agrees it is to be added to the Program; capacity will be reviewed, and a current review assessed as being of lower risk or importance will be substituted/replaced.

What are the internal audit topics?

Each audit review topic has been overlaid against the Strategic Risk Register to provide the risk context for the audit. Further, initial scoping considerations are outlined to provide the context of the high-level objectives for the audit. The detail of the audit area will be defined at the time of detailed audit planning.

Not all of the individual audit topics are directly reflected in the strategic risk register or the group/branch risk registers. This is due to the difference in the risk levels being assessed.

A&A activity may be separated into six (6) types being:

- **Insights** – mini-reviews to perform a quick health-check, take the pulse of any project, process or activity and deliver an insight report(s) to SCC Council, CEO and ELT.
- **IA Reviews** - Base level compliance reviews focused on core elements of the internal control environment. Conduct end-to-end process walkthrough; then testing or sampling of transactions. Identify opportunities for process or control improvement.



Audit & Assurance FY2024 Program of Work

- **IA Services** – Audit and/or advisory based services over initiatives/business processes designed to add value by assessing the effectiveness and efficiency of the project/process. Engagement through a variety of methods such as up-front advice, health checks or on-going monitoring and real time feedback (i.e. following along & acting as a touch point).
- **Program and Project Audit** – reviewing that major projects are managed to deliver the intended benefits, are on time and on budget.
- **Control Environment Initiatives** – continuous improvement program of activities, tasks, events and actions that should be undertaken and reviewed at regular intervals to ensure progress is being made and that standards are increasing.
- **Audit Administration and IA projects** – activity or project work that is internally focused to the A&A function, it is not performed with a “client” focus.

For the FY2024 program of work these will be contained/mapped in an appendix.

Three lines of defence

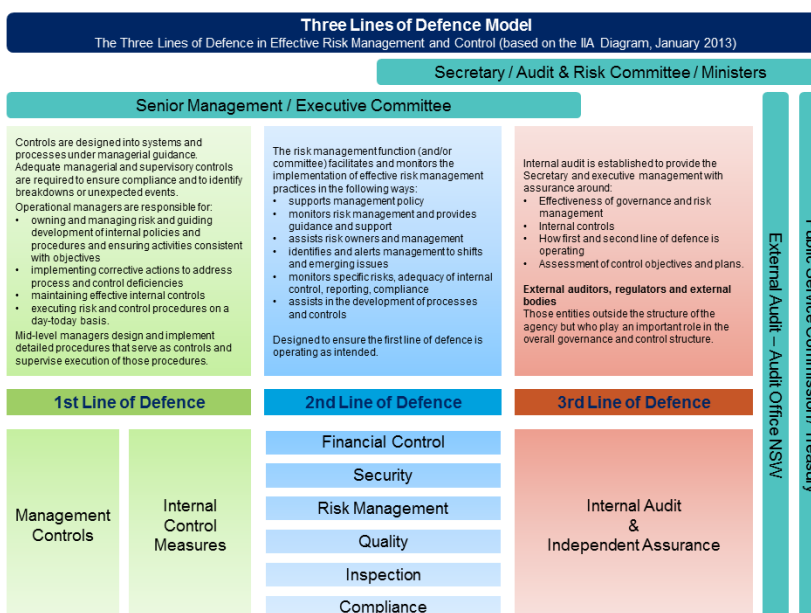
The program of work linkage with the three lines of defence provides line of sight to the Audit Committee (AC) and management of the ways in which key process areas are controlled and risks mitigated.

First Line of Defence is by the business units.

Control assurance at this level is primarily obtained through segregation of duties, control self-assessment, monitoring and reporting.

Second Line of Defence includes management and internal oversight functions.

Third Line of Defence is independent assurance. This relates to a third-party evaluation of the effectiveness of management systems and/or specific controls. It also includes the activities performed by IA, independent specialist auditors, other IA functions and external audit.



Connecting with Risk Management (RM)

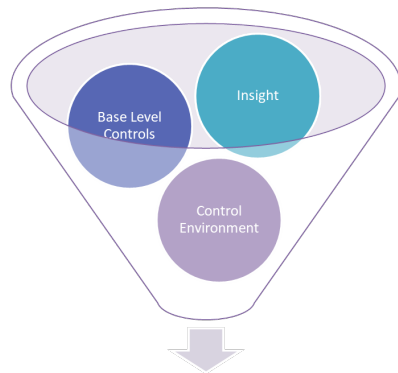
IA uses the RM strategic risk register as a key input into defining its focus and activities. This input is influenced by the maturity of the council's risk management framework.

Group/branch risk registers will also reviewed, where available.



Audit & Assurance FY2024 Program of Work

Value of Internal Audit Activities



FY2024 Program of Work

Base Level Controls – compliance reviews focused on providing fundamental audit review over core elements, activities, and functions. Audit will assess the baseline of internal controls for both financial and non-financial.

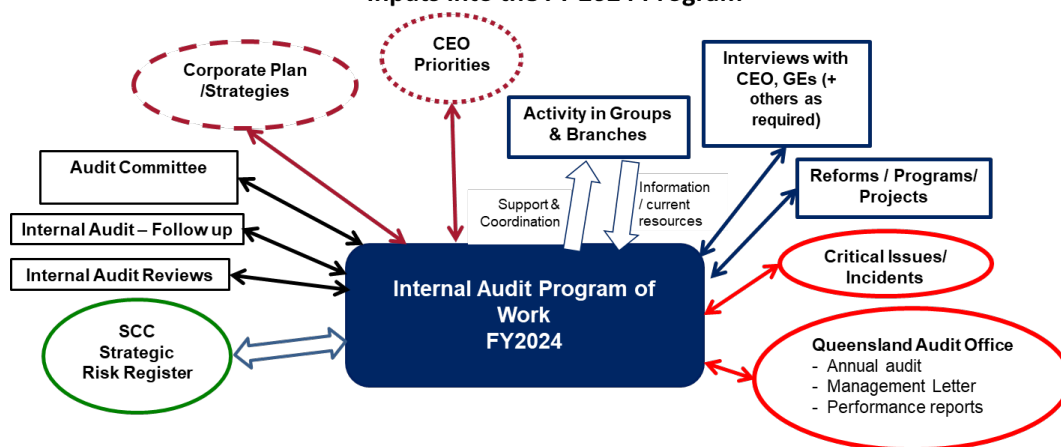
Insight – formative reviews designed to be more forward-looking and aware, briefer and more layered, more visual and dynamic. Forward-looking, insightful reports focus on the risks and issues of most concern to stakeholders.

Control Environment – Internal audit will assess the set of standards, processes, and structures that provide the basis for carrying out internal control across the council.

Key Drivers and Inputs

To develop the full year program of work for FY2024 a robust process was undertaken to consider various drivers, inputs, and sources to define the program of work.

Inputs into the FY 2024 Program



List of Key Inputs

- **Core** – systems, processes, functions, and compliance coverage – ensure that the program of work includes coverage/assurance across the SCC's core activities and processes
- **Governance, Risk and Compliance (GRC)** – good practice to meet requirements of good governance, risk, and compliance
- **Risks and risk management** – stakeholders require adequate and effective mitigation strategies over strategic and operational risks to reduce both the likelihood of these risks occurring and the consequences. Reviews on the associated business operations, projects and activities are considered.
- **CEO Priorities (CEO)** – key priorities that will make council even better and enhance living on the Sunshine Coast.



Audit & Assurance FY2024 Program of Work

- **Projects, Programs and Reforms (PPR)** – Assurance that key initiatives are managed and on track to deliver quality, on time and on budget outcomes. It is important for audit to engage with the projects, programs and/or reforms from the early stages of business case, through benefits identification, mobilisation, execution and closure.
- **Requests SCC & AC (RMA)** – we meet with all members of SCC ELT to understand the key objectives which they rely on and areas where they would value audit. Interviews will be used to validate the inclusion in the program of reviews driven by risks and coverage of key process areas, plus identified additional potential reviews. Together with the SCC corporate plan and strategies
- **Internal Audit Analysis (IA)** –A&A uses its professional judgement and understanding of SCC, its risks, good practice expectations and other relevant information to identify areas for internal audits. Plus may be for follow-up audit requirements.
- **Statutory Obligation and/or Requirement (SOR)**– Statutory or right to access/use obligation or requirement. I.e. Annual access review for or rates.

Audit requirements identified through the above drivers were considered for inclusion in the program. Audit then discusses the proposed program with the CEO, ELT and the AC to balance audit needs with available resources.



Audit & Assurance FY2024 Program of Work

PROPOSED FY2024 REVIEWS

Ref	Review title	Key Input#	Provider	Description	Work Days	Start Quarter
COMPLETE FROM 2022-2023 Reviews						
23-21	Council Wide - WH&S - Contractor Management	SR7	Internal	Corporate contract management processes relating to health and safety and critical risk management.	35	Q4
23-22	Built Infrastructure - Asset Mgt - Road Maintenance and Pavement Management System (PMS)	SR3/ Core	Co-source	Compliance with legislation and good practice to stay ahead of the curve	40	Q4
FY23 Reviews					TOTAL	75

Ref	Review title	Key Input#	Provider	Description	Work Days	Start Quarter
2023-2024 Reviews						
24-01	Business Performance - Rates Compliance	GRC	Co-source	Review each year on an aspect or area relating to council rates.	30	TBC
24-02	External - Cherbourg Aboriginal Shire Council	CEO	Internal	AUDIT 2024	30	
24-03	Business Performance - Gender Pay Gap review	SR8 SOR	Co-source	Compliance with legislation and good practice to stay ahead of the curve	30	
24-04	Business Performance - RPEQ review	SR3/ SR6	Co-source	To be scoped together with external provider	35	
24-05	Council Wide Contract management - Key controls and processes are working to ensure appropriate and compliant contract management	SR3 SR6 SR9 Core	Internal	Contract Management Frameworks to understand key areas: • Procurement • Varying a contract - Contract variations - Scope change - Additional requirements • Business processes in place (including process maps) • Policies, procedures, and guidance in use • Review processes in place (including identifying benefits from contracts in place) • Level of spend and number of contracts.	35	Q1
	Council Wide - Contract delegations			Review the design, approval, and communication of the delegated authority matrix. Sample testing to ensure delegations are being used and adhered to.	Roll into above	
24-06	Council Wide - Fleet Vehicle Processes and procedures	SR6	Internal	Review of SCC owned vehicle management (vehicle booking and return, logbook maintenance, compliance with policies, fuel card and general maintenance of vehicles). Operational items such as driver training fatigue management and infringements.	35	
24-07	Business Performance - Payroll Process Audit	SR6/ Core	Internal /Co-source	To assess the design adequacy and operating effectiveness of key controls in relation to Payroll To be defined based in conjunction with third Party reviews being undertake (i.e. PEAK) May be a series of reviews	60	Q1
24-08	Built Infrastructure - Tree Management follow up	SR6/ SR7	Internal	Follow up to the Tree management review in December 2022	20	
24-09	Built Infrastructure - Asset management process and systems	SR1/ SR3/ SR6\ PPR	Internal	Follow along the project to Asset Management Transformation	40	
FY24 Reviews					Sub-Total	310



Audit & Assurance FY2024 Program of Work

Ref	Review title	Key Input#	Provider	Description	Work Days	Start Quarter
Audit & Assurance - Control Environment Initiatives / Administrative Tasks						
24-80	IA Quality Assurance and Continuous Improvement Program (QAIP)	Core	Internal	Independent assurance for compliance	15	
24-81	Fraud Prevention/Control Program	Core	Internal	Support and advisory assistance.	15	
24-82	Management Initiated Services	Core	Internal	Services provided or reviews undertaken by Internal Audit specifically at the request of management.	0	
24-90	ARC attendance, paper preparation, issues reporting & follow up	Core	Internal		10	
24-91	Preparation Planning for FY2024	Core	Internal		20	
24-92	Quality Assurance Reviews	Core	Internal		10	
				Sub Total	70	

SUMMARY for FY2024

FY24 Reviews	310	
Audit & Assurance Activities	70	
Total for Year	380	



Audit & Assurance FY2024 Program of Work

Resources available

The combined co-sourced A&A function has the following resources available to deliver the reviews (total available time less estimated leave, training and other non-review time).

Resources	Estimated/Planned Days Available	FY2024 Days Available
<i>A: Audit and Assurance – Internal Days</i>	300	266
<i>B: Internal Audit and Risk Service Provider – External Days⁺⁺</i>	80	80
Total Planned Days = A + B	380	346
Less - FY2024 Days Available	346	
<i>Additional Days Available (surplus)</i>	0	
<i>Additional Days Required^{\$\$} (shortage)</i>	34	

⁺⁺ Service provider days based on average daily rate of \$1,000 approximately.

Notes:

- There are 0 internal days available for ad-hoc requests from management. If a management request is received or if a business change occurs during the year and A&A assessment deems it to be required to be added to the Program; capacity will be reviewed, and a current review assessed as being of lower risk or importance will be substituted/replaced.
- ⁺⁺ If additional external days were required would need budgetary approval
- ^{\$\$} Days required will be found within current available work-days and from savings (plus any under and over estimations)



Audit & Assurance FY2024 Program of Work

3 Year indicative audit program

Group	FY2024 - Current	FY2025	FY2026	FY2027
Council Wide & Civic Governance	Rates Compliance Gender Pay Gap review RPEQ review Council Wide Contract management plus contract delegations Fleet Vehicle Processes and procedures	Rates Compliance Staff Retention Green Washing Capital projects management and contracting	Rates Compliance Gifts and Benefits policy and procedures Secondary Employment Policy and Compliance Review Facilities management	Rates Compliance Carpark operations
Business Performance	Payroll Process Audit	IT Projects and Governance	Leave and Allowance Recording and Processes	Procurement Controls – end to end
Built Infrastructure	Tree Management follow up Asset management process and systems	Plant Hire Processes and procedures Asset management process and systems Review of internal process and procedures for QRA Acquittal		
Liveability & Natural Assets		Waste management continuity of services	WHS Contractor Services Capital Works Program Development - Methodology and Business Cases	Waste Contract Evaluation & Tender Award
Economic and Community Development		Review of HORIZON Festival	Aquatic Centres	Review of Caloundra Music Festival
Customer & Planning Services		Disaster Recovery and Business Continuity of DA computer system	Cash Handling review Pest and Vector Management	
External Support	Cherbourg Aboriginal Shire Council	Cherbourg Aboriginal Shire Council	Cherbourg Aboriginal Shire Council	Cherbourg Aboriginal Shire Council
Audit Activities & Control Environment Initiatives	As per program of work (time permitting)	As per program of work (time permitting)	As per program of work (time permitting)	As per program of work (time permitting)
	10 (reviews for FY2024)	13 (other Reviews to be considered)	12 (other Reviews to be considered)	7 (other Reviews to be considered)



Audit & Assurance FY2024 Program of Work

Strategic Risks

Strategic Risk (SR) Register			
SR Ref	Risk	Inherent Risk Value	Residual Risk Value
1	Inability to achieve and maintain financially sustainable operations, asset management and service delivery to the community into the future	H-56	M-32
2	Inability to reduce emissions, adapt and respond to extreme weather conditions, climate impacts	E-84	M-48
3	Failure to provide and maintain infrastructure to agreed standards and to meet population growth	E-84	M-52
4	Failure to plan and manage the impacts of rapid population growth on liveability and natural environment	E-84	M-32
5	Failure to deliver on key community and economic strategies and projects	H-56	M-48
6	Inadequate corporate governance and internal controls to support a culture that effectively manages fraud prevention or ethical conduct, compliance and performance	E-84	M-32
7	Oversight in processes to ensure the safety and wellbeing of our community, staff and contractors that result in fatality, damages and reputational loss	E-84	M-48
8	Culture not aligned to values which lead to inappropriate behaviours and adverse performance	H-60	H-56
9	Lack of preparedness for significant disruptions to the ability to service the needs of the community, including through an act of terrorism and or natural disasters/pandemics	E-92	H-68
10	Inability to maintain sufficient and ongoing protection against unauthorised or erroneous access to computer systems and data	E-84	H-56
11	Major projects fail to deliver desired outcomes and value for money due to oversight and capability	H-72	M-52



Audit & Assurance FY2024 Program of Work

Control Environment Initiatives:

We would like to begin to introduce a conceptual framework to enhance A&A, its role, performance, and value to the business. The goal is to lift the impact and effect of A&A on the business and establish a program of continuous improvement.

To achieve this, several initiatives for FY2024 are proposed to run alongside the Program of Work.

Time permitting these are the activities and initiatives that we would like to start and progress:

Initiative	Outputs/outcomes
Led by Audit & Assurance	
Baseline controls education	<ul style="list-style-type: none"> Series of training sessions with financial and other teams across various business units. Increased awareness of risk and controls and an improvement in the control environment (together with Risk Management Team)
Connectivity with Executive	<ul style="list-style-type: none"> Feedback to Internal Audit team on issues, challenges, concerns and areas where Internal Audit can assist the business Influence of Executive to seek Internal Audit opinion, views and audit Flexibility in Internal Audit Program demonstrated through changes made to respond to business needs
Internal Audit methodology and reporting templates review	<ul style="list-style-type: none"> Regular review and update for continuous improvement opportunities, resulting in more effective Internal Audit delivery
Trend/maturity analysis	<ul style="list-style-type: none"> Analysis of Internal Audit reports and other intelligence gained through interaction with the business, to identify themes and issues that require consideration by Internal Audit scope and possible escalation and discussion at management and Executive level.
Client satisfaction questionnaire (CSQ) feedback	<ul style="list-style-type: none"> Feedback obtained from auditee/sponsor on Internal Audit reviews, summarised and considered by the Internal Audit team for action where required; reported to AC 6 monthly
Develop assurance maps/audit universe	<ul style="list-style-type: none"> Robust set of assurance maps for business units, providing effective overview of sources of assurance over key risks, controls and processes
Auditors from the business	<ul style="list-style-type: none"> Identified and used guest auditors from the business of Internal Audit review teams Improved awareness of risks and controls within the business
Controls self-assessment (CSA) process	<ul style="list-style-type: none"> Introduced entry-level CSA's into selected areas of the business in conjunction with Head of Corporate Finance
Project implementation audit framework	<ul style="list-style-type: none"> Currently being developed as part of the Project/Program Management Framework Greater level of timely audit over key projects
Develop partnership with our IARSPs	<ul style="list-style-type: none"> Using our Internal Audit and Risk Service providers (IARSPs) to support IA services to the SCC Utilise IARSPs range of skills to extend the range of reviews IA can undertake.
Present thought leadership and global connectivity with subject matter experts (SME's)	<ul style="list-style-type: none"> Facilitated sessions between SCC and SME's on relevant topics, aiming to provide insights to management on challenges and issues
Quality assurance of Audit engagements	<ul style="list-style-type: none"> More robust application of Internal Audit methodology, higher quality delivery of Internal Audit results, compliance with good practice internal audit standards



Audit & Assurance FY2024 Program of Work

APPENDICIES I: FULL LIST FY2024 REVIEWS PROPOSED FY2024 REVIEWS

Ref	Review title	Key Input#	Provider	Description	Work Days	Year
COMPLETE FROM 2022-2023 Reviews						
23-21	Council Wide - WH&S - Contractor Management	SR7	Internal	Corporate contract management processes relating to health and safety and critical risk management.	35	FY23
23-22	Built Infrastructure - Asset Mgt - Road Maintenance and Pavement Management System (PMS)	SR3/ Core	Co-source	Compliance with legislation and good practice to stay ahead of the curve	40	FY23
FY23 Reviews					TOTAL 75	

Ref	Review title	Key Input#	Provider	Description	Work Days	Year
2023-2024 Reviews						
24-01	Business Performance - Rates Compliance	GRC	Co-source	Review each year on an aspect or area relating to council rates.	30	FY24
24-02	External - Cherbourg Aboriginal Shire Council	CEO	Internal	AUDIT 2024	30	FY24
24-03	Business Performance - Gender Pay Gap review	SR8 SOR	Co-source	Compliance with legislation and good practice to stay ahead of the curve	30	FY24
24-04	Business Performance - RPEQ review	SR3/ SR6	Co-source	To be scoped together with external provider	35	FY24
24-05	Council Wide Contract management - Key controls and processes are working to ensure appropriate and compliant contract management	SR3 SR6 SR9 Core	Internal	Contract Management Frameworks to understand key areas: • Procurement • Varying a contract - Contract variations - Scope change - Additional requirements • Business processes in place (including process maps) • Policies, procedures, and guidance in use • Review processes in place (including identifying benefits from contracts in place) • Level of spend and number of contracts.	35	FY24
	Council Wide - Contract delegations			Review the design, approval, and communication of the delegated authority matrix. Sample testing to ensure delegations are being used and adhered to.	Roll into above	FY24
24-06	Council Wide - Fleet Vehicle Processes and procedures	SR6	Internal	Review of SCC owned vehicle management (vehicle booking and return, logbook maintenance, compliance with policies, fuel card and general maintenance of vehicles). Operational items such as driver training fatigue management and infringements.	35	FY24
24-07	Business Performance - Payroll Process Audit	SR6/ Core	Internal /Co-source	To assess the design adequacy and operating effectiveness of key controls in relation to Payroll To be defined based in conjunction with third Party reviews being undertake (i.e. PEAK) May be a series of reviews	60	FY24
24-08	Built Infrastructure - Tree Management follow up	SR6/ SR7	Internal	Follow up to the Tree management review in December 2022	20	FY24



Audit & Assurance FY2024 Program of Work

Ref	Review title	Key Input#	Provider	Description	Work Days	Year
24-09	Built Infrastructure - Asset management process and systems	SR1/ SR3/ SR6/ PPR	Internal	Follow along the project to Asset Management Transformation	40	FY24
	FY24 Reviews			Sub-Total	310	

Ref	Review title	Key Input#	Provider	Description	Work Days	Year
Audit & Assurance - Control Environment Initiatives / Administrative Tasks						
24-80	IA Quality Assurance and Continuous Improvement Program (QAIP)	Core	Internal	Independent assurance for compliance	15	FY24
24-81	Fraud Prevention/Control Program	Core	Internal	Support and advisory assistance.	15	FY24
24-82	Management Initiated Services	Core	Internal	Services provided or reviews undertaken by Internal Audit specifically at the request of management.	0	FY24
24-90	ARC attendance, paper preparation, issues reporting & follow up	Core	Internal		10	FY24
24-91	Preparation Planning for FY2024	Core	Internal		20	FY24
24-92	Quality Assurance Reviews	Core	Internal		10	FY24
				Sub Total	70	

SUMMARY for FY2024

FY24 Reviews	310	
Audit & Assurance Activities	70	
Total for Year	380	



Audit & Assurance FY2024 Program of Work

Full list of reviews considered – and addressed in the 3 Year indicative audit program

Ref	Review title	Key Input	Provider	Description	Work Days	Year
2022-2023 Reviews						
SCCW	Follow Up of Audit Recommendation			A review of completed audit recommendations to ensure appropriate risk mitigation has occurred.	20	Deferred
CG	Compliance Monitoring			Compliance monitoring and reporting activities undertaken in the Governance Branch as a second line of defence activity.	30	Deferred
BPG	Rates (General rates and separate levies)		BDO	General rates and separate levies - land valuation reconciliations, accuracy of charges and separate levies and financial reconciliations.		Complete
BPG	Corporate Purchase Cards		BDO	Review effectiveness of controls with a focus on prevention and detection of misuse and fraud.		Report
BPG	Cyber Security		PwC	Assessment of cyber security detection and response capability including penetration testing in accordance with best practice frameworks.		Complete
BPG Duplicate	IT Projects and Governance			Decision making framework, program development and project management.		FY25
BPG	Recruitment & Selection - Fraud Risks and Effectiveness of Controls		KPMG	Assessment of fraud risks and the effectiveness of controls in the recruitment and selection process in accordance with SCC fraud Control Plan. Also includes the verification of pay relating to new starters above award.		Complete
BPG	WH&S - Contractor Management			Corporate contract management processes relating to health and safety and critical risk management.	35	FY23
BIG	Asset Mgt - Road Maintenance and Pavement Management System (PMS)		Co-source	Compliance with legislation and good practice to stay ahead of the curve	40	FY23
CEPS	Pest and Vector Management			Mosquito and vermin control. Efficiency of program delivery, legislative compliance, safety and associated contract management activities.	35	FY26
CEPS	Planning Assessment Fees		BDO	Accuracy and completeness of revenue associated with planning application fee, including reconfiguration of lots and material change of use. Carried forward from 2021/22.		Complete
CEPS	Planning and Development - Fraud Risks and Effectiveness of Controls			Assessment of fraud risks and effectiveness of controls in the planning and development area, in accordance with SCC fraud Control Plan.	30	Defer
LaNA	Waste Contract Evaluation & Tender Award			Waste Collection Contract - Evaluation and award of tender in accordance	30	FY27
LaNA	Capital Works Program Development - Methodology and Business Cases			Criteria and methodology used to identify and prioritise major projects for inclusion into the capital works program, including business cases	40	Mgmt Deferered
ECD	Aquatic Centres			Lease management, asset management and safety aspects.	30	FY26
	Cherbourg Aboriginal Shire Council			AUDIT 2023		Complete



Audit & Assurance FY2024 Program of Work

Ref	Review title	Key Input	Provider	Description	Work Days	Year
2023-2024 Reviews						
ANNUAL REQUIRED REVIEWS						
	Business Performance - Rates - Compliance		Co-source	Review each year on an aspect or area relating to council rates.	30	FY24
	Cherbourg Aboriginal Shire Council		Ziggy	AUIDT 2024	30	FY24
Council Wide & Civic Governance						
FY	Gender Pay Gap review			Compliance with legislation and good practice to stay ahead of the curve	30	FY24
	RPEQ review		Co-source	To be scoped together with external provider	35	FY24
	Contract management - Key controls and processes are working to ensure appropriate and compliant contract management			Contract Management Frameworks to understand key areas: • Procurement • Varying a contract - Contract variations - Scope change - Additional requirements • Business processes in place (including process maps) • Policies, procedures and guidance in use • Review processes in place (including identifying benefits from contracts in place) • Level of spend and number of contracts.	35	FY24
	Green Washing			Audit can challenge the commitments being made by management. Meeting the right protocols and adjusting those commitments as new protocols that are announced e.g. by the UN, or others IA can check to see that progress and performance are being reported accurately and consistently internally, and that appropriate metrics are being fully, accurately and honestly reported externally with appropriate context.	30	FY25
	Contract delegations			Review the design, approval and communication of the delegated authority matrix. Sample testing to ensure delegations are being used and adhered to.	30	FY24
	Capital projects management and contracting			Policy, procedure, criteria and methodology used to manage and source manage contracts for major projects. The objective of the audit is to assess the effectiveness of the project management framework and controls to support the delivery of projects, including governance, risk and compliance with the policy and procedures.	35	FY25
	Leave and Allowance Recording and Processes			Related to payroll review and work PEAK may be doing	30	FY26
	Gifts and Benefits policy and procedures			To assess the design adequacy and operating effectiveness of key controls in relation to Gifts and Benefits policy and procedures	30	FY26
	Fleet Vehicle Processes and procures			Review of SCC owned vehicle management (vehicle booking and return, log book maintenance, compliance with policies, fuel card and general maintenance of vehicles). Operational items such as driver training fatigue management and infringements.	35	FY24



Audit & Assurance FY2024 Program of Work

Ref	Review title	Key Input	Provider	Description	Work Days	Year
	Carpark operations (e.g. Brisbane Road)			Operations of the council car parks. Policy and procedures and operational controls in place and operating effectively. Revenue collection processes, etc	30	FY27
	Project Management Methodology & Delivery -DIS/Capital Works/Business projects	Risk		Management of projects is key to providing value for money and demonstrating sound stewardship in program delivery. The objective of the audit is to assess the effectiveness of the project management framework and controls to support the delivery of projects, including governance, risk and compliance with the policy and procedures.	35	FY25
ZK	Review of Caloundra Music Festival Instead of HORIZON audited 2018 years ago			Provide assurance that processes, procedures and controls surrounding the program are in place and operating. Ranges of areas could be cover: • Procurement • Contracts • Venues • Security and WHS • Revenue and Accounting Controls Etc.	35	FY27
ZK	Facilities management 10 years since last audit				35	FY26
24-nn						
Business Performance						
	Payroll Process Audit			To assess the design adequacy and operating effectiveness of key controls in relation to Payroll To be defined based in conjunction with third Party reviews being undertake (i.e. PEAK) May be a series of reviews	60	FY24
	Procurement Controls – end to end			Effectiveness of controls in managing procurement. Compliance with procurement policy (e.g. Vendor selection, shortlisting ad etc.) Follow on from past reviews to look at imbedding changes work.	45	FY27
24-nn						
Built Infrastructure						
	Review of internal process and procedures for QRA Acquittal			The objectives of this internal audit are to: • provide reasonable assurance that the QRA grants were expended for the purposes for which they were given; and • assess the adequacy and effectiveness of internal controls in relation to managing the QRA funding.	30	FY25
	Tree Management follow up			Follow up to the Tree management review in December 2022	20	FY24
	Asset management process and systems			Follow along the project to Asset Management Transformation	40	FY24
	Plant Hire Processes and procedures			This review may also take in plant hire. Provide assurance that processes, procedures, and controls surrounding Council plant hire.	30	FY25
24-nn						



Audit & Assurance FY2024 Program of Work

Ref	Review title	Key Input	Provider	Description	Work Days	Year
Liveability & Natural Assets						
	Waste management continuity of services			Review adequacy of business continuity for waste services. Contract review and associated controls to ensure continuity of services	35	FY25
	WHS of Contractor Services			Provide assurance that processes, procedures and controls surrounding Council WHS program are in place and operating with evidence contractors. How does contract acquit their WHS to Council.	35	FY26
24-nn						
Economic and Community Development						
	Review of HORIZON Festival			Provide assurance that processes, procedures and controls surrounding the program are in place and operating. Ranges of areas could be cover: • Procurement • Contracts • Venues • Security and WHS • Revenue and Accounting Controls Etc.	35	FY25
	Staff Retention		Co-source	Framework to improve Staff Retention is operational and working effectively	30	FY25
24-nn						
Customer & Planning Services						
	Cash Handling review			Review of areas where cash is accepted. Staff safety is paramount. Key policies, procedures and controls	30	FY26
	Secondary Employment Policy and Compliance Review			With tougher economic times staff are seeking secondary employment more often. COI and risks to business need to be assess to support staff to economically	30	FY26
	Disaster Recovery and Business Continuity of DA computer system			To assess the effectiveness and efficiency of systems, processes and controls surrounding the DA computer system. Requirements for high availability.	30	FY25
DUPLICATE	Fleet Vehicle Processes and procures			Review of SCC owned vehicle management (vehicle booking and return, log book maintenance, compliance with policies, fuel card and general maintenance of vehicles). Operational items such as driver training fatigue management and infringements.		FY24
24-nn						
Audit & Assurance - Control Environment Initiatives Plus Administrative Tasks						
	IA Quality Assurance and Continuous Improvement Program (QAIP)			Independent assurance for compliance	15	FY24
	Control and Risks Training (3 Lines of Defence)			A program for ensuring quality in engagements/reviews and improving IA practices. It will involve a Program of works consistent with the IIA IPPF and as required by Treasury Policy Paper TPP15-03.	0	FY24
	IA Data Analytics Program			Baseline controls education (together with Risk Management Team).	0	FY24



Audit & Assurance FY2024 Program of Work

Ref	Review title	Key Input	Provider	Description	Work Days	Year
	Fraud Prevention/Control Program			Leading IA functions are embracing recent enhancements in data mining technology and data visualization tools to deliver results in response to risk, dive deeper into organisational data, and deliver fact-based insights.	15	FY24
	Management Initiated Services			Services provided or reviews undertaken by Internal Audit specifically at the request of management.	0	
	ARC attendance, paper preparation, issues reporting & follow up				10	FY24
	Preparation Planning for FY2024				20	FY24
	Quality Assurance Reviews				10	FY24



Audit & Assurance FY2024 Program of Work

APPENDIX II: Six (6) A&A activity Types

Ref	Review title	Key Input#	Provider	Description	Work days	Start Quarter
Insight Reviews: Internal auditors must focus their reviews, prioritise what to audit, and concentrate on what matters most to the business. Formative reviews designed to be more forward-looking and aware, briefer and more layered, more visual and dynamic. Forward-looking, insightful reports focus on the risks and issues of most concern to stakeholders. Provide assurance that processes, procedures, and controls surrounding the project/program are operating. A range and depth of project/program reviews may be undertaken to snapshot its status to identify what is going well and what areas need improvement.						
Program/Project Health Checks						
23-nn	TBC			None planed in FY2023		
Reform/Restructure Health Checks.						
23-nn	Reform/Restructure Health Checks	Core. GRC	In-House	Provide assurance that processes, procedures and controls surrounding the project/program are operating. A range and depth of project/program reviews may be undertaken to snap-shot its status in order to identify what is going well and what areas need improvement.		Continuous
			-0n	None planed in FY2023		
Workplace Health and Safety						
23-nn	Workplace Health and Safety - Overall program	Core. GRC	TBD	Provide a snapshot processes, procedures and controls surrounding Department's WHS program are in place and operating.		Continuous
			-0n	None planned in FY2023		
Insight Reviews					Sub-Total	
Ref	Review title	Key Input#	Provider	Description	Work days	Start Quarter
IA Reviews - Base level compliance reviews focused on providing fundamental audit over core elements of the internal control environment. Conducted using walkthrough testing or sample testing of transactions. Identify opportunities for process improvement. End-to-end process reviews.						
23-02	Department Wide - Quarterly Follow up on Audit Issues and Management Agreed Actions Plans (MAAPs)	IA, Risk	In-House	Regular tracking and follow-up of issues from IA reports, AONSW reports, etc. Follow-up and detailed testing with divisions/branches to ensure audit issues and management agreed action plans are completed.		
			-01	Follow-up in Sep/Oct		Q1
			-02	Follow-up in Dec/Jan		Q2
			-03	Follow-up in Mar/Apr		Q3
			-04	Follow-up in Jun/Jul		Q4
IA Reviews					Sub-Total	
Ref	Review title	Key Input#	Provider	Description	Work days	Start Quarter
IA Services – Audit and/or advisory based services over non-major projects, initiatives/business processes designed to add value by assessing the effectiveness and efficiency of the project/process. Services will be conducted through a variety of ways such as up-front advice, health check or on-going monitoring and real time feedback (i.e. following along & acting as a touch point for management).						
IA Services					Sub-Total	



Audit & Assurance FY2024 Program of Work

Ref	Review title	Key Input	Provider	Description / Impact	Work days	Start Quarter
Reform, Program and Project Audit – reviews to ensure that major projects are managed to deliver the intended benefits, are on time and on budget. Based on the status of the projects identified below, the focus and approach of audit for FY19 will consider the following involvement: <ul style="list-style-type: none"> • Strength & Completeness of the Business Case - contents, structure, assumptions, benefits identification, financial analyses • Procurement process assurance • Governance • Project delivery and management (in accordance with the Project Management Framework) • Post implementation review and review of benefits realisation 						
	Reform, Program and Project Audit			Sub-Total		
				Insight Reviews		
				IA Reviews		
				IA Services		
				Reform, Program and Project Audit		
				Review & Audit = Total		

¥ See page 4 – Key Drivers and Inputs into the FY 24 Program

Ref	Review title	Key Input	Provider	Description	Work days	Start Quarter
Internal Audit - Control Environment Initiatives Continuous improvement program of activities, tasks, events and actions that should be undertaken and reviewed at regular intervals to ensure progress is being made and that standards are increasing and to develop a “fit 4 business” internal audit program (see page 13 for additional detail)						
				Sub-Total		
Internal Audit – Administrative Tasks						
				Sub-Total		
				Internal Audit Work Days		
				Review & Audit = Total		
				Grand Total		

Alternative view for FY 2025

8.6 CONSOLIDATION OF LOCAL LAWS AND SUBORDINATE LOCAL LAWS**File No:** Council Report**Author:** Governance Policy Lead
Civic Governance

Appendices:	App A - Sunshine Coast Regional Council Local Law No.1 (Administration) 2011	91/467 
	App B - Sunshine Coast Regional Council Subordinate Local Law No.1 (Administration) 2016	143/467 
	App C - Sunshine Coast Regional Council Local Law No.2 (Animal Management) 2011	233/467 
	App D - Sunshine Coast Regional Council Subordinate Local Law No.2 (Animal Management) 2011	271/467 
	App E - Sunshine Coast Regional Council Local Law No.3 (Community Health and Environmental Management) 2011	357/467 
	App F - Sunshine Coast Regional Council Subordinate Local Law No.4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011	393/467 
	App G - Sunshine Coast Regional Council Subordinate Local Law No.5 (Parking) 2011	405/467 

PURPOSE

The purpose of this report is to recommend that Council adopt consolidated versions of Council's local laws as a result of amendments adopted at the Ordinary Meeting on Thursday 22 May 2023.

This report does not include any new material not previously considered or adopted by Council and formally published in the Government Gazette as part of the local law making process.

EXECUTIVE SUMMARY

This report meets an administrative requirement to present consolidated versions of each of:

- 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 Government Controlled Areas, Facilities, Infrastructure and Roads) 2011 and
- Subordinate Local Law No. 5 (Parking) 2011

A consolidated version incorporates the amendments into the published version of a Local Government's local law, so that the published version is both consolidated and up to date. As such, this consolidated local law and report does not include any new material not previously considered or adopted by Council and formally published in the Government Gazette as part of the local law making process.

Consolidating local laws and subordinate local laws in this way reduces the risk of breaches and incorrect interpretation of local law provisions, as well as making it easier for them to be read and understood by the community.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Consolidation of Local Laws and Subordinate Local Laws” and
- (b) resolve to adopt consolidated versions of:
 - (i) Sunshine Coast Regional Council Local Law No. 1 (Administration) 2011 (Appendix A)
 - (ii) Sunshine Coast Regional Council Subordinate Local Law 1 (Administration) 2016 (Appendix B)
 - (iii) Sunshine Coast Regional Council Local Law No. 2 (Animal Management) 2011 (Appendix C)
 - (iv) Sunshine Coast Regional Council Subordinate Local Law No. 2 (Animal Management) 2011 (Appendix D)
 - (v) Sunshine Coast Regional Council Local Law No. 3 (Community Health and Environmental Management) 2011 (Appendix E)
 - (vi) Sunshine Coast Regional Council Subordinate Local Law No. 4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011 (Appendix F) and
 - (vii) Subordinate Local Law No. 5 (Parking) (Appendix G) 2011.

FINANCE AND RESOURCING

The cost of drafting the consolidated local laws and subordinate local laws has been funded through existing budget allocations within the Corporate Governance Branch.

CORPORATE PLAN

Corporate Plan Goal:	<i>Our outstanding organisation</i>
Outcome:	We serve our community by providing this great service.
Operational Activity:	S30 - Governance – providing internal leadership, legal opinion, governance and audit functions ensuring legislative accountability, transparency and ethical obligations are supported.

CONSULTATION

Councillor Consultation

Councillors were consulted throughout the local law making process regarding proposed amendments prior to being adopted at the Ordinary Meeting on 25 May 2023.

Internal Consultation

Internal consultation in relation to the local law amendments occurred with all relevant stakeholders. No internal consultation was required as part of the local law consolidation process as it is simply an administrative process.

External Consultation

No external consultation was required as part of the local law consolidation process.

Community Engagement

Community consultation was undertaken in developing the amendments to the local laws and subordinate local laws prior to their adoption by Council on 25 May 2023. No additional external consultation is required as part of the local law consolidation process, as it is simply an administrative process.

PROPOSALConsolidation of local laws

The concept of a consolidated version of a local law is similar to the process of producing reprints of Queensland Acts. Each time an amending Act is made, the Office of the Queensland Parliamentary Counsel prepares a consolidated version of the Act which accurately combines the original Act with each of the subsequent amendments made. This process makes it easier for anyone referencing the legislation as they don't need to read the original Act and the amendments separately.

Consolidating local laws provides stakeholders and the community with a comprehensive, current and readable suite of local laws. Without consolidation, readers are required to read the original local law and all subsequent amendment local laws together to ascertain the current lawful position of a particular issue. A consolidated version of a local law is simply a document that accurately combines a Local Government's local law, as it was originally made, with all the amendments made to the local law since the local law was originally made.

Consolidation of Council's local laws is purely administrative and only includes amendments to local laws that have previously been adopted by Council and formally published in the Government Gazette as part of the local law making process.

Amendments requiring consolidation

- At the Ordinary Meeting on 25 May 2023, Council resolved to adopt *Amendment Local Law No.1 (Miscellaneous) 2023* and *Amendment Subordinate Local Law No. 1 (Miscellaneous) 2023*. Amendments were made to the following:
 - 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 Government Controlled Areas, Facilities, Infrastructure and Roads) 2011 and
 - Subordinate Local Law No. 5 (Parking) 2011

The above mentioned local law amendments have all satisfied the statutory requirements needed to make a local law which included:

- Report to Council proposing to make the local law
- Community Consultation
- State Interest Checks
- Report to Council to make the Local Law

- Government Gazette.

The newly consolidated versions will be made available to the public through a link on Council's website and also on the State Government's local law database website.

Legal

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

- the *Local Government Act 2009* and the *Local Government Regulation 2012*
- Sunshine Coast Council's suite of Local Laws and Subordinate Local Laws

Section 32 (1) of the *Local Government Act 2009* provides that the Local Government may prepare and adopt a consolidated version of its local laws and subordinate local laws as they were originally made, with all the amendments made to the local laws and subordinate local laws since the local laws and subordinate local laws were originally made.

In accordance with section 32 (4) of the *Local Government Act 2009*, the Local Government must provide a copy of the adopted consolidated versions to the Minister within 7 days.

Policy

The consolidation of the local law and subordinate local law have been prepared in accordance with all relevant Council policies.

Risk

Failing to consolidate local laws and subordinate local laws increases the risk of breaches and incorrect interpretation of local law provisions. It also makes the local laws difficult to read and understand by the community.

Previous Council Resolution

Ordinary Meeting 25 May 2023 (OM23/46)

That Council:

- (a) receive and note the report titled "***Making of Amendment Local Law No.1 (Miscellaneous) 2023 and Amendment Subordinate Local Law No.1 (Miscellaneous) 2023***"
- (b) resolve to make Amendment Local Law No. 1 (Miscellaneous) 2023 (Appendix A) as advertised
- (c) resolve to make Amendment Subordinate Local Law No. 1 (Miscellaneous) 2023 (Appendix B) with the following amendments:
 - (i) in section 19(2), substitute a revised Map 2.5.16 (Maleny Showground) Subordinate Local Law No. 2 (Animal Management) 2011. Schedule 5 (Exclusion of animals from specific places)
 - (ii) in section 20(5), substitute a revised Map 2.6.29 (Maleny Showground) for insertion into Subordinate Local Law No. 2 (Animal Management) 2011. Schedule 6 (Dog off-leash areas) and
 - (iii) in section 24(1), replace the words "Map SLL.5.3.1" with the words "the Birtinya Regulated Parking Area as delineated in Map SLL.5.3.1" in Subordinate Local Law No. 5 (Parking) 2011
- (d) note that there are no anti-competitive provisions in Amendment Local Law No. 1 (Miscellaneous) 2023 or Amendment Subordinate Local Law No. 1 (Miscellaneous) 2023 and

- (e) *note that a review will be undertaken and reported to Council in 12 months to assess the impacts resulting from the proposed changes to the Maleny Showground Dog off-leash areas.*

Related Documentation

- *Local Government Act 2009 and Local Government Regulation 2012*
- Sunshine Coast Regional Council Local Laws and Subordinate Local Laws
- State Government Guidelines for Drafting Local Laws 2016
- Sunshine Coast Regional Council Corporate Plan 2020-2024
- Compliance and Enforcement Policy.

Critical Dates

It is important that the consolidation of local laws occurs as soon as practical after an amendment local law is adopted. This ensures that the community and key stakeholders have a clear, current, easily accessible and articulate local law framework.





The Minister will be notified within 7 days following the consolidation of the Local Laws.

Implementation

Should the recommendation be accepted by Council, it is noted the Chief Executive Officer will:

- provide a copy of the consolidated local laws and subordinate local laws to the Deputy Premier and Minister for State Development, Infrastructure, Local Government and Planning in accordance with section 32 (4) of the *Local Government Act 2009* for inclusion on the Department local laws database and
- the consolidated local laws and subordinate local laws will be published on Council's website.

8.7 DELEGATION TO THE CHIEF EXECUTIVE OFFICER

File No:	Council Meetings
Author:	Governance Policy Lead Civic Governance
Appendices:	App A - 2016-73 (v8) Delegation to the Chief Executive Officer215  
Attachments:	Att 1 - Delegations Guiding Principles Policy (Delegations from Council to the CEO) 237  

PURPOSE

The purpose of this report is to satisfy the requirement in section 257 (5) of the *Local Government Act 2009* to annually review and update the Council's delegation instrument to the Chief Executive Officer and in doing so, include delegations of authority under additional Queensland Acts and subordinate legislation which have been identified as part of the annual review process.

EXECUTIVE SUMMARY

Council performs a range of functions and exercises authority under a wide range of Queensland statutes, associated subordinate legislation and its own local laws. Council can delegate its powers to the Chief Executive Officer to implement and enforce some of these responsibilities under section 257 of the *Local Government Act 2009* (the Act), where it is lawful for Council to delegate that authority.

Under section 257 (3) of the Act, Council must not delegate authority to decide or determine a matter where the matter is expressly required by an Act to be determined by resolution of Council.

Section 257(5) of the Act requires the local government to review all delegations to the Chief Executive Officer annually. The last review and adoption of the Sunshine Coast Council's Delegation to the Chief Executive Officer occurred at the Ordinary Meeting of 23 June 2022.

To comply with section 257 (5) of the Act and thus ensure the maintenance of the legality of the Delegation to the Chief Executive Officer, a review of the Local Government Association of Queensland's (LGAQ) delegations register was undertaken to ensure all relevant legislation and subordinate legislation were captured in Council's Instrument of Delegation.

The review also identified some other Acts and associated subordinate legislation which involve the conduct of operational responsibilities of Council and as such, should reasonably be included in the 2016-73 (v8) Delegation to the Chief Executive Officer (identified in Schedule 1 of **Appendix A** to this report).

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Delegation to the Chief Executive Officer"
- (b) resolve to adopt Delegation 2016-73 (v8) Delegation to the Chief Executive Officer (Appendix A) and
- (c) note that all other specific and individual delegations of authority to the Chief Executive Officer which have been authorised by Council through previous resolutions, are retained.

FINANCE AND RESOURCING

The cost of conducting the review of the Instrument of Delegation and the preparation of this report has been funded through the existing budget allocation for the Corporate Governance Branch.

CORPORATE PLAN

Corporate Plan Goal: *Our outstanding organisation*

Outcome: We serve our community by providing this great service.

Operational Activity: S30 - Governance – providing internal leadership, legal opinion, governance and audit functions ensuring legislative accountability, transparency and ethical obligations are supported.

CONSULTATION

Portfolio Councillor Consultation

Councillor E Hungerford and Councillor J Natoli have been consulted regarding the annual review of delegations and recommendations proposed in this report.

Internal Consultation

Internal consultation occurred with the following officers:

- Group Executive Civic Governance
- Manager Executive Management & Support Services

External Consultation

No external consultation was required or conducted for the review of delegations.

Community Engagement

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

PROPOSAL

The Local Government Association of Queensland (LGAQ) together with King and Company Solicitors, provides biannual updates of all delegations of authority under relevant Queensland legislation. This includes updates on those matters which must not be delegated by a local government as they are matters which need to be determined by resolution of Council.

As part of Council's annual review of delegations, an analysis of the legislation identified on the LGAQ's delegation register has been cross checked against the existing Delegation to the Chief Executive Officer to ensure no gaps existed in Council's delegation framework.

The following additional legislation has been identified as a result of this review and is recommended for inclusion in Schedule 1 to delegation 2016-73 (v8) Delegation to the Chief Executive Officer, as set out in **Appendix A** to this report:

- *Land Regulation 2020*
Subordinate legislation which supports the *Land Act 1994*. The authorities that can be delegated relate to the performance of the administrative function of Council's role as a trustee or lessee of trust land.
- *Planning Act 2016* – Development Assessment Rules

The Development Assessment (DA) Rules explain how development applications in Queensland must be lodged, assessed and decided. The DA Rules also outline how public notification is required to be undertaken. The authorities able to be delegated include the giving of notice of a proposed planning scheme or proposed scheme amendment and associated processes for making or amending a planning scheme.

- *Retail Shop Leases Regulation 2016*

Subordinate legislation that supports the *Retail Shop Leases Act 1994* which sets out the rights and obligations of landlords and tenants of retail premises. The authorities in the regulation which may be delegated relate to the process for mediating disputes between parties.

The additional delegations of authority outlined above do not include any powers that are required to be exercised by Council pursuant to a resolution of Council.

Legal

Section 257 of the Act authorises a local government to make a resolution to delegate its powers under a *Local Government Act 2009* to:

- the Mayor
- Chief Executive Officer
- a standing committee or
- a joint standing committee.

While delegations provide expediency for the daily operations of a local government, a delegation is revocable and does not prevent Council at any time, from acting on a matter that is the subject of a delegation of authority. In such cases, the delegate must not act under the authority of the delegation where Council has elected to exercise its authority itself. Put simply, a delegation of authority from Council is not an abrogation of Council's legal authority to make a decision of determine a matter that is the subject of a delegation.

Section 257(5) of the *Local Government Act 2009* requires the local government to review all delegations to the Chief Executive Officer annually.

Section 259 (Delegation by the Chief Executive Officer) of the Act allows the Chief Executive Officer of a local government to delegate the Chief Executive Officer's powers (including powers delegated to the Chief Executive Officer by the local government) to another employee of the local government.

To comply with section 257(3) of the Act, provisions of an Act or subordinate legislation not capable of delegation are identified in the proposed new 2016-73 (v8) Delegation to the Chief Executive Officer (specified in schedule 2 of **Appendix A** to this report). A delegation is not permissible if the relevant Act specifically provides that the power must be exercised by a resolution of the local government. This restriction applies where legislation uses the specific words 'by resolution'. Moreover, by virtue of the definition of 'adopt' the same limitation applies to a number of statutory provisions where that term is used, and as such, the authority must be exercised by the elected Council.

Where legislation simply gives Council the ability to act or make a decision without using the words 'resolution' or 'adopt' or a word of the same derivation, and so long as the context does not clearly indicate otherwise, then the power may be delegated.

Policy

The proposed Instrument of Delegation to the Chief Executive Officer (2016-73 (v8)) at **Appendix A** to this report is supported by the Delegations Guiding Principles Policy (Delegations from Council to the CEO) (see **Attachment 1**).

Risk

The proposed amendment to the Instrument of Delegation has been prepared to mitigate the risk of any gaps in delegated powers and to ensure the Chief Executive Officer has appropriate authority to manage the operational activities of Council under any relevant legislation. Where required, the Chief Executive Officer is able to subdelegate certain authorities to appropriately qualified officers, which occurs separately through the Delegations of Authority from the Chief Executive Officer under Section 259 of the Act.

All delegated officers are required to complete mandatory delegation awareness training to ensure they are aware of their delegated responsibilities and apply the principles of good decision making when exercising delegated powers.

Previous Council Resolution**Ordinary Meeting 23 June 2022 (OM22/48)**

That Council:

- (a) *receive and note the report titled “Delegation to the Chief Executive Officer” and*
- (b) *adopt Delegation 2016-73 (v7) Delegation to the Chief Executive Officer (Appendix A) and*
- (c) *note that all other existing specific delegations of authority to the Chief Executive Officer are retained.*

Related Documentation

Delegations Guiding Principles Policy (Delegations from Council to the CEO) (see **Attachment 1**) supports the 2016-73 (v8) Delegation to the Chief Executive Officer (see **Appendix A**) to this report.

Critical Dates

It is important that Council considers this report as soon as possible to ensure compliance with section 257 of the *Local Government Act 2009*.

Implementation

Should the recommendations in this report be accepted by Council, it is noted the Chief Executive Officer will:

- update Council's Delegation Register, and
- update relevant section 259 Delegations of Authority from the Chief Executive Officer to Council officers.



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DELEGATION AUTHORITY

DELEGATION NO.	2016-73 (v8.0)
DELEGATION TITLE:	Delegation to the Chief Executive Officer
Delegation from Council to:	Chief Executive Officer
Date and Resolution No.	
Source of Authority: <i>Local Government Act 2009 (Qld)</i> <i>Refer Schedule 1</i> <i>Refer Schedule 2</i>	

Delegated Power:

Council resolves, pursuant to section 257(1)(b) of the *Local Government Act 2009* (Qld), to delegate to the Chief Executive Officer all of the powers of the local government conferred under:

- a) Council's Local Laws;
- b) the Acts and Subordinate Legislation listed in Schedule 1 of this delegation.

Interpretation:

1. To the extent that this delegation confers a power to take any action, including making a decision, the power extends to doing anything which is necessary or convenient to perform that action, make that decision or give effect to a decision made by the local government or the local government's delegate such as:
 - a) considering factual and legal matters and issues in order to:
 - i) form any belief which is required; and
 - ii) be satisfied about any matter or thing;
 - b) consulting with any person who is required to be consulted with;
 - c) issuing any notices including publishing any notice in the gazette, newspaper or on the local government's website;
 - d) approving any forms;
 - e) filing any document;
 - f) extending any period;
 - g) providing reasons; and
 - h) making or refunding any payment.

2. Under this delegation, the words used are to take their meaning from the Queensland legislation conferring the authority or to the extent that no meaning is prescribed, the words will take their ordinary meaning unless otherwise specified in this delegation.
3. Under this delegation, the words used have the meanings set out below:
 - a) 'Act' has the meaning given to that term under the *Acts Interpretation Act 1954* (Qld);
 - b) 'Queensland legislation' has the meaning given to that term under the *Acts Interpretation Act 1954* (Qld);
 - c) 'powers of the local government' means all powers conferred on the local government under Queensland legislation which is the subject of this delegation including any Subordinate Legislation and Statutory Instrument made under that legislation or which has taken effect under that legislation even if not expressly mentioned in this delegation;
 - d) 'Subordinate Legislation' has the meaning given to that term under the *Statutory Instruments Act 1992* (Qld);
 - e) 'Statutory Instrument' has the meaning given to that term under the *Statutory Instruments Act 1992* (Qld);
 - f) 'Local Law' has the meaning given to that term under the *Local Government Act 2009* (Qld) and a reference to a local law in this delegation includes a reference to:
 - i) an 'interim local law' as defined by the *Local Government Act 2009* (Qld);
 - ii) a 'subordinate local law' as defined by the *Local Government Act 2009* (Qld); and
 - iii) a local law that incorporates a 'model local law' as defined by the *Local Government Act 2009* (Qld).
4. To the extent of any inconsistency between the conferral of this delegation of powers and any earlier delegation of powers to the Chief Executive Officer, this delegation prevails.

Delegation Conditions

5. The powers conferred by this delegation must be exercised in accordance with the Queensland legislation conferring the authority, including any obligations which are imposed in exercising the power.
6. The powers conferred by this delegation must not be exercised in circumstances where the power is not capable of delegation (refer to schedule 2 of this delegation).
7. The delegated officer must make and keep a register of all instances of where this delegation has been exercised.
8. Unless compliance would be contrary to any law, the policies of the local government and codes of conduct must be complied with in exercising the powers conferred by this delegation.

Delegation Criteria - *Planning Act 2016*

9. The delegated officer may exercise the powers of the local government under the *Planning Act 2016* for an application other than the following:
 - a) an application where, in the opinion of the delegated officer, the estimated construction value of the proposed development exceeds \$100 million (excluding land content);
 - b) under the transitional provisions set out in Chapter 8 of the *Planning Act 2016*- an application for the approval of a master plan for a master planned area;
 - c) an application for a variation request as defined in the *Planning Act 2016*;

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- d) an application for a proposed development where a substantial number of submissions have been received during the notification part objecting to the proposed development.
10. In exercising the powers delegated, where a development application has been decided by Council the delegated officer must give due consideration to the materiality of the changes sought through a negotiated decision notice and consult with the divisional councillor where those changes would have a material impact on the outcome of the original decision.
11. However, even if paragraph 9 a) above applies, the delegated officer may exercise the powers of the local government under the *Planning Act 2016* without that limitation for an application where the application has the potential for “deemed approval”.

Delegation Administration Procedure – *Planning Act 2016*:

12. The following procedure is to be undertaken for any powers exercised under the *Planning Act 2016* and *Planning Regulation 2017* unless compliance would be contrary to any law:
- a) The policies of the local government must be complied with and in particular any policy related to entering into an infrastructure agreement.
 - b) The policies and codes of conduct of the local government must be complied with and in particular:
 - i) a development application is to be referred to the Chief Executive Officer for decision where a councillor has a material personal interest in the development application.

Schedule 1

Acts

No.	Name of Act
1	<i>Aboriginal Cultural Heritage Act 2003 (Qld)</i>
2	<i>Acquisition of Land Act 1967 (Qld)</i>
3	<i>Acquisition of Land Regulation (2014) (Qld)</i>
4	<i>Animal Care and Protection Act 2001 (Qld)</i>
5	<i>Animal Care and Protection Regulation 2012 (Qld)</i>
6	<i>Animal Management (Cats and Dogs) Act 2008 (Qld)</i>
7	<i>Animal Management (Cats and Dogs) Regulation 2009 (Qld)</i>
8	<i>Anti-Discrimination Act 1991 (Qld)</i>
9	<i>Auditor-General Act 2009 (Qld)</i>
10	<i>Australia's Foreign Relations (State and Territory Arrangements) Act 2020 (Cth)</i>
11	<i>Biosecurity Act 2014 (Qld)</i>
12	<i>Biosecurity Regulation 2016 (Qld)</i>
13	<i>Body Corporate and Community Management (Accommodation Module) Regulation 2020 (Qld)</i>
14	<i>Body Corporate and Community Management (Commercial Module) Regulation 2020 (Qld)</i>
15	<i>Body Corporate and Community Management (Small Schemes Module) Regulation 2020 (Qld)</i>
16	<i>Body Corporate and Community Management (Specified Two-lot Schemes Module) Regulation 2011 (Qld)</i>
17	<i>Body Corporate and Community Management (Standard Module) Regulation 2020 (Qld)</i>
18	<i>Body Corporate and Community Management Act 1997 (Qld)</i>
19	<i>Building Act 1975 (Qld)</i>
20	<i>Building Fire Safety Regulation 2008 (Qld)</i>
21	<i>Building Regulation 2006 (Qld)</i>
22	<i>Building Regulation 2021 (Qld)</i>
23	<i>Coastal Protection and Management Act 1995 (Qld)</i>
24	<i>Crime and Corruption Act 2001 (Qld)</i>
25	<i>Development Assessment Rules (Qld)</i>
26	<i>Disaster Management Act 2003 (Qld)</i>
27	<i>Disaster Management Regulation 2014 (Qld)</i>
28	<i>Economic Development Act 2012 (Qld)</i>
29	<i>Electricity Act 1994 (Qld)</i>
30	<i>Electricity Regulation 2006 (Qld)</i>
31	<i>Electrical Safety Act 2002 (Qld)</i>
32	<i>Electrical Safety Regulation 2013 (Qld)</i>
33	<i>Environmental Offsets Act 2014 (Qld)</i>

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No.	Name of Act
34	<i>Environmental Offsets Regulation 2014 (Qld)</i>
35	<i>Environmental Protection (Water and Wetland Biodiversity) Policy 2019 (Qld)</i>
36	<i>Environmental Protection Act 1994 (Qld)</i>
37	<i>Environmental Protection Regulation 2019 (Qld)</i>
38	<i>Evidence Act 1977 (Qld)</i>
39	<i>Fire and Emergency Service Act 1990 (Qld)</i>
40	<i>Fisheries Act 1994 (Qld)</i>
41	<i>Food Act 2006 (Qld)</i>
42	<i>Food Production (Safety) Act 2000 (Qld)</i>
43	<i>Forestry Act 1959 (Qld)</i>
44	<i>Fossicking Act 1994 (Qld)</i>
45	<i>Gaming Machine Act 1991 (Qld)</i>
46	<i>Geothermal Energy Act 2010 (Qld)</i>
47	<i>Greenhouse Gas Storage Act 2009 (Qld)</i>
48	<i>Heavy Vehicle (Mass, Dimension and Loading) National Regulation (Qld)</i>
49	<i>Heavy Vehicle National Law Act 2012 (Qld)</i>
50	<i>Heavy Vehicle National Law (Queensland)</i>
51	<i>Heavy Vehicle National Law Regulation 2014 (Qld)</i>
52	<i>Housing Act 2003 (Qld)</i>
53	<i>Housing Regulation 2015 (Qld)</i>
54	<i>Human Rights Act 2019 (Qld)</i>
55	<i>Industrial Relations Act 2016 (Qld)</i>
56	<i>Industrial Relations Regulation 2018 (Qld)</i>
57	<i>Information Privacy Act 2009 (Qld)</i>
58	<i>Instrument of Delegation and Direction – Economic Development Act 2012 (Minister for Economic Development Queensland) 17 October 2019</i>
59	<i>Integrity Act 2009 (Qld)</i>
60	<i>Integrated Planning Act 1997 (Qld)</i>
61	<i>Integrated Resort Development Act 1987 (Qld)</i>
62	<i>Judicial Review Act 1991 (Qld)</i>
63	<i>Labour Hire Licensing Act 2017 (Qld)</i>
64	<i>Land Access Ombudsman Act 2017 (Qld)</i>
65	<i>Land Act 1994 (Qld)</i>
66	<i>Land Regulation 2020</i>
67	<i>Land Title Act 1994 (Qld)</i>
68	<i>Land Valuation Act 2010 (Qld)</i>
69	<i>Libraries Act 1988 (Qld)</i>

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No.	Name of Act
70	<i>Liquor Act 1992 (Qld)</i>
71	<i>Local Government Act 2009 (Qld)</i>
72	<i>Local Government Electoral Act 2011 (Qld)</i>
73	<i>Local Government Regulation 2012 (Qld)</i>
74	<i>Manufactured Homes (Residential Parks) Act 2003 (Qld)</i>
75	<i>Marine Parks Act 2004 (Qld)</i>
76	<i>Medicines and Poisons (Pest Management Activities) Regulation 2021 (Qld)</i>
77	<i>Medicines and Poisons (Poisons and Prohibited Substances) Regulation 2021 (Qld)</i>
78	<i>Medicines and Poisons Act 2019 (Qld)</i>
79	<i>Mineral & Energy Resources (Common Provisions) Act 2014 (Qld)</i>
80	<i>Mineral Resources Act 1989 (Qld)</i>
81	<i>Mining and Quarrying Safety and Health Act 2017 (Qld)</i>
82	<i>Mining and Quarrying Safety and Health Regulation 2017 (Qld)</i>
83	<i>Minister's Guidelines and Rules</i>
84	<i>Mixed Use Development Act 1993 (Qld)</i>
85	<i>Nature Conservation (Administration) Regulation 2017 (Qld)</i>
86	<i>Nature Conservation (Animals) Regulation 2020 (Qld)</i>
87	<i>Nature Conservation (Plants) Regulation 2020 (Qld)</i>
88	<i>Nature Conservation (Protected Areas Management) Regulation 2017 (Qld)</i>
89	<i>Nature Conservation (Wildlife Management) Regulation 2006 (Qld)</i>
90	<i>Nature Conservation Act 1992 (Qld)</i>
91	<i>Neighbourhood Disputes (Dividing Fences and Trees) Act 2011 (Qld)</i>
92	<i>Peaceful Assembly Act 1992 (Qld)</i>
93	<i>Planning Act 2016 (Qld)</i>
94	<i>Planning Regulation 2017 (Qld)</i>
95	<i>Planning Act 2016 – Development Assessment Rules</i>
96	<i>Planning and Environment Court Act 2016 (Qld)</i>
97	<i>Planning and Environment Court Rules 2018 (Qld)</i>
98	<i>Plumbing and Drainage Act 2002 (Qld)</i>
99	<i>Plumbing and Drainage Regulation 2003 (Qld)</i>
100	<i>Plumbing and Drainage Act 2018 (Qld)</i>
101	<i>Plumbing and Drainage Regulation 2019 (Qld)</i>
102	<i>Property Law Act 1974 (Qld)</i>
103	<i>Prostitution Act 1999 (Qld)</i>
104	<i>Public Health (Infection Control for Personal Appearance Services) Act 2003 (Qld)</i>
105	<i>Public Health Act 2005 (Qld)</i>
106	<i>Public Health Regulation 2018 (Qld)</i>

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No.	Name of Act
107	<i>Public Interest Disclosure Act 2010 (Qld)</i>
108	<i>Public Records Act 2002 (Qld)</i>
109	<i>Public Sector Ethics Act 1994 (Qld)</i>
110	<i>Queensland Building and Construction Commission Act 1991 (Qld)</i>
111	<i>Queensland Heritage Act 1992 (Qld)</i>
112	<i>Queensland Reconstruction Authority Act 2011 (Qld)</i>
113	Rail Safety National Law
114	<i>Regional Planning Interests Act 2014 (Qld)</i>
115	<i>Residential Services (Accreditation) Act 2002 (Qld)</i>
116	<i>Residential Tenancies and Rooming Accommodation Act 2008 (Qld)</i>
117	<i>Residential Tenancies and Rooming Accommodation (COVID Emergency Response) Regulation 2020 (Qld)</i>
118	<i>Retail Shop Leases Act 1994 (Qld)</i>
119	<i>Retail Shop Leases Regulation 2016</i>
120	<i>Retail Shop Leases and Other Commercial Leases (COVID-19 Emergency Response) Regulation 2020 (Qld)</i>
121	<i>Right to Information Act 2009 (Qld)</i>
122	<i>River Improvement Trust Act 1940 (Qld)</i>
123	<i>Safety in Recreational Water Activities Act 2011 (Qld)</i>
124	<i>Soil Conservation Act 1986 (Qld)</i>
125	<i>South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Qld)</i> <i>Delegation by Northern SEQ Distributer Retailer Authority (Unitywater) to Moreton Bay Regional Council, Sunshine Coast Regional Council and Noosa Shire Council – 30 June 2014</i>
126	<i>Standard Plumbing and Drainage Regulation 2003 (Qld)</i>
127	<i>State Development and Public Works Organisation Act 1971 (Qld)</i>
128	<i>State Penalties Enforcement Act 1999 (Qld)</i>
129	<i>State Penalties Enforcement Regulation 2014 (Qld)</i>
130	<i>Statutory Bodies Financial Arrangements Act 1982 (Qld)</i>
131	<i>Stock Act 1915 (Qld)</i>
132	<i>Stock Route Management Act 2002 (Qld)</i>
133	<i>Stock Route Management Regulation 2003 (Qld)</i>
134	<i>Strong and Sustainable Resource Communities Act 2017 (Qld)</i>
135	<i>Summary Offences Act 2005 (Qld)</i>
136	<i>Summary Offences Regulation 2006 (Qld)</i>
137	<i>Survey and Mapping Infrastructure Act 2003 (Qld)</i>
138	<i>Sustainable Planning Act 2009 (Qld)</i>
139	<i>Sustainable Planning Regulation 2009 (Qld)</i>
140	<i>Telecommunications (Interception and Access) Act 1979 (Cth)</i>

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No.	Name of Act
141	<i>Tobacco and Other Smoking Products Act 1998 (Qld)</i>
142	<i>Torres Strait Islander Cultural Heritage Act 2003 (Qld)</i>
143	<i>Transport Infrastructure (Busway) Regulation 2002 (Qld)</i>
144	<i>Transport Infrastructure (Public Marine Facilities) Regulation 2011 (Qld)</i>
145	<i>Transport Infrastructure (Rail) Regulation 2006 (Qld)</i>
146	<i>Transport Infrastructure (State Controlled Roads) Regulation 2017 (Qld)</i>
147	<i>Transport Infrastructure Act 1994 (Qld)</i>
148	<i>Transport Operations (Marine Pollution) Act 1995 (Qld)</i>
149	<i>Transport Operations (Marine Safety) Act 1994 (Qld)</i>
150	<i>Transport Operations (Marine Safety) Regulation 2016 (Qld)</i>
151	<i>Transport Operations (Passenger Transport) Act 1994 (Qld)</i>
152	<i>Transport Operations (Road Use Management) Act 1995 (Qld)</i>
153	<i>Transport Operations (Road Use Management – Accreditation and Other Provisions) Regulation 2015 (Qld)</i>
154	<i>Transport Operations (Road Use Management—Road Rules) Regulation 2009 2021 (Qld)</i>
155	<i>Transport Operations (Road Use Management—Vehicle Registration) Regulation 2021 (Qld)</i>
156	<i>Transport Planning and Coordination Act 1994 (Qld)</i>
157	<i>Trusts Act 1973 (Qld)</i>
158	<i>Waste Reduction and Recycling Act 2011 (Qld)</i>
159	<i>Waste Reduction and Recycling Regulation 2011 (Qld)</i>
160	<i>The Waste Reduction and Recycling (Local Government) Delegation (No. 1) 2015</i>
161	<i>Water Act 2000 (Qld)</i>
162	<i>Water Regulation 2016 (Qld)</i>
163	<i>Water Supply (Safety and Reliability) Act 2008 (Qld)</i>
164	<i>Work Health and Safety Act 2011 (Qld)</i>
165	<i>Work Health and Safety Regulation 2011 (Qld)</i>
166	<i>Workers Compensation and Rehabilitation Act 2003 (Qld)</i>
167	<i>Workers Compensation and Rehabilitation Regulation 2014 (Qld)</i>
168	<i>Working with Children (Risk Management and Screening) Act 2000 (Qld)</i>

Schedule 2

Limitations on delegation of powers

The powers of Sunshine Coast Regional Council which are not able to be delegated are set out in the tables below.

Animal Management (Cats and Dogs) Act 2008 (Qld) (AMCDA)	
Section	Power not subject to delegation
12 – Identification devices under Act	Council may, by resolution, nominate a device to assist in identifying a dog.
50 – Duration of registration	Council may, by resolution, fix the period for registration of a dog.
113 – Approval of inspection program authorising entry	Council may, by resolution, approve a program (an approved inspection program) under which an authorised person may enter a place to monitor compliance with the AMCDA or an aspect of the AMCDA.

Biosecurity Act 2014	
Section	Power not subject to delegation
235 - Authorising and carrying out biosecurity program	A program authorisation must be authorised by a resolution of the local government.

Building Act 1975 (Qld)	
Section	Power not subject to delegation
32 - Local laws, local planning instruments and local government resolutions that may form part of the building assessment provisions	Council may make resolutions about an aspect of, or matter related or incidental to, building work prescribed under a regulation.

Building Regulation 2006 (Qld)	
Section	Power not subject to delegation
7 – Additional water saving targets	Council may, by resolution, impose a requirement (an additional requirement) for relevant work about the matters provided for under performance criteria 1 and 2 under the Queensland Development Code part 4.2.
13 – Land liable to flooding	Council may, by resolution: <ul style="list-style-type: none"> (a) designate part of its area as a flood hazard area; and (b) declare the following for all or part of a flood hazard area: <ul style="list-style-type: none"> (i) the defined flood level; (ii) the maximum flow velocity of water; (iii) an inactive flow or backwater area; (iv) a freeboard that is more than 300mm;

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Building Regulation 2006 (Qld)	
Section	Power not subject to delegation
	(v) the finished floor level of class 1 buildings built in all or part of the flood hazard area.
25 – Local government's power to exempt particular assessable building work from particular stages of inspection	Council may, by resolution, declare localities and forms of buildings or structures in its area exempt from inspection at a stage of assessable building work if the work: <ul style="list-style-type: none"> (a) is, or is an alteration to, a single detached class 1a building or a class 10 building or structure; and (b) is not for a swimming pool or fencing around it.

Economic Development Act 2012 (Qld)	
Section	Power not subject to delegation
169 – Delegations	Council may not subdelegate a function or power of the Minister for Economic Development Queensland (MEDQ) delegated to it where MEDQ has, when delegating the function or power to Council, directed that the function or power cannot be subdelegated.

Environmental Protection Act 1994 (Qld) (EPA)	
Section	Power not subject to delegation
514 – Devolution of powers	Council may make a resolution about the fees payable to it for the administration and enforcement of a matter devolved to it by the Governor in Council, which may include: <ul style="list-style-type: none"> (a) the whole or part of an environmental protection policy; or (b) the issue of environmental authorities; (c) another matter under the EPA (other than Chapter 2 or Chapter 7, Part 8); or (d) a matter relating to an area below the high or low water mark forming the boundary of a local government's area.
518 – Delegation by administering authority	Where Council is an administering authority, it may, by resolution, delegate its powers under the Environmental Protection Act to an appropriately qualified entity.

Food Act 2006 (Qld) (Food Act)	
Section	Power not subject to delegation
31 – Fees payable to local governments	Council may make a resolution about the fees payable to it for providing a service or taking action under the Food Act.

Land Act 1994 (Qld)	
Section	Power not subject to delegation
56 – Model by-laws	Decide where the local government is trustee of trust land to adopt a model by-law.

Libraries Act 1988 (Qld)	
Section	Power not subject to delegation
55 – Library committees	Council may direct, by resolution, the functions, powers and duties to be fulfilled by a library committee.

Liquor Act 1992 (Qld)	
Section	Power not subject to delegation
173N – Suspension of designation	Council may, by resolution, suspend the designation of a public place as a public place where permitted liquor may be consumed for a period of not more than 10 days if it reasonably believes it is in the best interests of the residents of the area to do so.

Local Government Act 2009 (Qld) (Local Government Act)	
Section	Power not subject to delegation
25C – Establishment of joint local governments	A joint local government is established for an area if 2 or more local governments approve, by resolution, the constitution for the joint local government.
25H – Chairperson and deputy chairperson	A joint local government must appoint a chairperson and deputy chairperson from its members, by resolution.
25I - Disbursement from operating fund of joint local government for purposes other than exclusive jurisdiction	A joint local government may only make a disbursement from its operating fund if the joint local government has, by resolution, decided the amount of the disbursement is not required for exercising its exclusive jurisdiction.
25J – Winding up joint local governments	A joint local government may, by resolution, decide to wind up the joint local government.
29 – Local law making process	A local law must be made by resolution of Council.
32 – Consolidated versions of local laws	Council may prepare and adopt, by resolution, a consolidated version of a local law.
46 – Assessing the public benefit	<p>A local government must conduct a public benefit assessment of any new significant business activity that is identified in the annual report of the local government.</p> <p>The local government must prepare a report on the public benefit assessment that contains its recommendations about the application of the competitive neutrality principle in relation to the significant business activity.</p> <p>At a meeting of the local government, the local government must consider the report and decide, by resolution, whether or not to apply the competitive neutrality principle in relation to the significant business activity.</p>
47 – Code of competitive conduct	Council must decide each financial year, by resolution, whether to apply the code of competitive conduct to a business activity prescribed under regulation.
48 – Competitive neutrality complaints	Council must adopt, by resolution, a process for resolving competitive neutrality complaints. A competitive neutrality complaint is a complaint:

Local Government Act 2009 (Qld) (Local Government Act)	
Section	Power not subject to delegation
	<p>(a) relating to a failure of Council to conduct a business activity in accordance with the competitive neutrality principle; and</p> <p>(b) is made by an affected person as defined in section 48(3) of the Local Government Act.</p>
74 – Road register fees	Council may, by resolution or local law, fix a fee for a copy of a map or register of roads within the local government area.
80A – Malls	Council may decide by resolution to pay compensation to a person on account of injurious affection to any right or interest of a business, commercial or industrial nature because of the establishment, modification or closing of a mall by a local government.
93 – Land on which rates are levied	Land may be exempted from rating by resolution of Council.
94 – Power to levy rates and charges	The rates and charges to be levied in a financial year must be decided by resolution at Council's budget meeting for that financial year.
97 – Cost-recovery fees	<p>Council may, under a local law or a resolution, fix a cost-recovery fee.</p> <p>An application for the issue or renewal of a licence, permit, registration or other approval under a local government Act may also include a tax if Council decides, by resolution, that the purpose of the tax benefits its local government area.</p>
99 – Fees on occupiers of land below the high-water mark	Council may, by resolution, levy a fee on the occupier of land below the high-water mark for the use of Council's roads and other infrastructure.
107A – Approval of budget	Council must consider the budget presented by the mayor and, by resolution, adopt the budget with or without amendment. The budget must be adopted before 1 August in the financial year to which the budget relates.
110 – Councillors liable for improper disbursements	<p>Councillors will be liable in accordance with section 110 for any disbursement of Council funds which is:</p> <p>(a) not provided for in Council's budget; and</p> <p>(b) made without the approval, by resolution, of Council.</p>
118 Rates and Charges for 2020/21	Council is responsible for setting the 2020/2021 financial year, other than at a budget meeting for the financial year, what rates and charges are to be levied for the remainder of the financial year.
134 – Approving an inspection program	Council may, by resolution, approve a systematic or a selective inspection program allowing an authorised person to enter and inspect certain properties within Council's local government area.
150 Conduct of Councillors	<p>Adoption of the model procedures or other procedures for the conduct of the local government's meetings and meetings of its committees;</p> <p>Adoption of an investigation policy about dealing with suspected inappropriate conduct of councillors referred by the assessor to the local government;</p> <p>Decision to investigate a councillor's conduct in another way than as provided above;</p> <p>Decision, where a councillor has a declarable conflict of interest, to allow the Councillor to participate in a decision about the matter or to leave the place where the meeting is being held;</p> <p>Decision, where there is no quorum for deciding matter because of the prescribed conflicts of interest or declarable conflicts of interest, to defer the matter to a later meeting;</p>

Local Government Act 2009 (Qld) (Local Government Act)	
Section	Power not subject to delegation
	Decision, where there is no quorum for deciding matter because of the prescribed conflicts of interest or declarable conflicts of interest, not to decide the matter and take no further action in relation to the matter.
164 - Filling vacancy in office of mayor	Decision to appoint a councillor to the office of mayor if the office becomes vacant during the final part of the local government's term
165 – Acting mayor	Council may, by resolution, appoint an acting mayor from its councillors in certain circumstances. Council may also, by resolution, declare that the office of deputy mayor is vacant, in which case it must immediately appoint another deputy mayor from its councillors.
166 – Filling a vacancy in the office of another councillor (other than the Mayor)	If the office of a councillor who is not the mayor becomes vacant during the beginning of Council's term, Council must, by resolution, fill the vacant office by either: (a) a by-election; or (b) appointing the runner-up in the last election. If the former councillor's office becomes vacant during the final part of Council's term, the vacant office must be filled by Council appointing, by resolution, a person who is: (a) qualified to be a councillor; and (b) if the former councillor was elected or appointed to office as a political party's nominee—the political party's nominee.
170A – Requests for assistance or information	'Acceptable requests guidelines' are guidelines of Council regarding: (a) the way in which a councillor may ask a local government employee for advice to help the councillor carry out his or her responsibilities under the Local Government Act; and (b) reasonable limits on requests that a councillor may make. Acceptable requests guidelines must be adopted by resolution by Council.
175 – Post-election meetings	Council must, by resolution, appoint a deputy mayor from its councillors (other than the mayor) at: (a) a meeting held within 14 days after the conclusion of each quadrennial election and the conclusion of a fresh election of its councillors; and (b) at the first meeting after the office of the councillor who is the deputy mayor becomes vacant.
196 – Appointing other local government employees	Council must, by resolution, adopt an organisational structure that is appropriate to the performance of Council's responsibilities.
197 – Councillor advisor	Allowing a councillor to appoint one or more appropriately qualified persons (each a councillor advisor) to assist the councillor in performing responsibilities under the Act.
202 – Appointing authorised persons	A person is qualified to be an authorised person of Council if: (a) the person is an authorised person for another local government; and (b) Council has, by resolution, decided that authorised persons of the other local government may be appointed as authorised persons of Council.
257 – Delegation of local government powers	Council may only delegate certain powers under the Local Government Act or another Act by resolution. Council must not delegate a power that an Act states must be exercised by resolution.

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Local Government Act 2009 (Qld) (Local Government Act)	
Section	Power not subject to delegation
257A – Delegation of joint local government's powers	A joint local government may, by resolution, delegate its powers to certain persons or bodies. However it must not delegate a power that an Act states must be exercised by resolution.
259 – Delegation of chief executive officer powers	Council's CEO must not delegate the following powers: (a) a power delegated by the local government, if the local government has directed the chief executive officer not to further delegate the power; and (b) a power to keep a register of interests.
268 – Process for administrative action complaints	Council must adopt, by resolution, a process for resolving complaints about an administrative action of Council by a person who is apparently directly affected by the administrative action.
276 – Local law continuation	Council may proceed in adopting or making a local law in accordance with the relevant process.
324 Investigating inappropriate conduct	Decision about the procedure for investigating a councillor's inappropriate conduct if an investigation policy has not been adopted under section 150AE; Decision to deal with a councillors inappropriate conduct in another way than as recommended by the assessor under Section 150AC(3)

Local Government Regulation 2012 (Qld) (Local Government Regulation)	
Section	Power not subject to delegation
29 – Converting a business unit to a commercial business unit	Council must make the decision to convert a business unit to a commercial business unit by resolution.
30 – Creating a commercial business unit	Council must make the decision to create a commercial business unit by resolution.
55 – Local government response to QCA's report	Council must decide, by resolution, whether to implement the recommendations in a report on the results of an investigation by the Queensland Competition Authority of a competitive neutrality complaint.
74 – Rateable value of land	When calculating the rateable value of land, Council may use the value of the land averaged over a number of financial years only if it decides, by resolution, to do so.
81 – Categorisation of land for differential general rates	Council must decide the different categories of rateable land in its local government area by resolution at its budget meeting, before Council levies differential general rates.
94 – Levying special rates or charges	Council may, by resolution, decide to levy special rates and charges. Council may amend an overall plan or an annual implementation plan regarding the special rates or charges at any time by resolution.
97 – Surplus special rates or charges after plan is cancelled	Where: (a) Council decides to cancel an overall plan before it is carried out; and (b) Council has not spent all the special rates or charges; and (c) the overall plan identifies the beneficiaries of the plan, Council may decide, by resolution, the proportions that it must pay the current owners of the land on which the special rates or charges were levied.
102 – Reading meters for utility charges	Council may, by resolution, decide a meter is taken to have been read during the period that starts 2 weeks before, and ends 2 weeks after, the day on which the meter is actually read.

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Local Government Regulation 2012 (Qld) (Local Government Regulation)	
Section	Power not subject to delegation
116 – Limitation of increase in rates or charges levied	Council may resolve to limit the increase in rates or charges when it resolves to levy rates or charges.
118 – When rates or charges must be paid	Council must decide, by resolution at its budget meeting, the date by which, or the period within which, rates or charges must be paid.
122 – Resolutions for granting concession	Council may only grant a ratepayer a concession for rates or charges for land by resolution.
129 – Paying rates or charges by instalments	Council may decide, by resolution at its budget meeting, to allow ratepayers to pay rates or charges by instalments.
130 – Discount for prompt payment of rates or charges	Council may decide, by resolution at its budget meeting, to allow a discount for payment of rates or charges before the due date for payment. Council may change the due date for payment and the discount period to end on a later day by resolution.
133 - Interest payable on overdue rates or charges	Decision about the rate of interest payable on overdue rates or charges under 133 (3)(b)
140 – Notice of intention to sell land for overdue rates or charges	Council may, by resolution, decide to sell land on which there are overdue rates or charges in the circumstances set out in section 140 of the Local Government Regulation.
149 – Requirements for notice of intention to acquire land	Council may decide to acquire land by resolution for overdue rates or charges.
165 – Preparation of 5-year corporate plan	Council may amend its 5-year corporate plan at any time by resolution.
167 – Long term asset management plan	Council must prepare and adopt a long-term asset management plan.
170 – Adoption and amendment of budget	Council may amend the budget for a financial year by resolution any time before the end of the financial year.
173 – Unauthorised spending	Adopting an annual budget amended in compliance with Sect 173A. Council may spend money which is not authorised in its budget for genuine emergency or hardship if it makes a resolution about spending the money before, or as soon as practicable after, the money is spent.
174 – Preparation and adoption of annual operational plan	Council may, by resolution, amend its annual operational plan at any time before the end of the financial year.
182 – Annual report	Council must adopt its annual report within one month after the day the auditor-general gives their report about the local government's financial statement.
191- Investment policy	Council must adopt an investment policy.
192 – Debt policy	Council must adopt a debt policy for a financial year.
195 – Community grants policy	Council must adopt a policy about local government grants to community organisations (including eligibility criteria).
196 – Entertainment and hospitality policy	Council must adopt a policy about the local government's spending on entertainment or hospitality.

Local Government Regulation 2012 (Qld) (Local Government Regulation)	
Section	Power not subject to delegation
197 – Advertising spending policy	Council must adopt a policy about the local government’s spending on advertising.
198 – Procurement policy	Council must adopt a policy about procurement.
201- Trust fund transfers	Council may, by resolution, transfer money from the trust fund if the purpose for which it was credited to the fund no longer exists.
206 – Valuation of non-current physical assets	Council must, by resolution, set an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense.
218 – Power to choose strategic approach	Council may decide to apply Chapter 6, Part 2 of the Local Government Regulation (Strategic contracting procedures) to its contracts by resolution. Council may also decide that Chapter 6, Part 2 no longer applies to its contracts by a later resolution.
219 - Strategic Contracting	Decision that Chapter 6 Part 2 (strategic contracting procedures) no longer applies to local government contracts.
220 – Contracting plans	Council must make and adopt a contracting plan each financial year by resolution, but must not do so before it adopts an annual budget for a financial year. Council may, by resolution, amend a contracting plan at any time before the end of the financial year to which the plan relates.
221 – Significant contracting plans	Council may, by resolution, amend a significant contracting plan (as defined in section 221 of the Local Government Regulation) at any time before the end of the financial year to which the plan relates.
222 – Contracting manual	Council must make and adopt a contract manual.
228 – Tender process	Council may invite expressions of interest under section 228(5) only if it decides by resolution that it would be in the public interest to invite expressions of interest before inviting written tenders.
230 – Exception if quote or tender consideration plan prepared	Council may enter into a medium-sized or large-sized contractual arrangement without first inviting written quotes or tenders if it decides, by resolution, to prepare a quote or tender consideration plan and prepares and adopts the plan.
235 – Other exceptions	Council may enter into a medium-sized or large-sized contractual arrangement without first inviting written quotes or tenders if it decides, by resolution, that: (a) there is only one supplier who is reasonably available; or (b) because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders.
236 – Exceptions for valuable non-current asset contracts	Before disposing of a valuable non-current asset other than by tender or auction in accordance with section 236, Council must decide by resolution that the exceptions allowing such disposal apply to Council.
247 – Remuneration payable to councillors	Council may decide, by resolution, that the maximum amount of remuneration payable to a councillor under the remuneration schedule is not payable to the councillor. If this occurs, Council must also decide, by resolution, the amount of remuneration payable to the councillor.
250 – Requirement to adopt expenses reimbursement policy or amendment	Council may amend its expenses reimbursement policy at any time by resolution.

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Local Government Regulation 2012 (Qld) (Local Government Regulation)	
Section	Power not subject to delegation
254 - Exemption of minutes and close a meeting	Council may exempt a committee from the requirement to take minutes of its proceedings by resolution. Council or a committee may decide by resolution that a meeting be closed to the public if the councillors or members of the committee consider it necessary to close the meeting to discuss certain matters.
257 – Frequency and place of meetings	Council must meet at least once in each month either at one of its public offices or at another place fixed by Council by resolution for the meeting.
306 – Complaints management process	Council must adopt a complaints management process and written policies and procedures supporting the process.

Minister's Guidelines and Rules	
Section	Power not subject to delegation
Chapter 2, Part 1, 3.1	For the purposes of section 20 of the Planning Act (amending planning schemes under Minister's rules), adoption of a proposed administrative amendment to a planning scheme.
Chapter 2, Part 2, 6.1	For the purposes of section 20 of the Planning Act (amending planning schemes under Minister's rules), adoption of a proposed minor amendment to a planning scheme.
Chapter 2, Part 3, 14.1	For the purposes of section 20 of the Planning Act (amending planning schemes under Minister's rules), adoption of a proposed qualified state interest amendment to a planning scheme approved and notified by the Minister under section 13.5.
Chapter 2, Part 4, 22.1	For the purposes of section 20 of the Planning Act (amending planning schemes under the Minister's rules), adoption of a proposed major amendment to a planning scheme approved and notified by the Minister under section 21.5.
Chapter 3, Part 1, 5.1	For the purposes of section 22 of the Planning Act (making or amending planning scheme policies), adoption of a proposed planning scheme policy or amendment.
Chapter 3, Part 2, 9.1	For the purposes of section 23 of the Planning Act (making or amending temporary local planning instruments), adoption of a proposed temporary local planning instrument or temporary local planning instrument amendment approved and notified by the Minister under section 8.5.
Chapter 5, Part 2, 10.1	For the purposes of section 25(3) and (4) of the Planning Act (reviewing a local government infrastructure plan) and making or amending an LGIP, or making an interim LGIP amendment, adoption of a proposed LGIP or amendment approved and notified by the Minister under section 9.7.

Planning Act 2016	
Section	Power not subject to delegation
9 – Temporary local planning instruments	Resolution that the local government give a temporary local planning instrument or amendment, and the request for an earlier effective day, to the Minister for approval.
24 – Repealing TLPIs or planning scheme policies	A local government may repeal a TLPI, or planning scheme policy, by resolution.

Delegation No. 2016-73
Version 8.0

Planning Act 2016	
Section	Power not subject to delegation
9 – Temporary local planning instruments	Resolution that the local government give a temporary local planning instrument or amendment, and the request for an earlier effective day, to the Minister for approval.
113 – Adopting Charges Resolution	A local government may by resolution (a charges resolution) adopt charges (each an adopted charge) for providing trunk infrastructure for development.
175 – Proceedings brought in a representative capacity	A person may bring offence proceedings in a representative capacity if the person has the consent of the members of its controlling or governing body where the proceedings are being brought on behalf of a body of persons or a corporation (e.g. Council).
Schedule 2 – Required fee	Fixing of a fee for an application or referral to a local government.

Planning Regulation 2017	
Section	Power not subject to delegation
Part 1 - Division 3 – Superseded Planning Schemes – s 11(3)	A local government may by resolution set a fee for considering a superseded planning scheme request.
Schedule 6 Part 1 – Material change of use for particular buildings or structures – s 2(e)	For a class 1(a)(ii) building made up of not more than 2 attached dwellings – the local government for the local government area in which the premises are located may decide by resolution that this subsection will apply to that class of building.
Schedule 9 - Division 2 – Local Government as referral agency (Table 4)	Council may declare in its planning scheme or by resolution that building work for a building or structure is in a locality and of a form that may: <ul style="list-style-type: none"> (a) have an extremely adverse effect on the amenity or likely amenity of the locality; (b) or be in extreme conflict with the character of the locality.
68D - Provisions in relation to economic support instruments	Adopt an economic support instrument for its local government area
68G - Provisions in relation to economic support instruments	Revoke an economic support instrument for its local government area

Plumbing and Drainage Act 2002 (Qld)	
Section	Power not subject to delegation
83 – Compliance permit required for certain compliance assessable work	Council may decide, by resolution, that certain compliance assessable work does not require a compliance permit. This does not apply to compliance work that is on-site sewerage work.
86A – Process for assessing certain compliance assessable work in remote areas	Council may declare, by resolution, that it is satisfied that in the absence of assessment of compliance assessable work at the stages prescribed under a regulation by an inspector, the work will not adversely affect public health or safety.

Delegation No. 2016-73
Version 8.0

Plumbing and Drainage Regulation 2019 (Qld)	
Section	Power not subject to delegation
39 – Fast-track work declaration for a local government area	Council may decide, by resolution, to declare permit work of a stated type to be fast-track permit work for its local government area (a fast-track work declaration).
40 – Fast-track opt-out declaration for local government area	Council may decide, by resolution, to declare that it will not deal with any applications relating to permits for work to be carried out in its local government area as fast-track applications (a fast-track opt-out declaration).
71 – Local government declarations about remote areas and eligible work	Council may decide, by resolution to declare part of its local government area to be a remote area because of the area's remoteness from the local government's public office (a remote area declaration).
71 – Local government declarations about remote areas and eligible work	Council may decide, by resolution, to declare particular permit work carried out in a remote area to be eligible work if the local government considers the work is of a type that, even if not inspected, will not be likely to adversely affect public health or safety, or the environment.

Public Health (Infection Control for Personal Appearance Services) Act 2003 (Qld) (PHICPASA)	
Section	Power not subject to delegation
9 – Local government to administer Act	Council may make a resolution about the fees payable to it for providing a service or taking action under the PHICPASA.

Queensland Heritage Act 1992 (Qld)	
Section	Power not subject to delegation
119 – Local government resolution to enter place in, or remove place from, local heritage register	Council may, by resolution, add or remove a place from its local heritage register in certain circumstances.

Residential Services (Accreditation) Act 2002 (Qld)	
Section	Power not subject to delegation
29 – Notice of compliance with prescribed building requirements	Council may, by resolution, prescribe a fixed fee for a written application to Council by a person conducting, or who proposes to conduct, a residential service for a notice stating whether the relevant premises comply with the prescribed building requirements.

South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Qld)	
Section	Power not subject to delegation
28 – Power to amend by agreement	If Council is a participant in a participation agreement for a distributor-retailer, Council may agree to an amendment of the agreement only if it has passed a resolution to that effect.

Delegation No. 2016-73
Version 8.0

South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Qld)	
Section	Power not subject to delegation
34 – Councillor members	A councillor-member's appointment to the board of a distributor-retailer ends if Council (and all other participating local governments) have agreed as such by resolution.

Stock Route Management Act 2002	
Section	Power not subject to delegation
110 – Adopting a stock route network management plan	If the Minister is satisfied of the matters mentioned in section 109(2), the Minister must advise the local government that it may, by resolution, adopt the plan.
114 – Amending a stock route management plan	After considering the amended plan the Minister must advise the local government that the local government may by resolution amend the plan.

Sunshine Coast Regional Council Local Law No. 1 (Administration) 2011	
Section	Power not subject to delegation
35 – Rewards	The amount of any reward offered for information leading to the conviction of a person for an offence and the conditions on which the reward is payable must be decided by resolution of Council.
42 – Fees	If a local law provides for payment of a fee, and does not itself fix the amount of the fee, the fee is to be fixed by resolution under Chapter 4, Part 2 of the Local Government Act. Such resolution may provide for the reimbursement of the fee in certain circumstances.

Sunshine Coast Regional Council Local Law No. 2 (Animal Management) 2011	
Section	Power not subject to delegation
4A – Registration device	Council must decide, by resolution, registration devices to be used to assist in identifying a cat (e.g. collar tags).
4H – Duration of registration	Council must prescribe a fixed period, by resolution, for the registration of cats.

Sunshine Coast Regional Council Local Law No. 3 (Community Health and Environmental Management) 2011	
Section	Power not subject to delegation
7 – Emergency declarations	Council may, by resolution, declare an animal or plant to be a local pest if it is satisfied that urgent action is needed to avoid or minimise an immediate risk of environmental harm posed by the relevant plant or animal.

Delegation No. 2016-73
Version 8.0

Sunshine Coast Regional Council Local Law No. 4 (Local Government Controlled Areas, Facilities, Infrastructure and Roads) 2011	
Section	Power not subject to delegation
9 – Power to close a local government controlled area, facility or infrastructure	Council may, by resolution, temporarily (and for a maximum of 6 months) close a Council controlled area or road to public access in certain circumstances.
11 – Protected areas	Council may, by resolution, delegate a Council controlled area or road or any part thereof as a protected area for the cultivation of vegetation or the protection of fauna or flora.

Sustainable Planning Act 2009	
Section	Power not subject to delegation
92 – Action local government may take after review	After reviewing its planning scheme, Council may, by resolution: (a) propose to prepare a new scheme; or (b) propose to amend the scheme; or (c) if Council is satisfied that the scheme is suitable to continue without amendment, decide to take no further action.
123 – Repealing temporary local planning instruments	Council may, by resolution, repeal a temporary local planning instrument.
124 – Repealing planning scheme policies	Council may, by resolution, repeal a planning scheme policy, other than a planning scheme policy that is replaced by another planning scheme policy.
399 – Who may carry out compliance assessment	Council may nominate, by resolution, a suitable qualified entity to carry out compliance assessment for Council.
590 – Giving enforcement notices	If Council is the assessing authority, it may not delegate its power to give an enforcement notice ordering the demolition of a building.
598 – Proceeding brought in a representative capacity	Where a proceeding is brought in the Magistrates Court to prosecute a person on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf.
602 – Proceeding brought in a representative capacity	Where a proceeding is brought in the court in relation to an enforcement order or interim enforcement order on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf.
630 – Power to adopt charges by resolution	Council may, by resolution, adopt charges for providing trunk infrastructure for development. This is defined as a 'charges resolution'.

Sustainable Planning Regulation 2009	
Section	Power not subject to delegation
Schedule 7 (Item 17) – Amenity and aesthetic impact of particular building work	Council may declare in its planning scheme or by resolution that building work for a building or structure is in a locality and of a form that may: (a) have an extremely adverse effect on the amenity, or likely amenity, of the locality; or (b) be in extreme conflict with the character of the locality.

Delegation No. 2016-73
Version 8.0

Transport Operations (Road Use Management) Act 1995 (Qld)	
Section	Power not subject to delegation
103 – Examples of how parking may be regulated	Council may, by local law or resolution, specify parking fees for a place or traffic area of the fee for: (a) a disabled or other parking permit issued by Council; and (b) a commercial vehicle identification label allowing a vehicle to park in a loading zone.

Waste Reduction and Recycling Act 2011 (Qld)	
Section	Power not subject to delegation
125 – Adoption of plan following consultation	Council must adopt, by resolution, a waste reduction and recycling plan, or an amendment of a waste reduction and recycling plan, before the plan or amendment is implemented in its local government area.

Waste Reduction and Recycling Regulation 2011 (Qld)	
Section	Power not subject to delegation
7 – Designation of areas	Council may, by resolution, designate areas within its local government area in which Council may conduct general waste or green waste collection.

Water Supply (Safety and Reliability) Act 2008 (Qld) (Water Supply Act)	
Section	Power not subject to delegation
161 – Declaration of service area	Council may declare by resolution: (a) all or part of its local government area to be a service area for a retail water service or a sewerage service; and (b) the service provider for the service area. Council may also amend the declaration, by resolution, to add an area to, or remove an area from, the service area (with the written agreement of the service provider).
476 – Proceeding started in a representative capacity	Where a proceeding for an enforcement order is commenced by a person on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf.
498 – Proceeding brought in a representative capacity	Where a proceeding for an offence against the Water Supply Act is commenced by a person on behalf of Council, Council must first provide its consent by resolution to the commencement of proceedings on its behalf.



Strategic policy

Guiding Principles for Delegations from Council to the CEO

Corporate Plan reference:	Our Outstanding Organisation - Demonstrate accountable leadership, future planning and good governance that provides confidence to our community
Endorsed on:	23 June 2022
Manager responsible for policy:	Manager Corporate Governance

Purpose

The purpose of this document is to provide a framework and clear principles under which the Chief Executive Officer may exercise delegations handed down from Council to the Chief Executive Officer.

Guiding principles

1. The powers conferred by delegation to the Chief Executive Officer must be exercised in a manner that is consistent with Local Government Act 2009, Local Government Regulation 2012 and in accordance with any other legislation that may specifically confer authority to exercise the delegated power.
2. When making a decision to exercise a delegated power, the Chief Executive Officer must have due regard to the strategic direction and priorities set by Council including the Corporate Plan, Operational Plan, Annual Budget and financial delegation.
3. In the performance of a delegated function or in the exercise of a delegated power, the Chief Executive Officer may do anything that is lawfully and reasonably incidental to the delegated function or power.
4. Delegations made by Council are made to the position of Chief Executive Officer and unless excluded in the terms of appointment extend to persons acting in that position from time to time.
5. The Chief Executive Officer is not obliged to exercise a delegation.
6. The Chief Executive Officer must avoid exercising any delegation where it can fairly be concluded that to do so would give rise to material claims of the delegate having an actual or perceived conflict of interest, whether financial or otherwise.
7. As a matter of practice, the Chief Executive Officer must consult with the Mayor and relevant Portfolio Councillor prior to exercising a delegated power in instances where the exercise of the delegations may reasonably be expected to:
 - generate significant community concern; and/or
 - result in significant financial, resource or policy implications for Council

The above guiding principles are acknowledged and agreed by:

A handwritten signature in blue ink, appearing to read "Mark Jamieson".

The Mayor, Cr. Mark Jamieson

A handwritten signature in black ink, appearing to read "Emma Thomas".

The Chief Executive Officer, Emma Thomas

8.8 REVIEW OF THE LOCAL GOVERNMENT INFRASTRUCTURE PLAN

File No: Council reports

Author: Acting Manager Strategic Infrastructure Planning and Policy
Customer & Planning Services Group

Attachments: Att 1 - Local Government Infrastructure Plan Review Checklist
..... 245  

PURPOSE

The purpose of this report is to present the review of the current Local Government Infrastructure Plan and to seek Council's endorsement to make a Local Government Infrastructure Plan which will be introduced with the new Planning Scheme.

EXECUTIVE SUMMARY

A local government must have a Local Government Infrastructure Plan (LGIP) in order to charge developers for 'trunk infrastructure', known as 'infrastructure charges'.

Section 25(3) of the *Planning Act 2016* requires Council to review the LGIP every five years. The current Local Government Infrastructure Plan was adopted by Council in June 2018 and became legally effective on 29 June 2018. At the Ordinary Meeting on 26 May 2022, Council delegated authority to the Chief Executive Officer to commence the required 5-yearly review of the LGIP.

This review has been undertaken using the State Government's Review Checklist, in accordance with the *Minister's Guidelines and Rules* (refer to **Attachment 1 – Review Checklist**).

The outcomes of this review identified that components of the current Local Government Infrastructure Plan are impacted by the passage of time, with the following noted:

- updated development projections are now available to align with the new Planning Scheme, and
- Stormwater quantity planning has been updated via the recently completed Master Drainage Studies prepared by Flooding and Stormwater Policy and Planning, and
- Due to the 'point-in-time' nature of the current Local Government Infrastructure Plan Schedule of Works, which dates from 2018, changes are required to align the proposed future trunk infrastructure projects and estimated establishment costs more closely with Council's Asset Management Plan and Long-Term Financial Forecast.

When a review has been undertaken, a Council must decide whether to make an amendment to its LGIP or prepare a new LGIP or to make no changes. In response to the outcomes of the review, it is proposed that Council make a new Local Government Infrastructure Plan in accordance with the *Planning Act 2016* and *Minister's Guidelines and Rules*.

However, the mandatory processes of making a new LGIP are very extensive and the new LGIP proposed in the Recommendation below will not be completed until the new Planning Scheme is ready for commencement.

As a result, a report will come to the next round of Council on the need for an Interim LGIP (using a much shorter expedited process) to make some needed changes to the current LGIP for the intervening period until the new planning scheme and new LGIP can commence.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Review of the Local Government Infrastructure Plan”
- (b) based on the review of the current Local Government Infrastructure Plan, decide to make a Local Government Infrastructure Plan in accordance with the *Planning Act 2016* and the *Minister’s Guidelines and Rules* and
- (c) delegate authority to the Chief Executive Officer to prepare and progress the proposed Local Government Infrastructure Plan under the *Planning Act 2016* and the *Minister’s Guidelines and Rules*.

FINANCE AND RESOURCING

Review of the Local Government Infrastructure Plan (LGIP) has been undertaken internally, required as part of the process set down by the State Government in the *Minister’s Guidelines and Rules*, and with the assistance of an external Appointed Reviewer.

Completion of the review and adoption of the Local Government Infrastructure Plan with the New Planning Scheme ensures that the Council maintains the ability to levy development charges in respect of the trunk infrastructure required by new development. The developer charges are a major source of funding for trunk infrastructure accounting for about 70% of the projects that are listed in the LGIP.

CORPORATE PLAN

Corporate Plan Goal:	<i>Our environment and liveability</i>
Outcome:	We serve our community by providing this great service.
Operational Activity:	S14 - Sustainable growth and network planning – providing land use planning, social policy, infrastructure planning and charges, flood mapping, transportation planning and environmental initiatives.

CONSULTATION**Councillor Consultation**

Councillors were briefed at a Council workshop in February 2022 on the purpose of the Local Government Infrastructure Plan and advised of the need for a five year review of the current Local Government Infrastructure Plan.

Internal Consultation

Consultation has occurred with relevant internal officers within the Strategic Planning Branch, Environment and Sustainability Policy Branch and Financial Services Branch during the preparation of the Review.

External Consultation

Consultation with relevant State agencies (Department of Transport and Main Roads, the Department of State Development, Infrastructure, Local Government and Planning) and the distributor-retailer (Unitywater) was undertaken during the Review. This established that a Part 4 process under Chapter 5 of the *Minister’s Guidelines and Rules* was required to be followed.

Further consultation will occur with State agencies during the development of a new LGIP which responds to the new Planning Scheme.

Community Engagement

Community consultation is not required as part of the Review. Further consultation will occur during the process of developing a new LGIP.

PROPOSAL

In order to charge developers for contributions to trunk infrastructure (roads, active transport, stormwater drainage and parks), a council must have a lawfully adopted Local Government Infrastructure Plan.

Section 25(3) of the *Planning Act 2016* requires Council to review its LGIP within five years of the LGIP being included in the planning scheme (Sunshine Coast Planning Scheme 2014). The current Local Government Infrastructure Plan took effect on 29 June 2018.

At the Ordinary Meeting on 26 May 2022, Council resolved in part to:

“delegate authority to the Chief Executive Officer to commence a five-year review of the Local Government Infrastructure Plan in compliance with Section 25(3) of the Planning Act 2016.”

The *Minister’s Guidelines and Rules* (Chapter 5, Part 5) outlines the process for completing this five-year review which considers the accuracy, currency and relevance of the current LGIP by using a Review Checklist (State template) to identify non-compliance of the current LGIP with matters under Chapter 5 Part 6 of the *Minister’s Guidelines and Rules*.

The mandatory 5-year review has recently been completed and this identified that components of the current LGIP are outdated or impacted by the passage of time, with the following noted:

- updated development projections are now available using current development trends and these should be used to align a new LGIP with the new Planning Scheme
- stormwater quantity planning has been updated via the recently completed Master Drainage Studies prepared by Flooding and Stormwater Policy and Planning and need to be included in the new LGIP
- due to the ‘point-in-time’ nature of the current LGIP Schedule of Works, which dates from 2018, changes are required to align the proposed future trunk infrastructure projects and estimated establishment costs more closely with council’s Asset Management Plan and Long-Term Financial Forecast.

The Review Checklist is attached to the report Attachment 1 – Review Checklist.

Having completed the Local Government Infrastructure Plan review, Council must decide to:

- a) Make a Local Government Infrastructure Plan amendment in accordance with Chapter 5 Part 3 of the *Minister’s Guidelines and Rules*; or
- b) Make a new Local Government Infrastructure Plan in accordance with Chapter 5 Part 4 of the *Minister’s Guidelines and Rules*; or
- c) Subject to the Minister’s approval, not make a Local Government Infrastructure Plan amendment.

It is proposed that Council, in accordance with Part 5 of the *Minister’s Guidelines and Rules*, decide to make a Local Government Infrastructure Plan, in accordance with Chapter 5, Part 4 of the *Minister’s Guidelines and Rules*. This Local Government Infrastructure Plan will respond to the land use planning and development projections in the draft new Planning Scheme and, so, align with the new Planning Scheme.

It is required that the new LGIP be ready for commencement at the time of commencement of the new planning scheme. However, the preparation of the LGIP must follow the process set down by the *Planning Act 2016* and the *Minister’s Guidelines and Rules*. As noted

above, this process takes up to 2 years to complete. In order to ensure that the LGIP is ready for commencement with the new planning scheme, it is recommended again to delegate the necessary preparation and progress of the new LGIP to the Chief Executive Officer, in a similar manner to that of the new planning scheme.

Given that the new LGIP is still some time away, and the fact that some changes are required earlier, a report will come to the next round of Council recommending that some changes be undertaken to the existing LGIP to create an Interim LGIP using the shorter Interim LGIP process. This interim LGIP will ensure that Council remains current for the intervening period until the new planning scheme and new LGIP can commence.

Legal

Section 25(3) of the *Planning Act 2016* requires a local government to review the Local Government Infrastructure Plan in its planning scheme every five years. The review has been undertaken in accordance with the *Minister's Guidelines and Rules*.

This review has found that a new Local Government Infrastructure Plan is required to ensure ongoing compliance with the *Planning Act 2016*.

Policy

The Review is undertaken in accordance with the requirements of the *Planning Act 2016* and the *Minister's Guidelines and Rules*.

Risk

Under the *Planning Act 2016*, a local government's ability to levy charges for trunk infrastructure is contingent on the planning scheme including a Local Government Infrastructure Plan. To ensure that Council maintains the capacity to levy infrastructure charges, it is essential that the current planning scheme and new Planning Scheme include a compliant and up-to-date Local Government Infrastructure Plan.

Previous Council Resolution

At the Ordinary Meeting 26 May 2022 (OM22/38), it was resolved –

That Council:

- (a) *receive and note the report titled "Local Government Infrastructure Plan Interim Amendment"*
- (b) *decide to make an interim amendment to the Sunshine Coast Regional Council Local Government Infrastructure Plan, in accordance with the Planning Act 2016 and Minister's Guidelines and Rules*
- (c) *delegate authority to the Chief Executive Officer to carry out the statutory process to prepare and progress the proposed Interim Local Government Infrastructure Plan Amendment in accordance with the Minister's Guidelines and Rules 2020 and commence a 15 business day public notification period of the interim amendment provided as Appendix A – Amendment Instrument (as amended), and*
- (d) *delegate authority to the Chief Executive Officer to commence a five-year review of the Local Government Infrastructure Plan in compliance with Section 25(3) of the Planning Act 2016.*

At the Ordinary Meeting 25 February 2021 (OM21/12), it was resolved -

That Council:

- (a) *receive and note the report titled "Local Government Infrastructure Plan"*

- (b) *decide to make the Sunshine Coast Regional Council Local Government Infrastructure Plan, in accordance with the Planning Act 2016*
- (c) *note that a draft Local Government Infrastructure Plan will be provided for Council consideration and approval for submission to the Minister, for State review*
- (d) *appoint a State-endorsed Local Government Infrastructure Plan reviewer and*
- (e) *note that this decision will mark the commencement of making the Local Government Infrastructure Plan.*

At the Ordinary Meeting 14 June 2018 (OM18/87), it was resolved -

That Council:

- (a) *receive and note the report titled “**Local Government Infrastructure Plan**”*
- (b) *adopt the Local Government Infrastructure Plan (Appendix A), and associated planning scheme amendments to commence on the 29 June 2018*
- (c) *delegate authority to the Chief Executive Officer to undertake the following actions prior to commencement of the Sunshine Coast Planning Scheme 2014 (Local Government Infrastructure Plan Amendment):-*
 - (i) *Update the Local Government Infrastructure Plan mapping to reflect the latest version of the planning scheme mapping layers (e.g. zoning, local plan area boundaries and DCDB mapping layers) and*
 - (ii) *Make terminology changes, where required, to align the Local Government Infrastructure Plan with the terminology used in the Planning Act 2016 and Planning Regulation 2017.*

At the Ordinary Meeting 18 May 2017 (OM17/90), it was resolved -

That Council:

- (a) *receive and note the report titled ‘Provision of the Sunshine Coast Draft Local Government Infrastructure Plan to the Minister for Infrastructure and Planning’*
- (b) *provide the Sunshine Coast Draft Local Government Infrastructure Plan to the Minister for Infrastructure and Planning, requesting a review of the proposed Local Government Infrastructure Plan and further, seeking the Minister’s agreement to publicly consult the proposed Local Government Infrastructure Plan and*
- (c) *authorise the Chief Executive Officer to progress to public consultation, should the Minister advise Council that it may consult on the proposed Local Government Infrastructure Plan, provided no material conditions accompany the Minister’s advice.*

Related Documentation

Planning Act 2016

Minister’s Guidelines and Rules 2020

Sunshine Coast Planning Scheme 2014

Critical Dates

The continued recoupment of costs from development associated with trunk infrastructure is reliant upon the Council having a compliant Local Government Infrastructure Plan adopted by 29 June 2023.

Implementation

Should the recommendation be accepted by Council, it is noted that the Chief Executive Officer will advise the Chief Executive of the Department of State Development, Infrastructure, Local Government and Planning, within 20 days, that a Local Government Infrastructure Plan review has been completed and that Council has decided to make a Local Government Infrastructure Plan in accordance with the *Minister's Guidelines and Rules* (Chapter 5, Part 4).

LGIP review checklist

Approved form MGR5.1 under the Planning Act 2016

Review principles: · A reference in the checklist to the LGIP is taken to include a relevant reference to the Planning Act 2016 and chapter 5 of the Minister's Guidelines and Rules. · Terms in this checklist that are defined in the Planning Act 2016 or the Minister's Guidelines and Rules. The checklist must not be taken to cover all requirements of the Planning Act 2016 and the Minister's Guidelines and Rules. Local governments must still have regard to the requirements as set out in the Planning Act 2016 and the Minister's Guidelines and Rules when preparing or amending an LGIP.

Local government infrastructure plan (LGIP) checklist				To be completed by local government	
LGIP outcome	LGIP component	Number	Requirement	Requirement met (yes/no)	Local government comments
The LGIP is consistent with the legislation for LGIPs and the Minister's Guidelines and Rules	All	1.	The LGIP sections are ordered in accordance with the LGIP template.	Y	
		2.	The LGIP sections are correctly located in the planning scheme.	Y	
		3.	The content and text complies with the mandatory components of the LGIP template.	Y	
		4.	Text references to numbered paragraphs, tables and maps are correct.	Y	
	Definitions	5.	Additional definitions do not conflict with statutory requirements.	Y	
	Preliminary section	6.	The drafting of the Preliminary section is consistent with the LGIP template.	Y	
		7.	All five trunk networks are included in the LGIP. (If not, which of the networks are excluded and why have they been excluded?)	Y	
	Planning assumptions - structure	8.	The drafting of the Planning assumptions section is consistent with the LGIP template.	Y	
		9.	All the projection areas listed in the tables of projections are shown on the relevant maps and vice versa.	Y	
		10.	All the service catchments listed in the tables of projected infrastructure demand are identified on the relevant plans for trunk infrastructure (PFTI) maps and vice versa.	Y	
	Planning assumptions - methodology	11.	The population and dwelling projections are based on those prepared by the Queensland Government Statistician (as available at the time of preparation) and refined to reflect development trends in the local government area.	N	The population and dwelling projections in the current LGIP have a base date of 2016 and a planning horizon of 2031. The QGSO have updated projections available as a baseline. Therefore, the current LGIP is no longer based on the most accurate or up to date projections available.
		12.	The employment and non-residential development projections align with the available economic development studies, other reports about employment or historical rates for the area.	N	The background studies for the New Planning Scheme provide more up to date employment and non-residential development information to inform updated projections in the LGIP
		13.	The developable area excludes all areas affected by absolute constraints such as steep slopes, conservation and flooding.	N	The constraint layers are in the process of amendment in the development of the new Planning Scheme. Constraint areas in the current LGIP are based on those identified in the Sunshine Coast Planning scheme 2014 and are no longer the most current.
		14.	The planned densities reflect realistic levels and types of development having regard to the planning scheme provisions and current development trends.	N	The planned densities in the current LGIP are based on those identified in the Sunshine Coast Planning scheme 2014 and are no longer the most current. They will be superseded by the new planning scheme provisions.
		15.	The planned densities account for land required for local roads and other infrastructure.	Y	
		16.	The population and employment projection tables identify "ultimate development" in accordance with the defined term.	N	The planned densities in the current LGIP are based on those identified in the Sunshine Coast Planning scheme 2014 and are no longer the most current. They no longer reflect current planning assumptions or the realistic level of development (ultimate development) possible under the new planning scheme.
		17.	Based on the information in the projection tables and other available material, it is possible to verify the remaining capacity to accommodate growth, for each projection area.	Y	
		18.	The determination of planning assumptions about the type, scale, timing and location of development, reflect an efficient, sequential pattern of development.	N	The planning assumptions in the current LGIP are based on the planning provisions of the 2014 Planning Scheme. They are no longer current and need to be updated to reflect the latest data.
		19.	The relevant state agency for transport matters and the distributor-retailer responsible for providing water and wastewater services for the area (if applicable), has been consulted in the preparation of the LGIP (What was the outcome of the consultation?)	Y	

	Planning assumptions - demand	20.	The infrastructure demand projections are based on the projections of population and employment growth.	N	The demand projections should reflect any changes in the planning assumptions.
		21.	The infrastructure units of demand align with those identified in the Minister's Guidelines and Rules, or where alternative demand units are used, their numerical relationship to the standard units of demand is identified and explained.	Y	
		22.	The demand generation rates align with accepted rates and/or historical data.	Y	
		23.	The service catchments used for infrastructure demand projections are identified on relevant PFTI maps and demand tables.	N	The service catchments should be reviewed to reflect any changes in the demand in the planning assumptions. Need to be revised based on latest information.
		24.	The service catchments for each network cover, at a minimum, the urban areas, and enable urban development costs to be compared.	N	The service catchments should be reviewed to reflect any changes in the demand in the planning assumptions. Need to be revised based on latest information.
		25.	The asset management plan (AMP) and Long Term Financial Forecast (LTFF) align with the LGIP projections of growth and demand. (If not, what process is underway to achieve this?)	N	Alignment with the asset management plan (AMP) and Long-Term Financial Forecast (LTFF) should be reviewed to reflect any changes in the demand in the planning assumptions.
	Priority infrastructure area (PIA)	26.	The drafting of the PIA section is consistent with the LGIP template.	Y	
		27.	Text references to PIA map(s) are correct.	Y	
		28.	The PIA boundary shown on the PIA map is legible at a lot level and the planning scheme zoning is also shown on the map.	Y	
		29.	The PIA includes all areas of existing urban development serviced by all relevant trunk infrastructure networks at the time the LGIP was prepared.	N	The PIA should be reviewed in line with the latest planning assumptions.
		30.	The PIA accommodates growth for at least 10 years but no more than 15 years.	N	Given the SEQ Regional Plan infill requirements and the shape of the urban areas, the current PIA may accommodate more than 15 years of growth. It should be reviewed to reflect the most current planning provisions.
		31.	The PIA achieves an efficient, sequential pattern of development.	N	The PIA should be reviewed to reflect the latest information.
		32.	If there is an area outside the PIA that the planning assumptions show is needed for urban growth in the next 10 to 15 years, why has the area been excluded from the PIA?	Y	
	Desired standards of service (DSS)	33.	The drafting of the DSS section is consistent with the LGIP template.	Y	
		34.	The DSS section states the key planning and design standards for each network.	Y	
		35.	The DSS reflects the key, high level industry standards, regulations and codes, and planning scheme policies about infrastructure.	N	The current DSS was determined according to the industry standards, regulations and codes, and planning scheme policies about infrastructure of the 2014 Planning Scheme. They may no longer be current and the DSS will be reviewed.
		36.	There is alignment between the relevant levels of service stated in the local government's AMP and the LGIP. (If not, what process is underway to achieve this?)	Y	
	Plans for trunk infrastructure (PFTI) – structure and text	37.	The drafting of the PFTI section is consistent with the LGIP template.	Y	
		38.	PFTI maps are identified for all networks listed in the Preliminary section.	Y	
		39.	PFTI schedule of works summary tables for future infrastructure are included for all networks listed in the Preliminary section.	Y	
	PFTI – Maps <i>[Add rows to the checklist to address these items for each of the networks]</i>	40.	The maps clearly differentiate between existing and future trunk infrastructure networks.	Y	
		41.	The service catchments referenced in the schedule of works (SOW) model and infrastructure demand summary tables are shown clearly on the maps.	Y	
		42.	Future trunk infrastructure components are identified (at summary project level) clearly on the maps including a legible map reference.	Y	
		43.	The infrastructure map reference is shown in the SOW model and summary schedule of works table in the LGIP.	Y	
	Schedules of works <i>[Add rows to the checklist to]</i>	44.	The schedule of works tables in the LGIP comply with the LGIP template.	Y	
		45.	The identified trunk infrastructure is consistent with the <i>Planning Act 2016</i> and the Minister's Guidelines and Rules.	Y	




	<i>address these items for each of the networks]</i>	46.	The existing and future trunk infrastructure identified in the LGIP is adequate to service at least the area of the PIA.	Y	
		47.	Future urban areas outside the PIA and the demand that will be generated at ultimate development for the relevant network catchments have been considered when determining the trunk infrastructure included in the SOW model.	Y	
		48.	There is alignment of the scope, estimated cost and planned timing of proposed trunk capital works contained in the SOW model and the relevant inputs of the AMP and LTFF. (If not, what process is underway to achieve this?)	Y	
		49.	The cost of trunk infrastructure identified in the SOW model and schedule of work tables is consistent with legislative requirements.	Y	
	SOW model	50.	The submitted SOW model is consistent with the SOW model included in the Minister's Guidelines and Rules.	Y	
		51.	The SOW model has been prepared and populated consistent with the Minister's Guidelines and Rules.	Y	
		52.	Project owner's cost and contingency values in the SOW model do not exceed the ranges outlined in the Minister's Guidelines and Rules.	Y	
		53.	Infrastructure items included in the SOW model, SOW tables and the PFTI maps are consistent.	Y	
	Extrinsic material	54.	All relevant material including background studies, reports and supporting information that informed the preparation of the proposed LGIP is available and identified in the list of extrinsic material.	Y	
		55.	The extrinsic material explains the methodology and inter-relationships between the components and assumptions of the LGIP.	Y	

8.9 DISPOSAL (EASEMENT) OF PART OF COUNCIL FREEHOLD LAND AT 36 WILLOWOOD CRESCENT, NAMBOUR

File No: F2023/27396

Author: Senior Property Officer
Business Performance Group

Attachments:

Att 1 - Aerial Map.....	253	↓	
Att 2 - Locality Plan.....	255	↓	
Att 3 - Easement Plan	257	↓	

PURPOSE

This report seeks a resolution from Council to grant an easement, under the *Local Government Regulation 2012* to dispose of land to Millwood Rise Developments Pty Ltd (via an easement) without the need to undertake a tender or auction process. The proposed easement is to secure 'private sewer infrastructure' within Council land to support the adjoining private residential development. The easement will be registered over part of Council owned freehold land at 36 Willowood Crescent, Nambour legally described as Lot 606 on SP313125.

EXECUTIVE SUMMARY

This report seeks Council's resolution to grant an exception to allow Council to dispose of land by way of easement. Council owns in freehold the land located at 36 Willowood Crescent, Nambour legally described as Lot 606 on SP313125 (Council's land). Council's land is designated for drainage and park purposes. Millwood Rise Developments Pty Ltd (the Developer) own the adjoining land at 41 Glenbrook Drive, Nambour legally described as Lot 2 on SP330099.

The Developer is undertaking Stage 5 of their development under RAL19/0005.01. This stage of development will create 11 residential lots. As part of the conditions of the development approval, the Developer is required to connect sewerage infrastructure to support the development.

The Developer has requested that Council agree for private sewer infrastructure to be installed within Council's land supported by an appropriate easement to protect this infrastructure. The sewer infrastructure will support the adjoining private residential land and connect to the existing sewer network along Greenline Circuit, Nambour.

A resolution is being sought from Council under Section 236(2) of the *Local Government Regulation 2012* (the Regulation), to permit the disposal of an interest in land (by way of easement other than by tender or action). An exception to dispose is applicable and complies with the Regulation in this instance, as the disposal:

- is to a person who owns the adjoining land and
- the adjoining owners has agreed to the payment of compensation to be determined by an independent current market valuation.

At present, Council has not identified any impacts to future uses, requirements or proposed developments which would prevent the easements from proceeding, noting the land is designated for drainage and park purposes.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Disposal (Easement) of Part of Council Freehold Land at 36 Willowood Crescent, Nambour” and
- (b) resolve, pursuant to section 236(2) of the *Local Government Regulation 2012*, that an exception to dispose of an interest (easement) in land (other than by tender or auction) applies as the disposal of part of Council freehold land at Lot 606 on SP313125 is to be disposed to a person who owns adjoining land pursuant to section 236(1)(c)(iv).

FINANCE AND RESOURCING

The Developer will solely be responsible for all costs incurred and associated with facilitating the easement including compensation (for the easement land), compensation valuation assessments, preparation of the easement documentation and survey plans, as well as Title Queensland registration fees to register the easement dealing.

The compensation for providing an easement over Council's land will be equal to or above that of the market value of the interest in land and will be assessed by an independent registered valuer pursuant to Section 236(3) and 236(5) of the *Local Government Regulation 2012*. In the event an exception to the disposal is granted, an independent compensation assessment will be commissioned to ascertain the diminished value of the encumbered land.

The Developer will also be responsible for the maintenance and management of the installed infrastructure.

There are no direct or ongoing costs to Council in relation to the proposal.

CORPORATE PLAN

Corporate Plan Goal: *Our service excellence*

Outcome: We serve our community by providing this great service.

Operational Activity: S21 - Property management – comprehensive management of Council's land and building assets to ensure that Council's property dealings are optimised, centrally managed, and support Council's objectives.

CONSULTATION**Councillor Consultation**

Councillor D Law – Division 10 Divisional Councillor and Community Portfolio Councillor

Councillor R Baberowski – Community Portfolio Councillor

Internal Consultation

- Head of Strategic Property, Strategic Property
- Manager Leasing & Land Management, Property Management
- Senior Property Officer, Property Management
- Strategic Planner, Strategic Planning
- Project Officer, Environmental Operations
- Senior Policy and Research Officer, Environment and Liveability
- Coordinator, Asset Strategy

- Parks Technical Officer, Open Space
- Development Services Officer, Development Services
- Project Manager, Urban Growth
- Environment project Officer, Environment and Sustainability Policy
- Stormwater Services Manager, Transport Infrastructure Management

External Consultation

Council has liaised with Colliers International (the Developer's consultant for the private development) in relation to the requirement for the registration of a sewer easement within Councils Land.

Community Engagement

Due to the administrative nature of this report, no community engagement has been undertaken or is required.

PROPOSAL

The land is located at 36 Willowood Crescent, Nambour and is owned by Council in freehold ('Council land'). The Council land is legally described as Lot 606 on SP313125 and is classified for drainage and park purposes as shown in **Attachment 1 – Aerial Map** and **Attachment 2 – Locality Plan**.

The adjoining land located at 41 Glenbrook Drive, Nambour and legally described at Lot 2 on SP330099 (the Development land) is owned by Millwood Rise Developments Pty Ltd (the Developer). The Developer has submitted a Reconfiguration of Lot application (RAL19/0005.01 to Council for the sub-division of the lot into 11 residential lots.

The Council land and the Development land is shown in **Attachment 2 – Locality Plan**.

As part of the planning consideration for the Development land, the Developer undertook site-based sewer infrastructure planning which identified the need to connect sewer infrastructure for the development to the existing sewer network. An options analysis was undertaken regarding the sewer access, and it was determined acceptable by Council to have the sewer infrastructure traverse the Council land and connect to the existing sewer network along Greenline Circuit, Nambour.

To support the sewer infrastructure requirements of the Development land, privately owned sewer infrastructure is proposed for installation, underground within Council's land and is to be protected through Council entering into a sewer easement in favour of the Development land.

The proposed easement is some 218m² in area and traverses the Council land as shown in **Attachment 3 – Easement Plan**.

Internal stakeholder consultation was conducted upon application and the Developer has addressed all items raised as part of the consultation which included potential impacts to the biosecurity basin on the area. This has been addressed by ensuring the sewer depth with not impact the basin. Council's Stormwater and Drainage teams have advised that the application and location are acceptable.

To facilitate the registration of the sewer easement over Council's land, Council is required to grant an exception under Section 236(2) of the *Local Government Regulation 2012*. *Local Government Regulation 2012* stipulates that Council may, by resolution, dispose of an interest in land (including by way of easement), other than by tender or auction, if an exception applies. An exception is permitted as it relates to this application as the land is being disposed of to an owner of an adjoining landholding as outlined in Section 236(1)(c)(iv) of the Regulation. It is also not considered appropriate to dispose of the easement by way of

tender or auction as given the nature of the easement there is only one entity to whom Council could grant disposal of the easement to.

The Developer will be required to pay compensation to Council for encumbering Council's land with an easement. If an exception is granted, an independent compensation assessment will be commissioned to determine the diminished value of the encumbered land. This will ensure the disposal complies with Sections 236(3) and (5) of the Regulation as:

- Compensation will be assessed by a registered valuer who is not an employee of the local government and is registered under the *Valuers Registration Act 1992* and
- Compensation will be set at or above the market valuation as determined by the registered valuer.

Legal

There are no legal implications relevant to this report.

Council's Legal Services will review all easement documentation to enable the registration of the proposed sewer easement with Titles Queensland.

Policy

This report has been prepared in accordance with Council's Procurement Policy relating to the disposal of Council assets.

Risk

There are no risks associated with the granting of a sewer easement at this location as per the recommendation. The works to install the infrastructure within Council's land will be undertaken by the Developer in line with Council's standard conditions regarding access and works within Council land.

Previous Council Resolution

There are no previous Council resolutions relevant to this report.

Related Documentation

Council's Standard Terms Document dealing number 717513492 for drainage infrastructure and access rights easements on Council owned land will be registered in accordance with the easement documentation. Additional site-specific provisions recommended by Council's Legal Services team will also be incorporated into the easement requirements.

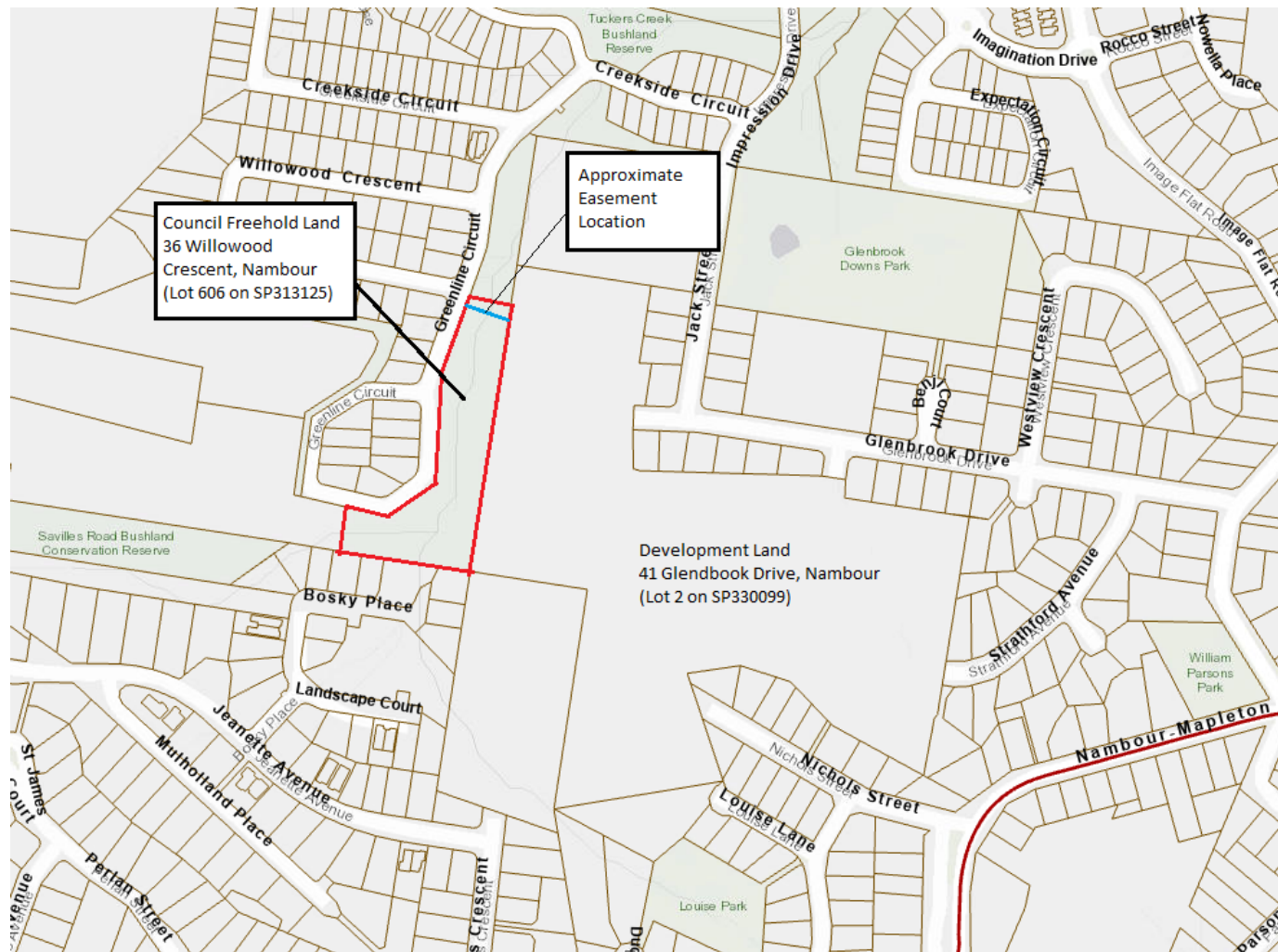
Critical Dates

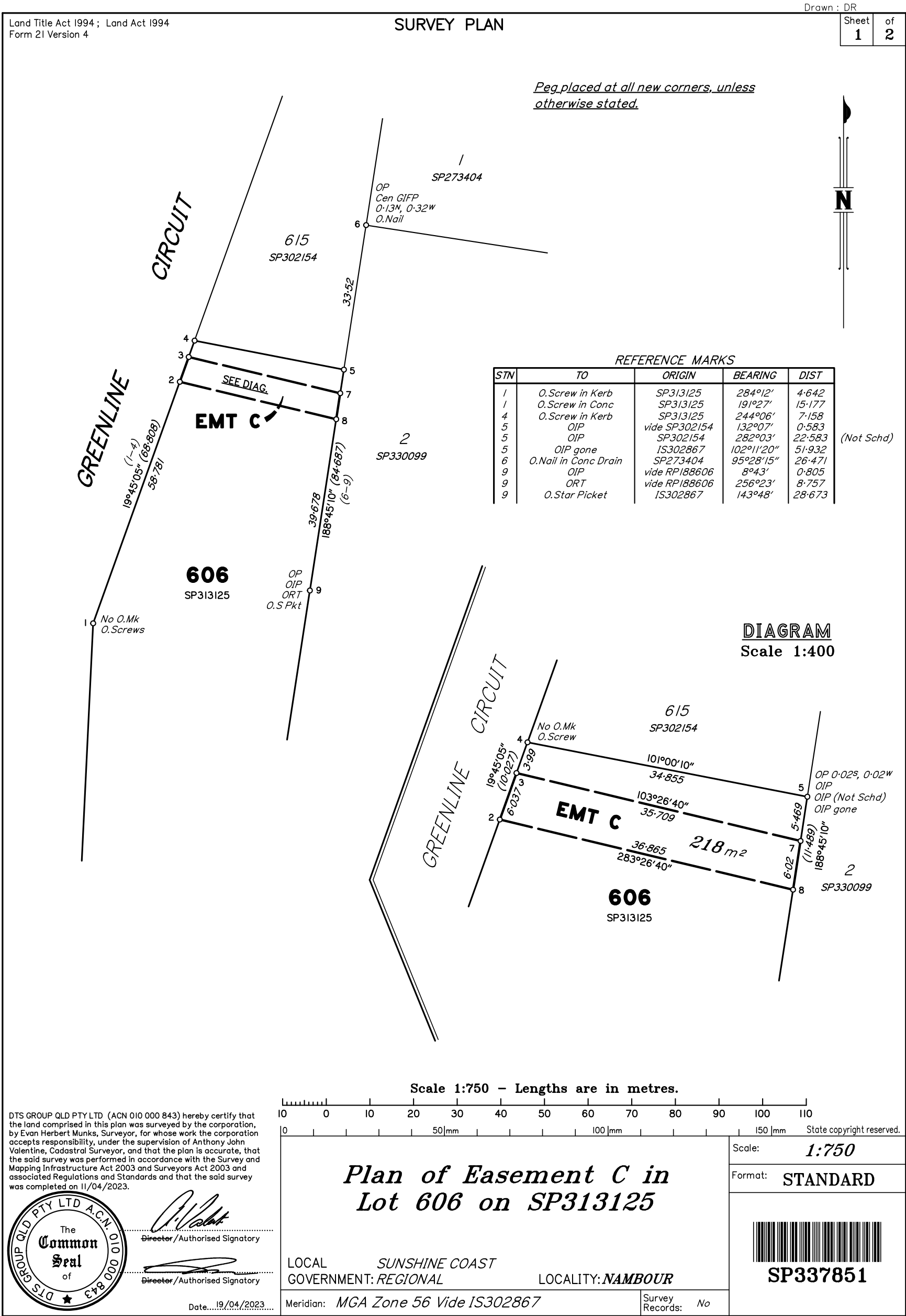
There are no critical dates relevant to this report, however, the Developer has requested that the matter be finalised as soon as possible to allow the sewer conditions of the reconfiguration of Lot application to be satisfied.

Implementation

Should the recommendation be accepted by Council, it is noted that the Chief Executive Officer will delegate to Council's Delegated Officer that an exception to Division 4 of Section 236 of the *Local Government Regulation 2012* applies, and the survey plan and easement documentation will be executed and registered with Titles Queensland.







9 NOTIFIED MOTIONS**10 TABLING OF PETITIONS**

Petitions only eligible for submission if:

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

11 CONFIDENTIAL SESSION**11.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - LAND ACQUISITION (EASEMENT) - NAMBOUR****File No: F22/00017****Author: Principal Property Officer
Business Performance Group**

In preparing this report, the Chief Executive Officer recommends it be considered confidential in accordance with Section 254J(3) (h) *of the Local Government Regulation 2012* as it contains information relating to negotiations relating to the taking of land by the local government under the Acquisition of Land Act 1967.

This report is confidential in respect to the content and timeframes of negotiations with the land owner and recognising that, until a voluntary acquisition is settled or a compulsory acquisition is gazetted, the acquisition has no certainty.

Public disclosure at this time would potentially impact adversely on the negotiation process and Council's ability to secure the land parcels at market value. Further, it would potentially impact the compulsory acquisition process under the Acquisition of Land Act 1967 (ALA) by releasing information that is still subject to change prematurely instead of as part of the resumption process under the ALA, which formally commences with the serving of a Notice of Intention to Resume and associated background information, current at that time, on the affected land owner.

12 NEXT MEETING

The next Ordinary Meeting will be held on 27 July 2023.

13 MEETING CLOSURE