

Agenda

Ordinary Meeting
Thursday, 19 June 2025

commencing at 9:00am

Sunshine Coast City Hall Chamber, 54 First Avenue, Maroochydore

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ORDINARY MEETING

NOTICE

6 June 2025

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

19 June 2025

commencing at 9:00am.

A handwritten signature in black ink that reads "John Baker".

John Baker | 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 19 June 2025 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 MATERIAL CHANGE OF USE OF PREMISES TO ESTABLISH MULTIPLE DWELLING UNITS (116 UNITS) AT SUNRISE DRIVE, MAROOCHYDORE****File No:** MCU22/0111**Author:** Development Planner
Customer & Planning Services Group**Appendices:** App A - Recommended Conditions of Approval 17 [↓](#) **Attachments:** Att 1 - Detailed Officer Report 41 [↓](#) Att 2 - Proposal Plans 91 [↓](#) **PURPOSE**

The purpose of this report is to seek Council's determination of a Development Application for a Material Change of Use of Premises to establish Multiple Dwelling Units (116 units) at Sunrise Drive, Maroochydore (the application).

The application is before Council due to the level of community interest regarding the application.

EXECUTIVE SUMMARY

The applicant seeks a Development Permit for Material Change of Use of Premises to establish Multiple Dwelling Units (116 units) at Sunrise Drive, Maroochydore, described as Part of Lot 904 SP327717. The application is Impact Assessable, as the development exceeds the density provisions (Dwelling Unit Factor Control and Plot Ratio Control) of the Wises Farm Preliminary Approval Document.

Notwithstanding these matters, the layout, scale, form and character of the proposed development will be in keeping with the desired character of the locality and will contribute to making the adjacent streets more attractive, interesting and safe. Separation in building form allows space between units, provides opportunity for landscaping, views, breezes and promotes a lighter, more open building form suitable for the Sunshine Coast environment.

Although there is a shortfall of 4 parking spaces on-site, the development will undertake frontage works resulting in 10 additional on-street parking spaces on Somerton Drive, improving the existing parking options for the local community. Further, under the current *Sunshine Coast Planning Scheme 2014*, the proposed development would exceed the parking requirements.

A total of 100 submissions were received, of which 85 were determined to be 'properly made' in accordance with the *Planning Act 2016*. Of the total submissions made, 3 submissions identified their support for the proposal and 93 submissions identified their objection to the proposal (2 neutral and 2 unsure). The relevant matters raised in these submissions were considered in the assessment of this application.

The officer recommendation is that the application is approved subject to the imposition of conditions identified in Appendix A to this report.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Development Permit for Material Change of Use of Premises to establish Multiple Dwelling Units (116 Units) at Sunrise Drive, Maroochydore” and
- (b) **APPROVE** Application No. MCU22/0111 for a Development Permit for Material Change of Use of Premises to establish Multiple Dwelling Units (116 Units) at Sunrise Drive, Maroochydore, subject to the imposition of conditions identified in Appendix A.

FINANCE AND RESOURCING

In the event of an approval, Infrastructure Charges would be applicable to the proposed development in accordance with the Wisers Farm Infrastructure Agreement for the parks network of \$326,691. A further review of a contribution towards the road network will be required to establish the current vehicle trips/day. The current trip/day contribution is \$586.50.

CORPORATE PLAN

Corporate Plan Goal:	<i>Our service excellence</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S20 - 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

In relation to the Divisional Councillor, Councillor T Bunnag has notified Council of a Prescribed Conflict of Interest in accordance with the *Local Government Act 2009*, and therefore he has not been involved in any meetings, discussions or communication in relation to making a decision on this matter.

The Portfolio Councillors Councillor W Johnston & Councillor C Dickson have been consulted during the assessment process.

Internal Consultation

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

- Development Engineer, Development Services Branch, Customer and Planning Services Group.
- Principal Development Engineer - Hydraulics, Development Services Branch, Customer and Planning Services Group.
- Environment Officer, Development Services Branch, Customer and Planning Services Group.
- Urban Designer, Development Services Branch, Customer and Planning Services Group.
- Landscape Officer, Development Services Branch, Customer and Planning Services Group.

External Consultation

The application did not require referral to any Referral Agencies as a Concurrence Agency or Advice Agency. Council sought third party advice from Energex regarding the relocation options for the pad-mount transformer adjacent Sunshine Cove Way. Energex advised that the Applicant/Developer is responsible for any request and costs associated with the asset relocation.

Community Engagement

The application was publicly notified for 15 business days between 29 January 2024 and 19 February 2024 in accordance with the requirements of the *Planning Act 2016*.

A total of 100 submissions were received, of which 85 were determined to be 'properly made' in accordance with the *Planning Act 2016*. Of the total submissions made, 3 submissions identified their support for the proposal and 93 submissions identified their objection to the proposal (with 2 neutral and 2 unsure).

A summary of the issues raised by submitters together with a response is provided in the officer's Detailed Assessment Report at Attachment 1 to this report. The assessment of this application considered all relevant issues and matters raised in submissions.

PROPOSAL

The applicant seeks a Development Permit for Material Change of Use of Premises to establish Multiple Dwelling Units (116 units) at Sunrise Drive, Maroochydore, described as Part of Lot 904 SP327717. The application is Impact Assessable, as the development exceeds the density provisions (Dwelling Unit Factor Control and Plot Ratio Control) of the Wises Farm Preliminary Approval Document.

The development includes 8 x 1 bedroom units, 76 x 2 bedroom units, 28 x 3 bedroom units and 4 x 4 bedroom units. The design involves a large central open atrium with landscaped raised planters, artificial grass and seating available for residents and their guests for passive recreation. A central communal outdoor recreation area is proposed which would comprise of a main pool, kids pool and barbeque. A recreation room is also located adjacent and north of the central communal outdoor area. A total landscaped area is proposed of 42.3% of the site, including deep soil area (21.2%), bio-retention basins (1.6%), and podium landscape (19.5%).

A total of 184 car parking spaces is proposed comprising of 153 resident spaces and 31 visitor spaces (including 2 Persons with a Disability spaces). A total of 145 resident bicycle spaces and 32 visitor bicycle spaces is proposed within the semi-basement.

Vehicular access would be via a new 10m wide heavy-duty crossover and 10m wide driveway from Somerton Drive. This driveway would be able to accommodate a Van, Medium Rigid Vehicle (Type A Access) and Waste Collection Vehicle. One (1) visitor car parking space and a turn-around area is also located adjacent the vehicular entry point.

The site is located within the Wises Farm Preliminary Approval (MCU03/0039) and the *Maroochy Plan 2000* is the planning scheme for the purposes of assessment. The subject site is located in the Planning Area No. 1 Maroochydore, Precinct No. 10 – Low / Medium Residential with a Precinct Class of Master Planned Community. The local area provisions are superseded by the Wises Farm Preliminary Approval that overrides the Planning Scheme. The subject site is located within Precinct 6 - Wises Farm Central Medium/High Density Residential (Wises Farm Mixed Housing). In this precinct, medium density residential development is encouraged.

The proposal has been assessed against the Wises Farm Preliminary Approval. The key considerations for the assessment of this application relate to:

- Building Height
- Plot Ratio and Density
- Building Design and Setbacks
- Pedestrian Connectivity
- Parking
- Stormwater and
- Flooding.

Building Height

The Wises Farm Preliminary Approval Document identifies the maximum building height for the subject site as 4 storeys (but not more than 15m) above natural ground level. The proposed development complies with this requirement, as the building height was reduced in response to submissions to be within the 4 storey/15m maximum height limit from ground level.

Plot Ratio and Density

The development proposes a plot ratio of 1.43. The Precinct 6 - Design and Form Controls recommends as an Acceptable Measure a maximum plot ratio of 1.

The Wises Farm Preliminary Approval uses Dwelling Unit Factor preferred minimum and maximum densities for the precinct to determine a preferred density. The Precinct 6 - Design and Form Controls recommends as an Acceptable Measure a maximum Dwelling Unit Factor of 250m² per dwelling and minimum of 100m² per dwelling which equates to 81.78 equivalent dwelling units. The development proposes 122.15 equivalent dwelling units.

With respect to the above, the development does not comply with the preferred Plot Ratio and preferred Dwelling Unit Factor (i.e. Acceptable Measures) of the Wises Farm Code related to density.

Since the proposal does not comply with preferred Plot Ratio or Dwelling Unit Factor for the site, the development is required to be justified against Element 1, Performance Criteria P2 of the Wises Farm Code which states:

“Buildings in any Precinct within Wises Farm shall generally accord the Stated Intent for each Precinct type and the Desired Precinct Character for each individual Precinct”.

The landscape and built form statements which are of particular relevance include:

“5.26 Development within the Precinct will be designed to incorporate the use of good quality materials with a high quality finish, including: wide eaves, verandas, balconies and breezeways. Where possible, verandas and balconies will be orientated to take advantage of views to either the waterways, significant areas of vegetation, open spaces, the Buderim mountain, or the Town Centre”.

“5.29 Opportunities will be provided throughout the Precinct to walk or ride to the lake parks, or move along the major adjoining pedestrian and cycle links to the commercial Precincts within Wises Farm, and the Town Centre Core. This should be encouraged by incorporating subdivision layouts and design that maximises the utilisation of these facilities”.

To ensure the development complies with Element 1, Performance Criteria P2 of the Wises Farm Code, consideration of the overall built form and design, setbacks and landscaping is required.

Building Design and Setbacks

The development proposes setbacks that are less than the Acceptable Measures outline below:

Boundary Location	Maroochy Plan 2000 (Acceptable Measure)	Proposed
Sunshine Cove Way	6m (principal street frontage)	Basement - 3.7m-4.5m Podium - 4.5m (indented bus bay), otherwise 6m Levels 2-4 - 4.5m (indented bus bay), otherwise 6m
Somerton Drive	4.5m	Basement - 3m Podium - 3m to balcony Levels 2-4 - 4m to balcony
Oaklands Lane	4.5m	Basement - 2m Podium - 2m to balcony and 3m to wall Levels 2-4 - 2m to balcony and 3m to wall
Amity Avenue	4.5m	Basement - 4.5m Podium - 4.6m (less window treatments) Levels 2-4 - 4.5m (less window treatments)
Sunrise Drive	4.5m	Basement - 4.7m Podium - 7.3m to balcony Levels 2-4 - 7.3m to balcony

The building envelope intrudes into the desired setbacks on three (3) of the five (5) sides. Setbacks are considered important to achieve the anticipated precinct intent and the design and form controls, as well to control the overall built form and massing of the development. Another important consideration in achieving the precinct intent objectives for Precinct 6,

includes the adequate provision of landscaping to provide attractive tree lined streets, which sensitively integrate the natural and built environment.

Council's urban design specialist has assessed the subject development application and has advised that the proposed setbacks are suitable for each of the road frontages. The development has been placed into Council's 3D model and reviewed to ensure that the development is appropriate based on its location and in the context of the surrounding area.

The length of building and massing has been improved by the reduction of building length, and increased separation between 45m lengths of buildings. Loss of some of the initially proposed units (i.e. a reduction in unit yield) has created space to allow for separation of unit forms into 'shorter' separate forms. Separation in building form allows space between units, provides opportunity for landscaping, views, breezes and promotes a lighter, more open building form suitable for the Sunshine Coast environment.

It is considered that the layout, scale, form and character of the proposed development will be in keeping with the desired character of the locality and will contribute to making the adjacent streets more attractive, interesting and safe.

Pedestrian Connectivity

Whilst potentially desirable from a public permeability perspective, it is noted that the public pedestrian connection through the site is not a requirement of the planning scheme or the Wises Farm Preliminary Approval. In addition, it is agreed that there may be safety implications with creating such a public connection in this location, which could then lead to (via line-of-sight) more people crossing centrally to the future bus stop on the southern side of Sunshine Cove Way as well as the lake pavilion, rather than using the established and safe island crossing refuge points at either end of the subject development site.

Parking

It is noted that the proposed development requires, as an Acceptable Measure, 188 car parking spaces (159 resident spaces and 29 visitor spaces). A total of 184 car parking spaces is proposed comprising of 153 resident spaces and 31 visitor spaces (including 2 Persons with a Disability spaces).

A total of 29 visitor spaces can be conditioned in the event of approval, meaning that two (2) visitor spaces can become resident spaces (155 resident spaces). This leaves a shortfall of four (4) resident parking spaces based on the Acceptable Measure rates.

Although there is a shortfall of 4 parking spaces on-site, the development will undertake frontage works resulting in 10 additional on-street parking spaces on Somerton Drive, improving the existing parking options for the local community. Further, the applicant undertook a comparison of car parking rates under the *Maroochy Plan 2000* and current *Sunshine Coast Planning Scheme 2014*. Under the current *Sunshine Coast Planning Scheme 2014*, a total of 182 parking spaces (153 resident spaces and 29 visitor spaces) was required, meaning that the proposed development would exceed current parking outcomes.

With consideration of the above factors (and the additional 177 bicycle parking spaces on the site), the parking shortfall of four (4) car spaces is considered acceptable in this instance.

Stormwater

Stormwater is proposed to be treated to meet the post development stormwater quality design objectives prior to discharge from the site. Two (2) end of line bio-retention basins are proposed in the southern frontage of the site integrated with the proposed landscaping.

The bio-retention basins have been suitably integrated with a maximum of 50% retaining walls. The stormwater pipes in Sunrise Drive and Sunshine Cove Way are deep enough to allow 0.7m filter media depth to allow tree planting.

Flooding

The Wises Farm Preliminary Approval includes a condition in relation to flooding which requires flood immunity of buildings to be in accordance with the current *Flood hazard overlay code* requirements (under the *Sunshine Coast Planning Scheme 2014*). For the proposed building, this means for habitable floors, the floor levels are 0.5m above the 1% Annual Exceedance Probability flood level. Flood search CER21/19511 identifies the 1% Annual Exceedance Probability flood level to be 3.24m Australian Height Datum with the minimum floor level therefore 3.74m Australian Height Datum. It is noted that CER21/19511 has expired during the assessment of the application. However, no updates to the Maroochy River flood model have been undertaken since the flood information search was issued.

The architectural plans show that minimum floor level of habitable floors is proposed at 4.5m Australian Height Datum. The floor level of the basement carpark is at 1.50m AHD with the driveway entrance to the basement at 3.74m Australian Height Datum so achieves the required 0.5m freeboard to 1% Annual Exceedance Probability flooding.

Conclusion of Assessment of Proposal

The proposed development sufficiently complies with the requirements of the *Maroochy Plan 2000* and the Wises Farm Preliminary Approval and does not raise any significant issues that cannot be addressed by conditions. The application is therefore recommended for approval subject to reasonable and relevant conditions.

Legal

In relation to this development application, there are currently no legal implications relevant to this report, but it is noted that Council's decision on the application can be appealed to the Planning and Environment Court by the applicant and any submitter who made a properly made submission. Council will be bound to any required actions resulting from any legal proceedings.

Policy

The application has been assessed against the *Maroochy Plan 2000* and the *Wises Farm Preliminary Approval* and regard has been given to all relevant Council policies.

Risk

These matters can be appealed to the Planning and Environment Court by the applicant and any submitter who made a properly made submission. Council will be bound to any required actions resulting from any legal proceedings.

Previous Council Resolution

There is no previous Council resolution relevant to this report.

Related Documentation

A copy of the officer's full and detailed assessment report is included as Attachment 1 to this report.

A copy of the proposed plans of the development are provided as Attachment 2 to this report.

Critical Dates

There are no critical dates relevant to this report. Council's decision for the application has a due date of 19 June 2025 in accordance with the provisions of the *Planning Act 2016*. However, where a decision for an impact assessable development application has not been made by the due date, the applicant may elect to lodge an appeal to the Planning and Environment Court based on a 'deemed refusal' of the application.

Implementation

In accordance with the requirements of the *Planning Act 2016*, Council officers will communicate Council's decision on the application to the applicant and submitters who made a properly made submission.

APPLICATION DETAILS

Application No: MCU22/0111
 Street Address: Sunrise Drive, Maroochydore
 Real Property Description: Part of Lot 904 SP327717
 Planning Scheme: Maroochy Plan 2000 (21 January 2005)

APPROVAL DETAILS

Nature of Approval: Approval with conditions
 Type of Approval: Development Permit for Material Change of Use of Premises to establish Multiple Dwelling Units (116 Units)

CURRENCY PERIOD OF APPROVAL

Unless lawfully extended, the currency period for this development approval is six (6) years 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

PLANNING

When conditions must be complied with

1. Unless otherwise stated, all conditions of this development approval 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 development approval.

Final Architectural Building Detail

3. Prior to any building works commencing, architectural drawings must be prepared and submitted to council for review and endorsement against the Approval Plans. The

architectural drawings must show the final developed details of the facade treatment, the ground interface and the rooftop/building capping elements of the approved buildings, and must depict a higher level of documentation detail than that shown on the Approved Plans. The architectural drawings must:

- (a) nominate materials, colours and finishes;
 - (b) have title blocks, revision numbers, scale details, north point and be cross referenced to larger scaled drawings;
 - (c) include elevation and facade treatment drawings for all floor levels that demonstrate the final design outcome for all elevations of the built form including:
 - (i) detailed plans, sections and elevations at 1:50 or 1:20 scale for elements of the facade including structural elements and fixed and operable elements such as balustrades, screens, doors, windows, projecting fins and planter beds/trellises;
 - (ii) all servicing and infrastructure, including but not limited to, pad-mount transformers, pump rooms, fire hydrant boosters, etc.;
 - (iii) rooftop or building capping elements, awnings and soffits;
 - (d) include a rendered perspective of from each road frontage showing the intended finished built form;
 - (e) include dimensions for the extent of projecting elements, balustrade height and door and windows/glazing configurations;
 - (f) show the final height and position of the building/s on the site with dimensioned setbacks matching the Approved Plans;
 - (g) show how the building/s coordinates with the approved landscaping for the site;
 - (h) show the location of mailboxes for all units.
4. All building works must be undertaken generally in accordance with the endorsed architectural drawings referred to in this development approval.
5. Certification must be submitted to council from a qualified person*. The certification must certify that the Building Permit Approval drawings are in accordance with the approved plans as detailed in the list of approved plans.
**(Refer to Advisory Note)*

Note – Any changes to the approved plans must be undertaken through the relevant approval process as required under the Planning Act 2016.

Building Appearance

6. The approved building must be constructed such that its external appearance achieves a high quality design finish, including the degree of building form articulation, window coverage, clear glazing, openings, roof overhangs, feature cladding materials, finishes, varied building treatments and finishes, lightweight timber elements, glazed balustrades shown on the Approved Plans, with no inclusions or future alterations being made without approval in writing by council.

7. All air conditioning units or other mechanical equipment must be visually integrated into the design and finish of the building, or otherwise fully enclosed or screened such that they are not visible from the street frontages nor adjoining properties.
8. All deck and balcony areas above ground floor must not be enclosed by permanent fixtures such as shutters, louvres, glass panelling or the like, except where required to satisfy any privacy condition of this development approval.

Fencing and Walls

9. Unless otherwise approved in writing by council, front fencing and walls are not permitted within the landscaped buffer area at ground level around the perimeter of the building.

Building Height

10. The maximum height of the development must not exceed four (4) storeys and 15m above natural ground level at any point.
11. Certification must be submitted to council from a cadastral surveyor which certifies that the building does not exceed the maximum height requirement of this development approval.

Clothes Drying Areas

12. Each dwelling unit must be provided with an outdoor non-mechanical (natural) clothes drying facility that is screened from public view by the use of fixed or operable screens incorporated into the building design. Where individual outdoor clothes drying facilities are not provided for each unit, one or more clothes drying areas fitted with robust clothes lines must be provided in accessible and screened communal locations to meet the clothes drying needs of occupants. The requirement for screening of outdoor clothes drying by occupants must be included in the Community Management Statement for any body corporate for the subject site.

Street Identification

13. The street address of the development must be clearly visible and discernible from both Somerton Drive and Sunshine Cove Way by the provision of a street number and, where appropriate, the building name.
14. The main building entrances/foyers/reception areas must be clearly visible and identifiable from the street or otherwise provided with signage and lighting at strategic locations to direct people to these main building entrances.

Communal Recreation Areas

15. Communal recreation areas must be provided as shown on the approved plans.

Weather Protection

16. Inclement weather protection to external openings, windows and doors must be provided by at least one of the following:
- (a) a permanently fixed overhang with a minimum overhang width of 450mm;
 - (b) a permanent external vertical fin awning, perpendicular to the wall surface and equal to the height of the opening;
 - (c) a permanent external assembly containing adjustable or fixed screens with a maximum transparency of 25%.

Community Management Statement

17. Any proposed Community Management Statement required for the development pursuant to the *Body Corporate and Community Management Act 1997* must be submitted to council for approval at the same time as submission of the building format plan (or similar) for approval.
18. All clauses and by-laws of the proposed Community Management Statement must accord with the requirements of this development approval and, in particular, must include the following additional clauses:
- (a) parking within the development site must:
 - (i) remain available at all times;
 - (ii) not be converted for any other use (such as storage); and
 - (iii) for visitors, be accessible at all times;
 - (b) the Body Corporate is responsible for all landscaping at ground level.

Infrastructure Agreements

19. The applicant must comply with all relevant requirements of Voluntary Infrastructure Agreement No 1 for Wises Farm Mixed Use Development & Voluntary Infrastructure Agreement No 2 for Wises Farm Mixed Use Development.

ENGINEERING

External Works

20. Somerton Drive must be upgraded for the length of its frontage to the subject site, as described below. The works must be undertaken in accordance with an operational works approval and, unless otherwise agreed with council, must include in particular:
- (a) construction of 10 x 2.3m wide indented on-street parking bays in accordance with AS2890 to the development side only;
 - (b) removal of the existing property access and reinstatement of the kerb, footpath and verge area to match the balance of the site frontage, including the provision of topsoil and turf where the existing verge is grassed;
 - (c) installation of Rate 3 LED street lighting to P4 Standard (if existing lighting is inadequate).

21. Sunshine Cove Way must be upgraded for the length of its frontage to the subject site, as described below. The works must be undertaken in accordance with an operational works approval and, unless otherwise agreed with council, must include in particular:
- (a) provide a reinforced concrete slab suitable for the future bus shelter. The minimum width between the edge of the existing footpath and the proposed property boundary is to be 2.5m (this may require designation of additional road reserve in this location);
 - (b) the slab dimensions and specifications are to be in accordance with the *Queensland Transport* standard drawings;
 - (c) provide capped power conduit to the slab location for future electrical connection.

Property Access and Driveways

22. A sealed access driveway must be provided from Somerton Drive 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 IPWEA standard drawing RSD-102 (RS-051) Type B access;
 - (b) truncation of existing paths in the verge for the driveway construction, including any additional extents of reconstruction to provide a smooth pathway transition;
 - (c) provision of safe pedestrian sight triangle truncations to features adjacent to the exit driveway;
 - (d) a driveway width of 10m at the kerb invert, extending into the property to provide vehicle queuing and passing;
 - (e) suitable safety measures, including warning signage, to improve driver awareness of pedestrians and enhance pedestrian safety. Warning signage must be provided near the exit ramp from the underground parking area to warn motorists of pedestrian movement along the frontage street.

On-site Parking

23. A minimum of 184 car parking spaces must be provided and marked on the site. The works must be undertaken in accordance with an operational works approval and must include in particular:
- (a) a minimum of 29 visitor parking spaces within the total, which are clearly marked for that purpose and accessible at all times for visitor use;
 - (b) provision of vandal resistant public lighting with intensities to satisfy the requirements of *AS 1158 – Lighting for roads and public spaces*;
 - (c) two (2) parking spaces for people with disabilities must satisfy the current requirements of the *National Construction Code*;
 - (d) dimensions, crossfalls and gradients in accordance with *AS 2890 - Parking facilities*.
24. 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.

25. Prior to the issue of any development permit for operational works for this development, building plans (including sections) showing any beams, services or other obstructions on ceilings where parking or manoeuvring is proposed, must be submitted to council demonstrating a minimum height clearance in accordance with AS 2890.
26. Where access to the car park is proposed to be restricted by a security gate, provision must be made for queuing of vehicles clear of the roadway while waiting for the security gate to open.
27. Where access to visitor parking is proposed to be restricted by a security gate, provision must be made for intercom access (or other entry methodology), which can be operated with vehicles queued clear of the roadway while waiting for the security gate to open. Provision must also be made for vehicles to exit the site in a forward direction if entry through the security gate is prohibited.
28. Signage must be provided to direct visitors to the visitor car parking spaces provided on site.

Service Vehicles

29. 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 one (1) Van space;
 - (b) a minimum one (1) Medium Rigid Vehicle space (Type A - Access);
 - (c) a minimum one (1) Waste Collection Vehicle space.

Pedestrian and Bicycle Facilities

30. Pedestrian and bicycle facilities must be provided for the development, as required below. The works must be undertaken in accordance with an operational works approval and, unless otherwise agreed with council, must include in particular:
 - (a) a minimum 1.8m wide footpath within the road verge for the entire length of the site's frontage to Somerton Drive, including pram crossings at the intersection;
 - (b) adequate separation of all specific pedestrian routes from vehicle access and manoeuvring areas, and clear demarcation by pavement marking, signposts or changes in surface materials or levels;
 - (c) signage and lighting at strategic locations to direct people to buildings;
 - (d) a minimum of 145 x Class 1 or 3 residential bicycle parking spaces, in accordance with AS 2890.3 – *Bicycle parking*;
 - (e) a minimum of 32 x Class 3 visitor bicycle parking spaces, in accordance with AS 2890.3 – *Bicycle parking*.

Utility Services

- 31. Underground reticulated electricity must be provided to the development site in accordance with the requirements of the service provider. The applicant must either provide a Certificate for Electrical Supply or apply for a further operational works approval, where Contestable Works are required.
- 32. An underground telecommunications service* must be provided to the development site in accordance with the requirements of the service provider.
**(Refer to Advisory Note)*
- 33. Where a pad-mound electrical supply is required for the development, any redundant electrical pillars within the frontage of the site, must be removed, and the ground surface reinstated to match the required streetscape treatment for that locality.
- 34. Fire hydrants must be supplied at accessible locations as necessary to achieve the Liveable Communities benchmarks of the *State Planning Policy*.
- 35. Certification must be submitted to council from all relevant service providers which certifies that the development has met the requirements of development approval and all applicable legislation at the time of construction.
- 36. If agreed to by the grantee and the Energex, the existing pad-mount transformer is to be relocated generally in accordance with the approved plans, and all costs associated with the relocation is to be at the developers expense. The existing easement must be extinguished, and all services relocated (sewer, electrical and stormwater).

Easements

- 37. 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.
- 38. 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.
- 39. All works must be kept clear of any existing or proposed easements on the subject land, unless agreed otherwise in writing by the Grantee.

Road Reserve Dedication

- 40. The land area required for the bus shelter slab in Sunshine Cove Way must be dedicated as road reserve at no cost to council.

Earthworks

41. 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.
42. Where the development involves excavation or filling over, or adjacent to drainage infrastructure access chamber surface levels must be adjusted to provide a freeboard of 100mm above the finished ground surface level.
43. 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 *Austrroads* 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 *Austrroads 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) all barriers must be certified to the appropriate load conditions from *AS 1170 - Structural Design Actions* by either the manufacturer or engineering calculations.

HYDRAULICS & WATER QUALITY

Stormwater Drainage

44. 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 the *Queensland Urban Drainage Manual*, and must include in particular:
 - (a) the works described in Section 8 of the Engineering Report listed in this development approval;
 - (b) collection and discharge of stormwater to the piped drainage system in Sunrise Drive and Sunshine Cove Way; and
 - (c) the use of gravity stormwater drainage and not surcharge pits.

Stormwater Quality Management

45. 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 shown in Section 9 of the of the Engineering Report listed in this development approval, with the exception of the following:

(a) bio-retention filter media depth increased to 0.7m where feasible.

46. Permanent educational signage* must be erected to educate the residents of the development about the function of the bio-retention device(s). The dimensions, standard, presentation and location of the educational signage must be in accordance with an operational works approval.

*(Refer to Advisory Note)

47. All stormwater quality treatment devices must be maintained in accordance with the *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.

Flood Immunity

48. The minimum floor level of all buildings constructed on the site must be in accordance with the Approved Plans. The minimum opening crest level of the basement ramp and the minimum crest level of all stairway exits from the basement must be 3.74m AHD. There must be no openings in the basement below a level of 3.74m AHD.

LANDSCAPE

Landscaping Works

49. The development site must be landscaped. The works must be undertaken in accordance with an Operational Works approval and must include in particular:
- (a) the extent of landscape works shown on the approved plans;
 - (b) landscape areas, as demonstrated on approved plans, are to be co-ordinated and shown on all application material;
 - (c) landscaping, within the private property to all street frontages, exclusive of the access driveway and pedestrian access paths, generally uncompromised by infrastructure items must include a mix of tall and medium trees at approximately 6m centres, screening shrubs at approximately 1-1.5m centres and tufting grasses to ensure coverage of the bed at maturity to effectively screen any bin or utility storage areas and the like from the road frontage, designed such, that a minimum 30% of the built form will be screened/buffered at maturity;
 - (d) any architectural features of the built form which presents as portions of solid walls, must be screened with in ground landscaping at maturity utilising tall columnar landscape feature trees, particularly at corner locations to provide vertical relief;
 - (e) all internal pedestrian paths, ramps, including any undercroft, which runs parallel to the built form must be screened with landscaping when viewed from any roadway or public open space;

- (f) Water Sensitive Urban Design (WSUD) principles are to be adopted where bio-basins are required, these must be provided with a minimum 700mm filter media depth for the provision of trees and vegetated batters no greater than 1:4, where located alongside property boundaries adjoining pedestrian footpaths, and 1:3 on internal property edges to ensure they make a contribution to the landscape frontage strip;
- (g) demonstrate that services, e.g. underground tanks, stormwater pipes, water services, electrical, and sewer are not compromising landscape provisions and are generally located under hardstand areas or are aligned to outer edges, so that the deep planting areas are not prejudiced from being able to support the growth of trees;
- (h) provide details of any proposed fencing of critical infrastructure, which must be permeable and located a minimum of 2m from any property boundary to ensure integration with the frontage landscape strip;
- (i) existing street tree(s) within the road reserve must be assessed by a qualified person* and be retained and protected where possible. Any existing tree which is not deemed as structurally sound or healthy is required to be replaced or remediated to ensure a sustainable streetscape landscape is achieved, this also includes the addition of new street trees or streetscape landscaping where space exists. These requirements must be demonstrated on plans submitted;
- (j) the landscape treatment to the frontage of Amity Avenue must be extended to include the road reserve between the property boundary and the footpath with a low maintenance coastal planting palette consisting of shrubs and tufting grasses which can be easily maintained;
- (k) provide details of all podium planters, including species, depth, width, extent, and specifications for growing media which must include the following:
 - (i) podium planters are to be provided with the required soil depth to support the growth of the intended vegetation which must include small to medium shade trees;
 - (ii) all podium planters are to be specified with a high quality podium mix, guaranteed for a minimum 10 years without replacement (provision of warranty is to be provided as part of the Operational Works Landscaping) e.g. Fytogreen Hydrocell 40 or equivalent performance;
 - (iii) provision of an automatic irrigation system to all landscape areas including podium planters on private property connected to a common property supply point and utilising harvested water from site;
 - (iv) dense planting to the podium planters including use of vertical monocot species for screening and buffering;
 - (v) all species are to be selected for coastal hardiness.

50. All landscape works must be established and maintained in accordance with the approved design for the life of the development, and in a manner that ensures healthy, sustained and vigorous plant growth. All plant material must be allowed to grow to full form and be refurbished when its life expectancy is reached.

NB: A detailed landscape plan is required for any future operational works application.

**(Refer to Advisory Note)*

ENVIRONMENT**Waste Management**

51. Refuse storage, removal and collection facilities must be provided in accordance with the Approved Plans and the following:
- (a) provision of a minimum bulk bin* volume of 120L for general waste and 120L recyclable waste for each dwelling unit;
 - (b) servicing of 1100L low noise bulk bins only for general and recyclable waste;
 - (c) collection by service vehicles from within the site only in a safe, efficient and unobstructed manner. Where any obstruction or obstruction to waste collection vehicles, facilities and/or storage areas result in unsafe, inefficient or obstructed servicing as determined by council, the obstruction or obstruction must be removed or rectified;
 - (d) maintain continued responsibility by the body corporate, or the equivalent site management entity, to present bulk bins at the temporary storage area on waste collection day;
 - (e) an at-grade movement path between the temporary storage area and the access driveway, i.e. no steps, edging, ledges or the like, such that bins can be manually handled to the Waste Collection Vehicle (WCV) for servicing;
 - (f) provision of a readily accessible wash-down area in the vicinity of the permanent bin storage area fitted with a hosecock, bin roll over bund, and drain connected to the sewer that has a stormwater catchment area of no more than 1m²;
 - (g) provision of general and recyclable waste chutes located above each basement waste storage room, connected to each floor of the buildings for the disposal of waste. The waste chutes must be:
 - (i) vertical and cylindrical with a minimum diameter of 450mm;
 - (ii) constructed of non-corrosive, smooth, impervious and noise-dampening materials;
 - (iii) contained within fire rated shafts;
 - (iv) constructed to finish at least 25mm below the ceiling level of the collection room and not more than 300mm above the height of the waste containers;
 - (v) ventilated without causing odour within the building;
 - (vi) fly and vermin proof;
 - (vii) fitted with maintenance access and cleaning appliances;
 - (viii) fitted with self-closing hoppers on each level located between 1m and 1.5m above the floor level, and with wall and floor surfaces around the hopper of an impervious easy to clean material,;
 - (h) provision of a waste rooms at the bottom of the waste chutes for the collection and permanent storage location of general recyclable waste. The waste rooms must be:
 - (i) constructed of fire rated, impervious and smooth materials to all walls, floors, doors and junctions;
 - (ii) constructed with access doors sized to permit unobstructed entry and exit of the bulk bins*;
 - (iii) fly and vermin proof;

- (iv) fitted with a lock capable of being opened from the inside without a key at any time;
 - (v) refrigerated or otherwise ventilated to reduce odour;
 - (vi) co-located with a hosecock and drain connected to the sewer.
**(Refer to Advisory Note)*
 - (i) provision of an on-site tow vehicle or other mechanical means to haul bulk bins from the basement refuse storage area to the temporary collection embayment located at street level.
52. Certification must be submitted to council from a qualified person* which certifies that all waste chutes and waste rooms have been constructed in accordance with the requirements of this development approval.
**(Refer to Advisory Note)*

Acid Sulfate Soils

53. An amended acid sulfate soils investigation must be undertaken in accordance with council's *Code for Assessment and Management of Acid Sulfate Soils*. Where the investigation identifies acid sulfate soils that require management as a result of excavation for the basement and/or rainwater storage tanks, then all works must be carried out in accordance with an acid sulfate soil and groundwater management plan (or part thereof) prepared by a qualified person* and endorsed through an operational works approval. The amended report is to reflect the new depth of the basement excavation.
**(Refer to Advisory Note)*.
54. All waters, including stormwater runoff, groundwater seepage and leachate from acid sulfate soils must achieve the following quality prior to release from the site:
- (a) a pH range of 6.5-8.5 pH units;
 - (b) 50mg/L maximum total suspended solids concentration;
 - (c) 0.3mg/L maximum total iron concentration;
 - (d) 0.2mg/L maximum total aluminium concentration;
 - (e) no visible plume at either the point of release from the site or within a waterway.
55. A Dewatering Management Plan (DMP) must be developed by a qualified person* and implemented on site during the operational works phase of the development. Where groundwater is released to waters, the DMP must include the criteria required by the above condition, and propose an effective treatment train such that the above release criteria is achieved prior to release. The earthworks construction method utilised must be such that the amount of dewatering for the excavation is minimised.
**(Refer to Advisory Note)*
56. During the Operational Works phase, where groundwater is released to the environment, weekly verification sampling and testing for compliance with the above criteria, must be undertaken at a NATA accredited laboratory, and results provided to council on a fortnightly basis.

57. The basement must be designed, constructed and maintained as a completely sealed, waterproof, and groundwater excluding structure*. It must be fully tanked and contain a waterproofing system (e.g. waterproof membrane system) to prevent all groundwater infiltration, and be able to withstand full hydrostatic pressure with no permanent or post-construction sub-surface drainage. Certification must be submitted to council from a qualified person* which certifies that the basement structure has been constructed in accordance with this condition of approval. **(Refer to Advisory Note)*
58. In the event that groundwater infiltrates into the basement structure post construction, it must only be, either:
- (a) lawfully discharged to sewer in accordance with Unitywater’s Trade Waste Policy; or
 - (b) removed offsite by a licensed regulated waste transporter.
59. All treated material must undergo verification testing at the rate of one sample per 250m³ throughout the duration of the excavation phase of the development. The verification testing must be undertaken by a qualified person* using the SPOCAS or Chromium Reducible Sulphur testing suite, and the results for each sample must be submitted to council.
**(Refer to Advisory Note)*

Erosion and Sediment Control

60. An erosion and sediment control (ESC) and a dewatering pre-construction inspection must be organised with council prior to the commencement of any on site works. The applicant must organise for the principal contractor, and the ESC specialist who will provide ESC certification to attend the meeting.
61. An erosion and sediment control plan must be prepared by a qualified person* and be implemented onsite. The erosion and sediment control plan must be kept on site at all times and be provided to council on request.
**(Refer Advisory Note)*
62. During construction of the development, the applicant/principal contractor must minimise on-site erosion and the release of sediment or sediment-laden stormwater from the site at all times and implement the industry best practice standards for erosion and sediment control, as per International Erosion Control Association Best Practice Erosion Sediment Control (IECA BPESC), including but not limited to:
- (a) drainage control measures must be implemented and maintained to minimize water flow across areas of exposed earth;
 - (b) erosion and sediment control measures must be implemented and maintained to prevent soil loss from earth disturbance areas and prevent deposition beyond earth disturbance areas; and
 - (c) no release of contaminants to land beyond onsite area of earth disturbance, unless all reasonable and practicable measures have been implemented, as per the IECA BPESC guidelines.

8.2 MAY 2025 FINANCIAL PERFORMANCE REPORT

File No: Council Meetings

Author: Coordinator Financial Services
Business Performance Group

Attachments: Att 1 - May 2025 Financial Performance Report 127  
Att 2 - May 2025 Capital Grant Funded Project Report..... 139  

PURPOSE

To meet Council’s legislative obligations, a monthly report must 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 2025, in terms of the operating result and delivery of the capital program.

Operating Performance

Table 1: Operating Budget as at 31 May 2025

	Original Budget \$'000	Current Budget \$'000
Total Operating Revenue	610,085	624,963
Total Operating Expenses	587,086	613,910
Operating Result	22,999	11,053

	Year to Date Actuals April 2025 \$'000	Year to Date Budget May 2025 \$'000	Year to Date Actuals May 2025 \$'000
Total Operating Revenue	593,440	608,271	605,816
Total Operating Expenses	505,390	554,930	555,478
Operating Result	88,050	53,340	49,339
Total Cash Balance	166,457		135,275

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

The monthly financial report includes several accounts where the year-to-date actuals have been estimated based on the budget. A forecast for the 2024/25 financial year has not been included in this month's report as the forecast result is under review as part of the 2025/26 budget process. An independent detailed review of the financial report and key budget assumptions has commenced and will be presented to Council as part of the 2025/26 budget consideration.

OFFICER RECOMMENDATION

That Council receive and note the report titled "May 2025 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 2025, 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 Councillors, E Hungerford and J Broderick.

Internal Consultation

This report has been written in conjunction with advice from:

- 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 2024-25 Investment Policy, and
Sunshine Coast Council's 2024-25 Debt Policy.

Risk

The reported Actual Year to Date financial result includes several items that are estimated pending the completion of year-end processing.

It is likely that the end of year position for Depreciation and Recurrent Capital expenses will be significantly greater than the budget which will adversely impact the Operating Result.

The Year to Date Employee Costs appear on track to achieve the targeted vacancy rate.

Previous Council Resolution**Ordinary Meeting 27 March 2025 (OM25/19)**

That Council:

- (a) *receive and note the report titled "Budget Review 3 2024-25"*
- (b) *adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's amended budget for 2024-25 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) *Council's 2024-25 Capital Works Program, endorse the indicative four-year program for the period 2026 to 2029, and note the five-year program for the period 2030 to 2034*
- (c) *note the following documentation applies as adopted December 2024*
 - (i) *the Debt Policy*
- (d) *note the following documentation applies as adopted 20 June 2024*
 - (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, and*
 - (iii) *the Revenue Statement*
 - (iv) *the rates and charges to be levied for the 2024-25 financial year and other matters as adopted 20 June 2024*
 - (v) *the Strategic Environment Levy Policy*

- (vi) *the Strategic Arts and Heritage Levy Policy*
 - (vii) *the Strategic Transport Levy Policy*
 - (viii) *Prescribed Services Charge Plan (No. 2) 2024-25 Financial Year and*
- (e) *endorse the 2024-25 Minor Capital Works Program (Appendix B).*

Ordinary Meeting 12 December 2024 (OM24/124)

That Council:

- (a) *receive and note the report titled "Budget Review 2 2024-25"*
- (b) *adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's amended budget for 2024-25 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) *Council's 2024-25 Capital Works Program, endorse the indicative four-year program for the period 2026 to 2029, and note the five-year program for the period 2030 to 2034*
 - (viii) *the Debt Policy*
- (c) *note the following documentation applies as adopted 20 June 2024*
 - (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, and*
 - (iii) *the Revenue Statement*
 - (iv) *the rates and charges to be levied for the 2024-25 financial year and other matters as adopted 20 June 2024*
 - (v) *the Strategic Environment Levy Policy*
 - (vi) *the Strategic Arts and Heritage Levy Policy*
 - (vii) *the Strategic Transport Levy Policy*
 - (viii) *Prescribed Services Charge Plan (No. 2) 2024-25 Financial Year and*
- (d) *endorse the 2024-25 Minor Capital Works Program (Appendix B).*

Ordinary Meeting 26 September 2024 (OM24/82)

That Council:

- (a) *receive and note the report titled "Budget Review 1 – 2024-25" and*
- (b) *adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's amended budget for 2024-25 financial year incorporating:*
 - i. *the statement of income and expenditure*
 - ii. *the statement of financial position*
 - iii. *the statement of changes in equity*

- iv. *the statement of cash flow*
 - v. *the relevant measurers of financial sustainability*
 - vi. *the long-term financial forecast*
 - vii. *Council's 2024-25 Capital Works Program, endorse the indicative four-year program for a period 2026 to 2029, and note the five-year program for the period 2030 to 2034*
- (c) *note the following documentation applies as adopted 22 June 2024*
- i. *the Debt policy*
 - ii. *the Revenue policy*
 - iii. *the total value of 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*
 - v. *the rates and charges to be levied for the 2024-25 financial year and other matters as adopted 22 June 2024*
 - vi. *the Strategic Environment Levy Policy*
 - vii. *the Strategic Arts and Heritage Levy Policy*
 - viii. *the Strategic Transport Levy Policy*
 - ix. *Prescribed Services Charge Plan (No. 2) 2024-25 Financial Year and*
- (d) *endorse the Minor Capital Works Program (Appendix B).*

Special Meeting 20 June 2024 (SM24/4)

That Council:

1. STATEMENT OF ESTIMATED FINANCIAL POSITION

receive and note Appendix A, pursuant to section 205 of the Local Government Regulation 2012, the statement of the financial operations and financial position of the Council in respect to the 2023-24 financial year.

2. ADOPTION OF BUDGET

adopt Appendix A as tabled, pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's budget for 2024-25 financial year incorporating:

- i. *the statement of income and expenditure*
- ii. *the statement of financial position*
- iii. *the statement 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 (adopted by Council resolution on 30 May 2024)*
- viii. *the Revenue Policy (adopted by Council resolution on 30 May 2024)*
- ix. *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*
- x. *the Revenue Statement*
- xi. *Council's 2024-25 Capital Works Program, endorsing the indicative four-year program for the period 2026 to 2029, and noting the five-year program for the period 2030 to 2034*
- xii. *the rates and charges to be levied for the 2024-25 financial year and other matters as detailed below in clauses 3 to 10*
- xiii. *the 2024-25 Minor Capital Works Program*
- xiv. *the Strategic Environment Levy Policy*
- xv. *the Strategic Arts and Heritage Levy Policy*
- xvi. *the Strategic Transport Levy Policy and*
- xvii. *Prescribed Services Charge Plan (No. 2) 2024-25 Financial Year.*

Related Documentation

2024-25 Adopted Budget

Critical Dates

There are no critical dates for this report.



Implementation

There are no implementation details to include in this report.

8.3 UPDATE AND AMENDMENT OF 2024-25 CONTRACTING PLAN

File No: Council Meetings

Author: Acting Manager Business and Innovation
Business Performance Group

Appendices: App A - Amended 2024-25 Contracting Plan 147  

PURPOSE

The purpose of this report is to:

- provide an update on progress of the Significant Contracts identified in the 2024-25 Contracting Plan and
- present for the consideration of Council amendments to the 2024-25 Contracting Plan to ensure it accurately reflects the Significant Contracts for the 2024-25 financial year.

EXECUTIVE SUMMARY

At the Ordinary Meeting of 17 May 2018, Council resolved to adopt the Strategic Contracting Procedures to empower Council to pursue improved contracting outcomes.

Having adopted the Strategic Contracting Procedures the *Local Government Regulation 2012* requires Council to make and adopt a contracting plan each financial year. The contracting plan must include the contracts that Council considers will be significant.

Amendments to the list of Significant Contracts identified in the 2024-25 Contracting Plan are required to ensure the list accurately reflects the Significant Contracts that Council has, or will enter into, during the 2024-25 Financial Year.

Council can, by resolution, amend a contracting plan at any time before the end of the financial year to which the plan relates.

The amended 2024-25 Contracting Plan is provided for Council’s consideration as **Appendix A**.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Update and Amendment of 2024-25 Contracting Plan” and
- (b) adopt the amended 2024-25 Contracting Plan (Appendix A).

FINANCE AND RESOURCING

There are no financial or resourcing implications associated with the amendment of the 2024-25 Contracting Plan.

CORPORATE PLAN

Corporate Plan Goal:	<i>Our outstanding organisation</i>
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**

- Councillor E Hungerford – Outstanding Organisation Portfolio Councillor
- Councillor J Broderick – Outstanding Organisation Portfolio Councillor

Internal Consultation

Consultation has been undertaken with the Group Executive Business Performance on matters outlined in this report.

External Consultation

No external consultation was required in the preparation of this report.

Community Engagement

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

PROPOSAL**Contracting Plan**

At the Ordinary Meeting of 20 June 2024, Council resolved to adopt the 2024-25 Contracting Plan as part of the adoption of the 2024-25 Procurement Policy and Procurement and Disposal Framework.

The Contracting Plan 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.

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.

Table 1 below details the progress for each of the Significant Contracts listed in the 2024-25 Contracting Plan.

Contract	Procurement Strategy	Comments
Oval Avenue and Gosling St Upgrade	Public Tender	Tender Invited: June 2025 Tender Closed: Scheduled July / August 2025 <i>Currently out to market</i>
Nambour Resource Recovery Centre	Public Tender	No tender released in 2024-25.
Food Organic and Garden Organic Waste Processing Service	Public Tender	Tender Invited: February 2024 Tender Closed: April 2024 <i>Currently under evaluation</i>
Mooloolaba Foreshore Central Meeting Place	Public Tender	Tender Invited: September 2023 Tender Closed: October 2023 Contract Awarded: April 2025
Sippy Downs Library and Community Venue	Public Tender	No tender released in 2024-25.
Honey Farm Road Clubhouse Construction	Public Tender	No tender released in 2024-25.
Honey Farm Road Sports Field Establishment	Public Tender	No tender released in 2024-25.
B2N Rail Upgrade Offset Project	Public Tender	No tender released in 2024-25.
Microsoft Enterprise Agreement	Exception - Arrangement	Tender Invited: June 2024 Tender Closed: July 2024 Contract Awarded: July 2024
Landscape Maintenance Services	Public Tender	Tender Invited: February 2025 Tender Closed: April 2025 Contract Awarded: May 2025

Table 1 : 2024-25 Significant Contract Progress

Amendments to 2024-25 Contracting Plan

The Business and Innovation Branch works closely with all stakeholders to deliver the Significant Contracts identified in the Contracting Plan. This engagement provides a considered approach to the procurement structure and strategy, together with timing to market for each of the Significant Contracts in order to deliver better outcomes for Council. As a result of this process amendments to the adopted Contracting Plan have been identified. Table 2 below details the amendments required to the 2024-25 Contracting Plan.

Contract	Amendment Required	Justification
Oval Avenue and Gosling St Upgrade	Removal from Contracting Plan	Procurement activity still current. Any resulting contract will be entered into during 2025-26.
Nambour Resource Recovery Centre	Removal from Contracting Plan	No tender released in 2024-25.
Food Organic and Garden Organic Waste Processing Service	Removal from Contracting Plan	Procurement activity still current. Any resulting contract will be entered into during 2025-26.
Sippy Downs Library and Community Venue	Removal from Contracting Plan	No tender released in 2024-25.
Honey Farm Road Clubhouse Construction	Removal from Contracting Plan	No tender released in 2024-25.
Honey Farm Road Sports Field Establishment	Removal from Contracting Plan	No tender released in 2024-25.
B2N Rail Upgrade Offset Project	Removal from Contracting Plan	No tender released in 2024-25.
Supply of Prefabricated Dwellings and Associated Civil Works – Marcoola	Addition to Contracting Plan	Awarded contract met the threshold for significant contact Tender Invited: May 2024 Tender Closed: June 2024 Contract Awarded: August 2024
QRA Full Service Landslip Remediation – First Bay, David Low Way, Coolum Beach	Addition to Contracting Plan	Awarded contract met the threshold for significant contact Tender Invited: July 2024 Tender Closed: September 2024 Contract Awarded: November 2024

Table 2 : Amendments to 2024-25 Contracting Plan

Legal

Section 220(2) of the *Local Government Regulation 2012* requires Council to make and adopt a contracting plan each financial year.

Section 220(7) of the *Local Government Regulation 2012* allows Council, by resolution to amend a contracting plan at any time before the end of the financial year to which the plan relates.

Human Rights Act 2019

There are no human rights implications relevant to Council's decision in this matter.

Policy

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

The amendments to the 2024-25 Contracting Plan do not conflict with the Procurement Policy or any other current policy positions or documents of Council.

Risk

The 2024-25 Contracting Plan is not reflective of the Significant Contracts that Council has or will enter into during the 2024-25 Financial Year. While a failure to adopt the Amended 2024-25 Contracting Plan will not impact any procurement activities, it is considered best practice to align the Contracting Plan with the Significant Contract activities that have occurred during the 2024-25 Financial Year.

Previous Council Resolution**Ordinary Meeting 20 June 2024 (OM24/43)**

That Council:

- (a) *receive and note the report titled "2024-25 Procurement Policy and Procurement and Disposal Framework" and*
- (b) *adopt the Procurement and Disposal Framework inclusive of:*
 - (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 in 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).*

Related Documentation

Local Government Act 2009

Local Government Regulation 2012

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

Critical Dates

Section 220(7) of the *Local Government Regulation 2012* allows Council, by resolution to amend a contracting plan at any time before the end of the financial year to which the plan relates.


Implementation




There are no implementation details to include in this report.

8.4 APPLICATION OF NATIONAL COMPETITION POLICY 2025-26

File No: Council Meetings

Author: Coordinator Commercial Analysis
Business Performance Group

Appendices: App A - Justification for not applying the Code of Competitive Conduct..... 171 [↓](#) 

Attachments: Att 1 - Legislative Requirements 2025-26..... 177 [↓](#) 
Att 2 - Business Activity Identification 2025-26..... 185 [↓](#) 
Att 3 - Full Cost Performance 2023-24..... 191 [↓](#) 

PURPOSE

The purpose of this report is to make recommendations for the application of National Competition Policy reforms for the 2025-26 financial year.

EXECUTIVE SUMMARY

The key recommendations for the 2025-26 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 2025-26 is as follows:

- Apply Full Cost Pricing to the Waste & Resource 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.

Sunshine Coast Holiday Parks has been identified as a new significant business activity and it is recommended a public benefit assessment be undertaken to determine the cost and benefits of applying competition reforms and the most effective way to achieve benefits from competitive neutrality for Sunshine Coast Holiday Parks for the 2026-27 financial year.

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 2023-24 is shown in **Attachment 3**.

OFFICER RECOMMENDATION**That Council:**

- (a) receive and note the report titled “Application of National Competition Policy 2025-26”**
- (b) apply Full Cost Pricing to the Waste and Resource Management significant business activity for the 2025-26 financial year in accordance with section 44(1)(b) of the *Local Government Act 2009***
- (c) undertake a public benefit assessment to determine the reform option to apply to Sunshine Coast Holiday Parks for the 2026-27 financial year, in accordance with section 46(2) of the *Local Government Act 2009***
- (d) apply the Code of Competitive Conduct to the following business activities, for the 2025-26 financial year, in accordance with section 47 of the *Local Government Act 2009*:**
 - (i) Sunshine Coast Holiday Parks and**
 - (ii) Quarries and**
- (e) 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 Complexes and Showgrounds**
 - (vii) Off-street Parking**
 - (viii) Retail Electricity Strategy and Sunshine Coast Solar Farm**
 - (ix) Sunshine Coast Stadium and Kawana Sports Precinct and**
 - (x) 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:

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

Consultation was undertaken with Councillor E Hungerford, and Councillor J Broderick.

Internal Consultation

- Executive Leadership Team
- Chief Financial Officer
- Coordinator Business Operations
- Coordinator Cemeteries
- Coordinator Financial Accounting
- Coordinator Financial Services
- Coordinator Healthy Places
- Coordinator Smart City Framework
- Coordinator Sports Venues & Development
- Contracts Manager (Holiday Parks)
- General Counsel
- Head of Property
- Manager Governance and Executive Services
- Manager Arts Heritage & Libraries
- Manager Business and Innovation
- Manager Customer Response
- Manager Development Services

- Manager Environmental Operations
- Manager Parks & Gardens
- Manager Sport & Community Venues
- Manager Transport Network Management
- Manager Waste and Resource Management
- Chief Economic Development Officer
- 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 2023-24 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 2025-26 thresholds are as follows:

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

The classification of Council's business activities is listed in the Table 1 below for 2025-2026.

Sunshine Coast Holiday Parks has exceeded the significant business activity expenditure threshold. 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

Group	Business Activity	Classification	Full Cost Pricing	Code of Competitive Conduct
Built Infrastructure	Off-street Parking	Prescribed		✓
	Quarries	Prescribed		✓
Business Performance	Retail Electricity Strategy and Sunshine Coast Solar Farm	Prescribed		✓
Customer and Planning Services	Cemeteries	Prescribed		✓
Economic and Community Development	Aquatic Centres	Prescribed		✓
	Caloundra Indoor Stadium	Prescribed		✓
	Caloundra Regional Gallery	Prescribed		✓
	Cultural Heritage	Prescribed		✓
	Festivals (Horizon)	Prescribed		✓
	Multisport Complexes & Showgrounds	Prescribed		✓
	Sunshine Coast Holiday Parks	Significant and Public Benefit Assessment		✓
	Sunshine Coast Stadium and Kawana Sports Precinct	Prescribed		✓
	Venue 114 & Community Spaces	Prescribed		✓
Liveability and Natural Assets	Waste and Resource Management	Significant	✓	

Council controlled entities

Council has 100% controlling interest of three corporatised entities. SunCentral Maroochydore 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 2025-26 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. undertake a public benefit assessment to determine the reform option to apply to Sunshine Coast Holiday Parks for the 2026-27 financial year, in accordance with section 46(2) of the *Local Government Act 2009*
3. 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

4. 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 Complexes and Showgrounds
 - vii) Off-street Parking
 - viii) Retail Electricity Strategy and Sunshine Coast Solar Farm
 - ix) Sunshine Coast Stadium and Kawana Sports Precinct
 - x) 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 20 June 2024 (OM24/44)**

That Council:

- receive and note the report titled "Application of National Competition Policy 2024-25"*
- apply Full Cost Pricing to the Waste and Resource Management significant business activity for the 2024-25 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 2024-25 financial year, in accordance with section 47 of the Local Government Act 2009:*
 - Sunshine Coast Holiday Parks and*
 - Quarries and*
- 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:*
 - Aquatic Centres*
 - Caloundra Indoor Stadium*
 - Caloundra Regional Gallery*
 - Cemeteries*
 - Festivals*
 - Multisport Complexes and Showgrounds*
 - 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.*

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 2025-26 financial year. As the recommended business activity structure for 2025-26 is the same as the business activity structure currently in place, there are no significant changes in process required.

8.5 DELEGATION TO THE CHIEF EXECUTIVE OFFICER - ANNUAL REVIEW

File No: Council Meetings

Author: Acting Manager Governance and Executive Services
Civic Governance Group

Appendices: App A - 2016-73 (V10) Delegation to the Chief Executive Officer
..... 199 [↓](#) 

Attachments: Att 1 - 2016-73 (V10) Delegation to the Chief Executive Officer
Tracked Changes 221 [↓](#) 

PURPOSE

The purpose of this report is to satisfy the requirement of section 257 (5) of the *Local Government Act 2009* (Qld) to annually review and update the Council’s delegation instrument to the Chief Executive Officer.

EXECUTIVE SUMMARY

Council performs many functions and exercises authority under a wide range of legislation, 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 20 June 2024.

To comply with section 257 (5) of the Act and ensure the currency of the Delegation to the Chief Executive Officer, a review has been conducted to ensure consistency between the Local Government Association of Queensland’s (LGAQ) delegations register (informed by King and Company Solicitors) and Council’s delegations register.

Recommended updates to Council’s current Instrument of Delegation to the Chief Executive Officer, based on the review, are identified and tracked in the proposed Instrument of Delegation at **Attachment 1**.

OFFICER RECOMMENDATION**That Council:**

- (a) receive and note the report titled “Delegation to the Chief Executive Officer - Annual Review”
- (b) adopt Delegation 2016-73 (V10), Delegation to the Chief Executive Officer (Appendix A), noting that this Delegation replaces and supersedes Delegation 2016-73 (v9) Delegation to the Chief Executive Officer adopted by Council on 20 June 2024 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 Governance and Executive Services 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**

The Outstanding Organisation Portfolio Councillors, E Hungerford and J Broderick have been consulted regarding the annual review of delegations and the recommendations proposed in this report.

Internal Consultation

Internal consultation occurred with the following officers:

- Acting Group Executive Civic Governance
- Acting Manager Governance and Executive Services

External Consultation

Consultation was undertaken with the Local Government Association of Queensland (LGAQ) to obtain their most current advice regarding statutory delegation review documentation from King and Company Solicitors.

Community Engagement

No community engagement is 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, together with King and Company Solicitors, provides updates of statutory delegations of authority under relevant legislation twice a year. This includes advice on those matters which cannot be delegated by a local government, due to the requirement for those matters to be determined by resolution of Council.

As part of Council's annual review of delegations, an analysis was undertaken of the legislation identified in Council's existing Delegation to the Chief Executive Officer, the Local Government Association of Queensland's delegation register (informed by King and Company Solicitors), and Council's delegation register. This work helps to facilitate the currency, consistency, and completeness of Council's delegation framework.

The following legislation has been identified through King and Company Solicitors for inclusion in the Council to Chief Executive Officer Delegation:

- *Coexistence Queensland Act 2013* - this relates to legislation changes strengthening coexistence between the State's resources, agriculture, and renewable energy industries. The GasFields Commission Queensland is now called Coexistence Queensland with a new and expanded remit. The legislation delegates power to the Local Government as an entity (landholder) to comply with and respond to notices from the Chairperson of Coexistence Queensland. It also includes the power to agree with Coexistence Queensland for the services of employees to be made available to Coexistence Queensland. It is unlikely this delegation would be exercised.
- *Security of Critical Infrastructure Act 2018* - amended 4 April 2025 and impacts local governments by clarifying obligations for data storage systems and expanding government assistance powers. This change empowers the regulator to direct an entity (including local councils) to remedy a seriously deficient risk management program, ensuring that Councils are taking appropriate security measures for any critical infrastructure. Local governments must be prepared for a broader range of potential interventions. There are expanded provisions for the use and disclosure of protected information, which may require local governments to share more information with federal authorities.
- *State Emergency Service Act 2024 (Qld)* - Before the enactment of the *State Emergency Service Act 2024*, the management and establishment of State Emergency Service (SES) units and related emergency response activities in Queensland were governed by a combination of older legislation and frameworks including the *Disaster Management Act 2003*. *The State Emergency Service Act 2024* has streamlined and formalised these responsibilities, providing clearer guidelines and enhanced powers to local governments to manage SES units and respond to emergencies more effectively.

Legal

Section 257 of the *Local Government Act 2009* authorises a local government to make a resolution to delegate its powers to:

- the Mayor
- Chief Executive Officer
- a standing committee, or
- a joint standing committee.

While delegations provide expediency to facilitate 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 or 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 *Local Government Act 2009* 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 Schedule 2 of the proposed new Delegation to the Chief Executive Officer in **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.

Facilitating appropriate delegations to the Chief Executive Officer is consistent with the *Human Rights Act 2019* (Qld). Actions and decisions which seek to maintain the operational efficiency and effectiveness of the local government contribute to the protection of the right of an individual to take part in public life (section 23).

Policy

There are no policy implications.

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 can 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 20 June 2024 (OM24/47)**

That Council:

- (a) receive and note the report titled "Delegation to the Chief Executive Officer - Annual Review"*
- (b) adopt Delegation 2016-73 (V9), Delegation to the Chief Executive Officer (Appendix A), noting that this Delegation replaces and supersedes Delegation 2016-73 (v8) Delegation to the Chief Executive Officer adopted by Council on 22 June 2023*
- (c) revoke Council's strategic policy document titled "Delegations Guiding Principles Policy (Delegations from Council to the Chief Executive Officer), noting that the guiding principles have been incorporated into Delegation 2016-73 (V9), to the Chief Executive Officer and*
- (d) 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.*

Related Documentation

Council's Instrument of Delegations and associated Schedules are available in the Delegations Register.

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* which requires annual review of the Delegation to the Chief Executive Officer. The Delegation to the Chief Executive Officer was last endorsed by Council on 20 June 2024 (OM24/47).

Implementation

Should the recommendation be accepted by Council, it is noted that 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.

8.6 COUNCIL PORTFOLIO SYSTEM 2025

File No: Council Meetings

Author: Manager Strategy and Policy
Civic Governance Group

Appendices: App A - Sunshine Coast Council 2025 Portfolio Responsibilities 247 [↓](#) 

App B - Sunshine Coast Council 2025 Portfolio System and Protocols..... 249 [↓](#) 

PURPOSE

The purpose of this report is to consider the Council Portfolio system and responsibilities as aligned to the Corporate Plan 2025-30 commencing on 1 July 2025.

EXECUTIVE SUMMARY

The Sunshine Coast Council (Council) has operated under a portfolio system since 2008 as part of its governance framework. This system enhances Councillor engagement, leadership, and representation where Councillors have areas of focus aligned to their portfolio.

Following the 2024 local government elections, Council adopted the Council Portfolio System at its Ordinary Meeting on 30 May 2024. Under the system, two Councillors take responsibility for each portfolio, each of these being aligned to the goals in Council’s Corporate Plan 2024–2028. The Mayor undertakes a regional leadership and representational role in line with the *Local Government Act 2009*.

Council portfolios

In February 2025, Council adopted the new Corporate Plan 2025-30 (Corporate Plan) which comes into effect on 1 July 2025. The Corporate Plan has five goals:

- Strong community
- Environment and liveability
- Resilient economy
- Managing for growth
- Organisational excellence.

The Council Portfolio Responsibilities have been updated to align to the Corporate Plan 2025-30 (**Appendix A**).

The Sunshine Coast Council Portfolio System and Protocols (**Appendix B**) provides details of the portfolio system and the associated operating protocols.

Membership of the Audit Committee will remain with Councillor Ted Hungerford and Councillor Jenny Broderick as approved by Council in May 2024, in line with the responsibilities of the new Organisational Excellence Portfolio.

OFFICER RECOMMENDATION**That Council:**

- (a) receive and note the report titled “Council Portfolio System 2025” and
- (b) approve the following allocation of Sunshine Coast Regional Council portfolios to Councillors (Appendix A):
- **Region Shaping Projects, Regional Advocacy and Intergovernmental Relations – Councillor Rosanna Natoli**
 - **Strong Community – Councillor David Law and Councillor Taylor Bunnag**
 - **Environment and Liveability – Councillor Maria Suarez and Councillor Tim Burns**
 - **Resilient Economy – Councillor Terry Landsberg and Councillor Joe Natoli**
 - **Managing for Growth – Councillor Winston Johnston and Councillor Christian Dickson**
 - **Organisational Excellence – Councillor Ted Hungerford and Councillor Jenny Broderick and**
- (c) approve the Sunshine Coast Council 2025 Portfolio System and Protocols (Appendix B).

FINANCE AND RESOURCING

No additional impact on Council’s approved budget is envisaged to implement the recommendations in this report.

CORPORATE PLAN

Corporate Plan Goal:	<i>Our outstanding organisation</i>
Delivery Pathway:	Maintain a contemporary governance framework that inspires trust and confidence in the operations of Council
Operational Activity:	S27 - Elected Council – providing community leadership, democratic representation, advocacy and decision-making.

CONSULTATION**Councillor Consultation**

Consultation has been undertaken with the Mayor and Councillors on the matters outlined in this report.

Internal Consultation

Consultation has been undertaken with the Chief Executive Officer and the Executive Leadership Team on matters outlined in this report.

External Consultation

External consultation was not considered necessary in relation to the matters considered by this report. The matters within this report are operational in nature and support good governance for the Region.

Community Engagement

Community engagement was not considered necessary in relation to the matters considered by this report. The matters within this report are operational in nature and support good governance for the Region.

Legal

No legal issues have been identified. As indicated above, there is no statutory requirement on local governments to establish a Council portfolio system. The model proposed is in line with Council's approach to contemporary governance practices.

Policy

The recommendations within this report are not in conflict with any other existing Council policies.

Risk

There are no significant risks identified with adopting the recommendations in this report.

Previous Council Resolution**Ordinary Meeting 30 May 2024 (OM24/25)**

That Council:

- (a) *receive and note the report titled "Council Portfolio System 2024"*
- (b) *approve the following allocation of Sunshine Coast Regional Council portfolios to Councillors –*
 - Region Shaping Projects, Regional Advocacy and Intergovernmental Relations – Councillor Rosanna Natoli*
 - Strong Community – Councillor David Law and Councillor Taylor Bunnag*
 - Environment and Liveability – Councillor Maria Suarez and Councillor Tim Burns*
 - Resilient Economy – Councillor Terry Landsberg and Councillor Joe Natoli*
 - Service Excellence – Councillor Winston Johnston and Councillor Christian Dickson*
 - Outstanding Organisation – Councillor Ted Hungerford and Councillor Jenny Broderick*
- (c) *approve the Sunshine Coast Regional Council 2024 Portfolio System and Protocols (Appendix A) to replace the Sunshine Coast Regional Council 2020 Councillor Portfolio System and Protocols*
- (d) *approve the Sunshine Coast Regional Council 2024 Portfolio Responsibilities (Appendix B) to replace the 2020-24 Councillor Portfolios – Strategic Alignment Model and*

- (e) *under section 210 (1) (b) (i) of the Local Government Regulation 2012 approve the appointment of Councillor Ted Hungerford and Councillor Jenny Broderick as members of the Sunshine Coast Regional Council Audit Committee.*

Related Documentation

- Sunshine Coast Council Corporate Plan 2025-30
- Sunshine Coast Council Audit Committee Charter
- *Local Government Act 2009*
- *Local Government Regulation 2012*

Critical Dates

To align with the Corporate Plan 2025-30 commencement on 1 July 2025, the allocations of portfolios to Councillors should occur prior to this date to facilitate a smooth transition.

Implementation


Should the recommendations in this report be accepted by Council, the Chief Executive Officer will:


- advise Council staff of the appointment of Councillors to each portfolio and
- publish details of the portfolio responsibilities and Councillor designations on Council's website.

8.7 AUDIT COMMITTEE MEETING - 19 MAY 2025

File No: Council Meetings

Author: Manager Audit, Assurance and Risk Advisory Services
Civic Governance Group

Appendices: App A - Minutes of the Audit Committee meeting of 19 May 2025 261 [↓](#) 

App B - 2025 – 2026 Internal Audit Program of Work 283 [↓](#) 

PURPOSE

To provide Council with a report on matters reviewed at the Audit Committee (“the Committee”) meeting held on 19 May 2025 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 Broderick.

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 Audit Committee on 19 May 2025 covered these matters:

- Meeting Minutes and Audit Committee Resolutions/Action Items
- Chief Executive Officer's Update
- Finance: Annual Financial Statement Risk and Planning Assessment
- Queensland Audit Office: First Interim Report for 2024/25
- Built Infrastructure/Business Performance: Project Office: Update on Asset Management Program
- Governance: Integrity Report
- Governance: Internal Audit Program of Work update
- Governance: Proposed Internal Audit 2025-2026 Program of Work
- Governance: Recommendation Monitoring
- Governance: Internal Audit Report: Grants
- Governance: Internal Audit Report: Contract Management Review
- Governance: Internal Audit Report: Cash Handling Review
- Governance: Strategic Risk Update Report
- Strategic Risk Discussion: Financial Sustainability

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Audit Committee Meeting - 19 May 2025"**
- (b) endorse the Minutes of the Audit Committee meeting of 19 May 2025 at Appendix A to this report, and**
- (c) accept the recommendation of the Audit Committee dated 19 May 2025 and in doing so, approve the 2025 – 2026 Internal Audit Program of Work at Appendix B.**

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:	<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 J Broderick and E Hungerford attended and participated in the Audit Committee meeting on 19 May 2025.

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

Internal Consultation

The Chief Executive Officer and other Executive Leadership Team (ELT) members participated in 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 19 May 2025:

- Manager Finance
- Coordinator Financial Accounting
- IT PMO Manager
- A/Coordinator Corporate Risk & Insurance
- Manager Ethical Standards
- Coordinator Integrity Management.

External Consultation

The independent members of the Committee were present at the Committee meeting on 19 May 2025.

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 Broderick.

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.

The most recent meeting of the Audit Committee took place on 19 May 2025. The minutes of the Committee meeting are provided at **Appendix A** to this 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 27 February 2025 (OM25/12)**

That Council:

- (a) receive and note the report titled "Audit Committee Meeting 10 February 2025" and*
- (b) endorse the Minutes of the Audit Committee meeting of 10 February 2025 at Appendix A to this report.*

Ordinary Meeting 12 December 2024 (OM24/126)

That Council:

- (a) receive and note the report titled "Appointment of Independent Audit Committee Member"*
- (b) approve the appointment of the independent Audit Committee member as recommended, for a term of four years from and including 1 January 2025 and concluding on 31 December 2028 and*
- (c) authorise the Chief Executive Officer to publicly release the name of the person appointed as a member of the Audit Committee, should Council endorse the recommendations in this report.*

Ordinary Meeting 20 June 2024 (OM24/46)

That Council:

- (a) receive and note the report titled "Audit Committee Meeting 23 May 2024"*
- (b) endorse the Minutes of the Audit Committee meeting of 23 May 2024 at Appendix A to this report and*
- (c) accept the recommendation of the Audit Committee dated 23 May 2024 and in doing so, approve the 2024 – 2025 Internal Audit Program of Work at Appendix B.*

Ordinary Meeting 18 January 2024 (OM24/7)

That Council:

- (a) receive and note the report titled "Appointment of Independent Audit Committee Member"*
- (b) approve the appointment of the independent Audit Committee member, as discussed in confidential session, for a term of three years from and including 18 January 2024 and concluding on 31 December 2026 and*
- (c) authorise the Chief Executive Officer to publicly release the name of the person appointed as a member of the Audit Committee, should Council endorse the recommendations in 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.

8.8 DISPOSAL OF MULTIPLE LEASE LOTS - CALOUNDRA AEROSPACE PARK**File No:** F2024/42266**Author:** Senior Property Officer
Business Performance Group**Attachments:** Att 1 - Proposed Lease Lots - Caloundra Aerospace Park .. 311  

PURPOSE

To seek Council's resolution to grant an exception under Section 236(1)(e) and (2) of the *Local Government Regulation 2012* to dispose of land (via lease) by releasing several lease lots located at Caloundra Aerodrome, legally described as Lot 1 on SP312324 on the open market.

EXECUTIVE SUMMARY

The report seeks Council's resolution to grant an exception under Section 236(1)(e) and (2) of the *Local Government Regulation 2012* to allow Council to dispose of land via open market negotiations, rather than undertaking a second tender to release any remaining lease lots not secured during the tender process. The subject land comprises of approximately six (6) hectares and is located with the Caloundra Aerodrome, as shown in **Attachment 1 - Proposed Lease Lots**.

Sunshine Coast Council endorsed the Caloundra Aerodrome Master Plan 2042 in November 2022. Stage 1 of the Master Plan identifies the potential for the release of approximately 6.3 ha of net leasable land, through an extension of Pathfinder Drive, to support growth of existing businesses and to encourage new investment for businesses compatible with the aeronautical industry.

Council released to the market (late 2024) the opportunity to lease proposed new lots at the aerodrome via a tender process. The tender closed 12 November 2024 with the evaluation process having concluded. Negotiations are continuing with a number of shortlisted respondents on certain lots.

To ensure momentum following the release of the tender, Council approval is sought to:

- Obtain an exception to release any remaining lease lots on the open market for private treaty transaction, rather than conducting another tender.
- Appoint a Leasing and Marketing Agent.
- Secure offers from prospective tenants that meet Council's expectations for use/activation, market rent requirements, and compliance with Council's legislative requirements.

An exception is requested because the lots have been offered to the market via public tender. Allowing for open market negotiations will enable Council to be dynamic, actively negotiate interests, and be more time-competitive with the sites that may not be secured through the tender process.

OFFICER RECOMMENDATION**That Council:**

- (a) receive and note the report titled “Disposal of Multiple Lease Lots - Caloundra Aerospace Park” and
- (b) subject to any lots not being secured as part of the tender/negotiation process which closed 12 November 2024:
 - (i) appoint a real estate agency to market the lease lots on the open market seeking a private treaty agreement provided that:
 - (1) it complies with Section 236 of the *Local Government Regulation 2012* and
 - (2) the consideration for the disposal is equal to or greater than the market value of the interest in land and
 - (ii) resolve, pursuant to Section 236(1)(e) and (2) of the *Local Government Regulation 2012* that an exception to dispose of an interest (lease) in land located at Caloundra Aerospace Park located at 14 Caloundra Road, Caloundra West applies over any remaining lots as the lots have been offered to the market via public tender.

FINANCE AND RESOURCING

Council will be required to pay for advertising costs for the leasing campaign and for commission fees to the real estate agent upon securing tenants to the Aerospace Park.

In addition, Council will be responsible for the design and construction of the infrastructure works associated with creating the lots. A capital budget has been prepared for the planning and investment required to achieve Council’s aspirations for this site as an important economic asset for the region.

Consultants have been engaged to finalise a design of the extension of Pathfinder Road and the creation of the new lots with anticipation of the construction to commence early 2026.

Council’s contribution towards the investment and the uplift in rental revenue will also contribute to the longevity of the project. The rent payable will be equal to or above that of the market value of the interest in land which will be determined by an independent registered valuer pursuant to Section 236(3) and 236(5) of the *Local Government Regulation 2012*.

CORPORATE PLAN

Corporate Plan Goal:	<i>Our service excellence</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S22 - Property management – comprehensive management of Council’s land and building assets to ensure that Council’s property dealings are optimised, centrally managed, and support Councils objectives.

CONSULTATION**Councillor Consultation**

- Councillor J Broderick - Division 1 Councillor
- Councillor T Landsberg - Division 2 Councillor
- Councillor W Johnston - Service Excellence Portfolio Councillor
- Councillor C Dickson - Service Excellence Portfolio Councillor

Internal Consultation

- Group Executive Business Performance
- Head of Property, Business Performance
- Building and Facilities Manager, Business Performance
- Manager of Leasing & Land Management, Business Performance
- Coordinator Strategic Property, Business Performance
- Senior Property Officer, Business Performance
- Coordinator Financial Services, Business Performance
- Manager Business and Innovation, Business Performance
- Coordinator Strategic Procurement and Commercial Opportunities, Business Performance
- Civil Program Delivery Manager, Liveability & Natural Assets
- Project Manager, Liveability & Natural Assets
- Senior Solicitor Property & Commercial, Civic Governance
- Head of Productivity and Industry, Economic & Community Development.

External Consultation

Council engaged a marketing agency to oversee and execute the marketing campaign for the tender release.

Premise - Civil Engineers have been engaged to prepare the design of the project.

Adams & Sparkes Town Planning have been engaged for services in relation to the reconfiguration of lot process to create the new lease lots.

Community Engagement

Community engagement was undertaken as part of the preparation of the Caloundra Aerodrome Master Plan 2024.

MacNeil and Co were engaged to undertake a marketing and engagement campaign for the aerodrome tender release which include online and radio advertising.

No specific community engagement has been undertaken for this report.

PROPOSAL

The Caloundra Aerodrome is located at 14 Caloundra Road Caloundra West and is legally described as Lot 1 SP312324, it is freehold land owned by Council.

The subject area is expected to become a precinct of choice for advanced aerospace and associated manufacturing activities delivery cutting edge, sophisticated and sustainable opportunities of significance to the Southeast Queensland aviation and aerospace industry.

Consultants have been engaged to finalise a design of the extension of Pathfinder Road and the creation of the new lease lots with anticipation of the construction to commence early 2026. Refer **Attachment 1 - Proposed Lease Lots**. The lot sizing and quantity may change slightly as design progresses.

The land release forms an integral part of the Master Plan 2042 where Council will optimise and develop the site. The release of the land will support and facilitate growth aspirations of the existing aviation related tourism, manufacturing, and technology development industries.

Council has offered the lots to the market via a public tender process. The intent of the public tender was to:

- seek commercial aviation-related businesses to express an interest to secure a site to construct, occupy and operate their business from the aerodrome; and to
- ensure Council complies with its legislative requirements under the *Local Government Regulation 2012*.

The tender closed 12 November 2024, with a number of negotiations continuing with shortlisted respondents on certain proposed lots, but other proposed lots remain available. Where a tender results in unsuccessful outcomes, it is considered appropriate to release the opportunity on the open market via Council's appointed commercial real estate and marketing agent. Council can enter into leases over the land via a private treaty arrangement under Section 236 of the *Local Government Regulation 2012* in the event that:

- the opportunity has been released via public tender; and
- no successful or suitable respondents resulted from the evaluations or negotiations.

To allow Council to enter into a lease via private treaty, Council is required to grant an exception under Section 236 of the *Local Government Regulation 2012* which provides that disposal, other than by public tender or auction, may occur if an exception applies. An exception is permitted where it relates to an application where the grant of the lease has been previously offered by public tender, but a lease has not been entered into.

To ensure that Council has explored every opportunity to secure leases for the entire precinct, an exception is being sought to commence an open market campaign for any lots not yet secured.

To ensure the disposal complies with Sections 236(3) and (5) of the *Local Government Regulation 2012* a market rental assessment will be undertaken to ensure that it is:

- assessed by a registered Valuer who is not an employee of the local government registered under the *valuers Registration Act 1992* and
- the face rent will be set at or above the market valuation as determined by the registered Valuer.

An exception under the *Local Government Regulation 2012* is deemed applicable and appropriate in this instance as the lots have been offered via a public tender and negotiations continue with shortlisted respondents. However, in the event no leases are secured via the tender process, leasing these sites on the open market, and entering into a private treaty agreement is expected to have the following benefits:

- expected to reduce the timeframe to obtain a tenant as opposed to releasing a further public tender
- takes advantage of any momentum and marketing materials provided by the marketing agency
- commercial operators are more familiar with the offer and acceptance process
- allows the Council with the opportunity to negotiate and counter-offer with prospective tenants as well as engage during the offer process

Legal

Legal Services have been consulted in relation to this report and have undertaken a review of the proposed template Agreement for Lease and Lease Agreement.

Policy

This report has been prepared in accordance with Council's Procurement Policy relating to the disposal of Council assets.

Risk

Financial loss could result if Council invests capital funds into the project, such as planning and preliminary works without securing tenants.

Reputational risk could result if Council fails to deliver on a promised project harming the Council's reputation, adversely affecting relationships with clients, stakeholders and the community.

Previous Council Resolution

Ordinary Meeting 17 November 2022 (OM22/102)

That Council:

- receive and note the report titled "Caloundra Aerodrome Master Plan"*
- endorse the Caloundra Aerodrome Master Plan 2042 (Appendix A) and*
- refer the Infrastructure Investment Plan for consideration as part of the next budget development process.*

Related Documentation

Caloundra Aerodrome Master Plan 2042

Critical Dates

While there are no critical dates, obtaining an exception will help maintain momentum in securing prospective tenants. This will allow Council to enter into leases over any remaining sites via private treaty arrangements.





Implementation

Should the recommendation be accepted by Council, it is noted that the Chief Executive Officer will delegate authority to Strategic Property to engage a real estate agent to release multiple lease lots on the open market to secure tenants via this means; execute lease agreements (by Council's delegated officer) and register the lease agreements with Titles Queensland.

8.9 DISPOSAL (LEASE): THE PAVILION - 37 ESPLANADE HEADLAND KINGS BEACH

File No: F15/00129

Author: Senior Property Officer
Business Performance Group

Attachments: Att 1 - Aerial Plan 317  
Att 2 - Survey Plan - Leased Area..... 319  
Att 3 - Proposed Terms (*Under Separate Cover*) - Confidential

PURPOSE

To seek Council's resolution to grant an exception under Section 236 of the *Local Government Regulation 2012*, and to enter into a new Trustee Lease with Metropolitan Caloundra Surf Life Saving Club (Tenant) to dispose of part of land (via lease).

EXECUTIVE SUMMARY

This report seeks Council's resolution to grant an exception from the auction/tender process under Section 236(1)(c)(iii) of the *Local Government Regulation 2012* to dispose of land (via lease) by entering into a direct lease with Metropolitan Caloundra Surf Life Saving Club over part of 37 the Esplanade Kings Beach, legally described as Lot 202 SP249722.

The land at Lot 202 SP249722 Kings Beach is State Reserve for Park and Recreation under control of Council as Trustee.

The Tenant occupies premises of approximately 158m², which consists of 92m² internal space and 66m² for outdoor dining, as reflected on **Attachment 2** under a lease which expired on 31 December 2024. The Tenant has continued to occupy the premises under a Trustee Permit under similar terms to the expired Trustee Lease but with a Permit Fee in alignment with the rent as agreed in **Proposed Terms (Attachment 3)**.

In preparing this report, the Chief Executive Officer recommends that **Attachment 3** be considered confidential in accordance with section 254J(3)(g) of the *Local Government Regulation 2012* as it contains information relating to negotiations relating to a commercial matter involving the Local Government for which a public discussion would likely prejudice the interests of the local government and recognising that, until Council makes a decision and the lease is executed, the lease has no certainty.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Disposal (Lease): The Pavilion - 37 Esplanade Headland Kings Beach "
- (b) resolve that in accordance with Section 236(2) of the *Local Government Regulation 2012*, that an exception to dispose of an interest in land (lease) other than by tender or auction applies as per section 236(1)(c) (iii) the Metropolitan Caloundra Surf Life Saving Club Incorporated is the existing tenant of part of the land at 37 Esplanade Headland Kings Beach and

- (c) **authorise the Chief Executive Officer to publicly release details relating to the Trustee Lease upon execution of the Lease.**

FINANCE AND RESOURCING

Each party will be responsible for bearing its own costs associated with the drafting, negotiation, and registration of the new trustee lease.

The proposed commercial lease terms are contained within confidential **Attachment 3**.

Corporate Plan Goal:	<i>Our service excellence</i>
Outcome:	We serve our community by providing this great service
Operational Activity:	S22 - Property management – comprehensive management of Council's land and building assets to ensure that Council's property dealings are optimised, centrally managed, and support Councils objectives.

CONSULTATION

Councillor Consultation

- Councillor T Landsberg - Division 2 Councillor
- Councillor W Johnston - Service Excellence Portfolio Councillor
- Councillor C Dickson - Service Excellence Portfolio Councillor

Internal Consultation

- Group Executive Business Performance
- Head of Property, Business Performance
- Coordinator Strategic Property, Business Performance
- Legal Services, Civic Governance

External Consultation

Council's Property Management Branch has liaised with the Tenant in relation to this report. Herron Todd White were engaged to undertake a market rent valuation.

Community Engagement

Due to the administrative nature of this report, no community engagement has been undertaken or is required in relation to this report.

PROPOSAL

The land subject to this lease is State Reserve under the control of Council as Trustee for the purpose of Park and Recreation. The premises is referred to as the Pavilion Kiosk as its located within the Kings Beach Bathing Pavilion adjacent to the Kings Beach Surf Club and ocean pool. The Kings Beach Bathing Pavilion is listed on the Queensland Heritage register.

The Tenant has operated out of the existing premises on a Community Trustee Lease since 1 January 2015 which expired on 31 December 2024. As a commercial café is operated from

the premises, a Permit Fee (set in alignment with a market rent) commenced from 1 January 2025, as agreed with the Tenant, whilst a new term was negotiated.

A review of the Tenant's performance under the current lease has been undertaken. They are in good standing and compliant with the essential terms of agreement including being up to date with payments. The Tenant's operations have not negatively impacted the utilisation of the remainder of the Council managed land which is occupied for the Surf Club and other community facilities. The Kiosk has complimented the existing site and provides additional retail offerings.

On this basis that there is broad support within the organisation, it is recommended that Council enter into a new Trustee Lease for a period of five (5) years with the current tenant by granting an exception as the current tenant has an already established operation on the land.

On the basis above, Council is of the opinion that the proposed terms are sufficient to support entering into a lease to the current lessee rather than opening submissions via tender or auction.

In accordance with the *Local Government Regulation 2012*, an exception from Council is required where Council seeks to enter into a new commercial lease with the existing tenant of the land (other than by tender or auction). If an exception is not approved, the premises will be offered for lease via a tender process.

Legal

Council's Legal Services have been consulted in relation to the preparation of the Term Sheet and lease documentation.

Policy

This report has been prepared in accordance with Council's Procurement Policy relating to the disposal of Council assets.

Risk

Council is proposing to enter into a new lease with the current tenant by requesting that Council grant an exception under the *Local Government Regulation 2012*.

Council's position is that the proposed terms and conditions identified in **Attachment 3** are sufficient to warrant an exception under the legislation.

If an exception is not approved by Council there is an inherent risk that Council would:

- not be able to secure an improved offer via tender, and
- not be able to avoid an unnecessary period of vacancy and loss of revenue transitioning between tenants.

Previous Council Resolution

There is no previous Council resolution relevant to this report.

Related Documentation

There is no related documentation relevant to this report.

Critical Dates

The previous lease expired 31 December 2024. An interim Permit has been executed in accordance with the Offer to Lease, and this permit is due to expire 31 December 2025.

Implementation

Should the recommendation be accepted by Council, it is noted that the Chief Executive Officer will:

- request the officers prepare the Form 7 - Lease Documentation for execution by the Tenant and
- Councils delegated officer will arrange for the registration of this documentation at the Titles Office.

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

12 NEXT MEETING

The next Ordinary Meeting will be held on 24 July 2025.

13 MEETING CLOSURE