

Related Documentation

Ordinary Meeting

Thursday, 22 June 2023

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
8.1	RELATED ITEM - DEVELOPMENT PERMIT FOR AN OTHER CHANGE - MATERIAL CHANGE OF USE OF PREMISES TO EXTEND AN EXISTING INTENSIVE ANIMAL INDUSTRY (POULTRY FARM), INCLUDING AN ENVIRONMENTALLY RELEVANT ACTIVITY (POULTRY FARMING), ADDITIONAL SHEDS AND DRIVEWAY LOCATED AT 325 & 367 RED ROAD BEERBURRUM	
	ATTACHMENT 1 PRESENTATION	5
8.2	RELATED ITEM - APPLICATION OF NATIONAL COMPETITION POLICY 2023/2024	
	ATTACHMENT 1 PRESENTATION	17
8.3	RELATED ITEM - 2023/24 PROCUREMENT POLICY AND PROCUREMENT AND DISPOSAL FRAMEWORK	
	ATTACHMENT 1 PRESENTATION	29
8.4	RELATED ITEM - MAY 2023 FINANCIAL PERFORMANCE REPORT	
	ATTACHMENT 1 PRESENTATION	45
8.5	RELATED ITEM - AUDIT COMMITTEE MEETING 22 MAY 2023	
	ATTACHMENT 1 PRESENTATION	53
8.7	RELATED ITEM - DELEGATION TO THE CHIEF EXECUTIVE OFFICER	
	ATTACHMENT 1 PRESENTATION	59
8.8	RELATED ITEM - REVIEW OF THE LOCAL GOVERNMENT INFRASTRUCTURE PLAN	
	ATTACHMENT 1 PRESENTATION	65
8.9	RELATED ITEM - DISPOSAL (EASEMENT) OF PART OF COUNCIL FREEHOLD LAND AT 36 WILLOWOOD CRESCENT, NAMBOUR	
	ATTACHMENT 1 PRESENTATION	71

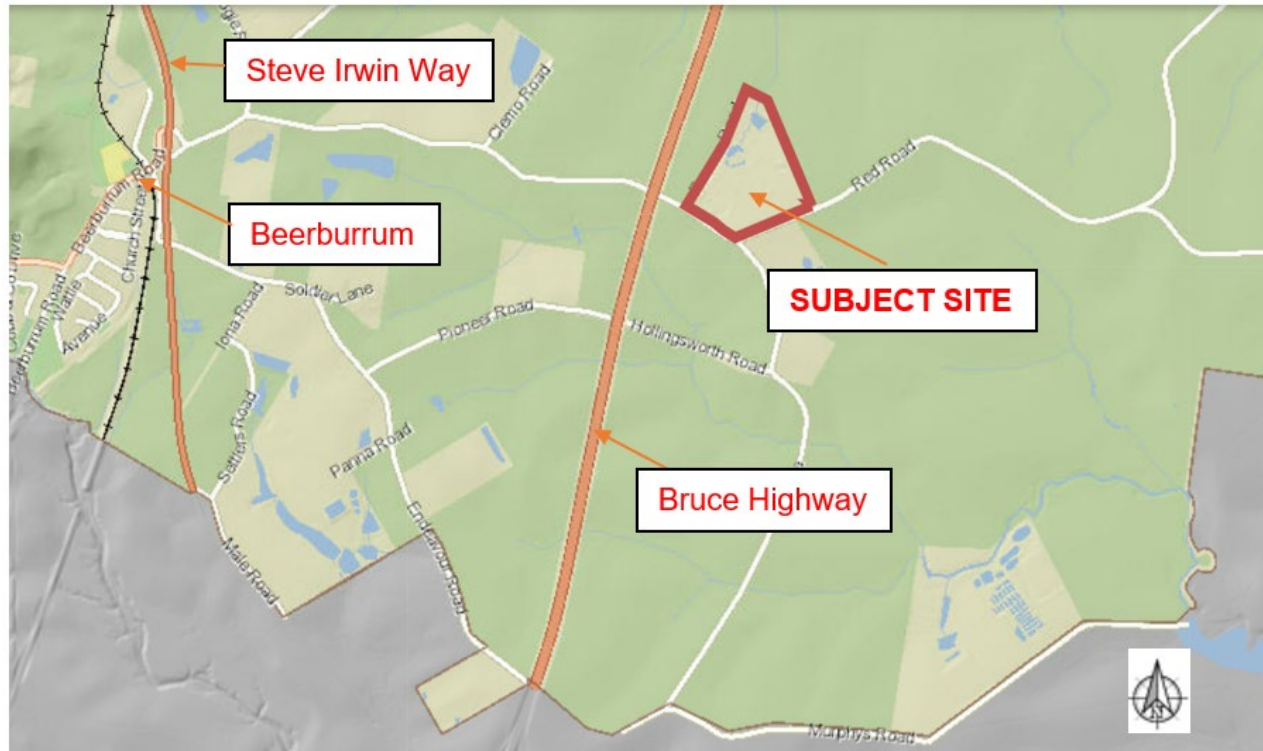


Ordinary Meeting June 2023

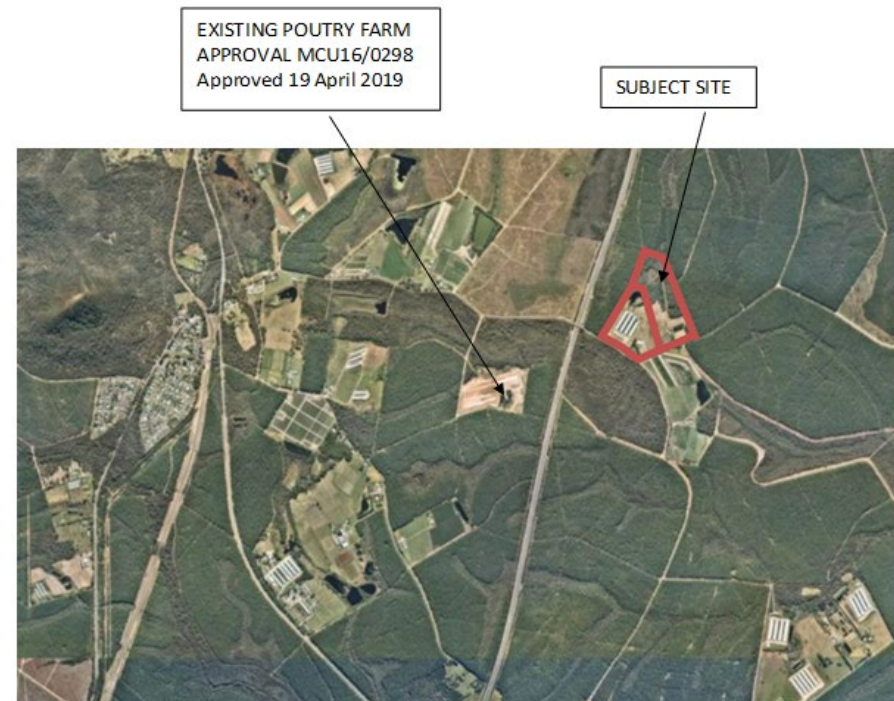
Item 8.1 - 325 & 367 Red Road Beerburrum

Other Change - Development Permit for Material Change of
Use of Premises to Extend an Existing Intensive Animal
Industry (Poultry Farm)

Locality Plan



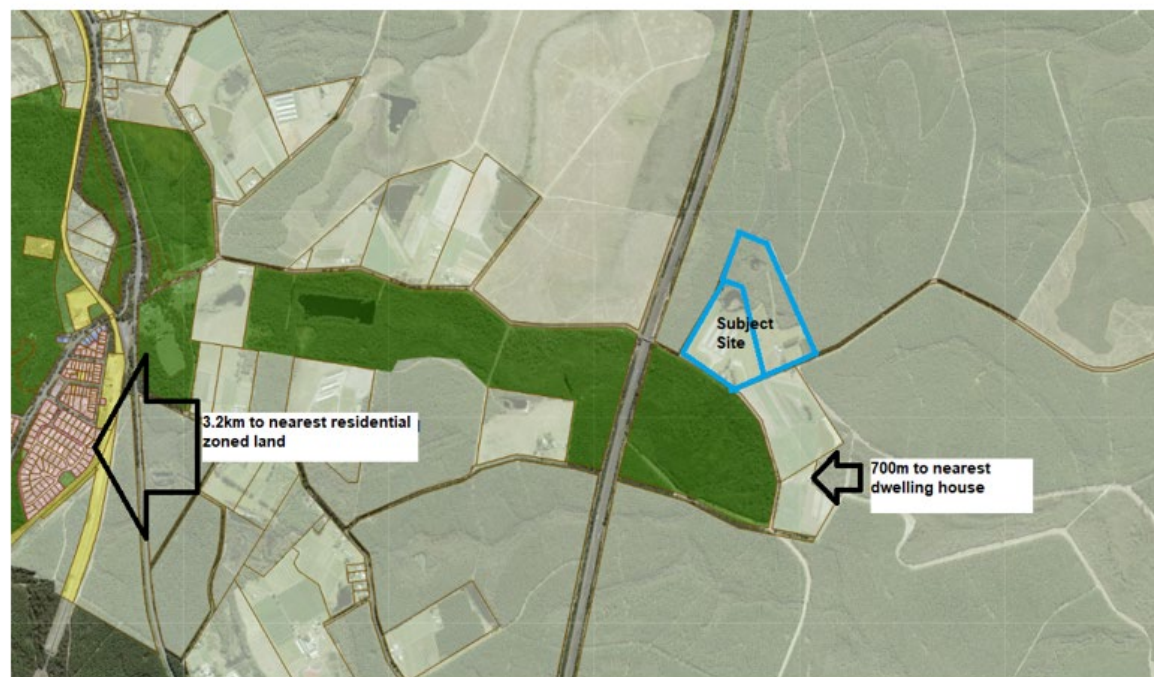
Aerial Photograph



Zone Map

Subject Site is zoned **Rural**

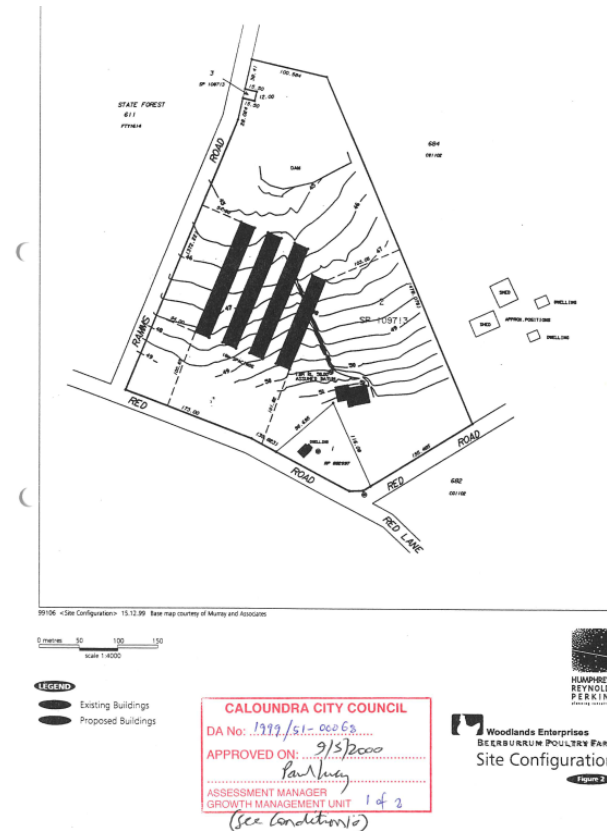
Surrounding Area is predominantly Rural Zone, State Forest and Environmental Management and Conservation Zone



Low Density Residential Zone	District Centre Zone	Medium Impact Industry Zone	Limited Development (Landscape Residential) Zone
Medium Density Residential Zone	Local Centre Zone	High Impact Industry Zone	Rural Zone
High Density Residential Zone	Sport and Recreation Zone	Waterfront and Marine Industry Zone	Rural Residential Zone
Tourist Accommodation Zone	Open Space Zone	Community Facilities Zone	Specialised Centre Zone
Principal Centre Zone	Environmental Management and Conservation Zone	Emerging Community Zone	Tourism Zone
Major Centre Zone	Low Impact Industry Zone		

Existing Approval - 1999/510068

- Animal Husbandry - Intensive Poultry Farm was approved May 2000
- Included 4 sheds and an Environmentally Relevant Activity 4a for up to 200,000 birds



Proposal

- Other change – existing approval 9/05/2000 - 4 poultry sheds – about 171,456 existing birds
- Introduce new Lot 684 CG1102
- 6 new sheds proposed with a Gross Floor Area of 17,809m²
- Will accommodate about 452,640 birds



Public Notification

- Publicly notified for 15 business days between 11 January 2023 and 2 February 2023
- 138 Properly Made submissions and 30 Not Properly Made submissions were received.
- All submissions were in support of the proposal

Referral Agencies

Department of State Development, Infrastructure, Local Government and Planning (SARA) - Concurrency Agency approved the development subject to conditions for:

- Stormwater management
- Environmentally relevant activity —The chief executive administering the Planning Act 2016 nominates the Department of Agriculture and Fisheries to be the enforcement authority for the development – Environmental license

Key Assessment Considerations

Land Use and Planning Scheme

- “Intensive animal industry (Poultry farm)” is a “potentially consistent use” within the Rural zone
- Intensive animal industry (Poultry farm) is described in the planning scheme as a “rural activity”
- The development application fully complies with the requirements of the *Sunshine Coast Planning Scheme 2014*

Recommendation

That Council APPROVE this application for an Other Change - Development Permit for Material Change of Use of Premises to Establish Intensive Animal Industry (Poultry Farm), subject to reasonable and relevant conditions

Thank you.



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

National Competition Policy 2023/24

22 June 2023

1

Introduction

This presentation covers:

- High-level overview of how the National Competition Policy (NCP) regime works
- Business activity classification and NCP reforms
- Smaller business activities where discretion does not apply -NCP could be used
- Activities that are not business activities

Desired outcomes

Council to :

- note the proposed application of NCP reforms for business activities for the 2023/24 financial year

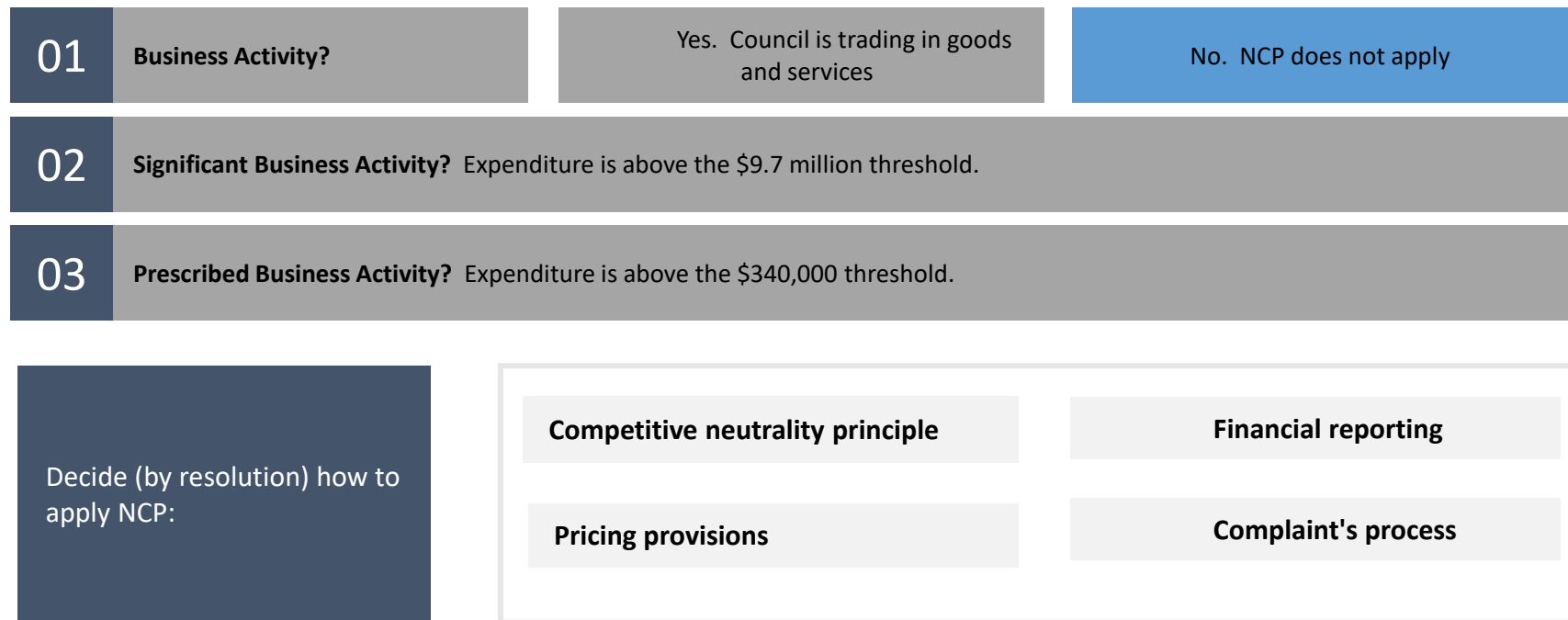
The competitive neutrality principle:

An entity conducting a business activity in competition with the private sector should not enjoy a net advantage over its competitors only because it is a public sector entity

The competitive neutrality principal is achieved by:

- Removing any competitive advantage or competitive disadvantage
- Promoting efficient use of resources to ensure markets are not unnecessarily distorted
- Ensuring that the advantages and disadvantages are considered when setting the required revenue.

NCP legislation at a glance



For each new **significant business activity**:

- Above the expenditure threshold of \$9.7 million

Undertake a **public benefit assessment**:

Apply the **competitive neutrality principle** via:

Council **should not enjoy a net advantage** over its competitors only because it is in the public sector.

Will the **benefit** to the public (in terms of service quality and cost) of applying the competitive neutrality principle **outweigh the costs**?

Full cost pricing

OR

Commercialisation

OR

Corporatisation

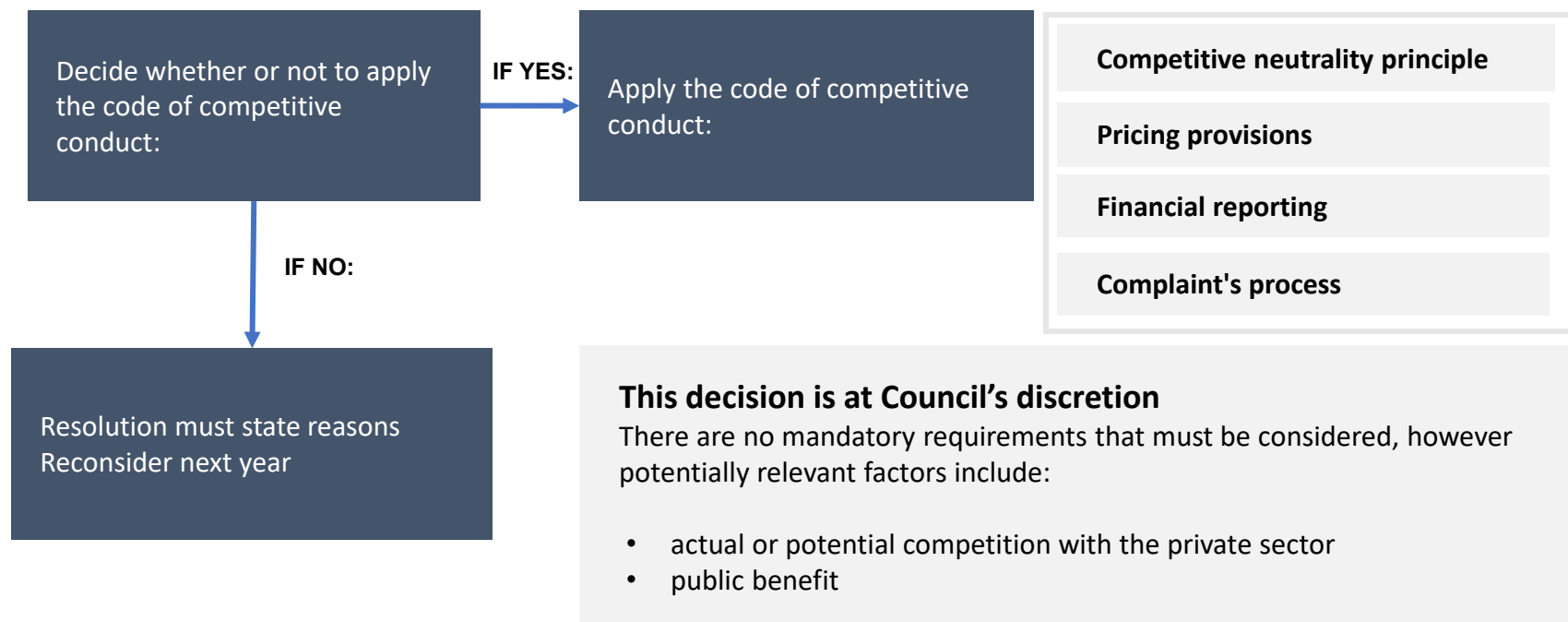
Charge for goods or services at the **full cost of providing those goods or services**

Have the activity conducted by a **commercial business unit**

Create a **corporatised business entity** to conduct the activity

For each **prescribed business activity**:

- Above the expenditure threshold of \$340,000, but below the expenditure threshold of \$9.7 million



Business activity classification and NCP reforms

Classification	Significant Business Activity	Prescribed Business Activity	
NCP Reform	Full Cost Pricing	Corporatised	Code of Competitive Conduct
	<ul style="list-style-type: none"> Waste and Resources Management 	<ul style="list-style-type: none"> SunCentral Maroochydore Pty Ltd Caloundra Events Centre Pty Ltd 	<ul style="list-style-type: none"> Sunshine Coast Holiday Parks Quarries
Refer Attachment 2 - Ordinary Meeting Report :	Table 1	Table 3	Table 2

Business activity classification and NCP reforms





Classification	Prescribed Business Activity		
NCP Reform	Not applying Code of Competitive Conduct		
Refer Attachment 2 – Ordinary Meeting Report:	<ul style="list-style-type: none"> • Off-street Parking • Retail Electricity and Sunshine Coast Solar Farm • Cemeteries • Caloundra Regional Gallery • Festivals 	<ul style="list-style-type: none"> • Aquatic Centres • Venue 114 & Community Spaces • Caloundra Indoor Stadium • Multisports and Showgrounds 	<ul style="list-style-type: none"> • Sunshine Coast Stadium and Kawana Sports Precinct • Sunshine Coast International Broadband Cable Network
Table 2			
Appendix 1 Justification for not applying the Code			

Non-business activities

Classification	Non-business Activity		
NCP Reform	None NCP does not apply		
Refer Attachment 2 – Ordinary Meeting Report:	<ul style="list-style-type: none"> Fleet Management Roads Parks and Gardens Property Information Property Management 	<ul style="list-style-type: none"> Healthy Places Response Services Community Land Permits and Parking Development Services 	<ul style="list-style-type: none"> Right to Information Arts, Heritage and Libraries Natural Areas Management
Table 4			

Documenting statement of reasons

Example from Appendix 1: Sunshine Coast Stadium and Kawana Sports Precinct

 Corporate Plan and Policy Linkage	 Public Benefit objectives	 Target market and competition	 Pricing
<p>The <i>Sunshine Coast Sport and Active Recreation Plan 2011-2026</i> is an important contributor to the Safe and Healthy Communities outcome of the <i>Sunshine Coast Council Corporate Plan 2021-2025</i>.</p>	<ul style="list-style-type: none">• equitable access to sport facilities• health and wellbeing• social cohesion• broadening of the regional economy.	<ul style="list-style-type: none">• regional sport and national event markets• elsewhere in Queensland these markets primarily utilise Queensland Government owned facilities.	<ul style="list-style-type: none">• for community groups reflects these objectives and excludes notional costs under NCP• for commercial hire benchmarked against industry prices

Questions



2023/24 Procurement Policy and Procurement Disposal Framework

Local Government Act & Regulation

Local Government Act 2009 (LGA)

- Local Government Principles
- Sound Contracting Principles

Local Government Regulations 2012 (LGR)

- Procurement Policy
- Strategic Contracting Procedures
 - Contract Manual (How to procure)
 - Contracting Plan (What Council will procure)
 - Market Assessment
 - Supporting Guidelines
 - Significant Contracts

Amendments for 2023/2024

- Adjustment to Procurement Thresholds
- Amendment to Evaluation Criteria and Weightings
 - WHS Evaluation - Satisfactory or Unsatisfactory
 - Non-weighted Price evaluation
 - Social and Economic Factors
- Managing Conflicts of Interest
- Adoption of Significant Contracting Plans

These are explained further in coming slides

Procurement Thresholds

- Significant market changes experienced over the last 2 years (especially seen for construction and supply contracts)
- Current quote procurement thresholds:
 - One quote required for activities up to \$25,000.
 - Three quotes required for activities between \$25,000 and \$250,000.
- To better align with the current market movements, the above thresholds will be adjusted as follows:
 - One quote required for activities up to \$50,000.
 - Three quotes required for activities between \$50,000 and \$500,000.
- Requirement to invite locals only up to \$500,000

Procurement Thresholds

VALUE THRESHOLDS	ROUTES TO MARKET
\$0 - \$50,000	One Quote
\$50,000 - \$500,000	Three Quotes, Supplier Arrangement or other Exception
\$500,000 - \$5 million	Tender, Supplier Arrangement, EOI or other Exception
\$5 million and greater or higher risk / complex contracts	Significant Contracting Plan, which identifies the strategic approach to the market

Evaluation Criteria and Weightings

Workplace Health and Safety

- Currently receives a weighting as part of the Methodology Evaluation Criteria.
- As part of pursuing improved work health and safety outcomes with and from suppliers / contractors, WH&S will be evaluated on the basis of satisfactory / unsatisfactory.
- Submissions assessed as unsatisfactory will be disqualified from further evaluation.

Non-weighted Price Evaluation

- Price is currently a weighted evaluation criteria in all procurement activities.
- Weighting allocated to price is normally significant and impacts on the remaining weighting available to be distributed across non-price criteria.
- Moving price to a non-weighted criteria allows for greater weighting to be applied to important non-price criteria (e.g. sustainability).
- Outcome is determined based on dividing non-price evaluation score by Respondents price.
- Process weighs price and non-price criteria equally.

Evaluation Criteria and Weightings

Continued ...

Social and Economic Factors

- Will continue to receive a minimum 20% of evaluation weighting allocated to Social and Economic Factors
- Consider market being approached and identify opportunities for First Nation and Social Benefit engagement
- If opportunities exist for meaningful engagement, the % weighting is increased to pursue the opportunity
- Social and Economic Factors weighting to be distributed across Local Contribution, First Nation and Social Benefit engagement.

Managing Conflicts of Interest

- Process for declaration of a conflict of interest as part of a procurement activity to be updated to achieve alignment with Corporation Governance policies.

Adoption of Significant Contracting Plans

- The Contracting Plan currently requires Council to identify all Significant Contracts, then prepare and adopt a Significant Contracting Plan for each.
- Council defines Significant Contracts as contracts that:
 - Have an anticipated value of \$5 million or more and / or
 - Are deemed Significant Contracts following assessment under the Procurement Profile Matrix, and Risk Assessment Calculator
- The Regulation requires Council to make and adopt a Contracting Plan each financial year which includes the contracts that Council considers will be a Significant Contract. Following adoption of the Contracting Plan the Regulation only requires that Council make a Significant Contracting Plan for each Significant Contract before the contract starts.
- The Contracting Plan will be amended so that Significant Contracting Plans will be approved by the Procurement Contracts Committee prior to the commencement of the contract to which it relates.
- Each Significant Contracting Plan will require endorsement by the Manager of the Branch seeking the Significant Contract and their Group Executive.

Significant Contracting Activities for 2023/2024

- First Avenue Streetscape - Project Delivery
- Oval Avenue and Gosling St Upgrade – Project Delivery
- Stringybark Road Footbridge Pathway - Project Delivery
- Alexandra Headland MDS Strategy (Stage 1) – Project Delivery
- Food Organic and Garden Organic Processing Services – Waste & Resource Management
- Landfill Services - Waste & Resource Management
- Kawana Waters Regional Aquatic Centre – Project Delivery
- Mooloolaba Foreshore Central Meeting Place – Project Delivery
- Mooloolaba Transport Corridor – Project Delivery
- Natural Area Management Services – Environmental Operations

Significant Contracting Activities for 2023/2024

Continued...

- Vehicle Leases – Fleet Management
- Rail Upgrade Offset Project – Environmental Operations
- Resource Recovery Centre Operations – Waste and Resource Management
- DRFA Works - Unsealed Roads Maintenance – Civil Asset Management
- Cooney Road Bli Bli Road Intersection Signalisation – Project Delivery
- Landslip Remediation Works – Civil Asset Management

Environment and Sustainability

- Price as a non-weighted evaluation criteria allows for increases weighting to be applied to other important criteria.
- Engage Givvable to assist with validation of supplier sustainability performance and practices.

Local Preference in Procurement Guideline

Background

- Local Preference in Procurement Guideline will continue to drive engagement with local contractors / suppliers

2022/23 Statistics

- End of April 2023, Council has a procurement spend of **\$361 million**
- **\$252 million** or **70%** with Local Suppliers

Further Development for 2023/2024

Workplace Health & Safety

- Further activities to pursue improved work health and safety outcomes with and from suppliers / contractors.

Procurement Review

- Procurement function review to be undertaken.
- Investigate new models and methods that deliver improved outcomes and reduced costs.

Questions

Thank you.



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



May 2023 Financial Performance Report

May 2023 Operating Result

- Council's operating result at the end of May 2023 of \$47.2 million is below the current budget by \$4.5 million
- The variance consists of:
 - Revenue above budget of \$4.8 million
 - Expenses are over budget by \$9.3 million, of which \$4.9 million relates to recurrent capital expenses undertaken through the Capital Works Program that do not meet the definition of an asset under the Accounting Standards

May 2023 Operating Result

Revenue

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

Expenditure

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

May 2023 Capital Expenditure Result

Capital Works Program has Progressed 68.2%

- \$199.7 million of Council's \$293 million Capital Works Program was financially expended.
- The Core Capital Program has progressed 74.6% of budget, an actual spend of \$156.9 million
 - Current forecast indicate the Core Capital Program will reach 85% complete by financial year end

Cash Flows and Balance Sheet

Council Cash

- Council's cash at 31 May is \$308.5 million

Council Debt

- Council's debt at 31 May is \$457 million
- Council's original borrowings for 2022/23 were \$34.2 million as per 2022/23 Debt Policy
- Actual loans for 2022/23 - \$6.2 million for the Maroochydore Multideck
- There is no requirement for Waste Management loans this financial year. We will assess during 2023/24

Investment Performance

Investments

- Council currently has 14 term deposits totalling \$150 million
- Term deposits mature between 0 – 365 days
- Weighted average interest rate return of 4.52%
- Interest rates received on investments have increased significantly in recent months

OFFICER RECOMMENDATION

That Council receive and note the report titled “May 2023 Financial Performance Report ”

Thank you.



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

Audit Committee Meeting 22 May 2023

Councillor Briefing
12 June 2023

For presentation at Ordinary Meeting: 22 June 2023

Overview - Full agenda 16 Items

- Chief Executive Officer: update
- Governance: strategic risk report
- Governance: operational risk report
- Governance: report on Integrity & Insurance matters
- Finance: report on Annual Financial Statement Risk and Planning Assessment
- Finance: update on the Financial Sustainability Framework
- Finance: update on Climate-Related Financial Disclosure Requirements
- Queensland Audit Office: update on 2023 External Audit Plan
- Queensland Audit Office: update on First Interim Report for 2022/23
- Audit & Assurance: update on FY2022-2023 annual work program
- Audit & Assurance: progress of recommendations
- Audit & Assurance: an Audit report on Development Services Planning Assessment Fees and Charges
- Audit & Assurance: a proposal on the 2023-2024 Program of Work
- Audit & Assurance: a proposal from on an additional meeting and revised meeting schedule for the Audit Committee for each financial year
- People & Culture: workplace health and safety report
- Built Infrastructure: Asset Transformation project update and progress of audit recommendations

Key recommendations

- **Audit & Assurance:** a proposal on the 2023-2024 Program of Work
 - *10 reviews planned - See Appendix B to the report – pages 192 and 193*
 - *audit topics identified on a strategic, cross-organisational and functional basis, drawing on risk management information*
 - *consultation with the Chief Executive Officer, Group Executives and business areas*

- **Audit & Assurance:** a proposal for an additional Audit Committee meeting and revised meeting schedule for the Audit Committee for each financial year
 - *4 meetings following each of Council's Quarter ends*
 - *plus 1 out of session meeting via teleconference to endorse Financial Statements*

Officer Recommendations for June OM

The Officer will be recommending at the 22 June OM:

That Council:

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

Thank You





Item 8.7

Delegation to the Chief Executive Officer

Delegations

- Councils can delegate powers (s257 *Local Government Act 2009*)
- Reasons for Delegations:
 - ☐ Not practical for councils to exercise the many statutory functions of local government
 - ☐ Achieves good governance by empowering qualified staff to make decisions and act
- Cannot delegate anything that must be exercised by Council resolution (s257(3))
- Delegations to the CEO must be reviewed annually (s257(5))
- CEO can sub-delegate powers to appropriately qualified staff (s259)

Annual Review

- No material change required to existing CEO delegations
- Three additional legislation identified:
 - ☐ *Land Regulation 2020*
 - ☐ *Planning Act 2016 – Development Assessment Rules*
 - ☐ *Retail Shop Leases Regulation 2016*
- Administrative and procedural powers only

Next Steps

- Adopt annual review of CEO Delegations
- Update Delegations from CEO to Council Officers
- Update Council's Delegation Register (s260)

Thank you.



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



Ordinary Meeting June 2023

Item 8.8

Review of the Local Government Infrastructure Plan

LGIP amendment processes

- Current LGIP – adopted June 2018
- Must be reviewed every 5 years
- After review, Council can decide to –
 - Make **NO** changes
 - Undertake **SOME** changes
 - Prepare a **NEW** LGIP
- Not required to complete changes / new LGIP in the 5 years only advise State within 20 days
- This recommendation is to prepare NEW LGIP for adoption with new planning scheme
- Process under Part 4 of Minister's Guidelines and Rules very extensive

BUT.....

- some minor changes required to existing LGIP to “tide us over”
- much quicker process
- minor review process already commenced from Council decision 26 May 2022
- public notification late 2022
- report to Council July 2023

Officer recommendation

That Council:

- receive and note the report titled “Review of the Local Government Infrastructure Plan”,
- based on the review of the current Local Government Infrastructure Plan, decide to make a Local Government Infrastructure Plan in accordance with the *Planning Act 2016* and the *Minister’s Guidelines and Rules*, and
- delegate authority to the Chief Executive Officer to prepare and progress the proposed Local Government Infrastructure Plan under the *Planning Act 2016* and the *Minister’s Guidelines and Rules*.

Thank you



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



Item 8.9

Disposal (easement) of Part of Council Freehold Land at 36 Willowood Crescent, Nambour

Ordinary Meeting 22 June 2023

Overview

- Council is the owner in freehold of the land located at 36 Willowood Crescent, Nambour.
- The Developer (Millwood Rise Developments Pty Ltd) owns the adjoining land at 41 Glenbrook Drive, Nambour and is undertaking a reconfiguration of the land to support the establishment of 11 residential lots in line with approval RAL19/0005/01. The application forms part of Stage 5 of the Millwood Rise project.
- The Developer has requested that Council permit the installation of private sewer infrastructure within Council owned land to support the Development.
- The proposed easement is some 218m² in area. The proposed Easement location is outlined in **Attachment 3 – Easement Area** of this item.

Easement Location Plans



Proposal

- An options analysis was undertaken regarding the sewer access, and it was determined acceptable by Council to have the sewer infrastructure traverse the Council land and connect to the existing sewer network along Greenline Circuit, Nambour
- The easement transects Council's land at the most acceptable location taking into consideration the topography of the land and the location of the existing sewer network.
- The Developer will be responsible for the payment of all costs relating to the installation, management and maintenance of the inground infrastructure as well as costs associated with the granting of an easement by Council (which includes compensation for the diminished value of Council's land).
- The *Local Government Regulation 2012* stipulates that an interest in a disposal of land, other than by tender or auction, may occur if an exception applies. In this instance an exception under Section 236(1)(c)(iv) applies as the disposal is to a person or entity who owns adjoining land.

Officer Recommendation

That Council:

- a) receive and note the report titled “Disposal (Easement) of Part of Council Freehold Land at 36 Willowood Crescent, Nambour” and**
- b) resolve, pursuant to section 236(2) of the Local Government Regulation 2012, that an exception to dispose of an interest (easement) in land (other than by tender or auction) applies as the disposal of part of Council freehold land at Lot 606 on SP313125 is to be disposed to a person who owns adjoining land pursuant to section 236(1)(c)(iv).**

Thank you.



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