



GLADSTONE
REGIONAL COUNCIL

**GENERAL MEETING NOTICE
AND AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS – CIVIC CENTRE
101 GOONDOON STREET, GLADSTONE**

On Tuesday 15 February 2022

Commencing at 9.00am

**Leisa Dowling
CHIEF EXECUTIVE OFFICER**

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G/1. MAYORAL STATEMENT OF CURRENT ISSUES

G/2. CONFIRMATION OF MINUTES

G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 1 FEBRUARY 2022

Responsible Officer: Chief Executive Officer

Council Meeting Date: 15 February 2022

File Ref: CM7.2

Purpose:

Confirmation of the minutes of the General Meeting held on 1 February 2022.

Officer's Recommendation:

That the minutes of the General Meeting of Council held on 1 February 2022 be confirmed.

Attachments:

1. Minutes of the General Meeting of Council held on 1 February 2022.

Tabled Items:

Nil.

Report Prepared by: Executive Secretary

G/3. DEPUTATIONS

G/3.1. GLADSTONE AREA PROMOTION AND DEVELOPMENT

Responsible Officer: Chief Executive Officer

Council Meeting Date: 15 February 2022

File Ref: CM7.6

Purpose:

Gladstone Area Promotion Development Limited (GAPDL) will provide an update to Council including recent activities and key performance indicators.

Officer's Recommendation:

That the deputation from Gladstone Area Promotion Development Limited (GAPDL) be received.

Background:

Deputation details are as follows:

Time of Presentation	9:15am
Duration of Presentation plus question time	15 mins
Speakers to present	Gus Stedman, Chief Executive Officer
Is the matter currently or has previously been subject to legal proceedings?	No
Matter for information only	Yes

Attachments:

1. GAPDL October – December 2021 Quarterly Report

Tabled Items:

Nil.

Reported Prepared by: Executive Secretary

G/4. OFFICERS' REPORTS

G/4.1. DEVELOPMENT APPLICATION 56/2021 FOR A MATERIAL CHANGE OF USE OF PREMISES FOR AN EDUCATIONAL ESTABLISHMENT (DIVE SCHOOL), SHOP AND CARETAKER'S ACCOMMODATION LOCATED AT 4 JEFFERY COURT, AGNES WATER QLD 4677

Responsible Officer: General Manager Customer Experience

Council Meeting Date: 15 February 2022

File Ref: DA.56.2021; DB1.7

Development Application:

Application Number:	DA/56/2021
Applicant:	Inholoex Investments Pty Ltd C/- Zone Planning Group
Owner:	Inholoex Investments Pty Ltd
Confirmation Notice:	26 October 2021
Location:	4 Jeffery Court, Agnes Water QLD 4677
RPD:	Lot 20 RP 613382
Area:	1,066m ²
Current Use of Land:	Dwelling House
Zoning:	Mixed Use Zone – Jeffery Court Precinct
Proposal:	Educational Establishment, Shop and Caretaker's Accommodation
Public Notification Period:	26 November 2021 to 17 December 2021
Number Of Submissions:	Four (4) Submissions

Purpose:

The purpose of this report is to assess Development Application 56/2021 for a Material Change of Use of Premises for an Educational Establishment, Caretakers Accommodation and Shop located at 4 Jeffery Court, Agnes Water QLD 4677.

Executive Summary:

A Development Application for a Material Change of Use of Premises for an Educational Establishment, Caretakers Accommodation and Shop located at 4 Jeffery Court, Agnes Water, was received by Council on 12 October 2021. The application was prepared by Zone Planning Group on behalf of Inholoex Investments Pty Ltd for the development of an Educational Establishment (Dive School), Caretakers Accommodation and Shop (Dive Shop) located within the Mixed Use Zone, Jeffery Court Precinct.

In accordance with the *Our Place Our Plan Gladstone Regional Council Planning Scheme 2015, Version 2* (the Planning Scheme), the proposed Shop and Caretakers Accommodation are categorised as Code Assessable while the Educational Establishment is Impact Assessable in the Mixed Use Zone, Jeffery Court Precinct. As per the *Planning Act 2016* (the Act) an Impact Assessable application must be publicly notified. The Applicant conducted the Public Notification period between 26 November until 17 December 2021. During this period, a total of four (4) submissions in support were received.

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As per the Act, an Impact Assessable application must be carried out against the assessment benchmarks in the categorising instrument, may have regard to any matters prescribed by the *Planning Regulation 2017* (the Regulation), and may be carried out against, or having regard to, any other relevant matter. Therefore, the Application was assessed against the entire planning scheme, the *State Planning Policy – July 2017* (the SPP) and in accordance with the Act.

With reference to the Educational Establishment component, the tourism linkages provide benefits in favour of the community interest and align with the intent of the planning scheme for the Agnes Water area. In addition, there are negligible negative impacts in approving the Educational Establishment in this location, for the detailed relevant matters outlined in this report. As such, it is recommended that the Material Change of Use of Premises for an Educational Establishment, Caretakers Accommodation and Shop be approved, subject to conditions.

Subject Site:

The subject site is located at 4 Jeffery Court, Agnes Water, otherwise described as Lot 20 RP 613382. The site comprises a single residential allotment with 20m of road frontage to Jeffery Court, with a total area of 1,066m². The site is improved by a Dwelling House and internal sealed parking area. Figure One provides an aerial view of the subject site.



Figure One: Aerial view of the subject site and surrounds

The subject site is located within the Mixed Use Zone, Jeffery Court Precinct under the Planning Scheme which can be viewed below in Figure Two. The area in which the site is located is characterised by Dwelling Houses and Short-Term Accommodation uses such as a caravan park and accommodation units. Whilst the majority of the developments in the area are single Dwelling Houses, the intent for the area is to redevelop the precinct for more active and tourist type activities.



Figure Two: Zoning of the subject site

The site has existing connections to water, sewer, stormwater, electricity and telecommunication infrastructure. This can be viewed in Figure Three.

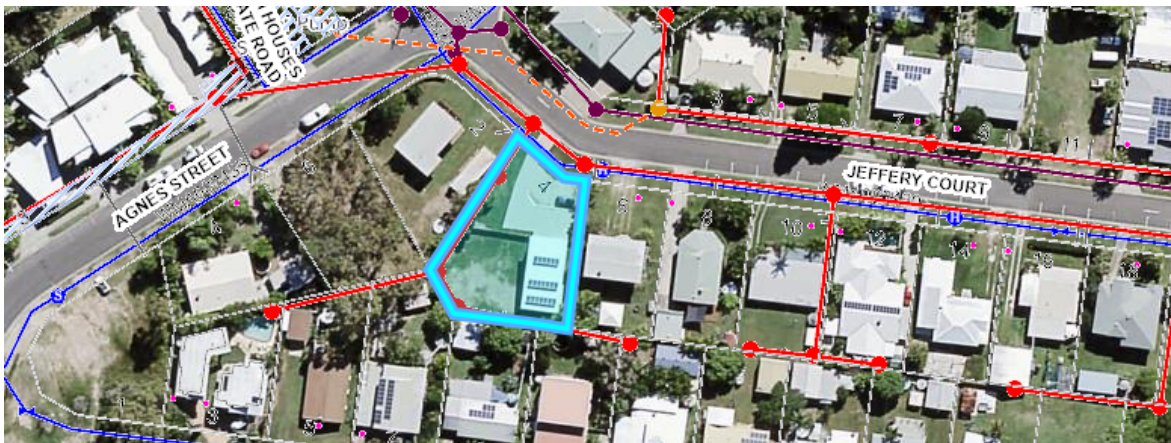


Figure Three: Existing infrastructure network

Background:

Application history

A Development Application for a Material Change of Use of Premises for Multiple Dwelling and Shop was lodged and approved under the superseded Miriam Vale Shire Planning Scheme in 2006 (Ref: DA/41772/2006). The development permit which has since lapsed.

A later Development Application for a Material Change of Use of Premises for Multiple Dwelling (5 units) and Commercial Premises (Tourist Information Centre) was lodged and approved under the superseded Miriam Vale Shire Planning Scheme in 2012 (Ref: DA/604/2012). The application has since lapsed.

2014 and 2015 saw the construction of the two storey Dwelling House which remains onsite (Ref: BP/1585/2014, WS/3992/2014, BP/293/2015 and DW/185/2015).

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A pre-lodgement meeting was held between the Applicant and Council regarding the proposal for a Dive School, Food and Drink Outlet, Shop and Caretakers (Ref: PL/15/2021). The intent of pre-lodgement meeting was to discuss alignment with the planning scheme definitions, any inconsistencies with the planning scheme and minimum requirements to support the lodgement of the application.

Current Application

The current Development Application for a Material Change of Use of Premises for an Educational Establishment, Caretakers Accommodation and Shop was lodged with Council on 12 October 2021 and Confirmed on 26 October 2021. On 9 November 2021, Council issued an Information Request pertaining to amenity impacts, landscaping, demand on the existing water and sewer network, and internal manoeuvring. The Applicant responded to the Information Request via two parts with additional justification and material.

Proposal:

The development application proposes to establish a Dive, Spear & Sports operations on the subject site, which consists of a Diving School for recreational and accredited dive and spear fishing courses (Educational Establishment), as well as a retail shop for the sale of associated dive equipment (Shop). The retail shop will also be the physical location for tourists to book tickets for diving charters out to Great Barrier Reef. The existing Dwelling is to be converted into part of the Dive School and the remainder as the Caretaker's Accommodation for staff to reside in (Caretakers Accommodation). The relevant planning scheme definitions for each use being sought can be viewed below:

Caretakers Accommodation: A dwelling provided for a caretaker of a non-residential use on the same premises.

Educational Establishment: Premises used for training and instruction designed to impart knowledge and develop skills. The use may include outside hours school care for students or on-site student accommodation.

Shop: Premises used for the display, sale or hire of goods or the provision of personal services or betting to the public.

The proposed development is intended to operate as a hub for the Dive, Sport & Spear operations. The Educational Establishment (Dive School) will seek to coordinate training and diving experiences with a private bus, with an additional three (3) spaces available in the car park. The Shop facility has provided an additional two (2) spaces, with one dedicated space to the onsite caretaker.

Within the common material, the Applicant has stated that the Dive School (dive training in the pool) at full capacity would see a maximum of 20 students and four (4) staff staggered over varying sessions. While the Dive School (education session) at full capacity would see two courses run simultaneously with four (4) students per one (1) instructor.

Figures Four to Six illustrate the overall Site Plan and Elevations for the development.

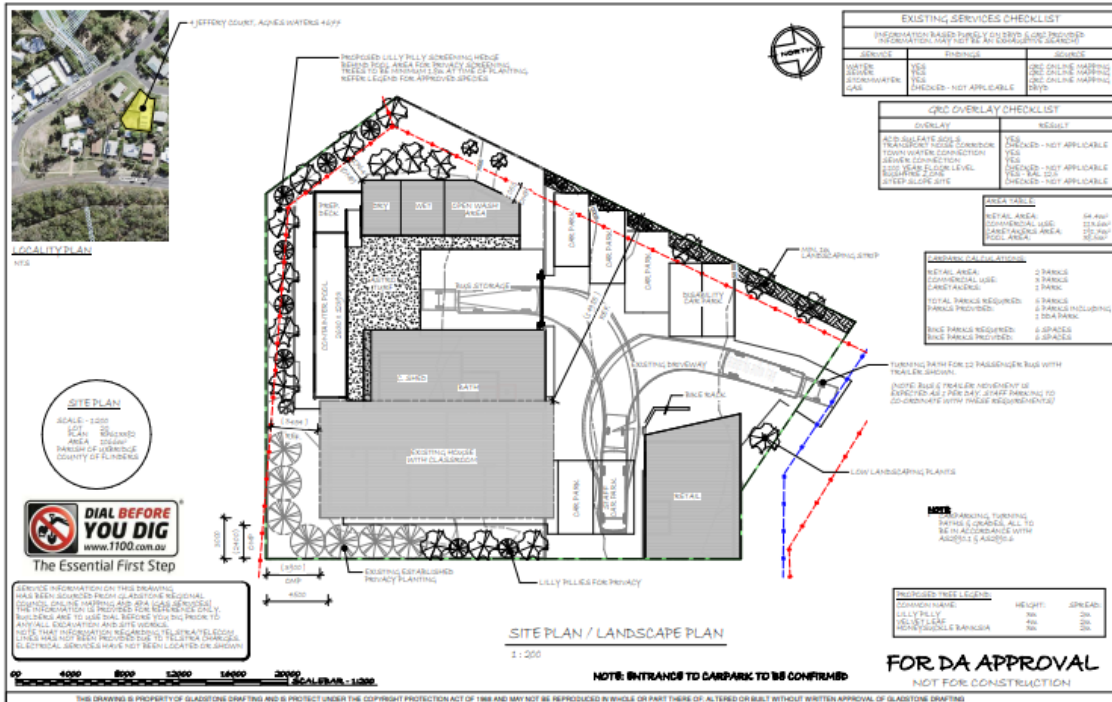


Figure Four: Proposed Site Plan

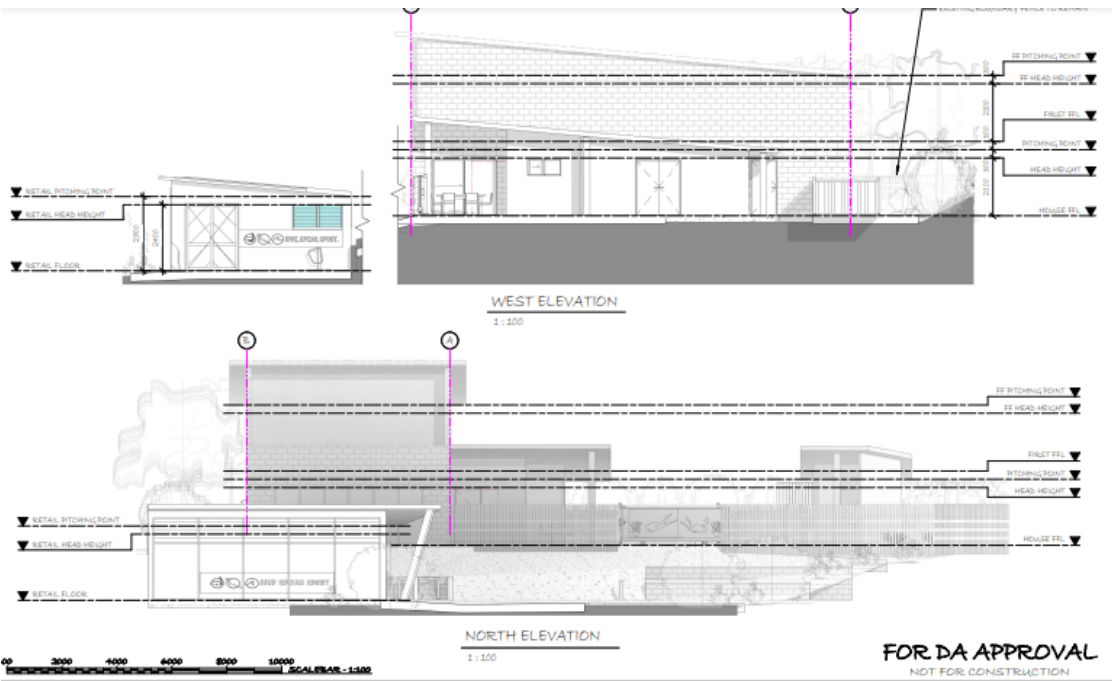


Figure Five: Proposed Elevations



Figure Six: Proposed Perspectives (front and rear)

The hub will consist of an accredited diving course that will be facilitated in the converted Ground Floor of the existing Dwelling House (113.6m² Gross Floor Area (GFA)) with physical training and assessment in the training tank. The Educational Establishment use also requires storage spaces for dive equipment (both personal and hire equipment) and a breakout area for outdoor training or relaxation post dive. This can be viewed below in Figure Seven.

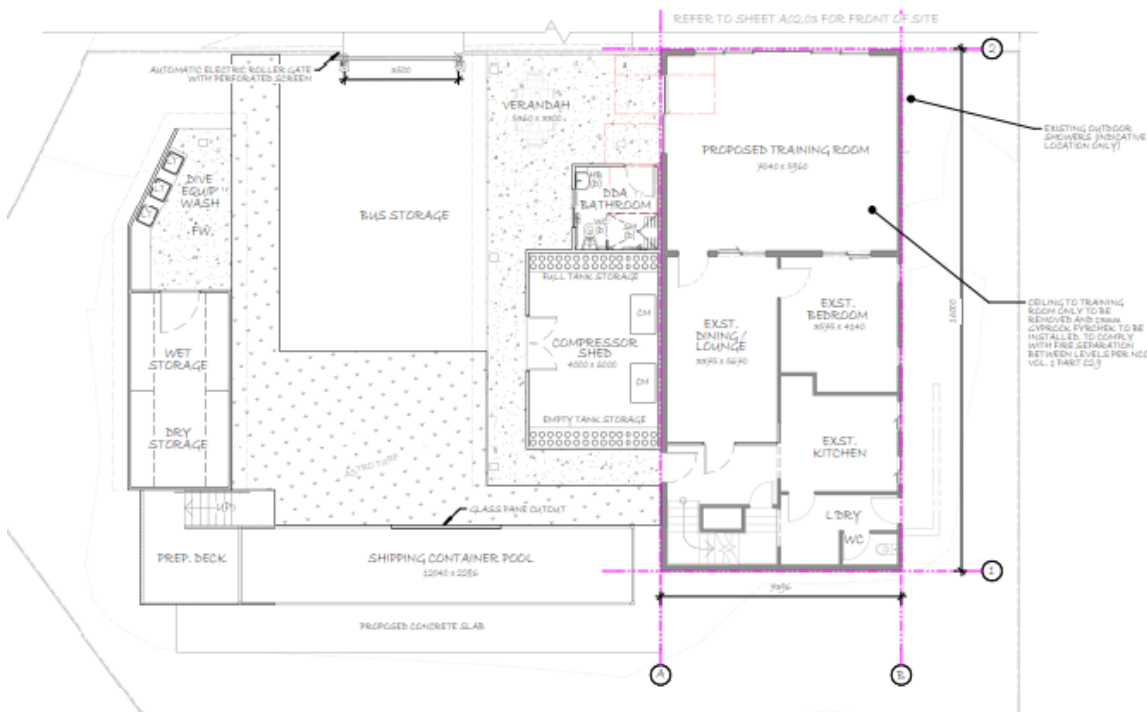


Figure Seven: Proposed Ground Floor conversion, diving tank and associated storage

The hub will develop an underwater sports retail space via a new construction of 54.4m² GFA at the front of the property. The Shop will be used to sell diving equipment and as a physical address for tourists to purchase reef charters and diving classes/experiences from. Figure Eight further illustrates the floor plan.

Adopted Infrastructure Charges Notice:

The application is subject to calculation against the *Gladstone Regional Council Adopted Infrastructure Charges Resolution (No. 1) – 2015 – Amendment No. 2 (AIC)*. The table below provides a summary of the development:

Existing Lawful Use		Proposed Use		
Planning Scheme Definition	GFA	Planning Scheme Definition	GFA	Charge
Dwelling House	3 + bedroom	Educational Establishment	113.6m ²	\$8,042.88
		Shop	54.4m ²	\$7,700.32
		Caretakers Accommodation	191.7m ²	Nil

As part of the Decision Notice, an Adopted Infrastructure Charge Notice will be issued in accordance with the Act. As per the AIC, the combined Educational Establishment and Shop will attract a charge of \$15,743.20 minus the Dwelling House credit of \$28,311.20, which totals a nil charge.

Referral:

In accordance with the *Planning Regulation 2017* (the Regulation), the application did not trigger referral to any referral agencies.

Assessment:

State Planning Policy July 2017

The SPP articulates the State Interests that have been identified as critical to protecting and enhancing Queensland and delivering developments. The SPP has effect throughout Queensland and sits above regional plans and Planning Schemes in the hierarchy of planning instruments. An assessment against Part E: Assessment Benchmarks will be required as the Planning Scheme has not been integrated with the current SPP state interest policies. An assessment has been carried out against each applicable State Interest.

State Interest	Trigger	Assessment
Natural Hazards Risk and Resilience	Flood Hazard Area	Complies – The proposal is located within the SPP mapping; however, the Planning Scheme does not have a flood study for area for the Agnes Water region. As part of the Site Based Stormwater Management Plan, the modelling of the design suggests that it is possible to mitigate any negative impacts to the surrounding sites.
	Bushfire Prone Area	Complies – the subject site is located within the Potential Impact Buffer. The subject site is relatively entirely clear of vegetation with surrounding residential properties having sparse tree canopy within their backyards. In addition to the cleared site, the

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		development will connect to reticulated water and be accessed via sealed internal driveways. With these requirements occurring, the risk for people and property at the site has been reduced.
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Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2

In accordance with the Planning Scheme Table of Assessment, the proposal triggers Impact Assessment against the whole Planning Scheme. The following have been identified as the applicable benchmarks for this development:

- Strategic Framework;
- Acid Sulfate Soils Overlay Code;
- Bushfire Hazard Overlay Code;
- Flood Hazard Overlay;
- Mixed Use Zone Code;
- Development Design Code; and
- Landscaping Code.

Strategic Framework - 3.3 Gateway to the World

Strategic Outcome 3.3.1 (9) states that *Business, and centre activities including retail uses occur in the region's mixed use centres and in urban revitalisation neighbourhoods only where in the Mixed use zone. They are not supported in residential zones. Development within these areas ensures the viability of the region's hierarchy of centres is maintained.*

The Planning Scheme envisages that mixed use centres incorporate a variety of uses which vary depending on the role and function of the area. The intent is that they are not dominated by a single use such as retail, but rather include a range of retail, commercial, entertainment and community uses which increases activity during and after regular business hours. The subject site is located within the Mixed Use zone which abuts surrounding uses such as Dwelling Houses which are yet to transition in line with the intent of Jeffery Court Precinct.

The existing town centre at Round Hill Road and Captain Cook Drive is the focus for retail activities within Agnes Water. The proposed hub will reflect a Shop interface at the front property boundary which will cater for bookings and Dive/Spear gear to be purchased while the rear will host the educational/training component. This hub is considered to compliment the vision for Agnes Water area and support the tourism transition highlighted via the precinct. Furthermore, the proposed development is not considered to undermine the existing Centre Zone of Agnes Water, rather, it is considered to further support the strong tourism themes in the area.

The referenced tourism theme can be further articulated via Strategic Outcome (14) which states *tourism occurs in mixed use centres and the Gladstone CBD through short term accommodation and in integrated tourist resort complexes and associated facilities on the islands of Heron, Quoin and Lady Elliot. Other smaller scale tourist uses in rural and coastal townships (such as Agnes Water and Seventeen Seventy) and rural places are appropriate where associated with rural and coastal attractions.*

Agnes Water and Seventeen Seventy are internationally renowned tourist destinations for backpackers and other visitors, and a launching pad for access to the southern islands of the Great Barrier Reef Marine Park. The Agnes Water town centre and the Jeffery Court Precinct represent the hub for this tourist activity and supports short term accommodation and associated tourist and entertainment uses such as food and drink

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outlets and bars. The proposed development in the Jeffery Court Precinct does not hinder the intent to maintain public access to the beach and foreshore areas, moreover it will assist in creating an additional asset into the existing tourism activities in the region. As such, it is considered the proposal achieves the intent of the Strategic Theme – Gateway to the World.

Strategic Framework - 3.5 Connecting Our Places

The relevant outcomes within the Strategic Theme of Connecting Our Places for this development can be summarised below:

(2) Development achieves the efficient use of existing transport and community infrastructure and the timely and equitable delivery of new infrastructure.

(3) All communities have access to a range of facilities and services, public spaces, open space, sport and recreation areas.

The subject site is ideally located being approximately 200m from the nearby shops via the partially established pedestrian footpath. Any demand created outside of pedestrian activity can be suitably catered for via the existing one way Jeffery Court road network which intersects with Agnes Street and Springs Road. The Applicant has provided further advice within the operational plan that the site will coordinate a private bus to facilitate attendees for the Dive School and future tours conducted on the surrounding reefs; significantly reducing traffic within the local street and onsite parking.



Figure 10: Distance between subject site and nearby shops

Strategic Framework – 3.6 Building it Better: Our Urban Area

Strategic Element 3.6.2 – Agnes Water Centre, outlines that expansion of the town centre requires development to: include significant public realm and streetscape improvements; and enhance the pedestrian environment and strengthen linkages to the beach and foreshore area. The subject site is centrally located with the nearby shops and main beach being approximately 200m each way which strengthens linkages to both key destinations in the area.

Acid Sulfate Soils Overlay Code

The proposed development has indicated that significant excavation of the site is not required given the existing stepped topography from the front to the rear of the site and the preferred use of materials and reuse of the existing Dwelling House. As a result, disturbance of acid sulphate soils is unlikely, however, a condition has been recommended to ensure if any is encountered during the construction phase of the development, the relevant management plan is prepared and complied with.

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Bushfire Hazard Overlay Code

As the development site is located within the potential impact buffer area, and within an established area, there is minimal risk of the proposal increasing the potential for bushfire damage or risk on site to other property. It should be further noted that the site has access to the water network, a proposed pool and safe, sealed evacuation route via the existing road network to ensure there is suitable measures to further reduce any risk to people and property at the site. As a result, the development is considered to comply with the purpose of the Bushfire Hazard Overlay Code.

Flood Hazard Overlay Code

The Flood Hazard mapping identifies the site as being located within the Flood Hazard Investigation Area. Based on Council's current mapping, the subject site avoids all storm tide surges, noting there is no present mapping on overland flow or local streams/creeks within the immediate area. As such, the proposal complies with the code, noting a later assessment of the site specific stormwater generated from the development will be reviewed in this report, and the associated impacts.

Mixed Use Zone Code

The GFA allocated for the Caretaker's Accommodation use within the existing Dwelling House is greater than prescribed maximum noted in Acceptable Outcome 1.2. Furthermore, by having the proposed Caretaker's Accommodation on the 1st floor of the dwelling, the use also fails to achieve compliance with Acceptable Outcome 1.4 which seeks to ensure there is direct private open space.

Despite this, the open space area is separated from the other non-residential components onsite and can be accessed via the ground floor, while the additional GFA allows retrofitting of the existing Dwelling House to accommodate the caretaker while remaining subordinate to the commercial uses onsite. The Applicant has also stated that although the private open space is limited onsite, the location of the site lends to external public spaces within walking distance such as Tom Jeffery Park and the beach which provide equitable liveability opportunities for the caretaker. As a result, the proposal complies with the intent of Performance Outcome 1.

As part of Council's Information Request, it was requested that the Applicant submit additional plans to support a high-quality streetscape design and assist in integrating the built form elements of the commercial proposal to align with the existing established residential character. The Applicant responded with a revised Landscaping Plan which proposes to incorporate street trees along the frontage of the site, along with low hedge planting and an entry statement in a new garden bed adjoining the driveway entry into the site. The entry statement is said to incorporate artwork commissioned by an Agnes Water artist to promote the Agnes Water pristine setting.

The landscaping elements combined with the proposed built form design and entry statement are expected to deliver a desirable streetscape outcome for the site. To ensure these critical elements are delivered prior to the commencement of the commercial uses onsite, the associated plans and supporting conditions have been included within the condition package. These recommendations will achieve compliance with Performance Outcome 16 to 21 which seek a high-quality street interface.

Council also raised via the Information Request concerns regarding amenity and privacy impacts on the surrounding established residential uses as a result of the development. In response, the Applicant included additional landscape screening along the rear property boundary and the provision of a shade sail over the training pool. It is suggested that a diver's view from within the training pool will be limited by these screening plants along the full rear boundary to ensure that overlooking into adjoining properties is prevented at eye level. Furthermore, the proposed shade sail over the pool will obscure any privacy viewpoints from a higher level.

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In addition to the above, other impacts such as noise, lighting and emissions were also noted as potential amenity concerns. Within the common material, the Applicant submitted an Operational Plan which outlined hours of operation may differ for both the Educational Establishment and Shop depending on the season. The below is extracted from the submitted Operational Plan:

General Overall Operation hours:

Monday to Sunday (7 days) – 7am to 5pm.

Closed Monday and Tuesday (off peak season)

Retail hours:

Monday to Sunday (7 days) – 9am to 2pm.

Closed Monday and Tuesday (off peak season)

Courses and training:

Course times vary with timing dependent on type of training, facility and instructor availability. This will be scheduled monthly.

- *Courses may start as early as 8am and finish as late as 9pm. These sessions will commence and finish in the classroom as theory sessions.*
- *Outdoor sessions (pool and facilities) will commence from 9am and not finish any later than 7pm in peak season, earlier in off peak season.*

During these varying operating hours, it is noted that the centre requires a compressor, which will be located in a shed in the centre of the property. This is required for the filling of scuba diving tanks. The sound level of this compressor is 89dB and is said to have a silencer fitted to minimise sound further. The operating hours of this compressor will be for approximately 1-2 hours per day between the hours of 9am and 4pm, with most consistent days of usage in peak season. Air is banked for any required filling outside of those hours. Additionally, the shed will be soundproofed to minimise impact on surrounding properties.

The associated lighting of the subject site will be recommended to be downlit as per the current Australian Standards. This process reduces flood lighting into adjoining properties.

Integration of a commercial development within a precinct that is yet to be transitioned from residential to commercial is critical in balancing any perceived amenity impacts on the current built form. The hours of operation, design elements, landscaping and onsite management has been considered to appropriately balance and minimise any adverse impacts. Several conditions have been recommended to capture the varying elements to reduce any perceived amenity impacts and align with the relevant standards and legislation to achieve compliance with Performance Outcome 26 and 27 of the Mixed Use Zone Code.

Development Design Code

Although the subject site has existing connections to Council's water and sewer networks, as part of the Information Request, Council sought further clarification on the expected demand generated from the combined uses. The Applicant provided additional figures based on the current facility operating in New South Wales. Overall, it was stated to create an initial demand of 35,000L of water as part of the setup of the diving pool, followed by a weekly demand of 6,400L on average for the dive school operations and 2,380L for the caretakers. This results in an approximate total demand of just under 9,000L consumed and discharged from the site on a weekly basis once the initial pool fill has been undertaken. Upon review of the projected demand calculations, Council is satisfied that there is sufficient capacity in the existing network to cater for this type of development.

Furthermore, a condition has been recommended that the Applicant progress with obtaining the necessary documentation for an easement over the existing sewer infrastructure located within the subject site.

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The existing stormwater from the Dwelling House and impervious area is currently conveyed to the kerb and channel (lawful point of discharge). The new equipment storage sheds and Shop were calculated to have minor flow increases to the current rate and would also convey stormwater to the kerb and channel network. Based on the submitted flow calculations, it is considered that the site based generated stormwater complies with the Acceptable Outcome 5.1 and 5.2.

As depicted in both the aerial view and proposed plans, the subject site has an existing residential crossover with a width of 3.2m for the existing dwelling. The Applicant advised in the Information request Response that the largest vehicle entering and exiting the site would be the private bus with associated trailer. Based on the vehicle type, a condition has been recommended that the proposal constructs a new commercial driveway crossover with a minimum width of 6m as per Council’s Capricorn Municipal Design Guidelines (CMDG) standard. This condition will achieve compliance with Acceptable Outcome 11.1.

Within the lodgement material and Information Request Response, the Applicant does not intend to provide a formal footpath as part of the streetscaping elements for the site. The Applicant references the lack of existing infrastructure within the surrounding street network to connect into and also as a way to maintain the laid back, natural feel of the existing precinct. They further state that the grassed road verge is sufficient to provide pedestrian and bicycle access to the site in a safe, conflict free manner.

The application material relies on promoting pedestrian linkages to reduce vehicle movements to the subject site. Furthermore, the precinct and structure plan articulate strong linkages via pedestrian networks between tourism/commercial development and the surrounding beach and shops. It is acknowledged that Jeffery Court has no immediate pedestrian footpath infrastructure which aligns with the commentary regarding the precinct is yet to be transitioned from Dwelling House (residential) to the tourist/small scale commercial vision. As such, it is proposed that a pedestrian footpath is constructed from the subject site to the existing network located along Agnes Street. This proposal will not only achieve compliance with Acceptable Outcome 13 but will also provide the necessary infrastructure depicted in the planning scheme for Agnes Water.

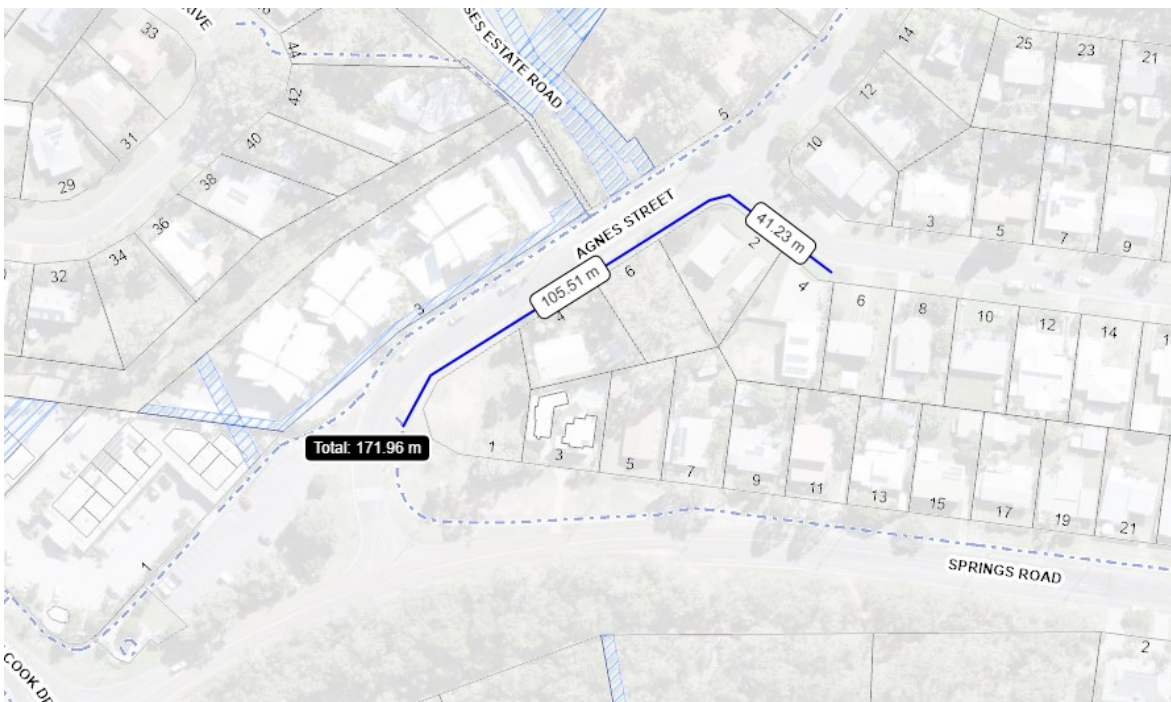


Figure 11: Proposed footpath connection and existing network

The submitted Waste Management Plan expects that two (2) x 240L general and recycling bins will be sufficient to cater for the development onsite. The waste storage will be located near the equipment shed and storage area to allow for the necessary screening and hose fittings as depicted in the Planning Scheme.

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As such, it is recommended that the Waste Management Plan and associated conditions pertaining to location, screening and hose fittings are included to achieve compliance with Acceptable Outcomes 21 and 22.

Performance Outcome 29 talks to development involving potential trade waste or other contaminants. It should be noted that the commercial pool will require both Building Works and Plumbing and Drainage permits to ensure the structure is compliant and the necessary backwash devices are suitable installed.

Landscaping Code

The revised Landscaping Plan submitted generally complies with the intent of the Landscaping Code. In addition to the site plan, below is a sketch-up of the development and associated landscaping treatment to provide context of the site from Jeffery Court.

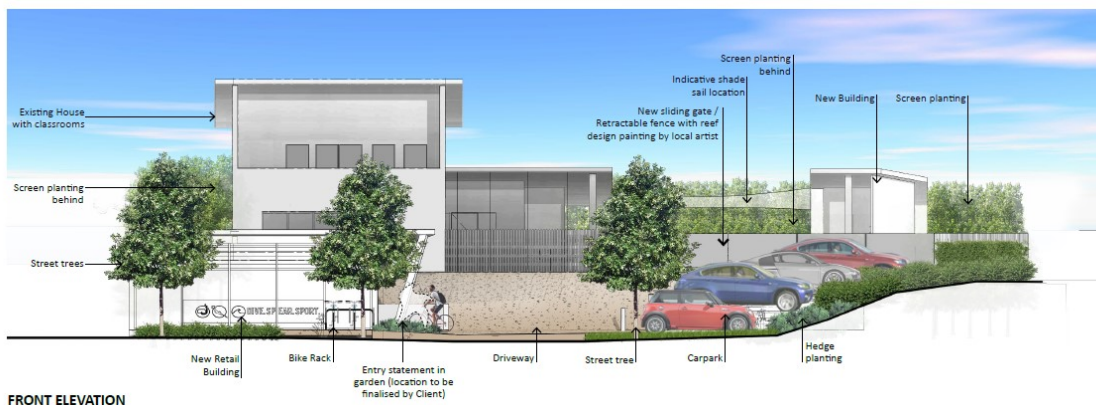


Figure 12: Submitted Landscaping illustration

Therefore, conditions will be included regarding the submitted material and request appropriate irrigation systems are constructed to assist in the maintenance of the vegetation.

Public Notification and Submissions:

By virtue of the level of assessment, Public Notification was required. As the Development Application seeks only a Development Permit for a Material Change of Use, public notification was required for a minimum of 15 business days (as prescribed in the Act). The public notification period occurred between 26 November to 17 December 2021, with a total of four (4) Properly Made Submissions. The relevant content raised by the submitters highlights the synergies with the planning scheme strategic framework and introduction of a new tourism business in the Agnes Water region.

Submission	Officer’s Response
<p>Tourism benefits</p> <p>This state of the art, innovative experience fully matches Tourism and Events Queensland's Experience Framework (under Reef). Today's guests want more than just to see the sights. They are looking for experiences that emotionally connect them with real and authentic people, places and cultures – experiences they will never forget. The experience proposed aligns with the State Government's Tourism Plan.</p>	<p>The multifaceted operation proposed at the subject site aligns with the local Planning Scheme vision for tourism operations and appreciation of the surrounding pristine coast and reef/island opportunities.</p> <p>The site’s location, proposed design and connections to external destinations and/or businesses provide sufficient justification to support the development.</p>

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<p>Seeking tourism investment into a region is expensive and takes a long time. A golden opportunity from an experienced, industry-leading operator with state-of-the-art operations in NSW. This business will immediately be able to use their existing processes and generate income and exposure for the region</p>	
<p>Attraction for visitors</p>	
<p>The proposed development is going to bring visitors year-round, creating further sustainability to the region and being able to generate more employment. The average length of stay (ALOS) of a diving guest is 5-10 days, which is more than the current ALOS.</p>	
<p>The proposed development is a great asset to the existing tourism, noting diving is better in the winter months as its better visibility and this is predominantly Agnes Water regions low season which will further stimulate accommodation, food outlets, clothing stores, etc would benefit greatly.</p>	
<p>Educational/Skill benefits</p>	
<p>A dive centre in the area means an attractive opportunity for students to come to know Agnes Water, learn about the Great Barrier Reef and find a possible vocation.</p>	
<p>Through this facility, our community and those visitors wishing to access the reef will be able to do so under the guidance of a professional organisation.</p>	
<p>Additional opportunities may arise for the facility to approach schools and teach children about sustainability and reef management, beach clean ups, environmentally conscious education as these will be the pioneers of our future.</p>	
<p>New tourism activity</p>	
<p>I believe that the dive school benefits the community by providing the opportunity to participate in more positive activities and integrating different age groups.</p>	
<p>Development Design</p>	
<p>The design of the centre, building etc has been meticulously planned with sustainability at the forefront and industry-specific professionals.</p>	

The submissions received during the public notification period have been attached in full.

Officer's Recommendation:

That Development Application 56/2021 for a Material Change of Use of Premises for an Educational Establishment, Shop and Caretakers Accommodation located at 4 Jeffery Court, Agnes Water QLD 4677 be approved, subject to reasonable and relevant conditions.

Statement of Reasons:

The following provides the Notice of Reasons under section 63(5) of the *Planning Act 2016*:

Description of the development:

The approved development is for a Material Change of Use of Premises for an Educational Establishment, Shop and Caretakers Accommodation.

Assessment benchmarks:

Benchmarks applying to the development:	Benchmark reference:
<i>State Planning Policy July 2017</i>	<ul style="list-style-type: none"> • <i>State Interest – Natural Hazards, Risk and Resilience</i>
<i>Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2</i>	<ul style="list-style-type: none"> • <i>Strategic Framework;</i> • <i>Acid Sulfate Soils Overlay Code;</i> • <i>Bushfire Hazard Overlay Code;</i> • <i>Flood Hazard Overlay;</i> • <i>Mixed Use Zone Code;</i> • <i>Development Design Code; and</i> • <i>Landscaping Code.</i>

Reasons for the assessment managers decision:

1. The Application was properly made in accordance with the *Planning Act 2016* and the Development Assessment Rules; and
2. The Application is deemed compliant with the relevant benchmarks of the *State Planning Policy July 2017* and the *Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2*.

Reasons for approval despite any non-compliance with certain benchmarks:

Benchmark reference	Reasons for the approval despite non-compliance with benchmark
Acid Sulfate Soils Overlay Code – Table 8.2.1.3.1 – Acceptable Outcome 1.1	Compliance with Acid Sulfate Soils Overlay Code – Table 8.2.1.3.1 – Acceptable Outcome 1.1 via a condition
Mixed Use Zone Code – Table 6.2.21.3.1 - Acceptable Outcome 1.2 and 1.4	Compliance with Mixed Use Zone Code – Table 6.2.21.3.1 - Performance Outcome 1 via conditions
Mixed Use Zone Code – Table 6.2.21.3.1 - Performance Outcome 16 to 21	Compliance with Mixed Use Zone Code – Table 6.2.21.3.1 - Performance Outcome 16 to 21 via conditions
Mixed Use Zone Code – Table 6.2.21.3.1 - Performance Outcome 26 and 27	Compliance with Mixed Use Zone Code – Table 6.2.21.3.1 - Performance Outcome 26 and 27 via conditions
Development Design Code – Table	Compliance with Development Design Code – Table

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9.3.2.3.1 – Acceptable Outcome 1.1 and 2.1.	9.3.2.3.1 – Acceptable Outcome 1.1 and 2.1 via conditions.
Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 5.1 to 6.	Compliance with Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 5.1 to 6 via conditions.
Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 11.1.	Compliance with Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 11.1 via a condition.
Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 9.	Compliance with Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 9 via a condition.
Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 13.	Compliance with Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 13 via a condition.
Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 21 and 22.1.	Compliance with Development Design Code – Table 9.3.2.3.1 – Acceptable Outcome 21 and 22.1 via a condition.
Landscaping Code – Table 9.3.5.3.1 – Performance Outcome 6.	Compliance with Landscaping Code – Table 9.3.5.3.1 – Performance Outcome 6 via a condition.
Landscaping Code – Table 9.3.5.3.1 – Acceptable Outcome 7.1 and 7.2.	Compliance with Landscaping Code – Table 9.3.5.3.1 – Acceptable Outcome 7.1 and 7.2 via a condition.

Relevant matters for impact assessable development:

Nil

Matters raised in submissions for impact assessable development:

Submission	Officer's Response
Tourism benefits	
<p>This state of the art, innovative experience fully matches Tourism and Events Queensland's Experience Framework (under Reef). Today's guests want more than just to see the sights. They are looking for experiences that emotionally connect them with real and authentic people, places and cultures – experiences they will never forget. The experience proposed aligns with the State Government's Tourism Plan.</p> <p>Seeking tourism investment into a region is expensive and takes a long time. A golden opportunity from an experienced, industry-leading operator with state-of-the-art operations in NSW. This business will immediately be able to use their existing processes and generate income and exposure for the region</p>	<p>The multifaceted operation proposed at the subject site aligns with the local Planning Scheme vision for tourism operations and appreciation of the surrounding pristine coast and reef/island opportunities.</p> <p>The site's location, proposed design and connections to external destinations and/or businesses provide sufficient justification to support the development.</p>
Attraction for visitors	
<p>The proposed development is going to bring visitors year-round, creating further sustainability to the region and being able to generate more employment. The average length of stay (ALOS) of a diving guest is 5-10</p>	

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<p>days, which is more than the current ALOS.</p> <p>The proposed development is a great asset to the existing tourism, noting diving is better in the winter months as its better visibility and this is predominantly Agnes Water regions low season which will further stimulate accommodation, food outlets, clothing stores, etc would benefit greatly.</p>	
<p>Educational/Skill benefits</p> <p>A dive centre in the area means an attractive opportunity for students to come to know Agnes Water, learn about the Great Barrier Reef and find a possible vocation.</p> <p>Through this facility, our community and those visitors wishing to access the reef will be able to do so under the guidance of a professional organisation.</p> <p>Additional opportunities may arise for the facility to approach schools and teach children about sustainability and reef management, beach clean ups, environmentally conscious education as these will be the pioneers of our future.</p>	
<p>New tourism activity</p> <p>I believe that the dive school benefits the community by providing the opportunity to participate in more positive activities and integrating different age groups.</p>	
<p>Development Design</p> <p>The design of the centre, building etc has been meticulously planned with sustainability at the forefront and industry-specific professionals.</p>	

Matters prescribed by a regulation:

1. *The State Planning Policy July 2017 – Part E;*
2. *The Our Place Our Plan Gladstone Regional Council Planning Scheme, Version 2*

Conditions of Approval:

The following provides the Conditions of Approval under Section 63 of the *Planning Act 2016*:

Approved Documentation

1. Development is to be carried out generally in accordance with the submitted application including the following plans and supporting documentation except where amendments are required to satisfy the conditions of this approval:

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Drawing Number	Revision	Description	Author	Date
GD1781	C	Site Plan	Gladstone Drafting	23/07/2021
GD1781	C	Rendered Views	Gladstone Drafting	23/07/2021
GD1781	C	Rendered Views	Gladstone Drafting	23/07/2021
GD1781	C	Proposed Floor Plan	Gladstone Drafting	23/07/2021
GD1781	C	Proposed Floor Plan	Gladstone Drafting	23/07/2021
GD1781	C	Proposed Elevations	Gladstone Drafting	23/07/2021
-	D	Landscape Concept Plan	LA3	December 2021
-	-	Operations Management Plan	Dive Spear and Sport Pty Ltd	-

And supporting documents

Document Number	Revision	Description	Author	Date
Z21133	-	Waste Management Plan	Zone Planning Group	11/10/2021
-	-	Stormwater Management Memo	AAA Design & Development Pty Ltd	24/08/2021

2. Upon commencement of the use, hours of operation for the Educational Establishment and Shop are limited between 7am and 9pm and closed on public holidays.

Operational Works

3. A Development Permit for Operational Works must be obtained from Council prior to the commencement of construction. The Development Application for Operational Works is to include the following:
 - a. Road Works (Driveway and footpath);
 - b. Landscaping, environmental protection and associated works.
4. Development Applications for Operational Works shall be designed and constructed in accordance with Australian Standards, the Engineering Design Planning Scheme Policy under the Our Place Our Plan Gladstone Regional Council Planning Scheme or any other applicable standards at the time of lodgement. Prior to the commencement of the use, all Operational Works conditioned by this approval must be accepted "on maintenance" by Council.

Advisory Note: The Capricorn Municipal Development Guidelines within the Engineering Design Planning Scheme Policy is the current document for preparing any Development Application for Operational Works which is found at <http://www.cmdg.com.au/index.htm>.

Acid Sulfate Soils

5. As part of any Development Application for Building Works, should any works associated with the Application result in the sediment at or below 5m AHD, the Applicant must immediately submit an Acid Sulfate Soil Investigation and Management Report to Council for approval and comply with the relevant recommendations. The Management Report is to:
 - a. Be prepared by a suitably qualified person experienced in the area of Acid Sulfate Soils

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- b. Determine whether the proposed works will expose/disturb Acid Sulfate Soils;
- c. Detail the measures to be undertaken to reduce the risk of Acid Sulfate Soils during
- d. construction and operation; and
- e. Be in accordance with the Guidelines for Sampling and Analysis of Lowland Acid Sulfate
- f. Soils in Queensland 1998 as per the Queensland Acid Sulfate Soil Technical Manual.

Building, Plumbing and Drainage Works

6. Prior to the commencement of the use, the Applicant is to construct a defined entry statement/art piece depicting the Agnes Water region, located adjacent to the proposed crossover. The defined entry statement/art piece is to be visible from Jeffery Court Precinct, as per the approved plans in Condition 1. The design is to utilise a range of colours and materials and is to be incorporated into the landscaping along the front of the site to promote a visually attractive piece for the local area.
7. As per the approved Operational Plan, the Applicant must construct the shade sail over the pool and install all necessary sound proofing within the proposed sheds for the associated noise generating equipment prior to the commencement of the use.
8. Prior to the commencement of the use, the Applicant is required to obtain a Development Permit and Building Final for the reclassification of the existing to Dwelling House to the align with the new Educational Establishment and Caretaker's Accommodation operation onsite.
9. The Applicant is required to obtain a Development Permit and Building Final for all new Building Works in accordance with the *Planning Act 2016*. Construction is to comply with the *Building Act 1975*, the National Construction Code and the requirements of other relevant authorities.
10. The Applicant is required to obtain a Development Permit for Plumbing and Drainage Works and Plumbing and Drainage Final in accordance with the *Planning Act 2016*. Construction is to comply with the *Plumbing and Drainage Act 2018* and the requirements of other relevant authorities.
11. Prior to the commencement of the use, all plant and equipment (including air conditioners, exhaust fans and the like) are to be housed, screened and located so that these do not cause environmental nuisance or harm to other uses in the surrounding area.
12. Prior to the commencement of the use, all lighting at ground level and associated with illuminating ground level areas must be focused downwards and be provided with hoods, shades or other permanent devices to direct illumination downwards and not allow upward lighting to adversely affect the residential uses on this site and the adjoining the sites.
13. As part of Building Works, all outdoor lighting is to comply with Australian Standard AS4282 – Control of the Obtrusive Effects of Outdoor Lighting.
14. As part of Building Works, the location of the proposed buildings shall comply with Queensland Development Design Code MP 1.4.

Stormwater Infrastructure

15. Upon commencement of the use, all stormwater runoff must be piped from roofed areas and discharged to a kerb and channel drainage system in a Council controlled road, or an approved inter allotment stormwater drainage system, in accordance with the Queensland Urban Drainage Manual 2017.

Sewerage

16. Prior to the commencement of the use, all sanitary drainage is to drain into a new 1050mm diameter privately owned maintenance hole within the development site, before connection to Council's sewerage infrastructure. The location and size of the sewer service is to be determined in consultation with Council.

Transportation Services

17. At all times, any parking issues associated with the drop off/pick scheduling remain the responsibility of the operator and its Operational Plan.
18. Prior to the commencement of the use, a minimum of six (6) parking spaces and one (1) bus storage space are to be provided on site generally in accordance with the approved plans, including designated disabled car parking spaces. These spaces and all vehicle movement areas are to be constructed, sealed, line marked, signed and maintained in accordance with the Engineering Design Planning Scheme Policy under the Gladstone Regional Planning Scheme and AS2890.1.
19. Prior to the commencement of the use, a minimum of four (4) bicycle spaces are to be constructed onsite within 30m walking distance to the entry of the use. All bicycle spaces are to be constructed in accordance with AS2890.3 (2015).
20. As part of Operational Works, the Applicant is to upgrade the existing crossover accessing the development site from Jeffery Court to a Type B2 (minimum 6m) in accordance with Council's Standard Drawing Urban Commercial/Industrial Driveway.

Advisory Note: Council's standard drawing is located within the Capricorn Municipal Development Guidelines - Drawings and Specifications at <http://www.cmdg.com.au/index.htm>.

21. Prior to the commencement of the use, any damage to the driveway crossing and kerb and channel shall be repaired at the owner's expense and to Council's Standard Drawing Urban Commercial/Industrial Driveway.

Advisory Note: Council's standard drawing is located within the Capricorn Municipal Development Guidelines - Drawings and Specifications at <http://www.cmdg.com.au/index.htm>.

22. As part of Operational Works, a 2 metre wide concrete footpath for the full frontage of the subject site connecting into the existing footpath terminating at the corner of Agnes Street and Springs Road is to be constructed in accordance with Council's Standard Drawing Concrete Pathway/Bikeway Details.

Advisory Note: Council's standard drawing is located within the Capricorn Municipal Development Guidelines - Drawings and Specifications at <http://www.cmdg.com.au/index.htm>.

23. Provision is to be made for the loading and unloading of goods within the property. Goods delivered shall not be made from the street. No parking associated with the operation of the development shall be permitted along Jeffery Court.

Acoustic and Air Quality

24. At all times, the Applicant must adhere to the recommendation of the proposed compressor use associated with the Educational Establishment as outlined in the approved Operational Plan.

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25. At all times, the development must achieve the noise generation levels set out in the *Environmental Protection (Noise) Policy 2008*, as amended.
26. At all times, the development must achieve the air quality design objectives set out in the *Environmental Protection (Air) Policy 2008*, as amended.

Landscaping

27. Prior to the commencement of the use for each stage, all grassed footpath areas disturbed by the development are to be top dressed and turfed following completion of construction activity.
28. As part of Operational Works, landscaping must be installed as per the approved Landscaping Plan.
29. As part of the Operational Works application, all landscaping areas are to be constructed with an appropriate irrigation system. Details of the irrigation system are to reflect the approved Landscaping Plan.

Advisory Note: Council's construction specification is located Capricorn Municipal Development Guidelines - Drawings and Specifications at <http://www.cmdq.com.au/index.htm>.

30. Prior to the commencement of the use, a minimum 1.8m high screen fence to the side and rear boundaries must be maintained at all times.

Waste Management

31. Prior to the commencement of the use, refuse bins are to be provided in accordance with the approved Waste Management Plan.
32. Prior to the commencement of the use, the waste storage area/s are to be sufficient in size to house all waste collection containers including recycling waste containers. The waste storage area/s must be suitably enclosed and imperviously paved, with a hose cock and hose fitted in close proximity to the enclosure to ensure the area can be easily and effectively cleaned.
33. Prior to the commencement of the use, open storage areas shall be adequately screened so as not to detract from the visual amenity of the area. One way of achieving compliance with this condition is as follows:
 - a. Outdoor storage areas are situated in locations not visible from the street; and
 - b. A 1.8m solid screen fence is located around storage areas.

Easements

34. Prior to the commencement of the use, the Applicant is required to provide at no cost to Council, one copy of the fully executed Easement Documentation (in accordance with Councils Standard Easement Document) for the following:
 - a. Sewerage easement in favour of Council through burdening Lot 20 having a minimum width of 2m either side (4m in total) from the centreline of Councils asset;

Advisory Note: Council's Standard Easement Document Form 9 Version 4 can be obtained through Councils Development Services Department.

Lawful Commencement

35. Prior to the commencement of this use, the Applicant is to request that a Compliance Inspection be undertaken by Council to confirm that all conditions of this Development Permit are considered compliant.
36. Upon receipt of confirmation from Council that all conditions of this Development Permit are considered compliant, the Applicant is to notify Council within 20 business days that this approved use has lawfully commenced.

END OF CONDITIONS

Advice to Applicant:

An Adopted Infrastructure Charge Notice in relation to the infrastructure charges applicable to this development has been provided separately.

Attachments:

1. Submissions received during public notification

Tabled Items:

Nil

Report Prepared by: Development Services

G/4.2. COMMUNITY INVESTMENT PROGRAM - SIGNATURE EVENTS

Responsible Officer: General Manager Community Development and Events

Council Meeting Date: 1 February 2022

File Ref: CM3.1

Purpose:

To consider the recommendation of the Community Investment Panel on an application received under the Community Celebration Fund. The application being for Signature Event – Gladstone Harbour Festival.

Officer's Recommendation:

That Council:

1. Adopt the Community Investment Panel recommendation of funding \$130,000 for the 2022 Gladstone Harbour Festival; and
2. Authorise the Chief Executive Officer to finalise and execute a sponsorship agreement with the successful applicant detailing relevant entitlements and conditions.

Background:

In February 2019 an application for funding toward the Gladstone Harbour Festival was assessed and a recommendation was presented to Council for consideration.

The Officer's recommendation adopted by Council (vide resolution G/19/3663).

That Council:

1. Adopt the Community Investment Panel recommendation of funding \$70,000 cash and \$44,500 in-kind per year for three consecutive years for the Gladstone Harbour Festival; and
2. Authorise the Chief Executive Officer to finalise and execute a sponsorship agreement with the successful applicant.

The resolution is now at an end with the three years of funding being provided in accordance with this resolution.

The applicant has submitted a new application to the Community Celebration Fund – Signature Event and is seeking further financial support to continue the Gladstone Harbour Festival.

The application has been assessed by a Community Investment Assessment Panel (the Panel) with a recommendation presented to Council for resolution within this report.

Panel Assessment Process

In accordance with the Community Investment Policy (P-2021-09) and Community Investment Corporate Standard (CS-2021-07), eligible applications are assessed by the Panel.

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Panel assessment is undertaken using an assessment matrix to score each application against Key Selection Criteria (KSC) to determine an order of merit. The overall score (ranking) is used to inform the recommendation. The tables below define the KSC, weighting and definition of scores applied in the assessment matrix.

Signature Event – Support for events that drive the primary criteria of destination profile, economic impact, and overnight expenditure. Attracts visitors that invest in the region and over 25% out of region visitors.

Key Selection Criteria	Weighting % (out of 100)
	Signature
Social and Community - Drives social and community outcomes, including community pride and cohesion	22.5
Destination - Enhance the profile and appeal of the Gladstone region	22.5
Financial Sustainability - Generates economic activity in the Gladstone region	20
Environmental Sustainability - Demonstrates financial sustainability	5
Economic Impact - Demonstrated environmental sustainability	5
Overnight Visitation - Attracts external visitation specifically generating overnight visitor expenditure	25

RATING MATRIX
Green = An overall score of 2.60 (65.5%) and above demonstrates that an application has met or exceeded all KPIs. The Assessment Panel may favorably recommend the application for the full funding sought.
Orange = An overall score between 2.01 (51%) to 2.59 (65%) demonstrates that an application has met or exceeded a KPI(s) but mostly marginal evidence in others. The Assessment Panel may choose to recommend funding the application based on scores received for KPIs with high weighting and overall alignment to Community Celebration Fund objectives.
Red = An overall score of 2 (50%) or less demonstrates that an application has mostly provided marginal evidence across all KPIs. The Assessment Panel may still choose to recommend the application for part funding based on some evidence of meeting the objectives of the Community Celebration Fund objectives.

Options, Risk and Opportunity Analysis:

Panel assessment was undertaken 5 January 2022. Individual panel member scores are captured within the Smarty Grants portal and collated in an assessment matrix.

The Community Investment Panel recommendation is summarized below:

Applicant	Event	Location	Applicant Request		Panel Score	Recommendation	
			Cash	In-kind		Cash	In-kind
Gladstone Festivals and Events	The 2022 Gladstone Harbour Festival	Gladstone	\$70,000	\$40,000	77%	\$45,000	\$85,000

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Panel commentary that supports the Panel recommendation is included below:

Application ID	SIG003	
User Organisation	Gladstone Festivals and Events	
Project Title	The 2022 Gladstone Harbour Festival	
Brief Project Description	<p>2022 represents a significant milestone for the Gladstone Harbour Festival, celebrating its 60th year as one of the community's most loved events. Originally founded as a celebration to mark the finish of the Brisbane to Gladstone Yacht Race, the event has evolved and developed across the span of 60 years and it continues to attract visitors to the region and locals holidaying at home to celebrate this iconic Gladstone event.</p> <p>Delivered by Gladstone Festivals and Events, partnering with many industry partners, Council and organisations, the event operates across five nights and three full days and remains one of the last free community festivals of its kind.</p> <p>The 2022 Gladstone Harbour Festival will be the 60th Harbour Festival and was founded as a celebration to celebrate the finish of the Brisbane to Gladstone Yacht Race. This event has evolved and grown over its 60 years and many attendees look forward to staying within the Gladstone Region over the Easter period to attend this iconic event.</p>	
Project Start Date	13 April 2022	
Project End Date	17 April 2022	
Monetary Support requested	\$45,000 (ex GST)	
In-kind support requested	\$85,000 (ex GST)	
Total Amount Requested	\$130,000 (ex GST)	
Total Project Cost	\$450,000 ((ex GST)	
Attendance	Volunteers	55
	Store Holders	40
	Paid Supplies	35
	Gladstone Region Residents	55,000
	Intrastate visitors	5,000
	Interstate visitors	350
	International Visitors	0
	Totals	60,480
Panel Score	77%	
Panel Commentary	<p>The Panel commended Gladstone Festivals and Events for their milestone of 60 years of the Gladstone Harbour Festival, and as such, recommended a one-off payment of \$20,000 to support Gladstone Festivals and Events to deliver experiences to commemorate 60 years of the Festival.</p> <p>The Panel noted that this event was Council's largest community investment and agreed to the continued support of Gladstone Entertainment Convention Centre (GECC) for audio, visual and technical support to ensure its success.</p>	

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	The Gladstone Harbour Festival complements Council's Destination Event, Easter in Gladstone, and aligns with the Regional Events Strategy and Visitor Economy Strategy. The Festival is a pivotal part of the Easter in Gladstone event and supports tourism and economic stimulus during the Easter period.
Panel Recommendation	\$20,000 one off payment in recognition of the Festival's 60th milestone \$85,000 in-kind to provide GECC services to the event \$25,000 cash towards security and fencing (if required)

Communication and Consultation:

As detailed within the Community Investment Corporate Standard the assessment panel consisted of the following delegated Officers:

- General Manager Community Development & Events
- Manager Arts and Entertainment
- Manager Brand
- Community Development Specialist
- Communications and Public Relations Specialist (Acting)

Legal Strategy and Policy Implications:

The application has been assessed against Councils Community Investment Program (P-2021-09), Community Investment Corporate Standard (CS-2021-07) and published Community Celebration Fund – Signature Event funding guideline. On favorable adoption of the Panel's recommendations detailed in this report, authorised officers will proceed to enter into a grant and or funding agreement (detailing entitlements and conditions) with the successful applicant.

Financial and Resource Implications:

In 2021/22 financial year, Council budgeted \$380,000 to support recommended applications received through the Community Celebration Fund with specifically \$150,000 budgeted toward supporting Signature Events. Council also has a \$170,000 budget to support In-Kind sponsorships.

This is the second application to be assessed for Signature event funding this financial year.

Applicant	Event	Date	Location	Funds Allocated (ex GST)
Queensland Cruising Yacht Club Inc	Gladstone Ports Corporation Brisbane to Gladstone Yacht Race 2022	15 - 18 April 2022	Shorncliffe	\$60,000
Recommendations in this report				
Gladstone Festival and Events	The 2022 Gladstone Harbour Festival	13 – 17 April 2022	Gladstone	\$130,000
Totals				\$190,000

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The current Budget position of the Community Celebration Fund is:

Community Investment Program - Community Celebration Fund				
Initiative	Budget	Actuals to date	Commitments	Budget Remaining
Community Events	\$15,000	\$1,500	\$5,825	\$7,675
Ignite Events	\$70,000	\$25,216	\$57,362	-\$12,578
Impact Events	\$70,000	\$3,900	\$37,800	\$28,300
Destination Events	\$75,000	\$3,333	\$80,750	-\$9,083
Signature Events	\$150,000		\$63,181	\$86,819
In-Kind Funding	\$170,000	\$11,214	\$46,000	\$112,786
Totals	\$550,000.00	\$45,163	\$290,918	\$213,919
Recommendations in this report				
Signature Events			\$45,000	\$41,819
In-Kind Funding			\$85,000	\$27,786
New Totals	\$550,000	\$45,163	\$420,918	\$83,919

Summary:

Nil

Anticipated Resolution Completion Date:

28 February 2022

Attachments:

Nil

Tabled Items:

Nil.

Report Prepared by: Community Investment Officer

G/4.3. COMMUNITY INVESTMENT PROGRAM - STRATEGIC PROJECTS

Responsible Officer: General Manager Community Development and Events

Council Meeting Date: 15 February 2022

File Ref: GS3.1

Purpose:

To consider the recommendations of the Community Investment Panel on applications received under the Strategic Projects Fund.

Officer's Recommendation:

That Council:

1. Adopt the Community Investment Panel recommendation of funding for the applications received under the category of funding tabled below:

Applicant	Project	Recommendation
Boyne Tannum Football Club Inc	Extension of Playing Surface	\$73,216.00

and

2. Authorise the Chief Executive Officer or delegate to finalise and execute funding agreement with the successful applicant detailing relevant entitlements and conditions.

Background:

Applications were invited for the Strategic Projects funding stream under Council's Community Investment Fund in November 2021, following a series of education roadshows with the community. In addition to the roadshows, officers provided support to the applicants to ensure submissions were of high quality and relevance.

A total of four applications were received and assessed by a panel of officers as per the Community Investment Program Policy.

Strategic Projects Fund

The purpose of the Strategic Projects Fund is to strengthen not-for-profit organisations through the provision of financial support to upgrade existing, or build new facilities, where the organisation has suitable land tenure with Council.

The fund aims to create opportunities for the community that can;

- Increase participation, access and organisational sustainability through major upgrades or new facilities.
- Provide or build facilities that encourage a collaborative use of space.
- Create safer, more accessible, and user-friendly facilities for community.

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Applicants must contribute a minimum of 20% to their project, and proposals must align with one or more of the fund objectives as defined within the Community Investment Policy. These objectives align with Councils Community Development Strategy aiming to strengthen and enhance the health and wellbeing of the region.

Panel Assessment Process

In accordance with the Community Investment Policy (P-2021-09) and Community Investment Corporate Standard (CS-2021-07), the eligible applications have been assessed by the Panel.

Panel assessment is undertaken using an assessment matrix to score each application against Key Selection Criteria (KSC) to determine an order of merit. The overall score (ranking) is an average of the panel members scores and is used to inform the recommendation. The table below defines the KSC, weighting and definition of score applied in the assessment matrix:

KEY SELECTION CRITERIA (KSC)	Weighting
KPI 1: Fund Objective and Aims	60
KPI 2: Demonstratable need	20
KPI 3: Provides opportunity for collaboration and encourages multi-use or shared capability	15
KPI 4: Timeliness of delivery - Shovel ready	5

RATING MATRIX
Green = An overall score of 2.60 (65.5%) and above demonstrates that an application has met or exceeded all KPIs. The Assessment Panel may favorably recommend the application for the full funding sought.
Orange = An overall score between 2.01 (51%) to 2.59 (65%) demonstrates that an application has met or exceeded a KPI(s) but mostly marginal evidence in others. The Assessment Panel may choose to recommend funding the application based on scores received for KPIs with high weighting and overall alignment to Community Celebration Fund objectives.
Red = An overall score of 2 (50%) or less demonstrates that an application has mostly provided marginal evidence across all KPIs. The Assessment Panel may still choose to recommend the application for part funding based on some evidence of meeting the objectives of the Community Celebration Fund objectives.

Options, Risk and Opportunity Analysis:

As per the Community Investment Policy, an assessment was undertaken by a panel to consider the applications, with recommendations summarised below:

Applicant	Project	Project Location	Applicant Request	Panel Score	Recommendation
Tannum Sands Rugby League Inc	Construct Multi-Purpose Shed and First Aid Facility	Tannum Sands	\$70,556.27	44%	No funding
Boyne Tannum Football Club	Extension of Playing Surface	Boyne Island	\$73,216.00	76%	\$73,216.00
Gladstone Tennis and Squash Assoc Inc.	Upgrade of Tennis Courts 3 & 4	Gladstone	\$100,000.00	64%	No funding

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Gladstone Area Promotion and Development Limited	Nutchee Shade Sails	West Gladstone	\$100,000.00	53%	No funding
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Panel commentary that supports the Panel recommendation is included below:

Construct Multi-Purpose Shed and First Aid Facility	
Project Dates	01/04/22 – 30/06/23
Organisation Name	Tannum Sands Rugby League
Objective Alignment	Wellbeing
Brief Project Description	<p>Construction of a new Multi-Purpose Shed and refurbishment of the existing two storey broadcast box to provide an upgraded First Aid facility. The shed will also provide shelter for the newly acquired bus.</p> <p>The project consists of constructing an 18m x 10m shed directly behind the existing broadcast box and the removal of the internal stairs. This will enable the use of the entire lower level of the area for a First Aid facility directly adjacent to the playing field.</p>
Project Beneficiaries	Over 300 players and their families
Total Amount Requested	\$70,556.27
Total Project Cost	\$89,959.23
Panel Score	44%
Panel Commentary	Whilst the Panel could see the need to protect the newly purchased bus and understands the benefits the club provides to the community, the alignment of the project to the wellbeing objective was unclear. The application could be strengthened by detailing how the project will benefit the broader community and a stronger explanation of fund objective alignment. The panel encourages the club committee to participate in upcoming capacity building programs to improve future funding applications.
Panel Recommendation	No Funding

Extension of Playing Surface	
Project Dates	01/04/2022 - 01/03/2023
Organisation Name	Boyne Tannum Football Club Inc
Objective Alignment	Wellbeing
Brief Project Description	The project aims to create and extend irrigated playing surfaces to fully utilise the Club's lease area. The new playing surfaces will help provide adequate training facilities for expected growth within the Club and provide a dedicated space for the youth development program. The Project will also provide additional space for the expansion of hosted football events such as Football Queensland's Girls United Carnival and the Port Curtis Schools sport competitions.
Project Beneficiaries	BTFC has 35 teams, including 30 junior teams and 5 senior teams Host of 9 x school based competitions Various interclub participants at carnivals
Total Amount Requested	\$73,216.00
Total Project Cost	\$91,520.50
Panel Score	76%
Panel Commentary	The Panel agreed that this was a strong, well thought out application with supporting evidence. The project presented aligned with the fund objective, has long term broad community benefits and the

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	investment represents good value for rate payers. The organisation has proven ability to work with Council to achieve the desired outcome at the sporting facility.
Panel Recommendation	\$73,216.00

Upgrade of Tennis Courts 3 & 4	
Project Dates	Commencement 20/05/22
Organisation Name	Gladstone Tennis & Squash Assoc Inc.
Objective Alignment	Wellbeing
Brief Project Description	The intended project seeks to redevelop tennis courts 3 and 4, which are at the end of asset life and in a state of disrepair. The unusable courts limit access and cause wait times for players. Courts 3 and 4 can be viewed from the Club House and have been classified as an 'eyesore' by the Club. The Club is concerned about reputation with visitors, spectators and the like viewing the courts and the limitation of reduced playable spaces.
Project Beneficiaries	100 junior players aged between 3 and 17 Gladstone Schools who use the courts for physical education Tournament participants - ~300
Total Amount Requested	\$100,000.00
Total Project Cost	\$190,360.00
Panel Score	64%
Panel Commentary	Whilst the application scored well against the criteria, the panel considered regional and organisational equity for the dispersal of the Strategic Projects fund. The Gladstone Tennis & Squash Club received \$100,000 from the Strategic Projects fund in 2018 to upgrade courts 1 and 2. The Panel would encourage the Club to seek out a Letter of Support from Council to accompany other grant applications to continue with the upgrade of the tennis courts.
Panel Recommendation	No funding

Nutchee Shade Sails	
Project Dates	01/02/22 – 30/09/22
Organisation Name	Gladstone Area Promotion and Development Limited
Objective Alignment	Wellbeing
Brief Project Description	The project is to install shade sails over the 312sqm of uncovered fenced outdoor play area that forms part of the Nutchee building at the Philip Street Communities and Families Precinct, occupied by Communities for Children. The project aims to provide a safe space for parents, caregivers, children, and service providers to facilitate/participate in play-based activities as well as parenting support programs. Currently the uncovered outdoor play space is under-utilised because there are no shade structures to provide sun protection.
Project Beneficiaries	There are approx. 60 people per day utilising the space at the Nutchee building. Installing the sun protection will allow for increased participation.
Total Amount Requested	\$100,000.00
Total Project Cost	\$132,000.00
Panel Score	53%
Panel Commentary	The Panel discussed the application and recommended that as this

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	<p>facility is part of Council's Philip Street Communities & Families Precinct, the panel felt the Strategic Project Fund was not the most appropriate funding source. The panel proposed that officers undertake this work and recommend exploration of this work be included in the long-term Capital Improvement Plan.</p> <p>If a short-term solution is preferred the Panel would encourage the applicant to work with Council's Property team to secure appropriate approvals and collaborate with Philip Street Precinct key stakeholders to explore funding opportunities outside the CIP to support the shade construction.</p>
Panel Recommendation	No funding

Communication and Consultation:

As detailed within the Community Investment Corporate Standard the assessment panel consisted of the following delegated Officers:

- General Manager Community Development & Events
- Manager Engagement & Partnerships
- Manager Brand
- Community Development Specialist
- Communications and Public Relations Specialist (Acting)
- Property Acquisition and Disposal Officer

As identified from the applications received under the Strategic Projects Funding round, the Community Engagement and Partnerships team will continue to work with community groups and organisations to assist in improving organisations capability to achieve success in higher funding opportunities from within Council and other external funding bodies. This will be achieved through the upcoming delivery of the Strong Steps program by the Community Development team and the current CIP funded Grant Writing Support program delivered by Not For Profit House.

Legal Strategy and Policy Implications:

The application has been assessed against Council's Community Investment Program (P-2021-09), Community Investment Corporate Standard (CS-2021-07) and published Strategic Project Fund funding guideline. On favorable adoption of the Panel's recommendations detailed in this report, authorised officers will proceed to enter into a grant and or funding agreement (detailing entitlements and conditions) with the successful applicant.

Financial and Resource Implications:

In 2021/22, Council budgeted \$100,000.00 to fund recommended applications received through the Strategic Project Fund, this is the only round of funding.

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The table below summarises the current overall budget position of the Community Investment Program:

Fund	Budget	Actuals to date	Commitments	Budget Remaining
Carried over from 2020 funding streams				
Connected Communities	\$0	-\$192	\$2,585	-\$2,393
Regional Enhancement	\$0	\$45,352	\$20,766	-\$66,118
Community Investment Program				
Charity Waste	\$18,000			\$18,000
Community Hall	\$36,000	\$29,500	\$4,000	\$2,500
Community Celebration	\$380,000	\$36,849	\$245,918	\$97,233
Community Led Investment	\$25,000			\$25,000
Grassroots Fund	\$145,000	\$23,924	\$34,530	\$86,546
Elevator Fund	\$180,000		\$194,296	-\$14,296
Recommendations in this report				
Strategic Projects	\$100,000		\$73,216	\$26,784
TOTALS	\$884,000	\$135,433	\$575,311	\$173,256

Upon endorsement of the officer's recommendation within this report the Strategic Projects Fund will have a remaining balance of \$26,784.

It should be noted that the Strategic Project Fund replaced the Regional Enhancement Fund which had no budget this year, however had commitments from previous funding rounds.

There is opportunity to transfer unused funds between funding areas to ensure Council's budgeted funds are utilised to contribute towards our Corporate Plan objectives of Connecting Communities and Resilient Economy.

Summary:

Nil

Anticipated Resolution Completion Date:

28 February 2022

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: Community Investment Officer

G/4.4. SPECIALISED SUPPLIER - EVENTS QUEENSLAND

Responsible Officer: General Manager Community Development and Events

Council Meeting Date: 15 February 2022

File Ref: PE1.1

Purpose:

This report seeks a resolution from Council to make use of the provisions in section 235 of the Local Government Regulation 2012 that allows for the exceptions to the requirement for written quotes or tenders. The use of this provision is sought in relation to a three-year arrangement with Events Queensland Pty Ltd to deliver the Brisbane to Gladstone Village events as part of Councils Easter in Gladstone initiative.

Officer's Recommendation:

That Council:

1. Resolve, in accordance with Section 235(a) of the Local Government Regulation 2012, that it is satisfied that due to the specialised nature of the services sought and the ownership of the B2G Village intellectual property, Events Queensland Pty Ltd is the only supplier reasonably available; and
2. Authorise the Chief Executive Officer to enter into a contract with Events Queensland Pty Ltd to deliver the B2G Village for 2022, 2023 and 2024.

Background:

In 2019, Council launched a Destination Event, Easter in Gladstone, as an umbrella event bringing together two iconic and long-standing events in Gladstone, the Gladstone Harbour Festival and the Brisbane to Gladstone Yacht Race.

Easter in Gladstone is aligned with Councils adopted Regional Events and Visitor Economy Strategy and provides opportunities to enhance the Gladstone regional profile and boost economic stimulus attracting visitors to the region.

To supplement the existing activities, Council engaged the market through a Request for Service to deliver several events aligned with the Brisbane to Gladstone Yacht Race and complementing the carnival atmosphere of the Harbour Festival. It should be noted that this type of community event would usually be delivered by Council's dedicated Community Events and GECC teams, however all available resources are committed to supporting the delivery of the Gladstone Harbour Festival.

Events Queensland Pty Ltd provided a concept through the Request for Service that met Council's objectives for Easter in Gladstone, a series of events delivered at the B2G Village. The events included a Long Lunch, Line Crossing Party, and Seafood Festival.

Council has engaged the services of Events Queensland Pty Ltd to successfully deliver the Village in 2019 and 2021. The B2G Village has an existing affiliation with the overarching Easter in Gladstone branding, with officers focused on embedding this initiative as Council's annual Destination Event.

The B2G Village is the intellectual property of Events Queensland Pty Ltd and hence Council seeks approval to engage Events Queensland as a Specialised Supplier to deliver events in 2022, 2023 and 2024.

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As the intellectual property rights are held by a singular entity it would not be reasonably practicable to progress to an open market expression of interest for the supply of this service.

Options, Risk and Opportunity Analysis:

Option 1: Engage Events Queensland Pty Ltd as a Specialised Supplier

Engage Events Queensland Pty Ltd to deliver events associated with the B2G Village across the Easter weekends in 2022, 2023 and 2024 as part of the Easter in Gladstone destination event. Events Queensland will be responsible for the delivery of the following:-

- Provide all personnel, equipment and materials to deliver the B2G Village events;
- Promote and market the events;
- Participate in collaborative meetings with Easter in Gladstone key stakeholders;
- Use its best endeavours to use local suppliers for the events.

The B2G Village events designed and delivered by Events Queensland are to meet the following objectives:-

- Provide an opportunity to welcome the arrival of the competitors in the Brisbane to Gladstone Yacht Race and their families;
- Build community pride;
- Create opportunities for increased engagement with Gladstone Region locals with the Brisbane to Gladstone Yacht Race;
- Encourage local residents to 'Holiday at Home' over the Easter weekend;
- Increase visitation to the Gladstone Harbour Festival and activate new spaces on the harbour;
- Increase the profile of the Gladstone Region as a destination
- Contribute to the success of Easter in Gladstone as a destination event for the Gladstone Region;
- Provide an experience that will attract and retain visitors and encourage return visitation.

Option 2: Engage the market on an annual basis to deliver events under the Easter in Gladstone banner

Conduct a Request for Service for an event management organisation to deliver events under the Easter in Gladstone banner.

Council will no longer have an opportunity to align the B2G Village with the Easter in Gladstone destination event as it is the intellectual property of Events Queensland.

Council's intent to align the B2G Village with Easter in Gladstone to embed the event as a Destination Event and to attract return visitation is compromised with this approach with differing suppliers potentially engaged year on year.

Communication and Consultation:

Nil.

Legal Strategy and Policy Implications:

It is a requirement of the Local Government Regulation 2012 section 225 to invite written quotations or tenders where the supply of goods or services with a cost greater than \$15,000 ex GST. Section 235 of the regulation does provide some exceptions, relevant to this report is section 235(a) which provides an exception where:

“The local government resolves that it is satisfied that there is only 1 supplier reasonably available”

Financial and Resource Implications:

Council currently budgets \$90,000 per annum to deliver the B2G Village events as part of its Events Attraction budget. In 2019 and 2021, the estimated return on investment for the B2G Village events was \$533,000 and \$299,450 respectively. It should be noted that the 2021 event was heavily impacted by COVID and was held at an alternate site.

Should Council endorse Events Queensland Pty Ltd as a specialised supplier, the total cost of the three-year contract would be \$270,000.

Summary:

Nil

Anticipated Resolution Completion Date:

28 February 2022

Attachments:

Nil.

Tabled Items:

Nil.

Report Prepared by: General Manager Community Development and Events

G/4.5. MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 31 JANUARY 2022

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 15 February 2022

File Ref: FM15.1

Purpose:

This report seeks Council adoption of the Monthly Financial Statements for the 2021-22 year to date, for the period ended 31 January 2022.

Officer's Recommendation:

That Council adopt the Monthly Financial Statements attached to the officer's report for the 2021-22 year to date, for the period ended 31 January 2022 as required under Section 204 *Local Government Regulation 2012*.

Background:

The percentage of year passed (pro-rata rate) as at 31 January 2022 is 59.18%.

The 2021-22 budget was adopted on 15 June 2021. Council officers have undertaken a forecasting process, resulting in a forecast operating deficit of \$1.8m compared to the budgeted operating deficit of \$0.9m.

Major movements are as follows:

- Increase in income tax equivalents revenue from the Gladstone Area Water Board (GAWB) +\$3.4m
- Increase in finance costs due to borrowing rate obtained at time of loan restructure (\$1.4m)
- Increase in operating costs across salaries, materials and contractors & consultants relating to gravel pits based on no inventory production for the 2021-22 year (\$1.0m)
- Decrease in Gladstone Airport Corporation (GAC) contribution to finance costs - excess over cost to Council now allocated as principal repayments (\$0.9m)
- Increase in employee benefits expenditure following Enterprise Bargaining Agreement (EBA) negotiations (\$0.7m)

Statement of Income and Expenditure

Income

Recurrent Revenue

Total recurrent revenue	2021-22	Actual as %
Actual	\$163.8m	
Budget	\$199.4m	82.13%
Forecast	\$199.3m	82.16%

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Of note:

Net rates and utility charges	2021-22	Actual as %
Actual	\$145.8m	
Budget	\$158.0m	92.24%
Forecast	\$157.6m	92.48%

Council's primary source of recurrent revenue is the generation of annual rates, along with access charges for water, sewerage and waste. This generation was completed in July, with notices issued to ratepayers in August.

The remaining forecast revenue relates to water consumption revenue for 2021-22. This revenue will be raised upon completion of the June water meter reading cycle.

Total interest revenue	2021-22	Actual as %
Actual	\$0.7m	
Budget	\$1.7m	40.06%
Forecast	\$1.5m	47.51%

Investment opportunities remain limited due to the on-going COVID-19 pandemic. Rates available to Council for investing remain lower than the cash rates available from the Queensland Treasury Corporation (QTC).

Interest revenue is expected to increase during the remaining months of the year, as evidenced by the January movement of \$0.2m. This is due to the increased balance of cash that Council has available for investing, as well as the commencement of interest charges for overdue rates.

Sales revenue	2021-22	Actual as %
Actual	\$1.7m	
Budget	\$7.5m	22.85%
Forecast	\$4.2m	40.55%

Recoverable works contract values were estimated at the time of budget preparation. As the year progresses these contract values have been confirmed as lower than initial estimates. Revenue relating to these contracts has been reduced by \$3.5m and is offset by a reduction in operating expenditure of \$3.3m.

Claims for the Roads Maintenance Performance Contract (RMPC) are expected to increase in the second half of the financial year as works progress.

Income tax equivalents	2021-22	Actual as %
Actual	\$0.1m	
Budget	\$3.9m	2.54%
Forecast	\$7.3m	1.35%

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Council has increased the income tax equivalents in the Forecast that is expected to be received from the Gladstone Area Water Board (GAWB) to \$7.0m. This is due to a significantly improved position reported by GAWB over initial estimates provided during Budget preparation. This Income is expected to be received later in the year.

The remaining forecast of \$0.3m relates to the Gladstone Airport Corporation competitive neutrality fees. These fees are received progressively throughout the year, and account for the year-to-date amount currently reflected in the Statement of Income and Expenditure.

Other recurrent revenue	2021-22	Actual as %
Actual	\$1.9m	
Budget	\$2.4m	79.63%
Forecast	\$2.3m	80.52%

This category of revenue covers all revenue not separately accounted for. This includes events & entertainment revenue, fines & penalties, commission and rental income.

Internal plant hire reflects positively within this category, with \$0.4m of costs allocated to capital projects year to date.

Grants, subsidies, contributions and donations	2021-22	Actual as %
Actual	\$3.4m	
Budget	\$10.3m	32.95%
Forecast	\$10.5m	32.06%

General purpose grants (Financial Assistance Grant) make up \$8.6m of the forecast, to be received in instalments. A sizable portion (50%) of this income is received at the end of the financial year resulting in timing differences.

Capital Revenue

Capital grants revenue	2021-22	Actual as %
Actual	\$4.8m	
Budget	\$16.7m	28.63%
Forecast	\$16.7m	28.63%

Capital grants revenue is recognised as project milestones are met. Therefore, the revenue recognised on the Statement of Income and Expenditure does not necessarily reflect the funding received during the year. Where milestones are still to be achieved, revenue is recognised as a contract liability on the Statement of Financial Position.

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Capital revenue recognised for significant projects is detailed below:

Project	Budget	Forecast	Actual
State Government Grants & Subsidies			
Gladstone Sewer Mains Renewal	\$2.2m	\$2.2m	-
Goondoon Street Footpath	-	-	\$0.7m
Toooloa Street, Gladstone - Pavement and footpath renewal	\$0.8m	\$0.8m	\$0.1m
Bindaree Road, Miriam Vale - Investigate and design replacement options	\$0.5m	\$0.5m	-
Upgrade to pump station SPS A06	-	-	\$0.7m
Other State Government Funding	\$1.9m	\$1.9m	\$0.5m
Total	\$5.4m	\$5.4m	\$2.0m
Federal Government Grants & Subsidies			
A01 to Gladstone Wastewater Treatment Plant Partial Main Replacement	\$2.0m	\$2.0m	-
Gladstone Aquatic Centre Upgrade – Stage 2	\$1.6m	\$1.6m	\$0.7m
Benaraby Landfill – Capping of Cell 2	\$1.1m	\$1.1m	-
Asphalt Overlay and Bitumen Reseals	\$1.1m	\$1.1m	-
Gentle Annie Road - Widen existing seal	\$0.9m	\$0.9m	-
Coast Road, Baffle Creek - Install shoulders & edge lines	\$0.9m	\$0.9m	-
Cotton Street, Gladstone - Reconstruct to high strength pavement, kerb, and channel (Design only)	\$0.7m	\$0.7m	-
Gorge Road, Lowmead (Baffle Creek Crossing) - Investigate appropriate repair method	\$0.7m	\$0.7m	\$0.1m
John Clifford Way, Lowmead (Hobble Creek Bridge) - Investigate appropriate repair method	\$0.7m	\$0.7m	-
Gentle Annie Road, Ambrose - Install shoulder & edge lines	\$0.5m	\$0.5m	-
Other Federal Government Funding	\$1.1m	\$1.1m	\$1.9m
Total	\$11.3m	\$11.3m	\$2.7m

Expenditure

Year to date expenditure, although lower than pro-rata rate, is tracking in line with expectations for this time of year.

Recurrent expenditure

Total recurrent expenditure	2021-22	Actual as %
Actual	\$111.1m	
Budget	\$200.3m	55.45%
Forecast	\$201.1m	55.22%

Of note:

Employee benefits	2021-22	Actual as %
Actual	\$38.7m	
Budget	\$66.5m	58.22%
Forecast	\$67.0m	57.84%

Employee benefits are the largest component of Councils recurrent expenditure. The average vacancy rate for the year-to-date is 9.7%, compared to a budgeted 6.0%. This increase in vacancy rate has assisted in reducing the impact of an EBA increase (finalised in December 2021) of 2.5% which has been factored into forecast. This EBA increase is 1% above the 2021-22 budget assumption.

Contractors & consultants	2021-22	Actual as %
Actual	\$12.0m	
Budget	\$31.3m	38.46%
Forecast	\$29.3m	41.11%

Spending is low compared to the pro-rata forecast in the following areas:

- Asset Management - Consultants (\$0.9m)
- Sewerage – Contractors (\$0.9m)
- Waste – Contractors (\$0.6m)
- Parks – Contractors (\$0.4m)

Costs are still expected to align with the forecast by year end, with the timing issue attributable to non-linear spending patterns throughout the year.

Donations & Sponsorships	2021-22	Actual as %
Actual	\$1.2m	
Budget	\$2.8m	43.16%
Forecast	\$2.8m	41.81%

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The forecast for donations includes \$0.4m for the community celebration fund, with this type of support generally provided in the second half of the year.

Equipment expenses	2021-22	Actual as %
Actual	\$1.8m	
Budget	\$2.0m	88.21%
Forecast	\$2.4m	74.48%

Costs relating to external hire of plant and equipment have exceeded the pro-rata forecast. Delivery of works utilising wet or dry plant hire is impacted by scheduling and internal resource availability. This can result in savings within contractor expenses that are offset by external plant hire that was not included in the forecast.

Motor vehicle expenses	2021-22	Actual as %
Actual	1.0m	
Budget	\$1.1m	87.07%
Forecast	\$1.4m	70.81%

Motor vehicle parts and materials, outside repairs and tyres are all exceeding the pro-rata forecast. This is attributed to Councils ageing large vehicle fleet. Logistical supply issues are causing delays in renewing these assets.

Other materials and services	2021-22	Actual as %
Actual	\$3.9m	
Budget	\$9.5m	41.17%
Forecast	\$9.0m	43.78%

This category of expenditure includes all costs not separately accounted for. This includes the purchase of materials and various administrative and overhead costs.

Staff and Councillor associated expenses	2021-22	Actual as %
Actual	\$0.8m	
Budget	\$1.9m	41.37%
Forecast	\$2.2m	37.26%

Costs relating to recruitment and medicals have been minimal for the year-to-date with actuals of \$0.1m year-to-date against a forecast of \$0.4m. Recruitment activity is expected to increase in line with the increase in vacancy rate.

Non-mandatory training and travel for staff are also below pro-rata forecast. Opportunities for attendance at face-to-face training continue to be impacted by the ongoing COVID-19 situation. The forecast includes \$0.4m for non-mandatory training, seminars, conferences and travel in the remaining months of the year.

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Finance Costs - QTC	2021-22	Actual as %
Actual	\$1.2m	
Budget	\$0.5m	223.13%
Forecast	\$1.9m	60.77%

Budgeted interest expenses for the restructured loan portfolio were based upon quoted borrowing rates during the time of budget preparation. Actual rates accessible in June 2021 (when loan restructures took place) were less favorable, resulting in a variance. The additional interest costs in the 2021-22 year (and beyond) are offset by the reduced Early Repayment Adjustment paid in the 2020-21 year.

Council's debt portfolio includes \$49.9m of borrowings relating to the 2010 upgrade of the Gladstone Airport. Contributions from GAC cover the interest costs for these loans. Where the contributions exceed the interest cost to Council, the remaining amounts are applied as principal repayments to reduce the balance of the Shareholder Loan between Council and GAC.

The forecast has been adjusted to reflect the anticipated position for the 2020-21 year. Actual results will continue to deviate from budget as the year progresses.

Statement of Financial Position

	Current Value	Budget	Variance (Actual to Budget)	Forecast	Variance (Actual to Forecast)
Year-to-date Assets	\$2.6b	\$2.5b	\$15.6m Favourable	\$2.6b	\$9.8m Favourable
Year-to-date Liabilities	\$146.1m	\$139.4m	\$6.7m Unfavourable	\$144.2m	\$1.9m Unfavourable

Assets

Cash balances are currently high following the rates generation and are expected to reduce by \$80.1m as Council incurs operating and capital expenditure and meets its liabilities.

The forecast movement in property, plant and equipment (PPE) of \$49.6m is dependent on the delivery of the capital works program as well as any revaluation movement at 30 June.

Receivables have increased by \$2.8m since 31 December, following the generation of water consumption notices. These amounts are not reflected in the outstanding rates figures below, as they are not yet due.

Liabilities

The forecast for liabilities reflects the expected position at 30 June 2022.

The current balance includes a \$5.2m provision for the restoration of cell 2a of the Benaraby Landfill. This provision is expected to be utilised towards the end of the 2020-21 year.

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The balance of total borrowings is expected to decrease by \$2.9m as repayments are made paid during the year.

Contract liabilities of \$8.0m reflect funds that have been received but not utilised. As the relevant projects progress, the revenue will be recognised and this balance will be reduced.

Capital Expenditure

	Actual	Budget	Actual as % of Budget
Year to date capital expenditure	\$28.6m	\$73.5m	38.86%
Commitments (open purchase orders)	\$15.0m		
Total	\$43.5m		59.21%

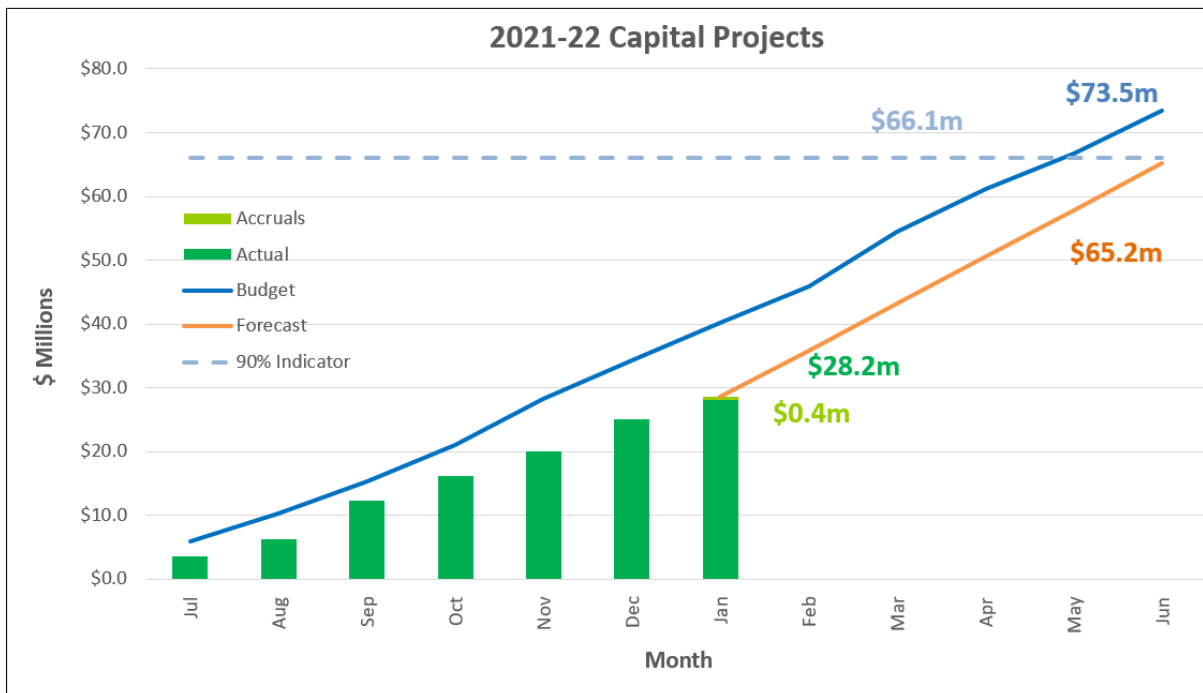
Of the \$15.0m in commitments, \$2.3m relates to fleet replacement, \$2.2m relates to the renewal of sewer mains and \$1.3m relates to the Baffle Creek crossing (Gorge Road) project.

Accrual estimates of \$0.4m have been included in the actuals, to account for major claims relating to January work.

Capital expenditure against groups with significant capital expenditure budgets are shown in the table below:

Group	YTD Actual	Commitments	Budget	Actual as % of Budget
Road Assets	\$8.7m	\$5.1m	\$24.5m	36%
Sewerage Assets	\$5.2m	\$4.8m	\$17.2m	30%
Asset Governance	\$0.0m		\$5.0m	0%
Water Assets	\$4.6m	\$1.4m	\$5.7m	80%
Delivery Support and Performance	\$5.5m	\$2.3m	\$8.0m	69%
Waste Assets	\$0.4m	\$0.1m	\$2.4m	17%
Property Assets	\$2.6m		\$6.7m	39%
Parks & Environment Assets	\$0.1m		\$1.1m	6%
Community Development & Events	\$0.3m	\$0.2m	\$1.1m	27%
Other	\$1.2m	\$1.1m	\$1.8m	69%
Total	\$28.6m	\$15.0m	\$73.5m	39%

The forecast within the graph below represents projections by the Works Planning & Scheduling team.



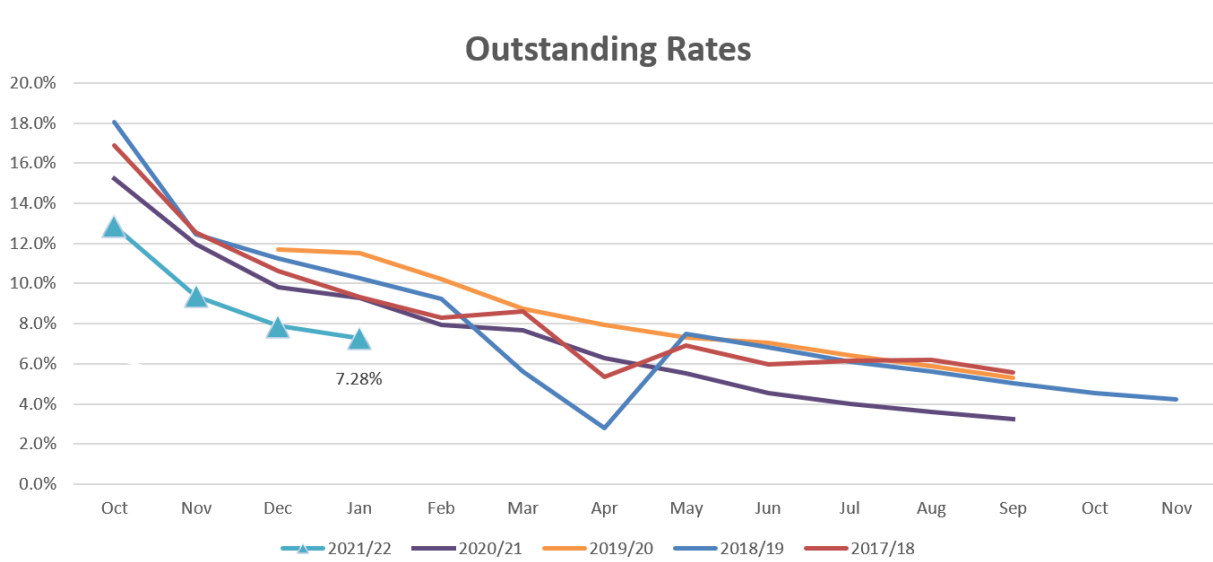
Outstanding Rates

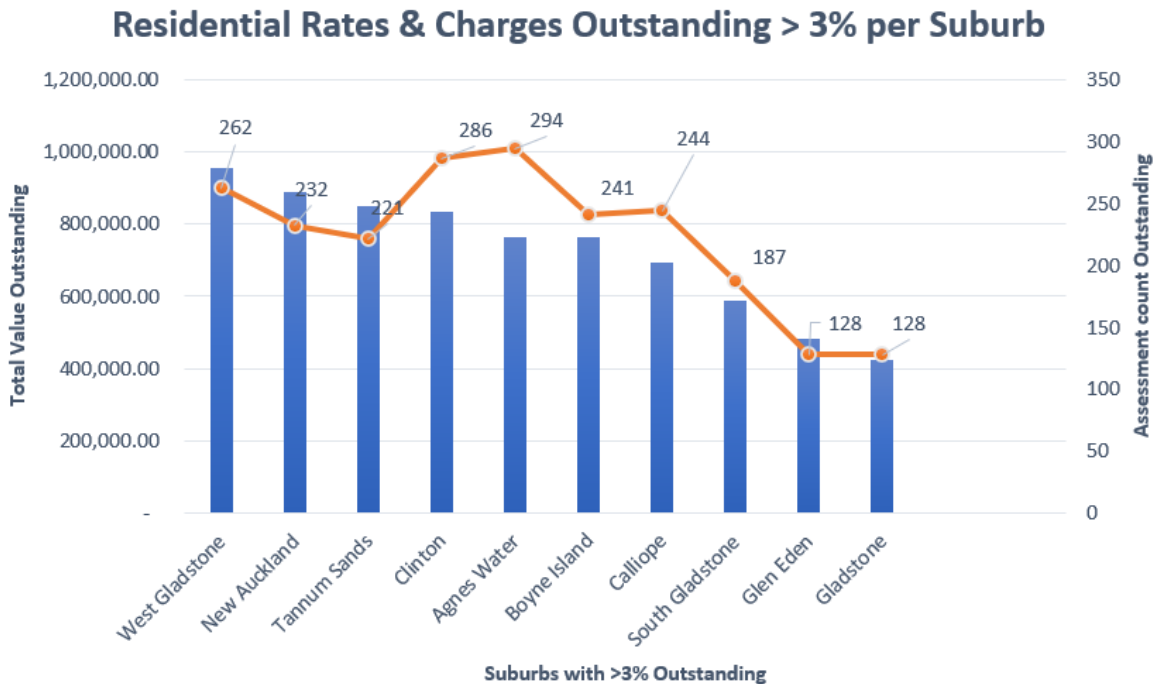
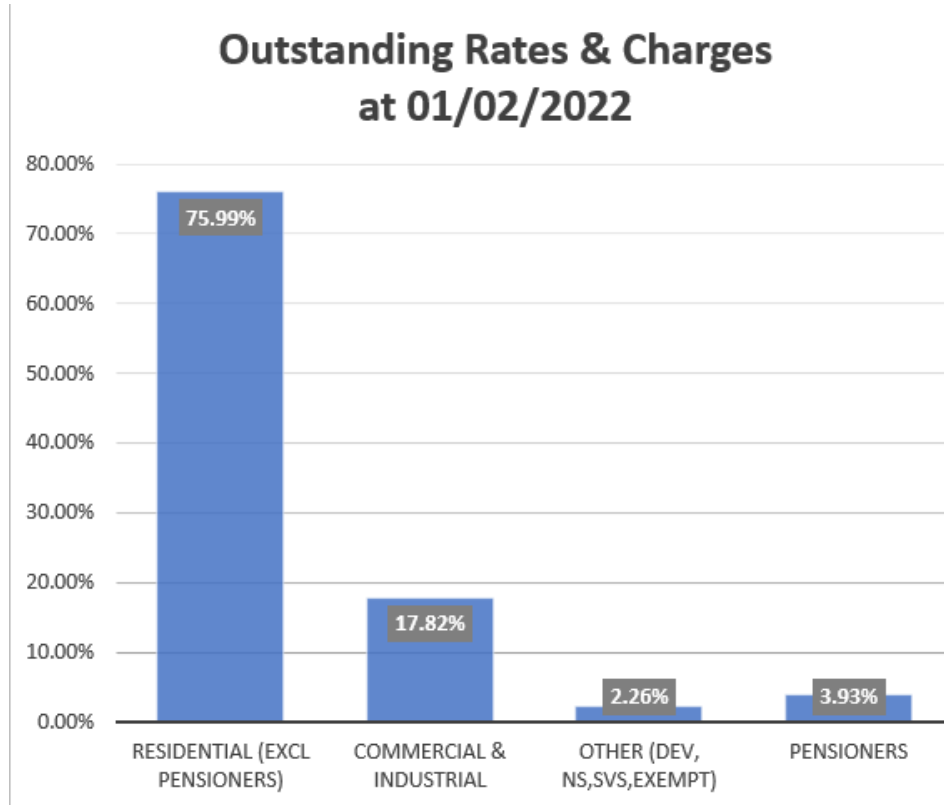
Outstanding rates, as a percentage of gross rates levied for 2021-22, and collectible, is at 7.28% at the end of January 2022, compared to 9.28% for the same period last year.

Of the \$12.7m of outstanding rates 17.82% relates to commercial/industrial assessments and 82.18% represents residential assessments.

These figures include \$3.4m of rates that are currently being repaid under an authorised payment plan, for which there were 41 commercial/industrial assessments and 1,769 residential assessments. A total of 1,810 assessments, which is an increase from 1,757 assessments in December 2021. This movement is a result of new arrangement entered into since rates notices were posted.

There were 4,489 ratepayers who had paid their rates in advance totalling \$5.9m.





Sustainability Ratios

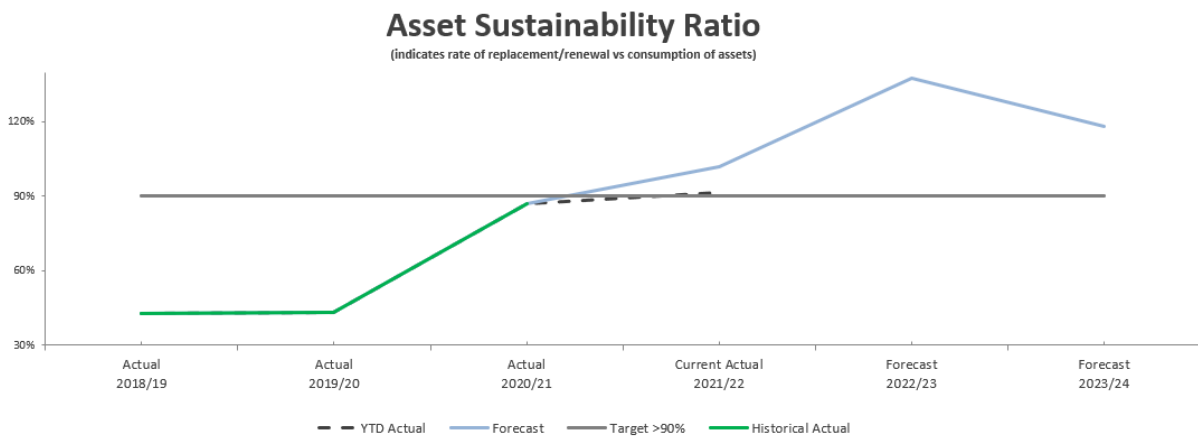
Financial ratios provide a useful snapshot of Council’s financial status and emerging trends. Individual ratios do not provide enough information to form a comprehensive opinion of Council's financial position and performance, but when the right mix of ratios are considered together, they become a valuable tool in analysing Council's overall financial performance.

Asset Sustainability Ratio

This ratio compares Council's expenditure on capital renewal assets with the rate at which our assets are depreciating. As Council invests in the renewal of its asset base on a rolling cycle, the expected results can vary from year to year. The results for a single year are dependent on the delivery of renewal projects in the capital program.

Infrastructure renewals have accounted for 71.46% of capital expenditure with the balance on new and upgrade projects. The 2021-22 capital forecast includes a significant allocation to renewal projects and Council is expecting to exceed the target ratio.

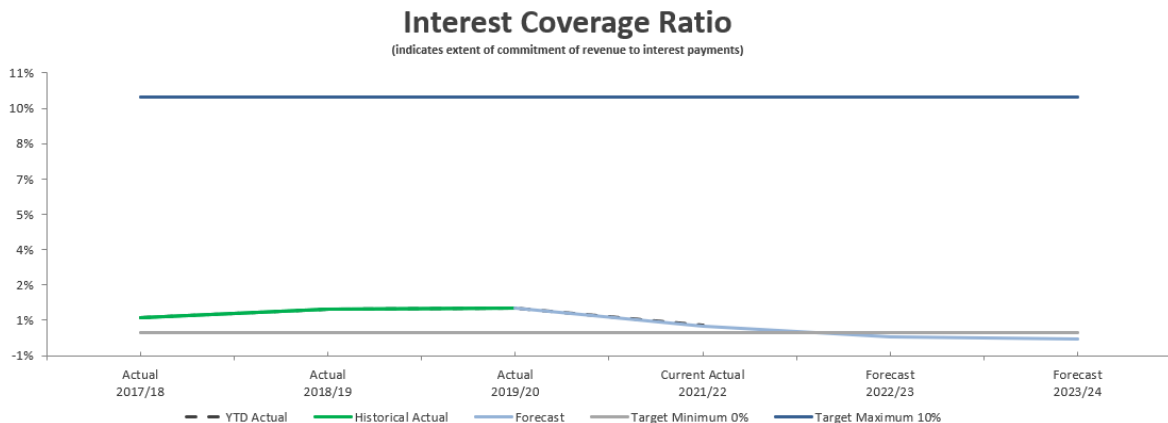
Asset Sustainability Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
91.58%	31.92%	101.77%	101.77%	>90%



Interest Coverage Ratio

This ratio indicates the percentage of operating revenue required to cover net interest costs. The ratio is reflecting an improvement on the prior year, as a result of reduced interest expenses following the loan restructure in June 2021.

Interest Coverage Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
0.29%	0.64%	(0.61%)	0.23%	0 - 10%

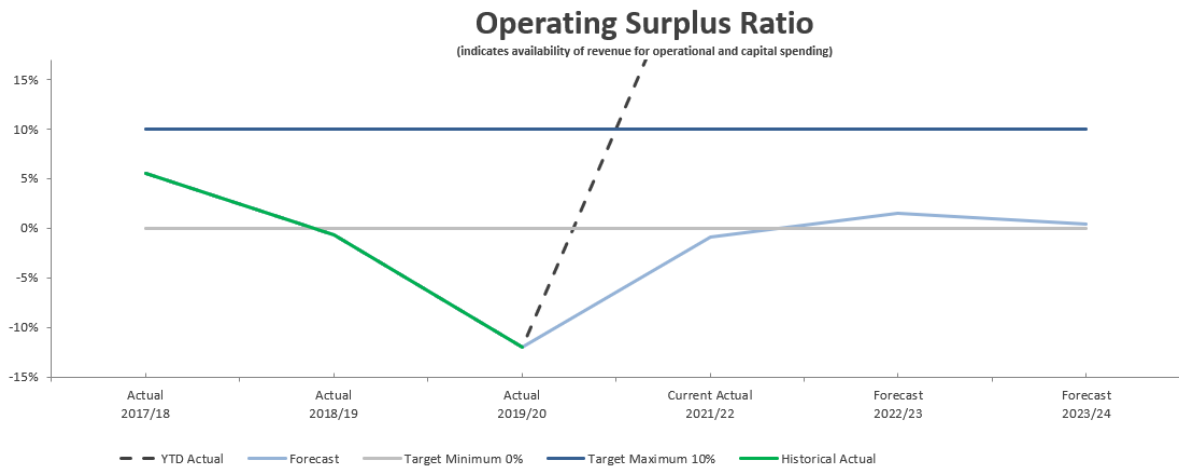


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Operating Surplus Ratio

A positive result for this ratio indicates that operating revenue can be used to fund capital expenditure, on top of the operational costs of Council. The results are currently skewed due to the generation of annual rates and other charges. This will align closer to forecast as the year progresses.

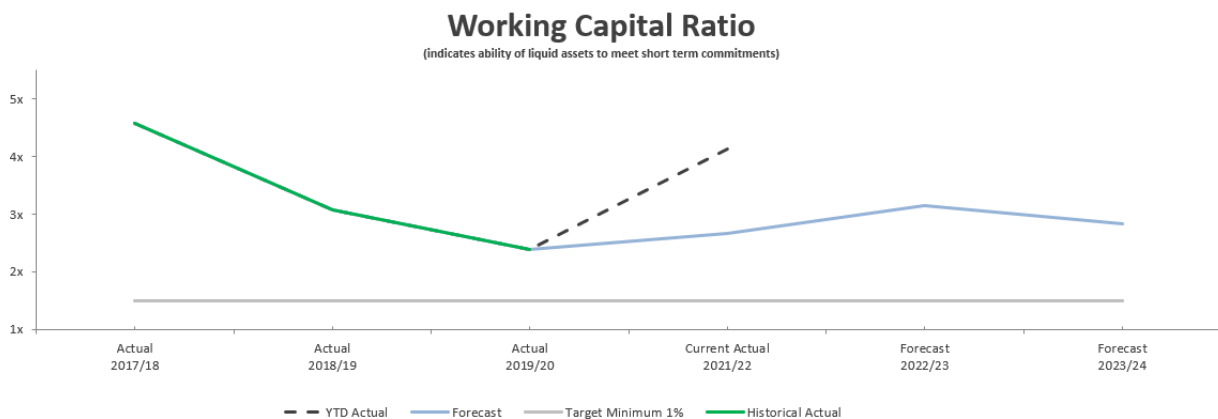
Operating Surplus Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
32.03%	28.66%	(0.45%)	(0.89%)	0 - 10%



Working Capital Ratio

The working capital ratio shows the ability of Councils current assets, to cover the commitments of its current liabilities. Following the rates generation, Council has a significant balance of cash, causing this ratio to reflect favorably.

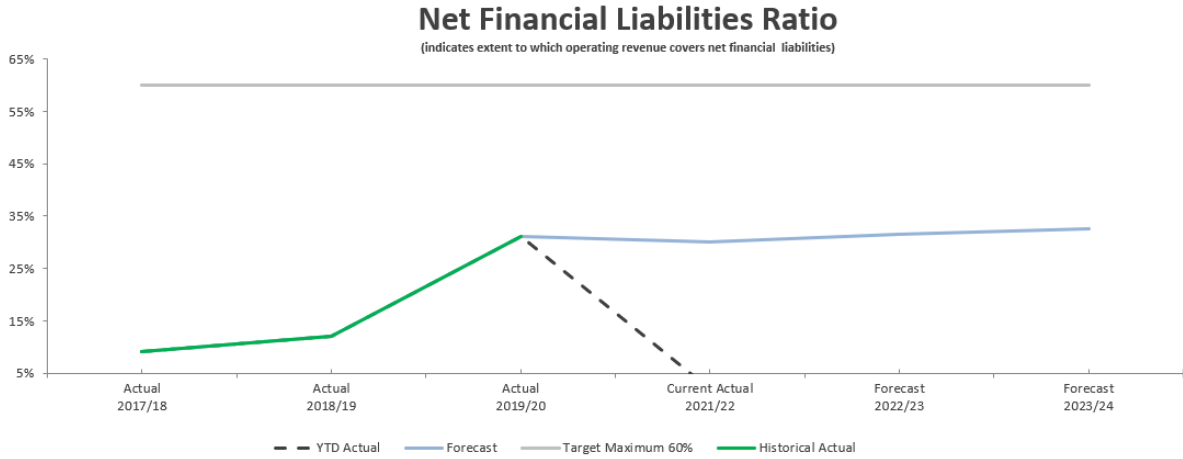
Working Capital Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
3.79x	5.40x	3.12x	2.16x	Greater than 1:1



Net Financial Liabilities Ratio

The ratio shows the extent to which operating revenue covers net financial liabilities. Again, the results are skewed following the rates generation which has created both high income and a high cash balance.

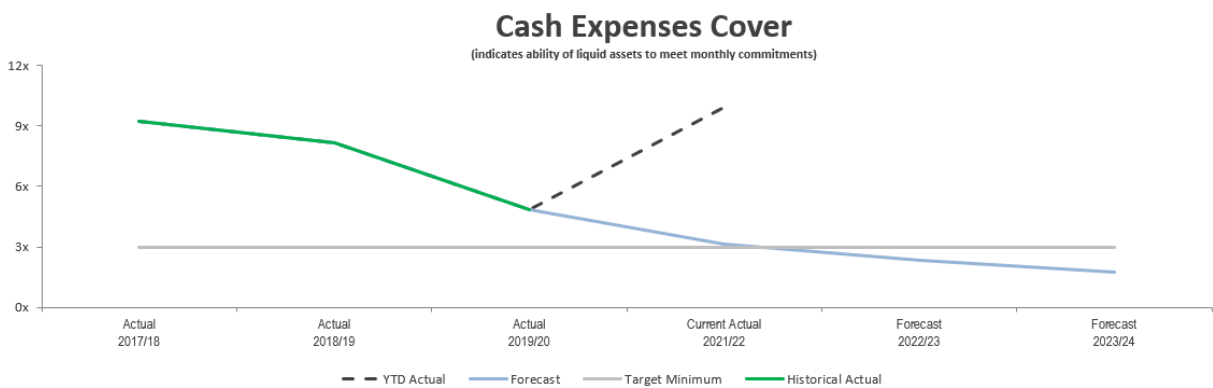
Net Financial Liabilities Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
2.04%	(18.15%)	30.07%	30.16%	< 60%



Cash Expenses Cover Ratio

This ratio indicates the number of months that Councils cash balance could cover its monthly cash expenses. The current result reflects a continuing strong cash position proportional to operating costs. This is due to the high cash balance following the rates due date.

Cash Expenses Cover Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
9.93x	10.97x	3.24x	3.13x	> 3x



Options, Risk and Opportunity Analysis:

Nil.

Communication and Consultation:

The report seeks specialist input from the following internal sources:

Budget and forecast - Systems Modelling and Metrics Specialist and Cost Analyst
Investing activity – Team Leader Financial Operations
Procurement and supply – Manager Contracts and Procurement
Recoverable works – Road Maintenance Performance Contract Team Leader
Vacancies – Recruitment, Remuneration and Benefits Business Partner
Capital expenditure - Manager Works Planning and Scheduling
Outstanding rates and prepaid rates - Manager Revenue Services.

Legal Strategy and Policy Implications:

Council is required to receive an update at least monthly relative to its financial position, *Section 204 Local Government Regulation 2012*.

Financial and Resource Implications:

Nil.

Summary:

Nil.

Anticipated Resolution Completion Date:

18 January 2022

Attachments:

1. Monthly Financial Statements for the period ending 31 January 2022
2. Operating Statements for month end January

Tabled Items:

Nil.

Report Prepared by: Systems and Reporting Accountant

G/5. COUNCILLORS REPORT

G/6. URGENT BUSINESS

G/7. NOTICE OF MOTION

G/8. CONFIDENTIAL ITEMS