



GLADSTONE
REGIONAL COUNCIL

**GENERAL MEETING NOTICE
AND AGENDA**

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

On Tuesday 17 May 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 3 MAY 2022

Responsible Officer: Chief Executive Officer

Council Meeting Date: 17 May 2022

File Ref: CM7.2

Purpose:

Confirmation of the minutes of the General Meeting held on 3 May 2022.

Officer's Recommendation:

That the minutes of the General Meeting of Council held on 3 May 2022 be confirmed.

Attachments:

1. Minutes of the General Meeting of Council held on 3 May 2022.

Tabled Items:

Nil.

Report Prepared by: Executive Secretary

G/3. DEPUTATIONS

G/3.1. NOT FOR PROFIT HOUSE

Responsible Officer: Chief Executive Officer

Council Meeting Date: 17 May 2022

File Ref: CM7.6

Purpose:

Not For Profit House (NFP House) will provide an update to Council of NFP House strategic direction and current activities.

Officer's Recommendation:

That the deputation from Not For Profit House be received.

Background:

Deputation details are as follows:

Time of Presentation	9:15am
Duration of Presentation plus question time	15 mins
Speakers to present	Lois Lodding Jennifer McGuire
Is the matter currently or has previously been subject to legal proceedings?	No
Matter for information only	Seeking to be considered for relevant Government initiatives such as the volunteer program currently being delivered out of the neighbourhood centre.

Attachments:

1. Not for Profit House Presentation

Tabled Items:

Nil

Reported Prepared by: Executive Secretary

G/4. OFFICERS' REPORTS

G/4.1. NEGOTIATED DECISION TO 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

Responsible Officer: General Manager Customer Experience

Council Meeting Date: 17 May 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
Date Of Receipt:	16 March 2022
Location:	4 Jeffery Court, Agnes Water QLD 4680
RPD:	Lot 20 RP 613382
Area:	1,066m ²
Current Use of Land:	Dwelling House
Zoning:	Mixed Use – Jeffery Court Precinct
Proposal:	Educational Establishment, Shop and Caretaker's Accommodation
Submissions Close Date:	26 November 2021 to 17 December 2021
Number Of Submissions:	Four (4) Submissions

Purpose:

The purpose of this report is to consider the request for a Negotiated Decision to 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, approved at Council's General Meeting on 15 February 2022. The Applicant lodged representations against conditions 1, 2, 6, 16, 22 and 28 to negotiate flexibility for the developer to commence the use, and remove additional design and operation restrictions.

Executive Summary:

A Development Application for Material Change of Use of Premises for an Educational Establishment, Caretakers Accommodation and Shop located at 4 Jeffery Court, Agnes Water was lodged with Council on 12 October 2021 and approved on 15 February 2022 at Council's General Meeting with reasonable and relevant conditions.

After receipt of the Decision Notice, the Applicant lodged representations against conditions 1, 2, 6, 16, 22 and 28. The request to amend these conditions has been considered against the *Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2* (the Planning Scheme) in accordance with the *Planning Act 2016* (the Act). From the additional justification provided by the Applicant, the request to amend several conditions has been assessed and recommended for approval in part.

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 tourism based activities.



Figure Two: Zoning of the subject site

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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:

The 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.

A Development Permit for this application was approved by Council and issued on 22 February 2022. After receipt of the Development Permit, the Applicant suspended the Appeal Period and lodged representations against several conditions of the Development Permit on 16 March 2022.

Council and the Applicant mutually agreed to an extension to the Negotiated Assessment period to allow time to prepare a report for an upcoming Council Meeting.

Approved Development:

The development application is 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 the 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.

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The approved 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.

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.

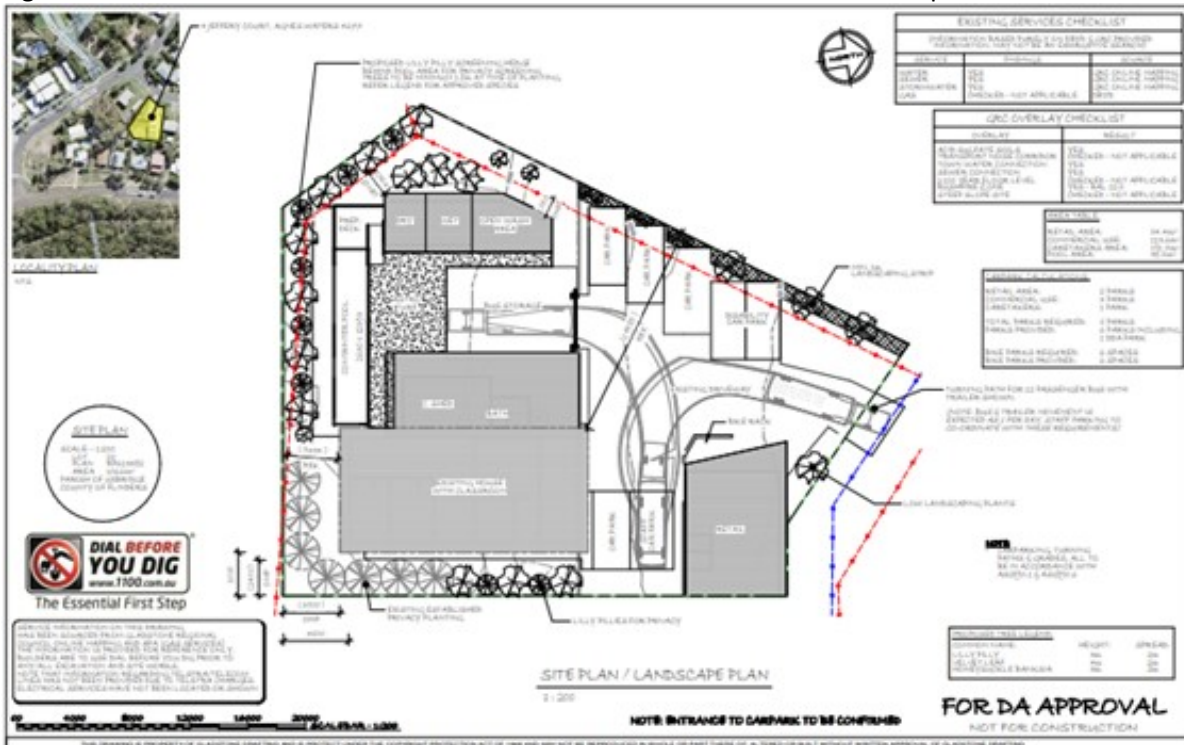


Figure Four: Approved Site Plan

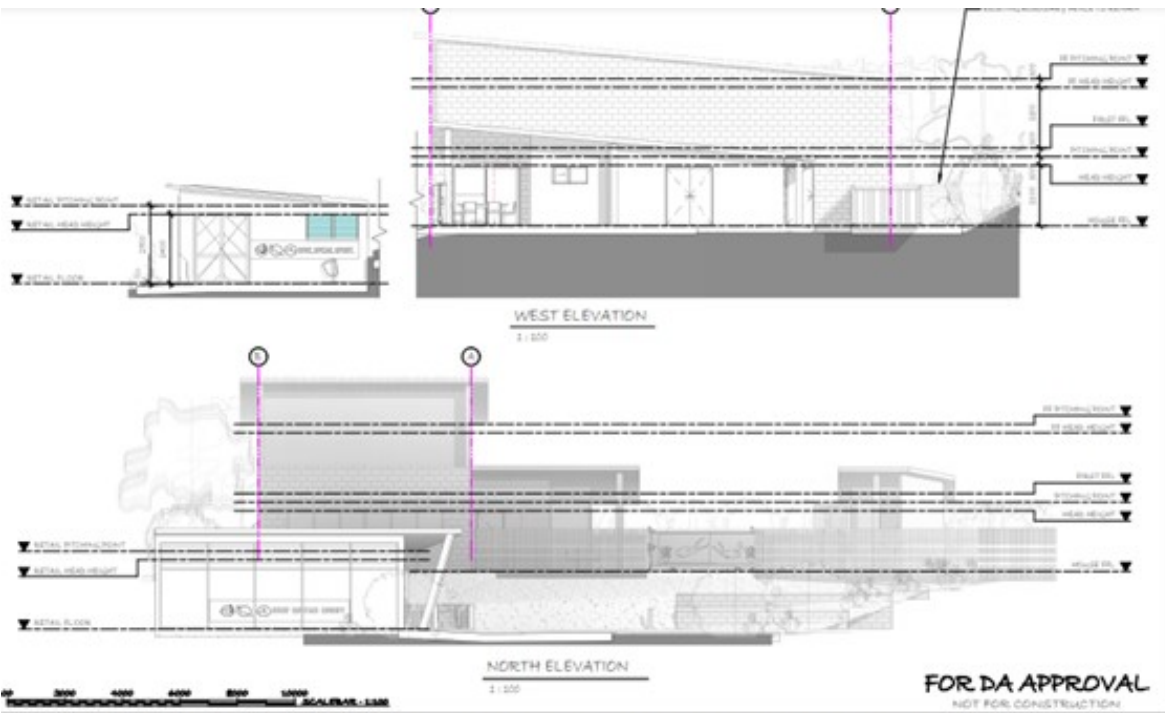


Figure Five: Approved Elevations



Figure Six: Approved 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.

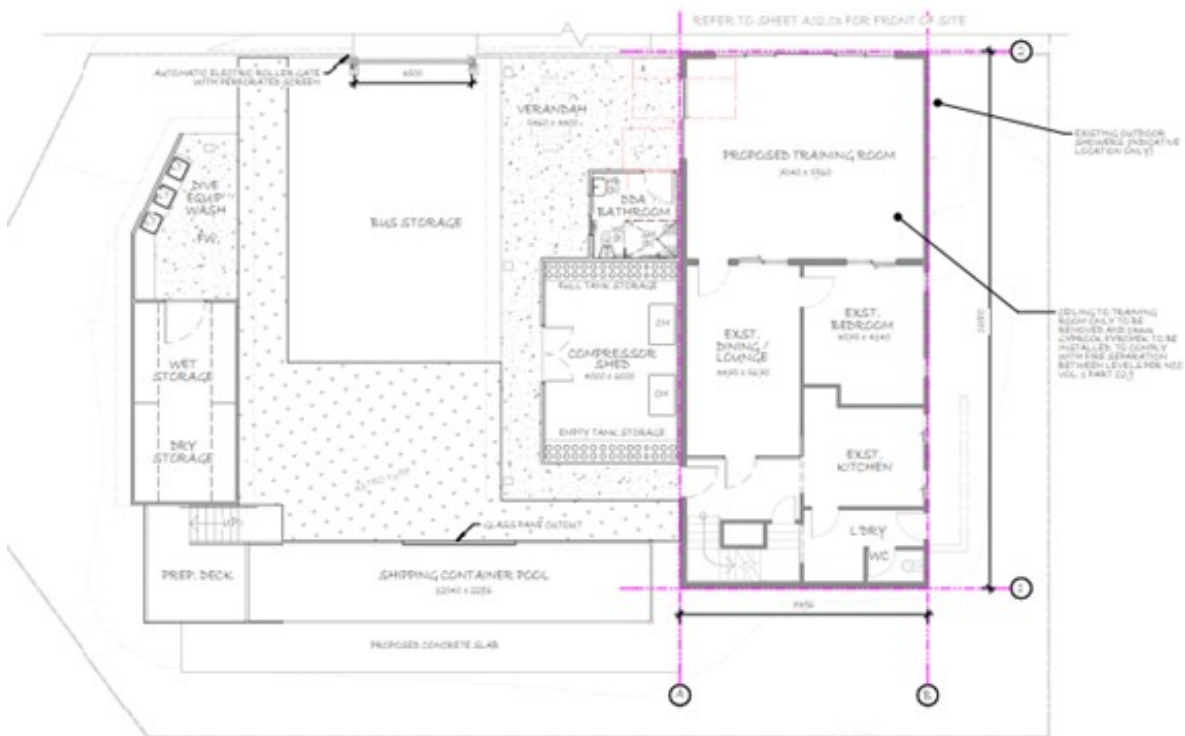


Figure Seven: Approved Ground Floor conversion, diving tank and associated storage

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)* which attracted a nil charge. The lodged representations against the Development Permit will not result in an amended Adopted Infrastructure Charge Notice.

Referral:

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

Planning Scheme Requirements:

The Applicant made representations against the Development Permit which has been addressed as follows. Please note that the original condition is in **bold**, the Applicant's justification is in *italics* and the Officer's comments in normal type.

Condition 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:

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

Applicant's Comments

It is requested Condition 1 – Approved Plan - Proposed Floor Plan, Sheet 2 is updated to reflect the minor change of relocating the DDA Bathroom to behind the Compressor Shed. This will allow for free flow from the Training Room to the Verandah.

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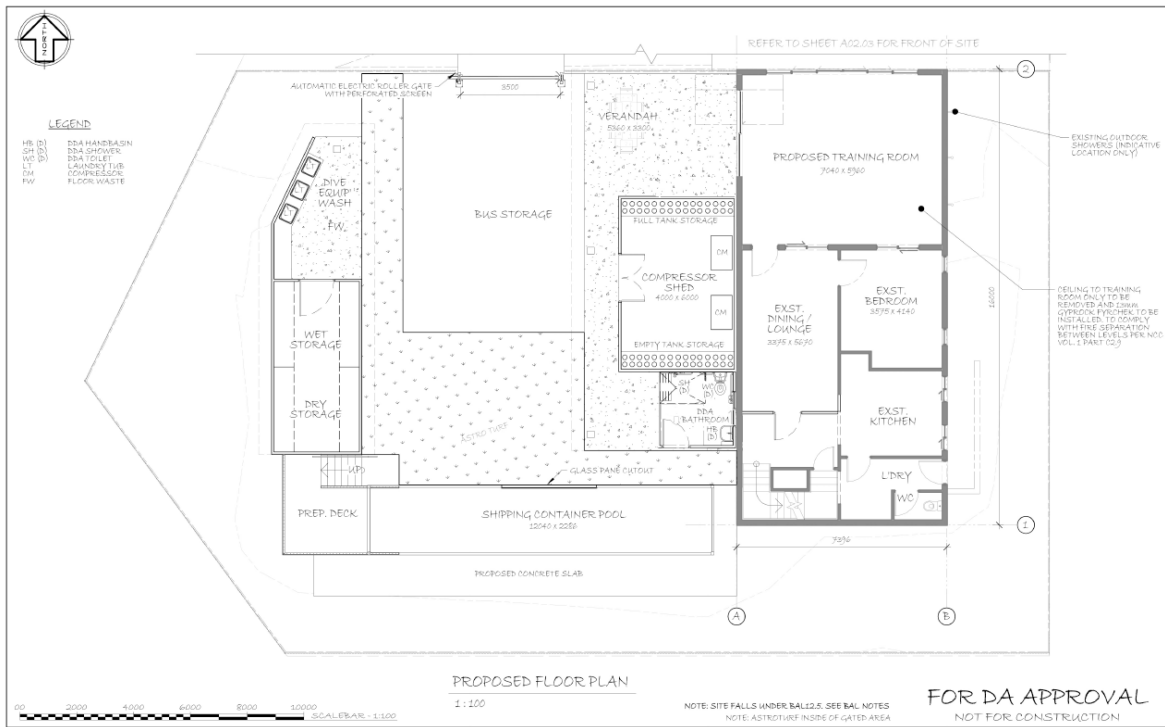


Figure 10: Revised Floor Plan

Officer’s Comments

The proposed relocation of the Bathroom from north of the compressor room to south does not alter the operation or relevant conditions within the Development Permit. As such, it is recommended to approve the revised Floor Plan within condition 1 to now reflect:

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	-

Condition 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.

Applicant’s Comments

It is noted that Public Holidays within the Agnes Water region is peak tourist time, with visitors travelling for the long weekends to undertake activities within the region. The current imposed Condition 2 would have a negative impact on the revenue of the business and deter potential visitors to the region. This is a tourist business servicing the tourist industry. Prohibiting trading on public Holidays makes no sense in this context.

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Also being a mixed use zone intended for development with commercial activities such as proposed it would be expected trading on public holidays would be expected. As such, it is requested that Condition 5 be amended to read:

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.~~

Officer's Comments

Within the Mixed Use Zone Code, the original assessment was conducted against Performance Outcome 26 which states *mixed-use premises must ensure the transmission of noise between residential and non-residential uses is minimised*. The hours of operation were considered compliant based on the supporting Operational Plan submitted by the Applicant and the recommended conditions to further align with the relevant standards and legislation regarding noise emissions.

Upon review of the *Environmental (Noise) Policy 2019*, operations can occur during these prescribed hours every day, including public holidays. As such, it is recommended to amend Condition 2 to state the following:

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

Condition 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.

Applicant's Comments

It is requested Condition 6 is deleted. It is submitted that this condition is unreasonable and serves no purpose. The entry to the Jeffery Court Precinct is at the intersection of Agnes Street and Springs Road not the subject site. The subject site is not even at the entry to Jeffery Court but rather one allotment in. It is also submitted that no requirement exists in the planning scheme requiring an entry statement be constructed.

It is requested Condition 6 be deleted for the above reasons.

Officer's Comments

As noted in the approved Landscape Concept Plan, an entry statement was included in the package. To ensure the entry statement as suggested in the Landscape Concept Plan by the Applicant is constructed, condition 6 was recommended. It is further noted that the revised plan submitted within the representations did not include amendments to the approved Landscape Concept Plan. To provide further flexibility on the proposed statement, it is recommended that condition 6 is amended to state the following:

Prior to the commencement of the use, the Applicant is to construct an entry statement/art piece, located adjacent to the proposed crossover. The entry statement/art piece is to be visible from Jeffery Court Precinct, as per the approved plans in Condition 1. The design is to be incorporated into the landscaping along the front of the site to promote a visually attractive piece for the local area.

Condition 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.

Applicant's Comments

It is requested Condition 16 is deleted as an additional maintenance hole is not required to be installed on the site. The Applicant has had a Licenced plumber attend to the site who has advised the existing plumbing in place is suitable to run the waste down to the existing Council's sewer main. It is noted, based on the proposed use usage, there will not be any excess water of concern, or any harsh chemical usage of any kind.

The proposed condition will require the existing service to be re-routed and overcomplicate the existing sewer line. Following an onsite meeting with the Council's Plumbing Inspector on the 15 March 2022, it was determined the additional maintenance hole is not required as there is an existing one on site.

As such, it is requested Condition 16 to be deleted.

Officer's Comments

The Applicant's engaged plumbing contractor requested Council review the existing connection. Two inspections were conducted by Council's Plumbing Inspector to determine the location and size of the existing private infrastructure from the Dwelling House. Upon review, it was determined that the existing jump up was sufficient size to cater for the development and a new private manhole prior to the connection would not be required.

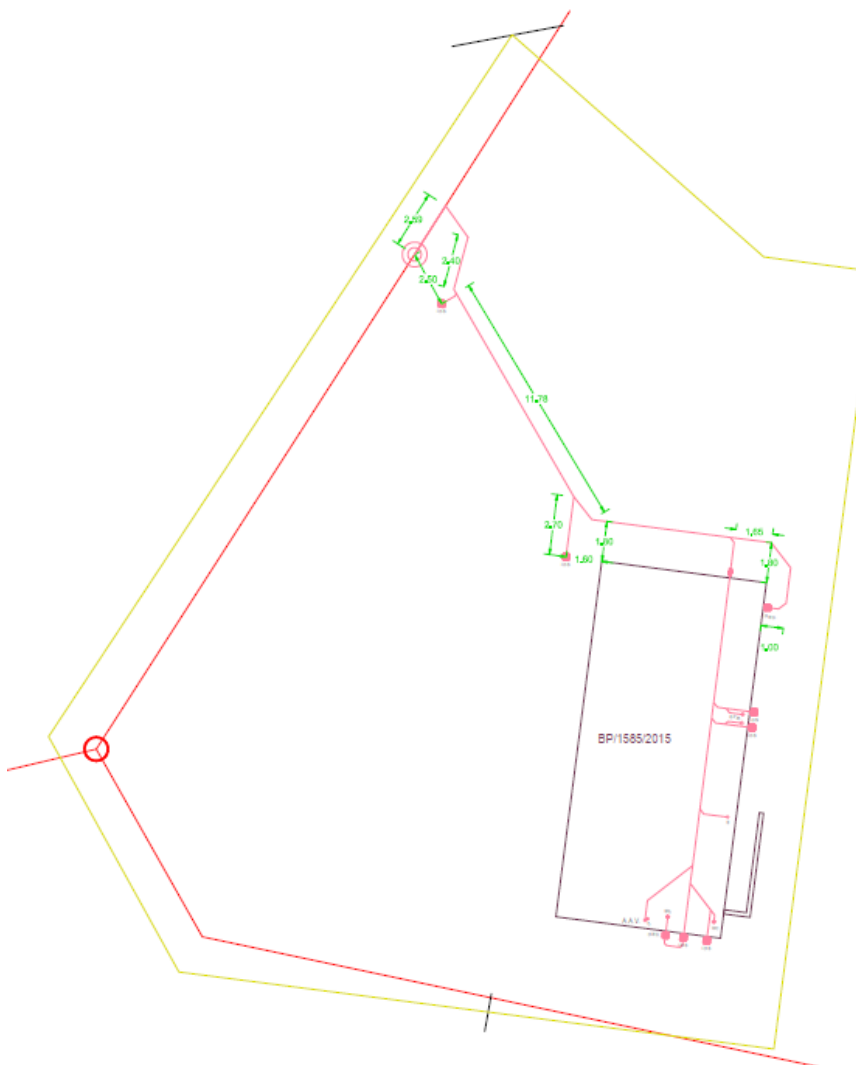


Figure 11: Existing sewer connection at the subject site

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Following from the Plumbing Inspectors advice onsite, it is suggested that condition 16 be revised to ensure the existing connection is maintained at all times during the operation of the development:

At all times, the existing private sewer connection must be maintained in the current location prior to connecting to Council's sewer main.

Condition 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>.

Applicant's Comments

It is requested that Condition 22 be amended to only require construction of the footpath for the full frontage of the property not beyond the site. As other properties develop in the precinct they should be required to do the same.

Alternatively, if Council wishes to maintain the condition, we would ask that council acknowledge the footpath construction as trunk infrastructure and the applicant be entitled to a full reimbursement of the cost of footpath as required by the Act. The footpath, as conditioned, will clearly service more than just the subject development site and in our view would meet the test for trunk infrastructure.

Officer's Comments

The application material relied 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 was proposed that a pedestrian footpath be constructed from the subject site to the existing network located along Agnes Street.



Figure 12: Approved footpath location

Furthermore, the Applicant has requested that Council consider the footpath infrastructure as ‘trunk infrastructure’. Upon review of the definition of trunk infrastructure within the Act, the pedestrian infrastructure does not meet the minimum criteria. Furthermore, the condition is considered a reasonable and relevant condition pertaining to non-trunk infrastructure as outlined in Section 145 of the Act.

If the Applicant were to further progress the request, the appropriate avenue would be for a Conversation Application under Section 139 of the Act to convert non-trunk to trunk infrastructure.

Subsequently, it is recommended that condition 22 remain.

Condition 28

As part of Operational Works, landscaping must be installed as per the approved Landscaping Plan.

Applicant's Comments

It is requested Condition 28 is amended to provide a manageable timeframe to install the landscaping as per the approved Landscaping Plan. Due to the current pandemic and damage relating to the recent extreme weather, it has created significant delays on completing certain conditions. As the proposed landscaping does not affect safe operations of the business, it is requested that Condition 28 is amended to read:

Within 12 months of the commencement of the use, the Applicant is required to install the landscaping as per the approved Landscaping Plan.

Officer's Comments

As part of Council's Information Request, it was raised that further landscaping treatments were required to adequately address the assessment criteria within the Zone Code and Landscaping Code. As part of the Applicant's response, a revised Concept Landscaping Plan was submitted to demonstrate further justification. This material later formed part of the Public Notification information available to the public.

This revised plan included internal landscaping to provide screening of the proposed development from the existing residential premises, and additional planting along the front boundary and within the footpath to achieve the visual streetscape as anticipated within the Zone Code and precinct.

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The approved Landscaping Concept Plan was reflected in the subsequent application conditions to ensure compliance with the Planning Scheme upon commencement of the use.

The current condition requires the Applicant to complete the landscaping works within the Operational Works permit which has legislative timeframes and associated on and off maintenance periods to ensure the planting has met minimum standards and is maintained. This timing would result in the landscaping and footpath to be completed prior to the commencement of the use.

The suggested wording by the Applicant would conflict with conditions 35 and 36 which require a planning inspection to ensure all conditions have been achieved and the formal use can then occur onsite. The proposed delayed timeframe could also present future compliance issues given the condition as proposed by the applicant does not provide enforceable certainty.

To ensure the subject site complies with the planning scheme and development conditions, it is recommended that condition 28 remain unchanged to provide clear intention and compliance with the planning scheme. The Applicant then has the opportunity to request an 'Uncompleted Works Bond' which would result in a formal agreement via a deed and payment of the outstanding works for the Applicant to later complete in accordance with the Deed. This bond provides Council additional certainty that the works can be conducted by the Applicant within the agreed timeframe.

Public Notification and Submissions:

As the Development Application triggered Impact Assessment under the Planning Scheme, Public Notification was required. Four Properly Made submissions were received for the proposed development. The received submissions were addressed as part of the original assessment and included within the Decision Notice.

With reference to the proposed representations submitted by the Applicant and assessment conducted against the Planning Scheme; it was determined that Officer's response to the submissions was not altered.

Summary:

A summary of the requested negotiated assessment and Council Officers recommendation has been included below:

Requested Condition	Officer's Recommendation
Condition 1 – Include updated plan	Agreed
Condition 2 – Remove public holiday operating restriction	Agreed
Condition 6 – Remove entry statement	Amended
Condition 16 – Remove new private maintenance hole	Amended
Condition 22 – Amend footpath extent or consider trunk	Refused
Condition 28 – Amend timing of Landscaping Plan	Refused

Officer's Recommendation:

That the request for a Negotiated Decision Notice to 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 in part.

Statement of Reasons:

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

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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 9.3.2.3.1 – Acceptable Outcome 1.1 and 2.1.	Compliance with Development Design Code – Table 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	Compliance with Development Design Code – Table

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9.3.2.3.1 – Acceptable Outcome 13.	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 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>	
Educational/Skill benefits	

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<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>	
New tourism activity	
I believe that the dive school benefits the community by providing the opportunity to participate in more positive activities and integrating different age groups.	
Development Design	
The design of the centre, building etc has been meticulously planned with sustainability at the forefront and industry-specific professionals.	

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:**

Drawing Number	Revision	Description	Author	Date
GD1781	C	Site Plan	Gladstone Drafting	23/07/2021
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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.**

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
 - 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 an entry statement/art piece, located adjacent to the proposed crossover. The entry statement/art piece is to be visible from Jeffery Court Precinct, as per the approved plans in Condition 1. The design is to be incorporated into the landscaping along the front of the site to promote a visually attractive piece for the local area.**

GENERAL MEETING AGENDA 17 MAY 2022

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. At all times, the existing private sewer connection must be maintained in the current location prior to connecting to Council's sewer main.**

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.

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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.
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.

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Advisory Note: Council's construction specification is located Capricorn Municipal Development Guidelines - Drawings and Specifications at <http://www.cmdg.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.

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Attachments:

1. Change Representations submitted

Tabled Items:

Nil

Report Prepared by: Development Services

G/4.2. 2021/22 OPERATIONAL PLAN QUARTER THREE REPORT

Responsible Officer: General Manager Strategy and Transformation

Council Meeting Date: 17 May 2022

File Ref: CM14.2

Purpose:

To present Council with the third quarterly performance report for the 2021-2022 Operational Plan.

Officer's Recommendation:

That Council endorse the 2021-2022 Operational Plan Quarter Three Report.

Background:

The Operational Plan 2021-2022 was endorsed on 15 June 2021 and identifies initiatives required to deliver the Gladstone Regional Council Corporate Plan 2021-26.

The attached report provides an update on Council's progress regarding the activity identified in the 2021/22 Operational Plan as of the quarter ending 31 March 2021.

Options, Risk and Opportunity Analysis:

79 per cent (11) of the initiatives are **on track** to delivered by 30 June 2022

- A pattern of decline in the number of projects on track has been observed from quarter one (100 per cent) and quarter two (86 per cent).
- Over the past few years, it has been typical to see a continued decline in initiatives reporting as on track in quarters two and three, followed by an increase in quarter four. Officers are monitoring this trend and working to understand how to better predict and plan for this.

21 per cent (3) of the initiatives are of **concern** status

- BackflowID and Tag System, Waste Management and Resource Recovery Business Case and Performance Plans initiatives have been reported as concern. All initiatives of concern have mitigation plans which have been reviewed by Executive team and endorsed by the Sponsor to get them on track and completed by 30 June 2022.

Initiatives have progressed on average 64 per cent (an increase from 33 per cent last quarter) with the lowest initiative progress being 50 per cent and the greatest being 90 per cent.

The Corporate Planning Team are monitoring any potential or actual COVID-19 impacts on the delivery of the Operational Plan with Project Leads and Sponsors, and this information is being elevated to the Executive Leadership Team for attention monthly as part of the usual reporting cycle. Disruption from COVID-19 quarantine and isolation mandates as well as staff vacancies has been observed and felt through pressure on resourcing and availability across Operational Plan Initiative Teams and Core Services.

Communication and Consultation:

Project Leads provide status updates and comments against each Operational Plan initiative within the attached report. Highlights from Core Services are provided by subject matter experts from across the business. This report is reviewed by Project Sponsors and the Executive Leadership Team before being presented to Council for review and endorsement.

Following endorsement, the report will be published on our website and shared with our community on Facebook and LinkedIn, accompanied by a short highlight video. The outcomes of the report will also be shared internally with our people to show how we are progressing our Operational Plan.

Legal Strategy and Policy Implications:

Section 174(3) *Local Government Regulation 2021* (Preparation and adoption of annual operational plan) states that:

“The Chief Executive Officer must present a written assessment of the local government’s progress towards implementing the annual operational plan at meetings of the local government held at regular intervals of not more than 3 months.”

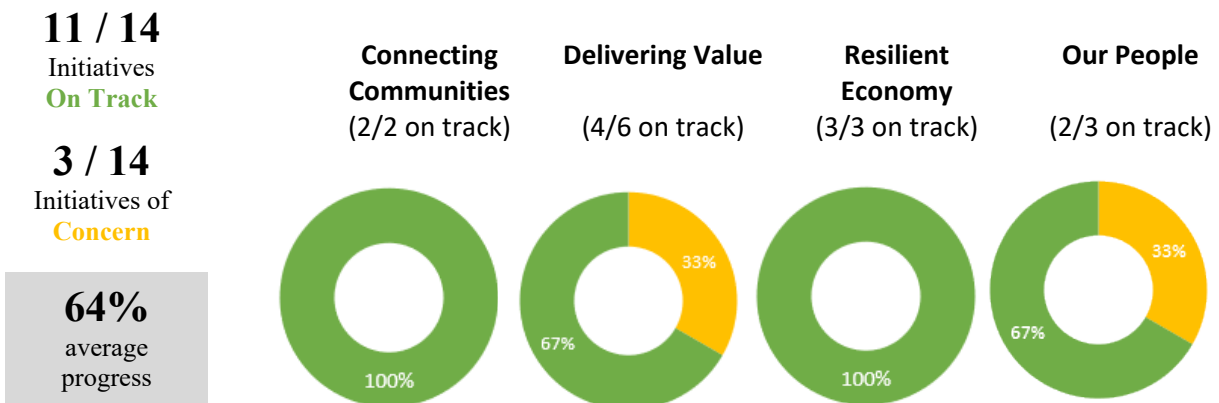
Financial and Resource Implications:

The BackflowID and Tag System initiative identified the need to source additional funding to resolve an unexpected software integration issue to enable the initiative to be completed by 30 June 2022. Savings from other projects (approximately \$20,000) and existing budgets (approximately \$15,000) compensated for the required increase. As a result, the initiative was able to accommodate the increase without sourcing additional budget.

No other requests for an additional budget have been received, and any projected savings are being addressed via monthly business-wide budget forecasting.

Summary:

The below graphic is a summary representing the quarter three status of 2021/2022 Operational Plan initiatives.



On Track: Reaching all milestones as planned

Concern: Issues are affecting delivery, but they are manageable within the Project Team

Action Needed: Issues are affecting delivery and require Executive support

Complete: Indicates output has been 100% delivered and no longer requires quarterly updates

Not Proceeding: This activity has been revised due to a change in priority or a shift in targets.

GENERAL MEETING AGENDA 17 MAY 2022

Anticipated Resolution Completion Date:

N/A

Attachments:

1. 2021-22 Operational Plan – Quarter Three Report

Tabled Items:

Nil.

Report Prepared by: Sarah Hunter, Manager Strategy & Improvement

G/4.3. MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 30 APRIL 2022

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 17 May 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 30 April 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 30 April 2022 as required under Section 204 *Local Government Regulation 2012*.

Background:

The percentage of year passed (pro-rata rate) as at 30 April 2022 is 83.56%.

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	\$178.4m	
Budget	\$199.4m	89.70%
Forecast	\$199.3m	89.72%

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Of note:

Net rates and utility charges	2021-22	Actual as %
Actual	\$146.0m	
Budget	\$158.0m	92.42%
Forecast	\$157.6m	92.66%

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.

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.

Fees and Charges	2021-22	Actual as %
Actual	\$14.6m	
Budget	\$15.7m	93.39%
Forecast	\$15.9m	91.92%

Both revenue and expenditure forecasts for tipping fees were based on monthly volumes that have been exceeded. The increased revenue is offset by increased expenditure under waste disposal and tipping fees.

Total interest revenue	2021-22	Actual as %
Actual	\$0.9m	
Budget	\$1.7m	52.55%
Forecast	\$1.5m	62.32%

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).

Sales revenue	2021-22	Actual as %
Actual	\$2.3m	
Budget	\$7.5m	30.96%
Forecast	\$4.2m	54.95%

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.

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Income tax equivalents	2021-22	Actual as %
Actual	\$0.1m	
Budget	\$3.9m	3.81%
Forecast	\$7.3m	2.02%

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 yet to be received.

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	\$2.9m	
Budget	\$2.4m	124.24%
Forecast	\$2.3m	125.62%

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 \$0.8m of costs allocated to capital projects year to date.

General Purpose Grants	2021-22	Actual as %
Actual	\$10.1m	
Budget	\$8.3m	122.33%
Forecast	\$8.6m	117.56%

Council received advice in December 2021 from the Queensland Local Government Grants Commission that its allocation of the Financial Assistance Grant would be reduced, following a methodology review. The reduction was estimated to be 4% per year, for three years beginning with the 2022-23 allocation.

In April 2022, Council received an advance payment of 2022-23 funding, totaling \$6.8m. This was significantly higher than the forecast amount of \$5.3m. The full 22-23 allocations are yet to be confirmed.

Capital Revenue

Capital grants revenue	2021-22	Actual as %
Actual	\$5.8m	
Budget	\$16.7m	35.11%
Forecast	\$16.7m	35.11%

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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.

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	\$0.2m
Goondoon Street Footpath	-	-	\$0.7m
Toolooa Street, Gladstone - Pavement and footpath renewal	\$0.8m	\$0.8m	\$0.4m
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	\$1.7m
Total	\$5.4m	\$5.4m	\$3.7m
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	\$1.3m
Total	\$11.3m	\$11.3m	\$2.1m

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	\$163.2m	
Budget	\$200.3m	81.46%
Forecast	\$201.1m	81.13%

Of note:

Employee benefits	2021-22	Actual as %
Actual	\$56.3m	
Budget	\$65.7m	85.77%
Forecast	\$67.0m	84.20%

Employee benefits are the largest component of Councils recurrent expenditure. The average vacancy rate for the year-to-date is 9.8%, 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	\$19.2m	
Budget	\$31.3m	61.47%
Forecast	\$29.3m	65.70%

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

- Asset Management - Consultants (\$1.2m)
- Sewerage – Contractors (\$0.9m)
- Economic Development – Consultants (\$0.4m)
- Strategic Projects – Consultants (\$0.4m)
- Transformation – Consultants (\$0.4m)
- Information Communication Technology – Consultants (\$0.3m)

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

Savings of approximately \$0.3m are expected to be recognised within asset management.

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Equipment expenses	2021-22	Actual as %
Actual	\$2.5m	
Budget	\$2.0m	123.38%
Forecast	\$2.4m	104.18%

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	\$1.5m	
Budget	\$1.1m	130.15%
Forecast	\$1.4m	105.83%

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	\$6.1m	
Budget	\$9.5m	63.68%
Forecast	\$9.0m	67.31%

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	\$1.2m	
Budget	\$1.9m	59.47%
Forecast	\$2.2m	53.56%

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 the remaining months of the year.

Training, conferences and travel for staff are also below pro-rata forecast with actuals of \$0.5m year-to-date against a forecast of \$1.0m. Opportunities for attendance at face-to-face training continue to be impacted by the ongoing COVID-19 situation.

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Waste disposal and tipping fees	2021-22	Actual as %
Actual	\$7.3m	
Budget	\$7.7m	94.68%
Forecast	\$7.7m	95.06%

Both revenue and expenditure forecasts for tipping fees were based on monthly volumes that have been exceeded. The increased expenditure is offset by increased revenue under fees and charges.

Statement of Financial Position

	Current Value	Budget	Variance (Actual to Budget)	Forecast	Variance (Actual to Forecast)
Year-to-date Assets	\$2.5b	\$2.5b	(0.65%)	\$2.6b	(0.87%)
Year-to-date Liabilities	\$147.6m	\$139.4m	5.66%	\$144.2m	2.35%

Assets

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

Cash balances are currently high following the rates generation and are expected to reduce by \$62.5m as Council incurs operating and capital expenditure and meets its liabilities.

The forecast movement in property, plant and equipment (PPE) of \$50.1m is dependent on the delivery of the capital works program as well as any revaluation movement at 30 June.

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 2021-22 year.

The balance of total borrowings is expected to decrease by \$1.5m as repayments are made during the year.

Contract liabilities of \$6.4m 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	\$38.7m	\$73.5m	52.69%
Commitments (open purchase orders)	\$10.9m		
Total	\$49.6m		67.47%

Of the \$10.9m in commitments, \$2.3m relates to fleet replacement, \$1.7m relates to the renewal of sewer mains and \$1.3m relates to the Baffle Creek crossing (Gorge Road) project.

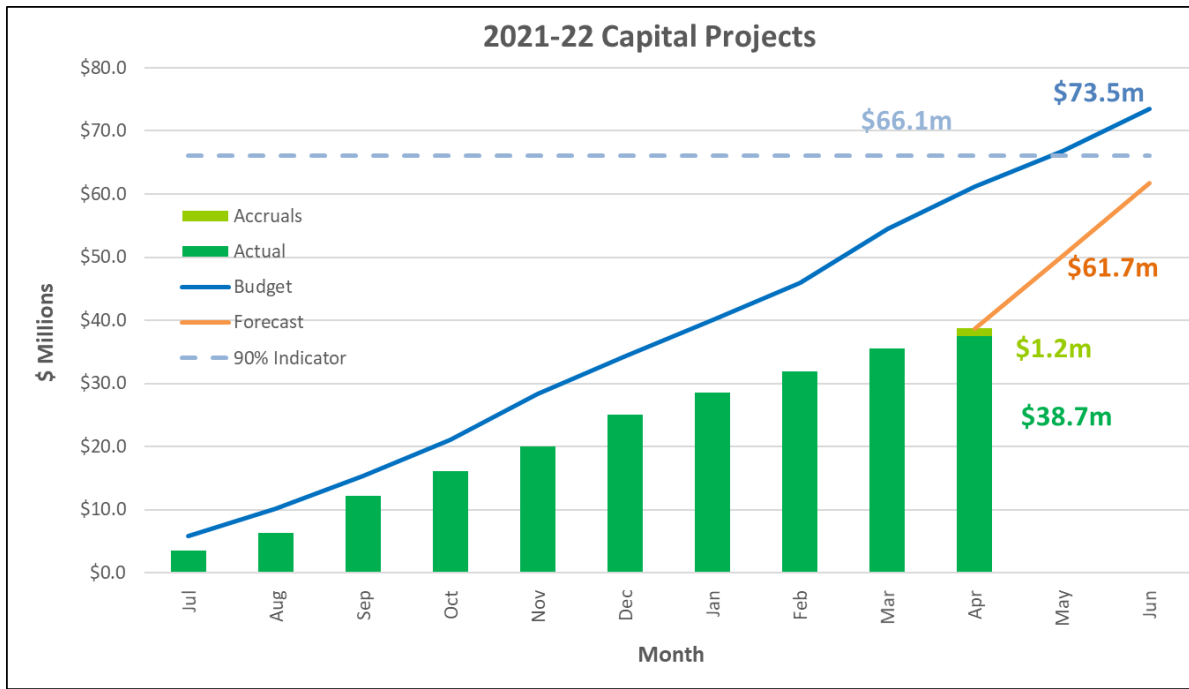
Accrual estimates of \$1.2m have been included in the actuals, to account for major claims relating to April work.

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

Group	YTD Actual	Commitments	Budget	Actual as % of Budget	Forecast	Actual as % of Forecast
Road Assets	\$12.6m	\$3.6m	\$24.5m	51%	\$24.5m	51%
Sewerage Assets	\$6.9m	\$3.4m	\$17.2m	40%	\$17.2m	40%
Asset Governance	\$0.0m		\$5.0m	0%	\$5.0m	0%
Water Assets	\$5.8m	\$0.6m	\$5.7m	101%	\$5.7m	101%
Delivery Support and Performance	\$6.5m	\$2.3m	\$8.0m	81%	\$8.0m	81%
Waste Assets	\$0.5m	\$0.1m	\$2.4m	21%	\$2.4m	21%
Property Assets	\$4.3m	\$0.5m	\$6.7m	64%	\$6.7m	64%
Parks & Environment Assets	\$0.1m	\$0.1m	\$1.1m	6%	\$1.1m	6%
Community Development & Events	\$0.5m		\$1.1m	44%	\$1.1m	44%
Other	\$1.5m	\$0.3m	\$1.8m	86%	\$1.8m	86%
Total	\$38.7m	\$10.9m	\$73.5m	53%	\$73.5m	53%

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

GENERAL MEETING AGENDA 17 MAY 2022



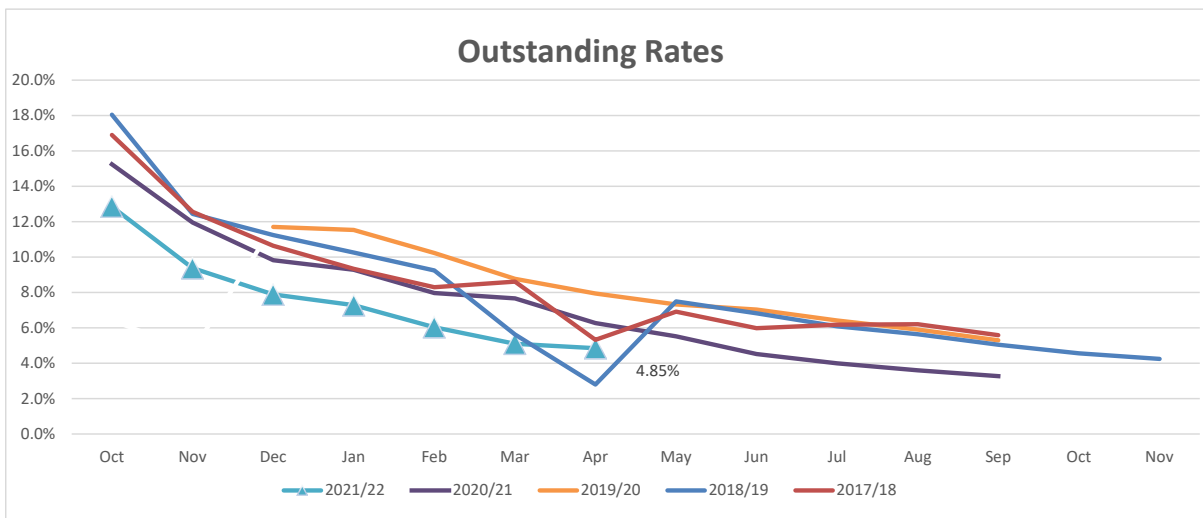
Outstanding Rates

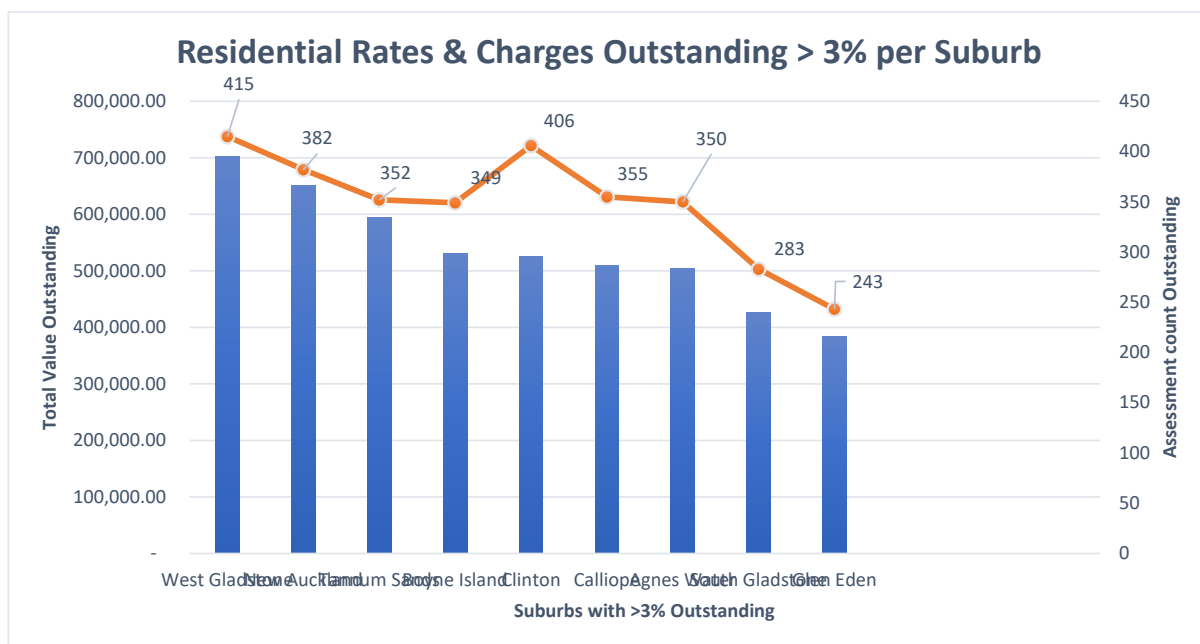
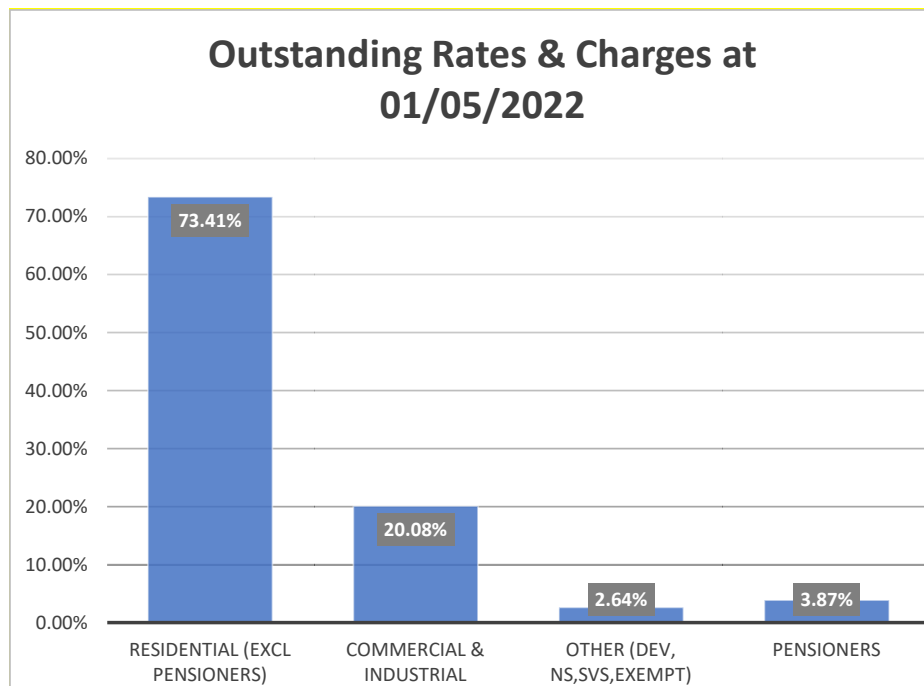
Outstanding rates, as a percentage of gross rates levied for 2021-22, and collectible, is at 4.85% at the end of April 2022, compared to 6.27% for the same period last year.

Of the \$9.0m of outstanding rates 20.08% relates to commercial/industrial assessments and 79.92% represents residential assessments.

These figures include \$1.1m of rates that are currently being repaid under an authorised payment plan, for which there were 42 commercial/industrial assessments and 1,675 residential assessments. A total of 1,717 assessments, which is a decrease from 1,742 assessments in March 2022.

There were 5,654 ratepayers who had paid their rates in advance totalling \$8.8m.





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.

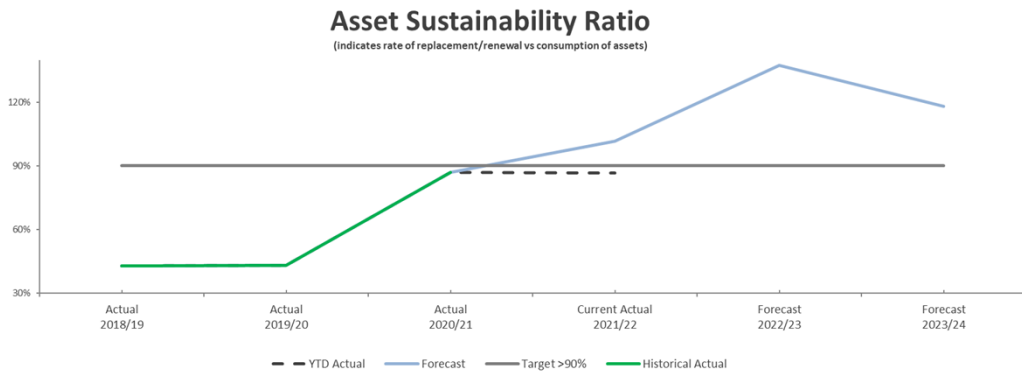
Asset Sustainability Ratio

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.

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Infrastructure renewals have accounted for 71.27% 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.

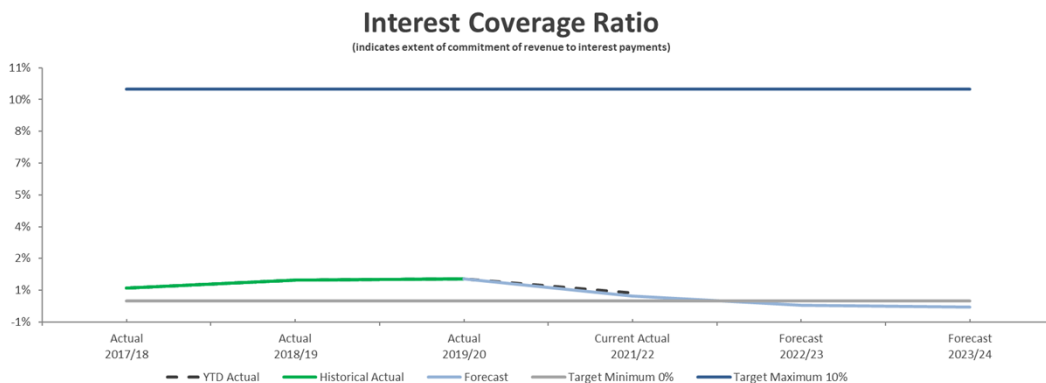
Asset Sustainability Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
86.66%	43.85%	101.77%	101.77%	>90%



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
0.38%	1.01%	(0.61%)	0.23%	0 - 10%

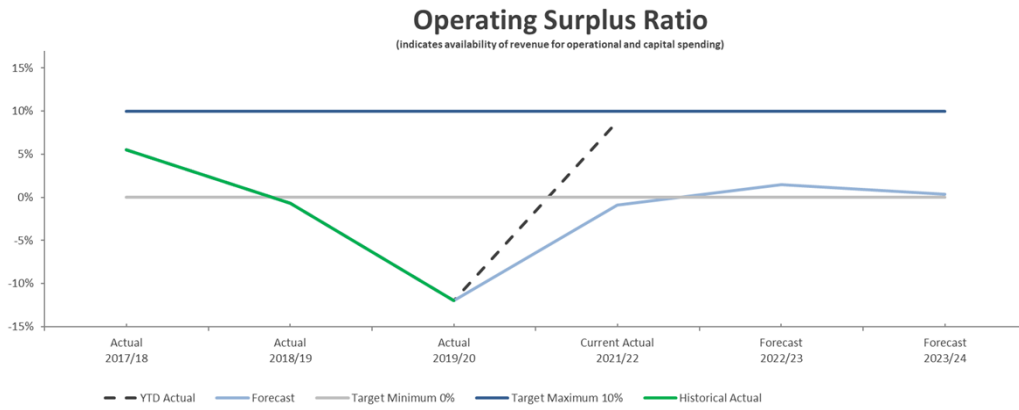


Operating Surplus Ratio

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
8.77%	3.63%	(0.45%)	(0.89%)	0 - 10%

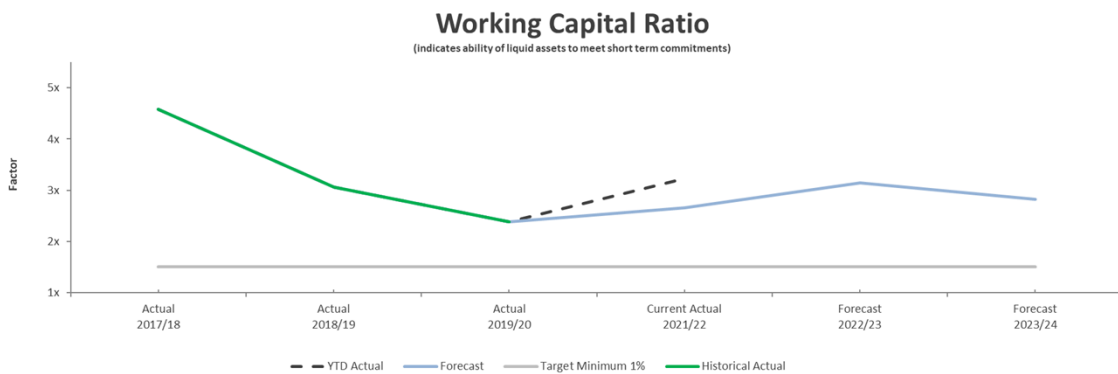
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Working Capital Ratio

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.

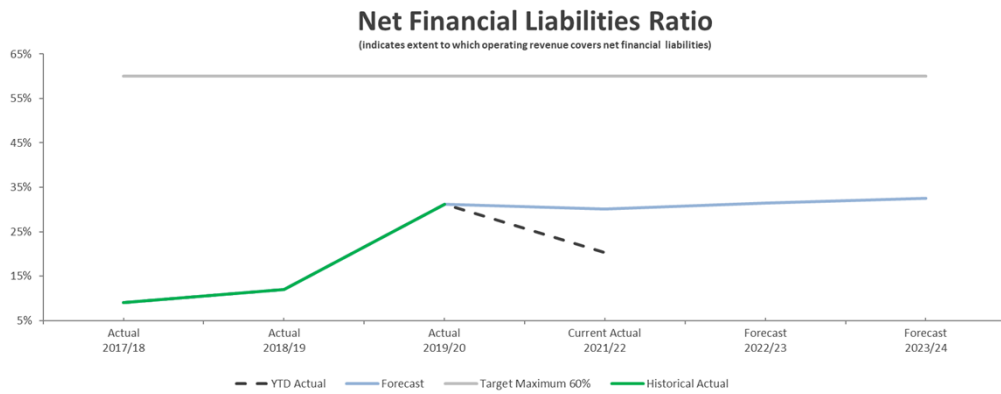
Working Capital Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
2.72x	3.08x	3.12x	2.16x	Greater than 1:1



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.

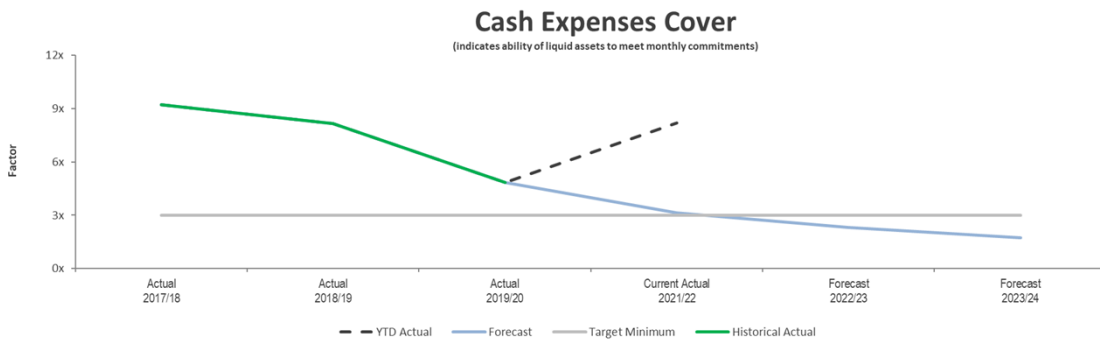
Net Financial Liabilities Ratio				
CURRENT YTD	PRIOR YTD	BUDGET	FORECAST	TARGET
20.27%	6.39%	30.07%	30.16%	< 60%



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
8.20x	8.76x	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:

17 May 2022

Attachments:

1. Monthly Financial Statements for the period ending 30 April 2022
2. Operating Statements for month end April

Tabled Items:

Nil.

Report Prepared by: Systems and Reporting Accountant

G/4.4. SPECIALISED SUPPLIER - BENTLEY SYSTEMS INTERNATIONAL LIMITED

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 17 May 2022

File Ref: PE1.1

Purpose:

This report seeks a resolution from Council to make use of provisions in s235 of the *Local Government Regulation 2012*, that allows for exceptions to the requirement for written quotes or tenders. The use of this provision is sought in relation to water and sewerage modelling software supplied by Bentley Systems International Limited.

Officer's Recommendation:

That Council resolves, in accordance with Section 235 (b) of the *Local Government Regulation 2012*, that it is satisfied that due to the specialised nature of the services sought, Bentley Systems International Limited can be engaged as a specialised supplier.

Background:

Council currently uses InfoWater Standalone (SA) and Info Storm Water Management Model (SWMM) SA software products for water and sewerage modelling respectively, with one floating perpetual license being held for each product. In December 2022, InfoWater and InfoSWMM will be retired with support and updates no longer offered, however the software can still be used. The current provider Innovyze, is offering a new software solution for existing customers called InfoWorks.

An alternate software solution to Infoworks offered by Bentley Systems International Limited ('Bentley') is WaterGEMS and SewerGEMS. The Innovyze and Bentley software are commonly used and endorsed throughout the Australian water and wastewater industry. SME's within Council and external organisations have confirmed that the software provided by Innovyze and Bentley are industry preferred. Whilst other software exists in the market, these options are not widely used by industry, therefore further quotes have not been sought.

Options, Risk and Opportunity Analysis:

A business case was prepared by a team of subject matter experts and considered the software license options, features and respective costs for the Innovyze and Bentley software options.

User Experience Aspects	Bentley <i>WaterGEMS & SewerGEMS</i>	Innovyze <i>InfoWorks ICM & WS Pro</i>
Ease of use	Similar to current software with minor changes. One officer has previous experience with both Bentley products.	Software structure and use is different to current software
Links to ArcGIS Pro	Yes – also has flexibility to work within Autodesk products like AutoCAD, C3D, or MicroStation	InfoWorks has a built-in map engine called MapXtreme
SCADA connection	Yes	Yes
Visual demand allocation	Yes	No
Tracking changes	No	Yes
Advanced operational modelling	Less mature	More mature including pipe break analysis

Option	License Description	5-year Cost (exc GST)
1	Innovyze Perpetual	\$211,154
2	Innovyze Subscription	\$239,850
3	Bentley Perpetual	\$164,052
4	Bentley Subscription	\$142,138

Option 4 (Bentley subscription-based licensing) presents the most value for money for Council on a five-year basis. Furthermore, Option 4 includes 20 hours (10 Virtuosity Keys) of consulting and training for each product, which reduces the business risk of potentially needing additional budget for support, training or conversion assistance.

Innovyze’s quote for model conversion (that would be required for Options 1 and 2) confirms that Innovyze do not offer this conversion assistance as part of their annual InfoCare cost in Option 1 or as part of the subscription pricing in Option 2. The quote for model conversion assistance has a limited scope considering the significant cost and there is a risk that Option 1 and 2 may cost more depending on the level of assistance provided for the model conversion and the further assistance that may be required.

Bentley would assist with the model conversion process through a technical demonstration and further consulting and assistance using Virtuosity Keys and their allowance to use a generic email for subscriptions (not user based) makes their subscription-based license (Option 4) the preferred option with the least business risk and lowest financial cost to GRC.

On the basis of differences between the software offered and that Bentley is offering services associated with the provision of their software over and above the services offered by Innovyze, is the justification for Bentley to be approved as a specialised supplier.

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(b) which provides an exception where:

“The local government resolves that, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders...”

Financial and Resource Implications:

The estimated expenditure for a 5-year subscription is approximately \$142,138.00 ex GST.

Summary:

Nil

Anticipated Resolution Completion Date:

N/A

Attachments:

Nil

Tabled Items:

Nil

Report Prepared by: Manager Contracts and Procurement.

G/4.5. REVENUE POLICY

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 17 May 2022

File Ref: CM28.2

Purpose:

To consider the annual review of the Revenue Policy prior to the adoption of the 2022/2023 budget.

Officer's Recommendation:

That Council:

1. Repeal P-2021-08 Revenue Policy; and
2. Adopt P-2022-03 Revenue Policy provided as Attachment 1 and apply to the 2022/2023 financial year.

Background:

Section 193 of the *Local Government Regulation 2012* requires Council to review its Revenue Policy annually and in advance of the budget adopted for the next financial year.

The purpose of the Revenue Policy is to set the principles Council will apply in the financial year for the:

- levying of rates and charges;
- granting of concessions for rates and charges (including the purpose of the concession);
- recovery of overdue rates and charges;
- cost recovery methods; and
- funding of physical and social infrastructure costs for a new development.

Options, Risk and Opportunity Analysis:

Officers propose that the Revenue Policy maintain the status quo with revenue to be raised on a similar basis as the current financial year.

Minor amendments are proposed to the policy which will be applied to the 2022/2023 financial year as follows:

- updates to financial year references;
- inclusion, for completeness, of additional services where there is not a direct link between the service recipient and the service; and
- updates to the related documents.

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Alternative Option

Alternatively, Elected Members may seek further amendments to the policy. An alternative recommendation could be:

That Council:

1. Repeal P-2021-08 Revenue Policy; and
2. Adopt P-2022-03 Revenue Policy provided as Attachment 1 and apply to the 2022/2023 financial year, subject to the following amendments:
 - a. _____ .

Communication and Consultation:

The General Manager Finance Governance and Risk and subject matter experts from the Revenue Services and Legal Teams have contributed to the development of the draft policy.

Legal Strategy and Policy Implications:

Section 104 of the *Local Government Act 2009* requires Council to adopt a Revenue Policy as part of its financial management system.

Further, section 193 of the *Local Government Regulation 2012* provides that:

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

The Revenue Statement (adopted at the budget meeting) is prepared on the basis of the principles set out in the Revenue Policy and provides the explanation of the revenue raising measures adopted by Council for a financial year.

Financial and Resource Implications:

The Revenue Policy sets the principles for the levying of rates and charges.

Summary:

Nil

Anticipated Resolution Completion Date:

Within two weeks of resolution.

Attachments:

1. Proposed P-2022-03 Revenue Policy;
2. Proposed P-2022-03 Revenue Policy (Tracked Changes version); and
3. Existing P-2021-08 Revenue Policy.

Tabled Items:

Nil

Report Prepared by: Governance Business Partner

G/4.6. LEASE RENEWAL - PCYC GLADSTONE

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 17 May 2022

File Ref: CP8.2 CP8.8

Purpose:

To allow Council to consider the renewal of the lease to Queensland Police – Citizens Youth Welfare Association over part of Lot 377 on CTN1837, situated at Memorial Park.

Officer's Recommendation:

That Council renews the lease to Queensland Police – Citizens Youth Welfare Association over part of Lot 377 on SP253044 for a term of 10 years and that the Chief Executive Officer be authorised to negotiate and finalise the lease.

Background:

Council is the trustee of land described as Lot 377 on SP253044 situated at 53 Yarron Street, Gladstone otherwise known as Memorial Park. Memorial Park is a community reserve for recreation and memorial purposes.

The Queensland Police – Citizens Youth Welfare Association (“PCYC”) lease land from Council under a registered trustee lease over part of Memorial Park (“the Lease Area”). The Lease Area is shown in Image 1 below. The current lease commenced on 1 November 2002 and is due to expire on 31 October 2022 (“the Lease”).



Image 1 – PCYC Lease Area

PCYC have undertaken extensive improvements within the Lease Area and having completed master planning have plans for future works within the Lease Area to the value of \$2.5 million. To support the level of investment made within the Lease Area, the PCYC have requested that the Lease be renewed for a further 30 years.

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This report is presented to Council for consideration as while the CEO has the appropriate delegation to enter into a trustee lease, PCYC's request is outside of Council's current *Leasing of Land for Sport and Recreation Purposes Policy P-2017-35* which provides for a maximum lease term of ten (10) years.

Options, Risk and Opportunity Analysis:

Option 1 - Officer's Recommendation – Renew the lease for a Term of 10 years

It is the Officer's Recommendation that, in line with Council's current policy, Council resolve to renew the PCYC's lease for a further term of 10 years.

It is proposed that subject to negotiations with PCYC, the lease will be on the following terms:

- Lease Area: As per the current lease;
- Term: 10 years
- Rent: \$1.00 per annum payable on demand
- Outgoings: The responsibility of the Lessee
- Maintenance: The responsibility for the Lessee including all structural repairs. Council to have no obligations whatsoever with regard to maintenance within the Lease Area.
- Conditions: Standard community lease conditions.

The opportunities associated with the Officer's Recommendation are:

- Security of tenure for the following 10 years for PCYC;
- There are a number of tenure issues to be resolved at Memorial Park, a lease limited to 10 years will allow Council to complete our Parks and Open Spaces Strategy and Asset Growth Plan prior to committing Council to lease conditions that may be unsuitable in the future;
- The Officer's Recommendation is consistent with Council's current policy;
- In many cases, 10 years is sufficient to secure government funding where the land is owned or managed by Council in addition, Council could provide a letter of support to assist the PCYC with funding opportunities.

The risks associated with the Officer's Recommendation are:

- PCYC may not feel that there is sufficient tenure to invest in community infrastructure within the Lease Area; and
- A lease of 10 years may prevent the PCYC from accessing some funding sources.

Option 2 – Renew the Lease for a term of 30 years

PCYC have requested that they be granted a lease for a term of 30 years to support their investment in the Lease Area and to provide certainty of tenure to the PCYC. The PCYC's proposal is outside of Council's *Leasing of Land for Sport and Recreation Purposes Policy P-2017-35* which establishes a maximum lease term of 10 years for community and sporting leases.

The opportunities associated with Option 2 are:

- Security of tenure for the following 30 years for PCYC;
- PCYC will have the confidence to make the investment in community infrastructure within the Lease Area;
- PCYC can plan for further development and improvements for the next 30 years; and
- Under the proposed lease conditions, PCYC will be responsible for all maintenance of the improvements and lease area for the next 30 years.

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The risks associated with Option 2 are:

- There are a number of tenure issues to be resolved at Memorial Park and our Asset Planning Team is due to complete a Parks and Open Spaces Strategy and Asset Growth Plan within the next three years. In entering into a 30 year lease, Council may find that it has committed to lease conditions that may be unsuitable in the future.
- The proposed lease term of 30 years is not consistent with Council's policy and may be perceived as unequitable by Council's other lessees.

Communication and Consultation:

This report was prepared after receiving the out of policy request from PCYC. No external consultation has been undertaken with regards to PCYC's proposal.

Legal Strategy and Policy Implications:

The purpose of Councils *Leasing of Land for Sport and Recreation Purposes Policy P-2017-35* is:
"To prescribe criteria and other matters for consideration to be used in guiding Council in determining whether an organisation should be granted a lease over land under Council control for use for sporting or recreation activities, so as to achieve the best community outcome for this limited resource."

The Policy currently provides for a maximum term of 10 years.

If Council were to resolve to grant a lease to PCYC for a term greater than 10 years, Council will be required to provide a reason for doing so in accordance with s254H(2) of the *Local Government Regulation 2012*.

Financial and Resource Implications:

The renewal of the lease will be undertaken by the Strategic Property Management Team and will not require any unbudgeted resources (financial or otherwise).

Summary:

Queensland Police – Citizens Youth Welfare Association has requested their lease be renewed for a period of 30 years.

Anticipated Resolution Completion Date:

A draft Lease will be provided to PCYC for their execution prior to the expiry of the current lease.

Attachments:

N/A

Tabled Items:

Nil

Report Prepared by: Manager Governance & Risk

G/5. COUNCILLORS REPORT

G/6. URGENT BUSINESS

G/7. NOTICE OF MOTION

G/8. CONFIDENTIAL ITEMS