



GLADSTONE
REGIONAL COUNCIL

GENERAL MEETING AGENDA

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

On 21 August 2018

Commencing at 9.00am

**Roslyn Baker
CHIEF EXECUTIVE OFFICER**

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G/1. MAYORAL STATEMENT OF CURRENT ISSUES

Nil.

G/2. CONFIRMATION OF MINUTES

G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 7 AUGUST 2018

Responsible Officer: Chief Executive Officer

Council Meeting Date: 21 August 2018

File Ref: CM7.2

Purpose:

Confirmation of the minutes of the General Meeting held on 7 August 2018.

Officer's Recommendation:

That the minutes of the General Meeting of Council held on 7 August 2018 be confirmed.

Attachments:

1. Minutes of the General Meeting of Council held on 7 August 2018.

Tabled Items:

Nil.

Report Prepared by: Executive Assistant

G/3. OFFICERS' REPORTS

G/3.1. OFFICE OF THE CEO

G/3.1.1. LOCAL GOVERNMENT ASSOCIATION QUEENSLAND ANNUAL CONFERENCE & MOTIONS 29 - 31 OCTOBER 2018

Responsible Officer: Chief Executive Officer

Council Meeting Date: 21 August 2018

File Ref: CM6.1

Purpose:

To provide Council will opportunity to consider submission of motions and confirm Councillor attendance to the Annual Conference of the Local Government Association of Queensland (LGAQ) to be held on 29 – 31 October 2018 in Brisbane.

Officer's Recommendation:

That Council:

1. Submit the following conference motions to the Local Government Association of Queensland (LGAQ) as follows:
 - a. That the LGAQ lobby the State Government to acknowledge and accept full responsibility for school car parking arrangements in public schools and identify funding opportunities for improved car parking arrangements.
 - b. That the LGAQ lobby the State Government to make amendments to legislative requirements to allow public notices to be published using modern technology.
 - c. That the LGAQ lobby the State Government to review laws relating to clearing of vegetation for protecting critical infrastructure to provide consistent rules.
 - d. That the LGAQ lobby the State Government to return to Councils ALL waste levy revenues generated in future to fund their Councils waste and recycling initiatives.
 - e. That the LGAQ lobby the State Government to take a more active role in controlling invasive plant and animal species on state government land to reduce migration to adjoining properties and mitigate impacts on primary production and biodiversity including actively promoting actions within the community.
 - f. That the LGAQ lobby the State Government to undertake a review into roads devolved to Local Government.
 - g. That the LGAQ lobby the Australian Government to consider reviewing the conditions and application of Natural Disaster Relief and Recovery Arrangement (NDRRA) funding.

- h. That the LGAQ lobby the Australian Government for the trigger point for eligible Natural Disaster Relief and Recovery Arrangement (NDRRA) expenditure to include within its calculations both General and Separate Rates (that is rates that apply to all residents within a region).
2. Authorise Cr Burnett and Cr Goodluck to attend as Councils Conference delegates and Cr Masters to attend as an observer at the LGAQ Annual Conference on 29 – 31 October 2018 in Brisbane.

Background:

The Local Government Association of Queensland will be hosting the 2018 Annual Conference on 29 – 31 October in Brisbane. The Annual Conference is a valuable networking forum with most Queensland Councils participating.

As part of the annual subscription fee, Council has already paid the registration fee for two delegates, which also entitles Council to two votes for each motion debated at the Conference. Additional representatives can attend as observers with the full registration fee to apply. Early bird registration for the full conference is \$1540.00. Refer to attached conference program for full details.

In preparation for the Annual Conference, LGAQ seeks Councils to submit motions in advance to be debated at the upcoming conference. Motions are due to be submitted by Friday 24th August and must first be agreed and approved through Council processes. Accordingly, this report identifies proposed motions for discussion and endorsement before submitting to LGAQ for consideration.

Consideration:

Council has previously resolved (G/17/3294) the below motion to be included in the 2018 submission:

*That Council prepare a list of motions for the upcoming Local Government Association of Queensland 2018 Annual Conference with the **responsibility of school car parking** to be included in the list.*

In addition, the following list of motions have also been suggested:

- Advertising of Public Notices
- Consistent application of Vegetation Management Laws
- Distribution of Funds from Waste Levy
- Management of State Government Land (Natural Resources)
- Review of Devolved State Roads to Local Government
- Review of NDRRA (Conditions)
- Review of NDRRA Expenditure Eligibility Trigger Points

Consideration is to be given to who will be the two delegates (already paid as part of LGAQ subscription fees) to attend and hold voting rights for the conference. In addition, consideration is also to be given for any further attendees / observers.

Communication and Consultation (Internal/External):

Internal communication has occurred with the Office of the CEO and respective Councillors for suggested submissions.

Legal Environmental and Policy Implications:

Council is required to formally approve motions for submission to the LGAQ Policy Executive prior to 24 August 2018. Council's Councillor Expenses Reimbursement and Provision of Facilities Policy requires approval by Council if registration costs are more than \$1,000 for the attendance of additional/observer conference attendees.

Financial and Resource Implications:

There are no costs associated with submitting motions for debate other than internal staff resources. Registration fees are not applicable for the two delegates to attend and hold voting rights at the conference as this is included in Council's annual LGAQ subscription. If Council elects to authorise attendance to additional observers, individual registration fee of \$1540 would apply. Travel and accommodation costs will be applicable for attendees with accommodation options ranging from \$175 - \$275 per night per attendee (refer attached options). Expenses for travel, accommodation and meals will be funded from the Elected Members budget.

Commentary:

Nil.

Summary:

Nil.

Anticipated Completion Date:

24 August 2018.

Attachments:

1. LGAQ Annual Conference 2018 Program
2. Accommodation Options – LGAQ Annual Conference

Tabled Items:

Nil.

Report Prepared by: Manager Governance

G/3.1.2. LEAVE OF ABSENCE REPORT FOR AUGUST 2018

Responsible Officer: Chief Executive Officer

Council Meeting Date: 21 August 2018

File Ref: CM7.2

Purpose:

Reporting on Councillors' leave of absences under section 6.11 of Council's Conduct of Council Meetings Policy.

Officer's Recommendation:

That Council grant a leave of absence to Mayor Burnett for the General Meeting of 21 August 2018 as he is attending a Local Government Association of Queensland Policy Executive Meeting.

Background:

According to Council's Conduct of Council Meetings policy a Councillor must seek a leave of absence from a General or Committee meeting where a Councillor cannot attend for private or business reasons. This applies to Council's General Meetings and committee meetings such as the Business Improvement Committee meeting.

Leave is granted at the discretion of Council and may be granted prior to the meeting or at the meeting itself. An application does not need to be made in person.

The Policy notes that a leave of absence is automatically granted to a Councillor where the Council passes a formal resolution for a Councillor to attend a conference or event.

Consideration:

Nil.

Communication and Consultation (Internal/External):

Mayor, Councillors and Chief Executive Officer.

Legal Environmental and Policy Implications:

Council's Conduct of Council Meetings policy requires Councillors to seek a leave of absence from General or Committee meetings where the Councillor cannot attend for private or business reasons under section 6.11. An application for leave does not need to be made in person but must be granted by Council. A leave of absence is automatically granted to a Councillor where the Council passes a formal resolution to attend a conference or event.

The Local Government Act 2009 states that if a Councillor is absent, without the local government's leave, from 2 or more consecutive general meetings of the local government over at least 2 months, the Councillor's office becomes vacant.

Financial and Resource Implications:

Nil.

Commentary:

Nil.

Summary:

Nil.

Anticipated Completion Date:

4 September 2018.

Attachments:

Nil.

Tabled Items:

Nil.

Report Prepared by: Executive Assistant to the Chief Executive Officer

G/3.2. STRATEGY AND TRANSFORMATION

G/3.2.1. GEA FUNDING APPLICATION - 90 DAY FINANCIAL GROWTH PROGRAM

Responsible Officer: General Manager Strategy and Transformation

Council Meeting Date: 21 August 2018

File Ref: ED1.1

Purpose:

The purpose of this report is for Council to consider a funding request from Gladstone Engineering Alliance (GEA) for a business growth initiative.

Officer's Recommendation:

That Council advise the Gladstone Engineering Alliance that it has considered its request to provide funding of \$30,000 towards the proposed business growth program, however, is unable to provide the funding in this instance.

Background:

Gladstone Engineering Alliance (GEA) has proposed to deliver a second year of the "Scaling your business. Creating your jump" program, which is a 90 day business growth program. GEA is seeking a Council contribution of \$30,000 towards this program.

In essence, the program aims to enhance understanding of business cycles and how and when to "jump" into a growth phase.

One of the key principles taught through the program is 'Capacity Planning', where the business is shown how to maximise their current circumstance in the current market. Once they can see what can be achieved and fill up their current cup/capacity, they are then able to look to additional products and additional markets for expansion. Refer Attachment 1 for the full program proposal.

GEA is proposing to fund the program as follows:

Program	Cost
Participant Fees (\$400 per participant)	\$20,000
GEA contribution (administration)	\$10,000
Council Contribution	\$30,000
Total Project Costs	\$60,000

GEA is also providing an in-kind contribution via room hire, project management, marketing materials – valued at \$10,000

At the 13 December 2016 Commercial Services Committee Meeting, Council resolved to *Provide \$20,000 funding to Gladstone Engineering Alliance to deliver "Scaling your business. Creating your jump" using Shirlaws to run the program" (CSC/16/0079)*. The Committee Resolution was confirmed at Council's General Meeting on 20 December 2016 (G/16/2943). Refer Attachment 2 for a copy of the Officer report presented to the Committee Meeting.

Fifty SME's participated in the initial 2 day workshop, with 25 businesses continuing onto the 90 day program. From the 25 who participated, 80% maintained focus and completed the full 90 days and 20% dropped out or stalled on certain points requiring more detailed works.

The benefits that GEA state the 25 businesses received from the last training session are as follows:

- 12 new jobs created
- \$1.6 Million in cost savings
- \$2.4 Million in growth and generation of potential income was reported within 6 months after completing the project.

GEA has advised that the above figures were provided from the 25 companies that participated in the full program. No modelling was undertaken (eg. using ID data) with the data provided directly from program participants.

In 2017, GEA ran the program in conjunction with Shirlaw's and five local financial partners in the Gladstone Region. Shirlaws were engaged due to past results from previous programs they had ran (eg. free Bechtel workshops) and feedback gained from members.

In addition, the program was offered free of charge for up to 5 community organisations, of which none took up the offer. It is envisaged to make the same offer in the second year of the program, with interest already expressed from three organisations. Two of the previous companies have also expressed an interest in attending the program again due to the benefits they gained.

The proposal identifies Gladstone Chamber of Commerce and Industry and Gladstone Area Promotion and Development Board as partners. The involvement of these two organisations was to distribute the information to their members. There was no other involvement or financial contribution identified.

Consideration:

In considering this matter, three options exist which are detailed below.

Option1 – Decline the funding as requested (recommended option)

There are no direct links for this proposal to Council's recently adopted corporate plan. Council strategy is focused on the diversification of industry and working with partners such as GEA to achieve this goal. Consistent with the assessment undertaken of the previous year's funding request, this program supports the growth and sustainability of existing businesses, rather than diversification of industry and while a worthy initiative, is not a current strategic priority.

Option 2 – Provide the funding as requested

Although not a strategic priority, Council may determine that the value of the program is sufficient to provide the financial support requested. An alternative recommendation could read as follows.

That Council approve funding of \$30,000 from the Strategic Projects budget to the Gladstone Engineering Alliance for the delivery of a business growth program.

Option 3 – Provide partial funding for the business growth program

Council may wish to provide a reduced funding amount of its choosing to support the GEA program. An appropriate recommendation in this instance would be as follows.

That Council approve partial funding of \$_____ from the Strategic Projects budget to the Gladstone Engineering Alliance for the delivery of a business growth program.

Communication and Consultation (Internal/External):

Gladstone Engineering Alliance

Legal Environmental and Policy Implications:

Nil

Financial and Resource Implications:

GEA has requested a \$30,000 funding contribution from Council, being 50% of the total project costs. Council's 2018/19 budget contains an unallocated amount of \$400,000 for strategic projects. Funds could be allocated from this line item should Council resolve to support the funding request.

Commentary:

As there are no direct links for this proposal to Council's recently adopted corporate plan, financial assistance is not recommended in this instance. Officers are committed to renew and further develop a partnership with the GEA to achieve mutually agreed outcomes.

Summary:

Nil

Anticipated Completion Date:

21 August 2018 for Council Decision on Funding

Attachments:

1. GEA Funding Application
2. Officer Report – 13 December 2016

Tabled Items:

Nil.

Report Prepared by: General Manager Strategy & Transformation

G/3.2.2. GEA FUNDING APPLICATION - INTERACTIVE VISUAL WALKWAY

Responsible Officer: General Manager Strategy and Transformation

Council Meeting Date: 21 August 2018

File Ref: ED1.1

Purpose:

The purpose of this report is for Council to consider a funding request from Gladstone Engineering Alliance (GEA) to support an Interactive Visual Walkway at the 'City Arcade' at 69 Goondoon Street, Gladstone.

Officer's Recommendation:

That Council advise the Gladstone Engineering Alliance that it has considered its request to contribute \$100,000 towards the Interactive Visual Walkway Project but is unable to provide funding in this instance.

Background:

Gladstone Engineering Alliance (GEA) are proposing an 'Interactive Visual Walkway' in the 'City Arcade' at 69 Goondoon Street, Gladstone. They are seeking a Council contribution of \$100,000 towards this project.

The walkway will consist of up to five individual screens and one large screen that will have the ability to display a range of stories, data and information. Each screen will feature interactive, high definition display technology, unique in scale and experience to Central Queensland. Once built the system allows GEA to develop interchangeable tourism, industry, community and educational displays that can be themed to target different market sectors.

There are opportunities for use of specific software like Cube Globe, however, there is also the capacity to include Gladstone specific information. Other software includes The Virtual Reef, DinoZoo and Code-a-Bot interactive displays that could also be utilised initially.

The GEA state that the project strongly aligns with the 'Jump Start City Heart' tourism strategic priority and will assist to deliver three principle contributions to regional benefit.

- Directly increase local tourism
- Promote the investment sectors within the region
- Improve digital connectivity and regional understanding

Refer Attachments 1 and 2 for further information on the project.

The total project cost is \$300,000, of which the GEA has been successful in securing funds of \$150,000 through the Bowen Basin Regional Jobs and Investment Package. GEA has made a commitment of \$50,000 towards this project and will maintain the technology and location for a five year commitment. GEA will own the technology which can be modified to expand into other regions.

GEA has advised that in their funding application that \$150,000 was stated as being the applicant's contribution however it also stated that GEA would contribute \$50,000 and would source the remaining funds from the local community and industry partners. The deadline to finalise the funding agreement is 28 August 2018 therefore GEA must secure a partner contribution prior to this date or surrender the Federal funding.

GEA has advised that they requested funding from the Gladstone Ports Corporation and have spoken to other project proponents and the Gladstone Industry Leaders Group. Reportedly, all have suggested that Gladstone Regional Council should fund the project due to the economic benefits to the Region.

Should GEA be unable to secure \$100,000 towards the project, they have advised that the project will not proceed. Should Council elect to contribute an amount less than \$100,000, GEA have suggested that they would approach GPC to seek the balance of funding required.

GEA has advised that they have been approached by both Rockhampton Regional Council and the Central Highlands Development Committee asking for the project to be within their region should they not be able to secure funding. GEA are committed to building the Gladstone Region economic profile and would not be in a position to hand the funding to another region.

Consideration:

In considering this matter, three options are detailed below.

Option 1 - Decline the funding request (recommended option)

The project has no clear links to Council's strategic or corporate objectives. The project has the potential to link to Council's Jump Start our City Heart initiative however these links are unclear given the nature of the project and location within an arcade rather than being street facing.

Option 2 - Provide the \$100,000 funding requested

GEA states that the benefits of the project include community, visitor and investor education, and driving economic development through state of the art, digital interactive learning and display technology. If Council considered the innovative technology opportunities to be of significant value to the region, an alternative recommendation is provided below.

That Council approve funding of \$100,000 towards the Gladstone Engineering Alliance Interactive Visual Walkway Project.

Option 3 - Provide partial funding

While it's possible that additional funds could be sourced from another organisation to supplement the shortfall that a reduced funding contribution from Council would leave, the funding compliance due date of 28 August 2018 presents a risk that the project would not proceed. This is an option Council may want to consider and an alternate recommendation is provided accordingly.

That Council approve funding of \$_____ towards the Gladstone Engineering Alliance Interactive Visual Walkway Project.

Communication and Consultation (Internal/External):

Gladstone Engineering Alliance

Legal Environmental and Policy Implications:

Nil

Financial and Resource Implications:

In the 2018/19 budget, an unallocated line item of \$400,000 has been included to fund strategic projects. Funding is available from this allocation should Council decide to support the project.

Commentary:

Nil

Summary:

Nil

Anticipated Completion Date:

- 21 August 2018 for Council Decision on funding.
- Based on the Schedule provided in Attachment 1, the project is expected to be completed by January 2019.

Attachments:

1. Proposal – Interactive Visual Walkway
2. Presentation Interactive Walkway

Tabled Items:

Nil.

Report Prepared by: General Manager Strategy & Transformation

G/3.3. STRATEGIC ASSET PERFORMANCE

Nil.

G/3.4. OPERATIONS

Nil.

G/3.5. COMMUNITY DEVELOPMENT AND EVENTS

G/3.5.1. TENDER ASSESSMENT - MANAGEMENT OF GLADSTONE AQUATIC CENTRE AND MOUNT LARCOM POOL

Responsible Officer: General Manager Community Development and Events

Council Meeting Date: 21 August 2018

File Ref: SR7.3, PE8.3

Purpose:

Seek Council consideration to appoint BlueFit Pty Ltd. (BlueFit) as its preferred aquatic leisure facility management operator for the Gladstone Aquatic Centre and Mount Larcom Swimming Pool.

Officer's Recommendation:

That Council:

1. Appoint BlueFit as its preferred facility management operator for the Gladstone Aquatic Centre (GAC) and Mount Larcom Pool subject to negotiations.
2. As the Contract Principal, authorise the Chief Executive Officer to conclude negotiations with BlueFit and execute requisite agreements that includes:
 - a. A five (5) year lease term with an additional 5 year renewal option, noting that officers will review the performance of BlueFit against strategic and operational objectives, essential operating terms, and level of capital investment provided before enacting the option to renew for the additional period;
 - b. The proposed management fee and final financial model;
 - c. Acceptance of the essential operating terms; and
 - d. The level of capital investment agreed upon.
3. If a satisfactory agreement is not reached with BlueFit prior to the expiry of the current lease on 31 August 2018, the Chief Executive Officer be authorised to enter into a periodic facility management arrangement with the current pool operator until an agreement is finalised.

Background:

On 20 April 2018, Council resolved to invite tenders for continued external management of the Gladstone Aquatic Centre and Mount Larcom Pool in advance of the current lease expiry on 31 August 2018 viz:

G/18/3348 Council Resolution:

Moved Cr Goodluck

Seconded Cr Masters

That:

1. *Council consent to invite tenders for external management of the Gladstone Aquatic Centre and Mt Larcom Swimming Pool in advance of the current lease expiry on 31 August 2018.*

2. Council endorse the management objectives, essential operating terms, tender assessment criteria and characteristics nominated for a preferred operator under the key provisions proposed:
 - a. Operator can bid for the Gladstone Aquatic Centre and/or Mount Larcom Pool.
 - b. Uphold strategic objectives including:
 - Ensure access to all members of the community.
 - Provide a wide range of program activity opportunities.
 - Support existing community access arrangements including existing Service Level Agreements for a least the term of the lease/agreement with:
 - Gladstone Gladiators Swimming Club Inc (including club events).
 - Gladstone Gropers Masters Swimming Club Inc.
 - Gladstone Community Linking Agency.
 - Special Olympics Gladstone.
 - Seniors' Hour.
 - School carnivals.
 - Any other special arrangements that Council might choose to negotiate (recognising that Council will compensate the operator for any concessional or discounted fees).
 - No reduction to current operating hours of facilities unless agreed to by Council.
 - Operator is permitted to set fee structures but in line with the principles established by Council under the essential operating terms.
 - Ensure maintenance and presentation supports the safety and enjoyment of all users.
 - Operate sustainably and on a professional and commercial basis.
 - c. Five (5) years with an additional 5 year option. At the end of the first 5 years, Council can opt to review the operator's management, considering the level of new and/or infrastructure upgrades undertaken before enacting the option to renew for an additional 5 year term.
 - d. A Lease or Management Agreement will be considered.
 - e. Council retain fixed asset management responsibility for existing fixed infrastructure.
 - f. Operator to assume minor maintenance (up to value of \$1,500.00) for repair and replacement of all fixed buildings and equipment and other fixed assets.
 - g. Operator to be governed by agreed performance management standards.
3. The Chief Executive Officer or delegate be authorised to:
 - a. Engage a consultancy service to develop the tender package, lead the assessment process and act as expert advisors in the recommendation to Council.
 - b. Finalise tender documentation and invite public tenders in the normal manner.
 - c. Assemble a tender assessment panel to undertake the assessment of submissions

CARRIED

Tender 12-19 for aquatic recreation facility management services was advertised and published in the Gladstone Observer, Council's Tenders webpage and uploaded to the LG Tender Box Thursday 31st May and closed Thursday 21st June 2018.

A mandatory briefing and facilities inspection was held 7th June 2018. Two (2) companies attended however only one (1) submitted a tender by the nominated closing date, being from BlueFit.

BlueFit is a leisure facility management company established in Sydney in 2007. The recent merger with Lane 4 Aquatics (Council's current pool operator) has grown the portfolio north of Sydney into Queensland. Council was formally advised of the merger in February 2018.

Whilst the exact reasoning for the limited response rate is unknown, typically this can be because of the following factors:

- Strong reputation of an incumbent operator may influence the market place to interpret a constrained opportunity whereby Council may be more likely to support the status quo. Further, based on this concern, an alternative operator may not see the merit in allocating the resources needed to prepare a detailed tender submission;
- Concerns that the current local economic environment may not support a business model that maximises the operators viability;
- The extent of community access obligations and discounted fees may impact on the viability of the potential operating model;

- Physical location of the aquatic facility may not be accessible to an operator's administration/ head office base and/ or to other aquatic facility currently managed by the operator;
- Mix and standard of facilities may be interpreted as not supporting an operating model that maximises the operators viability; and
- There may be less market competition generally at any given time.

Consideration:

A comprehensive tender assessment report is provided as a confidential attachment. In summary of assessment report findings, BlueFit met and/or exceeded the minimum requirements for the tender except for items summarised below. Satisfactory clarification of these matters will be undertaken before concluding negotiations.

- Reduced Year 1 base visitation (compared to 2016/17) with no major annual increases considering strategies identified within BlueFit's operating and program model and marketing strategies. Furthermore, discrepancy in total annual visitation recorded.
- Confirmation that BlueFit supports incorporating within terms and conditions of the lease Council access to the SALT asset management system and that the reporting options are consistent with the requirements outlined in the Essential Operating Terms.
- Further details on the make-up of the Head Office support costs in light of the proposed lease financial model to change from a turnover fee to a profit share model.
- Agreement to provide detailed financial statements to Council on a bi-annual basis.
- Confirmation that the annual capital investment offer will increase annually in line with the annual inflation rate subject to the capital investment arrangements agreed between the parties.

Management Fee

As the pools will generate operating deficits, Council will be required to pay a lease subsidisation in the form of a management fee. The amount of this management fee will be negotiated and agreed by the parties prior to entering into the lease agreement.

Beyond the management fee, any operational risk is to be the responsibility of BlueFit. Under the proposed model from this tender, BlueFit have proposed annual lump sum price guaranteed net results for both pools.

Under this model, any reduction in the annual operating deficit to the above lump sum price guarantee net results will be shared equally between Council and BlueFit. The full financial model, including cost to Council can only be determined following final negotiation and agreement of the management fee. The amount of the management fee should be determined in consideration of:

- The proposed financial projections;
- The amount of agreed capital investment;
- Agreed operators margin; and
- The operating responsibilities of both parties.

Capital Investment Model

The capital investment offer from BlueFit is \$100,000 per annum of a proposed lease term of 20 years (tender documentation advised a maximum lease term of 10 years). The contribution is towards the development of an indoor learn-to-swim pool in partnership with Council. Once the final lease term and capital investment model is agreed by the parties, the annual capital investment should increase in line with the annual inflation rate over the term of the lease.

Lease Term

The essential operating terms of the tender documentation summarises the lease term as:

- The term of the lease will be negotiated with the operator considering their expertise and any committed resource investment by the operator.
- A maximum lease term of up to ten (10) years may be granted on the basis that Council considers the operators capital contribution warrants this duration.
- For any term beyond five (5) years, an option will be negotiated for the remaining period. Council will review the performance of the operator against the strategic and operational objectives, the essential operating terms, and the level of capital investment provided by the operator before enacting the option to renew for an additional period.

BlueFit's proposal is to contribute \$100,000 annually over a 20 year lease (\$2,000,000 in total). The requested period exceeds the proposed 10 year maximum period. However, BlueFit advised that to ensure they are not at risk of potentially being judged non-conforming by proposing a 20-year option, they are willing to also consider a bid within the 10-year option.

Officers consider the tender evaluation result warrant confidence to endorse BlueFit as the preferred aquatic leisure facility management operator for the GAC and Mount Larcom Swimming Pool.

Alternative Consideration

Should Council hold reservations with entering into negotiations for the recommended management arrangement offered in this report, Council can resolve to negotiate with BlueFit the renewal of the current terms and conditions of the existing lease agreement for a further three (3) term.

This option would result in little impact on the general operations of the pool facilities. However, the option to maintain "status quo" does not allow for strategic capital partnership to develop aquatic leisure facilities in the region, therefore, it makes for sound judgement to remain with the recommendations.

Communication and Consultation (Internal/External):

Internal

- General Manger Community Development and Events
- General Manager Finance Governance and Risk
- Manager Governance
- Property Acquisition & Disposal Specialist (Acting)
- Manager Engagement and Partnerships
- Contracts Coordinator

External

- Otium Planning Group Pty Ltd.
- King & Company Solicitors.

Legal Environmental and Policy Implications:

Pending Council's consideration of this report, officers consider the evaluation of BlueFit's tender warrants confidence to proceed to negotiate the terms of the lease agreement. Negotiations will be facilitated by Otium as part of consultancy services engaged and King & Company Solicitors will prepare and formalise the legal instrument.

Financial and Resource Implications:

The 2018/19 operating budget for pool operations is \$481,070.00 (excluding depreciation). Pending negotiations with BlueFit, a budget revision may be required.

Commentary:

Noting that competition in the aquatic recreation market has increased locally, appointing an industry leader in aquatic leisure facility management should result in revenue-generating services that would otherwise not be sustainable for Council. Continuing with external management aligns well with Council's initiative to reduce overall operating costs of its aquatic leisure facilities.

Summary:

Nil.

Attachments:

1. CONFIDENTIAL: Tender Assessment Report, BlueFit

Tabled Items:

Nil.

Report Prepared by: Manager Engagement and Partnerships

G/3.6. CUSTOMER EXPERIENCE

G/3.6.1. DEVELOPMENT APPLICATION 18/2018 RECONFIGURING A LOT (ONE INTO TWO LOTS) AT 570 HADDOCK DRIVE, O'CONNELL QLD 4680

Responsible Officer: General Manager Customer Experience

Council Meeting Date: 21 August 2018

File Ref: DA/18/2018, DB1.1

Development Application:

Application Number: 18/2018
Applicant: H.A Allen ATF the B.V Allen Family Trust
Owner: H.A Allen
Date Of Receipt: 8 May 2018
Location: 570 Haddock Drive, O'CONNELL QLD 4680
RPD: Lot 1 SP 105407, Toolooa
Area: 13.42 hectares
Current Use Of Land: Dwelling House
Zoning: Rural Zone
Proposal: Reconfiguring a Lot (One into Two Lots)
Planning Scheme: *Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2*
Submissions Close Date: 10 July 2018
Number Of Submissions: One Properly Made Submission

Purpose:

The purpose of this report is to assess Development Application 18/2018 for Reconfiguring a Lot (One into Two Lots) on land at 570 Haddock Drive, O'Connell, against the *State Planning Policy July 2017*, and the *Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2* under the *Planning Act 2016*.

Executive Summary:

A Development Application for a Reconfiguring a Lot (One into Two Lots) on land at 570 Haddock Drive, O'Connell, was considered Properly Made and Confirmed on 8 May 2018.

The proposed development is Impact Assessable as it will result in the creation of lots less than 250 ha. As such, Public Notification was required and was carried out between 18 June to 10 July 2018. One properly made submission was received in response. No state or other external agencies were triggered for referral.

The application is generally consistent with the provisions of the *Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2* (the Planning Scheme) and the *State Planning Policy – July 2017* (the SPP) and therefore the application for a Reconfiguring a Lot (One into Two Lots) on land at 570 Haddock Drive, O'Connell, is recommended for approval subject to reasonable and relevant conditions.

Subject Site:

The site is comprised of a single allotment with a total site area of 13.42 hectares and a 242m principal road frontage to Booroo Road. The site is located on the northern side of Booroo Road, and currently has one vehicle crossover to this road frontage. Additional access is granted via an access easement travelling along the north-eastern property boundary and connecting into Haddock Drive. The subject site is improved by an existing Dwelling House and is not currently serviced by any Council water or sewer infrastructure. The site is moderately vegetated. Site elevations range from 34m AHD to 74m AHD.



Figure One: Subject Site



Figure Two: Zoning of Site and Surrounding Area

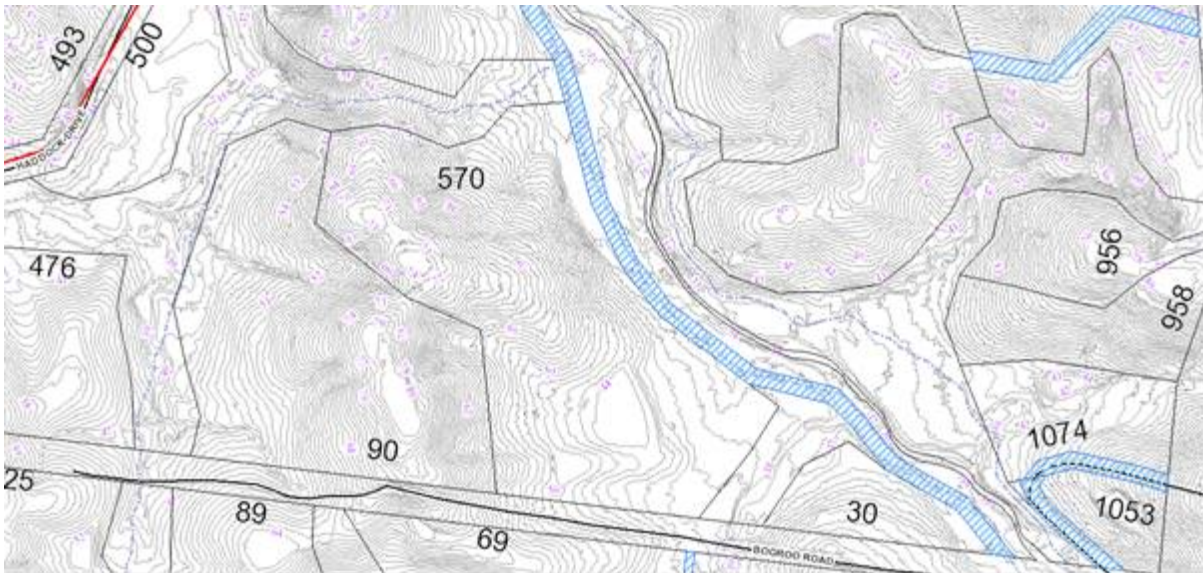


Figure Three: Topography of Site and Surrounding Area

Background:

The surrounding rural area has previously been fragmented as a result of the historic ‘Infrastructure Agreement for Provision of Open Space’ drafted by King and Company Solicitors and signed by Council on 17 September 1996. This agreement allowed for the subdivision of rural land below the minimum lot size in exchange for the dedication of areas of open space.

A previous Development Application for a Reconfiguration of a Lot (One into Two Lots) was approved but never acted upon (DA/748/1999).

A Pre-Lodgement Meeting was held on 28 March 2018 to discuss a proposal to subdivide the subject lot. On the basis of the existing “Infrastructure Agreement for the Provision of Open Space and taking into account that the locality had previously been fragmented as a result, Council was generally supportive of the proposal despite the size of the created lots.

The current Development Application for a Reconfiguration of a Lot (One into Two Lots) was considered Properly Made on 24 April 2018 and Confirmed on 30 April 2018. This application triggered Impact Assessment as it proposed to create lots that would be less than 250ha.

Proposal:

The development application seeks approval for a Development Permit for Reconfiguration of a Lot (One into Two Lots) as outlined in the Table below:

Table One: Summary of Proposal

Lot No.	Area	Frontage / Access
1	8.16 ha	20m to Booroo Road and practical access via the access easement along the eastern property boundary.
2	5.26 ha	166m to Booroo Road

The site is identified as containing areas of steep land and as a result, a dedicated driveway has been proposed for the additional allotment. The subject development proposes to locate an access driveway connecting to the existing access easement. This location has been identified as the path of least resistance and travels to a building pad which is proposed to be located at the crest of the hill. Details of the proposed building pad will be required to be nominated as part of a future Operational Works application.

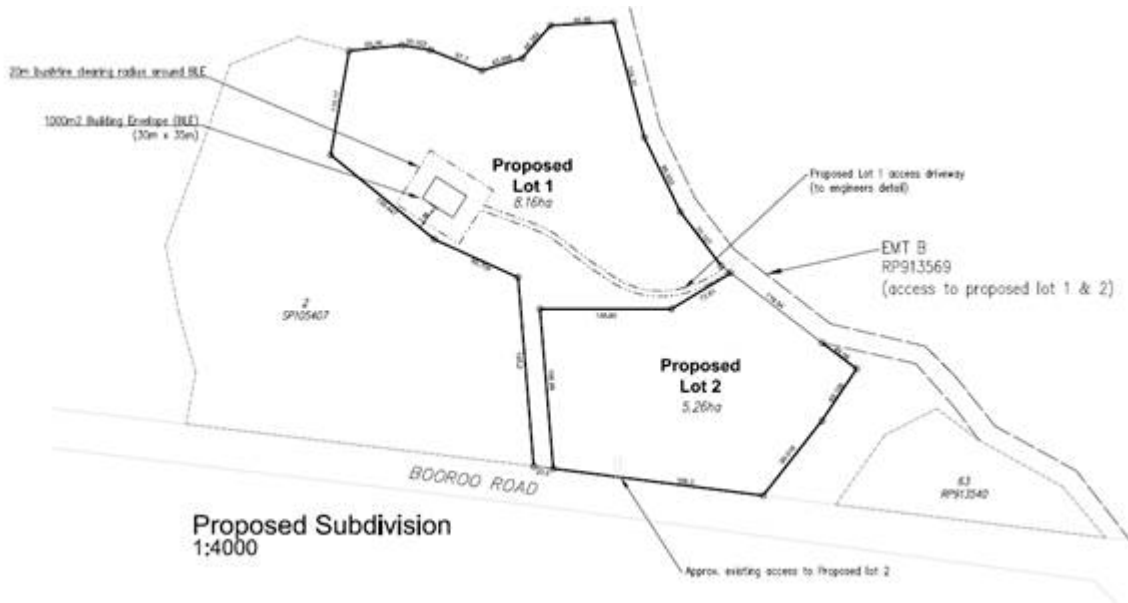


Figure Four: Proposed Reconfiguration of a Lot (One into Two Lots)

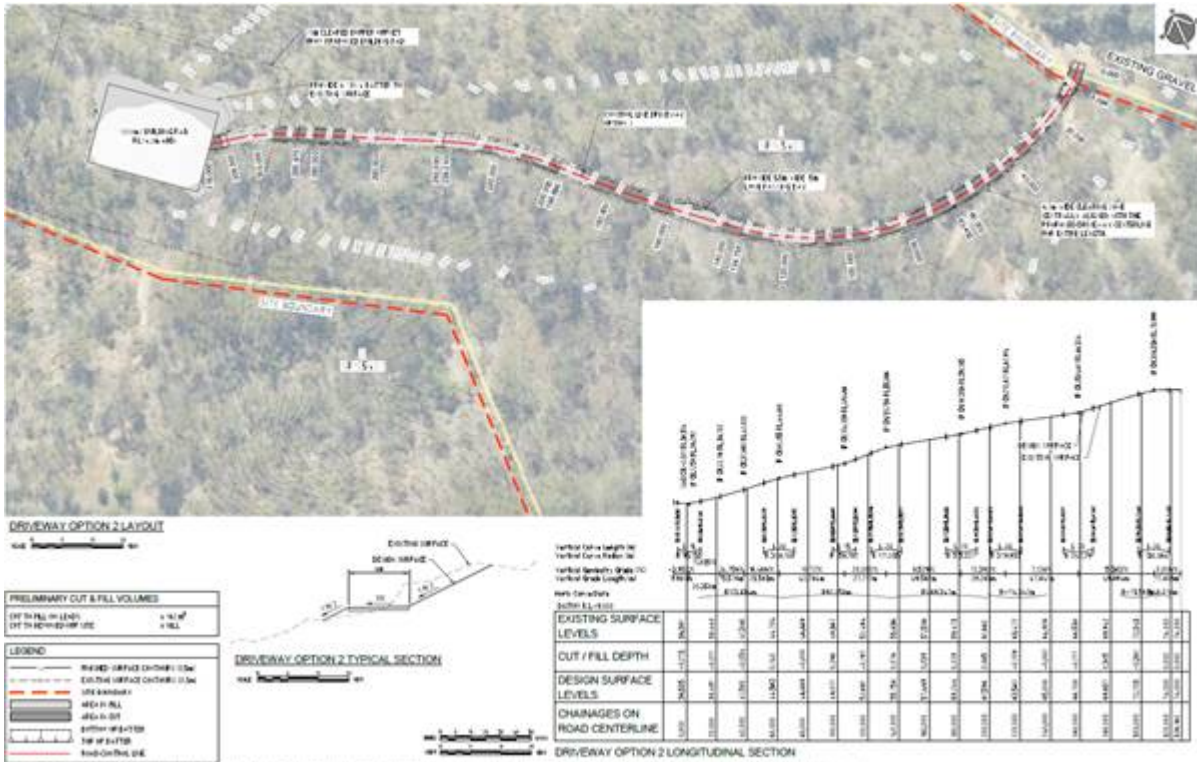


Figure Five: Driveway Grading Plan – Option 2

Adopted Infrastructure Charges Notice:

As per the Gladstone Regional Council Adopted Infrastructure Charges Resolution (No.1) 2015 - Amendment No. 2, the following breakdown is provided:

Table Two: Adopted Infrastructure Charges Break Down

Existing		Proposed		
Zone	Lot/s	Zoning	Lot/s	Stage
Rural Zone	One	Rural Zone	Two	N/A

As part of any Decision Notice, an Adopted Infrastructure Charges Notice of approximately \$18,000 will be issued in accordance with the Act.

Referral:

The Development Application did not trigger referral to the Department of State Development, Manufacturing, Infrastructure and Planning (DSDMIP) under the requirements of the *Planning Regulation 2017* or any other external agency.

Public Notification and Submissions:

As the Development Application triggered Impact Assessment under the Planning Scheme, Public Notification was required, as per the Act. The Applicant advised that Public Notification requirements were undertaken between 18 June 2018 and 10 July 2018 with one Properly Made submission received. Table Two below gives regard to the submissions received and the relevant Council Officer response.

Submission	Officer's Response
Issue	
In the development application minutes of a meeting between Council and the applicant on Document Set ID:4099945 two potential house locations are identified. The submitter requested that the Applicant change the proposed house site to the site furthest from the submitter's residence to lessen the impact on the privacy of his residence.	<p>The proposed location is approximately 130m from the submitters dwelling house across hilly terrain which is moderately vegetated. The submitters residence is situated on the 80m AHD contour whereas the proposed location is located on a 74m AHD contour.</p> <p>It is noted that the submitter's preferred location is approximately 188m from the submitter's residence and is located on the 73m AHD contour.</p> <p>Therefore, any house with an overall height of less than 8.5m that the Applicant builds at either location will be located at or below the ground level of the submitters house (i.e. will be looking up to the submitter's house) and will be obscured by the surrounding vegetation. Subsequently, it is considered that the current proposal will have a negligible effect on the privacy and amenity of the submitter.</p>

Assessment Against the State Planning Policy July 2017

The SPP articulates the state interests that have been identified as critical to protecting and enhancing Queensland and delivering responsible development. 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.

The subject lot is affected by the following Mapping Layers for State Interests:

- BIODIVERSITY

- MSES - Regulated vegetation (intersecting a watercourse) / Queensland waterways for waterway barrier works (High)
- NATURAL HAZARDS RISK AND RESILIENCE
 - Bushfire prone area
- STRATEGIC AIRPORTS AND AVIATION FACILITIES
 - Wildlife hazard buffer zone

The Biodiversity Overlay indicates that regulated vegetation intersecting a watercourse / High Value Waterway is located on the eastern boundary and would be affected by the proposed access. The Applicant has provided evidence that there is no watercourse or regulated vegetation in this location. This finding has been supported by the DSDMIP (via the Department of Agriculture and Fisheries) and subsequently it has been determined that the water course is located outside the boundary of the subject site. Therefore, the Biodiversity mapping is not considered applicable in this instance.

Assessment Benchmark (3) requires that where it is not possible to avoid the natural hazard area, development mitigates the risks to people and property to an acceptable level. Conditions have been recommended (refer to assessments against the Bushfire Hazard Overlay Code and the Steep Land Overlay Code) which seek to ensure that the risk and potential severity of a bushfire and/or landslide is reduced and/or maintained at an acceptable level.

Assessment against *Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2*

The proposal will be assessed under the following benchmarks (in order of hierarchy):

- Strategic Framework
- Airport Environs Overlay Code;
- Biodiversity Overlay Code;
- Bushfire Hazard Overlay Code;
- Steep Land Overlay Code;
- Rural Zone Code;
- Reconfiguring a Lot Code; and
- *Development Design Code.*

In accordance with s5.3.3(4)(c)(ii) of the Planning Scheme, assessment of the proposal has been undertaken in a 'bottom up' approach whereby if the proposal complies with the relevant Acceptable/Performance Outcomes, then the proposal is considered to comply with the Purpose of the relevant code. Notwithstanding this, the discussion of the assessment of the proposed development against the relevant Acceptable and Performance Outcomes is limited to those that do not achieve compliance via the recommended solution.

Strategic Framework

Strategic Outcome 12 and the element "A Gateway to Prosperous Rural Activities" of the theme "Gateway to the World", and Strategic Outcome 4 and the element "Rural and Residential Areas" of the theme "Our Rural and Coastal Townships and Places" explicitly require that creation of rural residential lots outside of the rural residential zone and/or that fragmentation or further fragmentation of rural lands in the Rural zone should not occur.

In response, the Applicant has made the following statement:

The subject site is identified within the historic Infrastructure Agreement for Provision of Open Space, which allowed for the subdivision of land in lieu of dedication of Open Space and further identified that the land was eligible for rezoning to Residential A land. As a result, it is considered that the subject site has development rights in keeping with the intent of this Infrastructure Agreement and the nature of the surrounding development. Therefore, the

restriction on the fragmentation of rural residential development in the Rural Zone does not apply in this instance.

The intent of these elements and outcomes is to protect rural land from fragmentation *in order to* protect the continued operation of these agricultural activities, rural land resources along with the region's identified stock routes and to maintain rural character. Given the extent of fragmentation that has occurred to date due to the Infrastructure Agreement and the steep topography of the subject site, the agricultural value of the site (i.e. potential for cropping or grazing livestock) is marginal and the proposal is not considered to affect the rural character of the area. Subsequently, Council accepts the Applicant's argument that the restriction on further fragmentation of the rural lands is not applicable for the proposed Reconfiguration of a Lot (One into Two Lots) at this location.

Strategic Outcome 4 of the theme "Community Living" states that *residential development within the region occurs where it can be demonstrated that there is both overwhelming community and economic need*. In response, the Applicant has made the following statement:

The proposed subdivision will result in the provision of one additional lot. Therefore, in the context of the Region, the proposal is incredibly minor in nature. With response to demonstrating overwhelming community and economic need, the subject site is identified within the historic Infrastructure Agreement for Provision of Open Space, which allowed for the subdivision of land in lieu of dedication of Open Space and further identified that the land was eligible for rezoning to Residential A land. As a result, it is considered that the subject site has development rights in keeping with the intent of this Infrastructure Agreement and the nature of the surrounding development, and no further justification regarding overwhelming community need is required.

Given the low scale nature of the proposal, it is not considered necessary for the Applicant to demonstrate overwhelming community and economic need as part of the application material. Subsequently, Strategic Outcome 4 is not considered applicable.

In summary, the proposed Reconfiguration of a Lot (One into Two Lots) is considered compliant with the Strategic Framework.

Airport Environs Overlay Code

The subject site is located within the area mapped as the Airport Buffer 8km.

As a Reconfiguration of a Lot, the proposal does not involve the construction of any structures that may physically intrude into defined level of the Obstacle Limitation Surface (Inner) which is 165.5m AHD. Likewise, lighting and reflective surfaces, emissions, and wildlife hazards are not applicable in this instance. Nor is the proposal likely to attract a significant number of wildlife, in particular birds and bats, which may result in an increase of wildlife strikes. As such, the proposal is considered to be compliant with the Airport Environs Overlay Code.

Biodiversity Overlay Code

The Biodiversity Overlay indicates that regulated vegetation intersecting a watercourse is located on the eastern boundary and would be affected by the proposed access. The Applicant has provided evidence that there is no watercourse or regulated vegetation in this location. This finding has been supported by the DSDMIP (via the Department of Agriculture and Fisheries) and subsequently it has been determined that the water course is located on the eastern side of the existing access track which is beyond the boundary of the subject site. Therefore, the Biodiversity Overlay is not considered applicable in this instance.

Bushfire Hazard Overlay Code

The subject lot is affected by the Bushfire Hazard Overlay (Potential Impact Buffer, Medium and High Potential Bushfire Intensity).

Performance Outcome 1 (PO1) requires that *development maintains the safety of people and property by not exposing them to an unacceptable risk from bushfire*. In response, as a Reconfiguration of a Lot (One into Two Lots), this proposal will not directly result in people or property being exposed to an unacceptable risk from bushfire as additional approvals will be required which will require a site-based assessment of bushfire risk and management prior to the construction of any Dwelling Houses. Furthermore, the Applicant has proposed to provide a 20m cleared bushfire buffer around the proposed building pad. Subsequently, the proposal is considered compliant with PO1.

Performance Outcome 4 (PO4) requires that *development in areas without a reticulated water supply has an appropriate dedicated water supply for fire-fighting purposes that are safely located and freely accessible for fire-fighting purposes at all times*. This outcome is not considered applicable at this time. The Applicant will still need to comply with the Bushfire Overlay Code requirements in order to remain "Accepted Development Subject to Requirements" for a Material Change of Use for a Dwelling House in the Rural Zone.

Performance Outcome 5 (PO5) requires that *roads and fire access trails are designed and constructed to: (a) enable efficient access to buildings and structures for fire-fighting purposes for emergency services, and (b) swift evacuation in emergency situations*. In response, the Applicant has proposed an access driveway with a 6m wide clearing zone centrally aligned with the proposed driveway centreline, for the entire length of the driveway. The driveway also provides a 15m long passing bay in the centre of driveway for the provision of access/overtaking in the event of an emergency. Subsequently, the proposal is considered compliant with PO5 despite any non-compliance with Acceptable Outcomes 5.1, 5.2 and 5.3.

Performance Outcome 6 (PO6) requires that *development provides for adequate fire breaks that minimise bushfire hazard by (a) separating hazardous vegetation from development areas, and (b) facilitating access for firefighting and emergency vehicles*. In response, the Applicant has proposed a cleared building pad comprising 1000m² in size and an additional 20m cleared buffer around the building pad to provide a buffer between the existing vegetation on site and any future development on the building pad. Subsequently, the proposal is considered compliant with PO6.

Acceptable Outcome 8 (AO8) requires that *new residential lots (including rear lots) do not occur in a bushfire hazard area*. The proposed Dwelling House site is affected by the Medium Potential Bushfire Intensity mapping. Performance Outcome 8 (PO8) requires that *additional lots avoid the risk of bushfire hazard to personal and property safety and increased risk of damage to assets*.

In response, the proposed Reconfiguration of a Lot (One into Two Lots) is not considered to directly increase the risk of damage to assets or compromise personal safety as no structures will be constructed as a result of this application. Any future development for a Dwelling House in the additional lot will need to consider the Bushfire Hazard Overlay and the Australian Standard AS 3959-2009 Construction of Buildings in Bushfire Prone Areas. When these facts are taken into consideration as well as the provisions proposed for the access driveway and the bushfire buffer, the proposal is considered compliant with PO8.

Steep Land Overlay Code

The proposal is not compliant with Acceptable Outcome 1.1 (AO1.1) which requires that *development is not located on that part of the land identified on the Steep land overlay*. Nor has the Applicant provided a site specific geotechnical report in accordance with Acceptable Outcome 1.2 (AO1.2). The site plans provided do not clearly identify if the proposed building envelope will be within the area mapped as Steep Land (partly or wholly), however, the driveway access will pass through land mapped as Steep Land. A condition has been recommended that the Applicant must demonstrate compliance with either AO2.1 of AO1.2 prior to commencing construction on the site.

In regard to the proposed driveways, Acceptable Outcome 2.1 (AO2.1) requires that *paths, driveways and roads do not traverse land with a slope exceeding 25%* and Acceptable Outcome 2.2 (AO2.2) requires that they are *sealed with asphalt, concrete or another type of hardstand where traversing a slope greater than 10%*. Conditions have been recommended to this effect.

Acceptable Outcome 3.1 (AO3.1) requires that *earthworks do not (a) change the ground level more than 1m at any point, (b) occur within 1.5m of any property boundary, and (c) result in retaining walls located within 3m of a property boundary, other than where retaining walls are less than 1m in height on a continuous vertical plane*. Conditions have been recommended to this effect.

Rural Zone Code

The purpose of the Rural Zone Code is to:

- a. *Ensure appropriately sized lots, being predominantly very large lots, display rural and landscape character and provide for a wide range of rural uses including cropping, intensive horticulture, intensive animal industries, animal husbandry, grazing, animal keeping and other primary production activities.*
- b. *Provide opportunities for non-rural uses that are compatible with agricultural and rural activities, and the landscape character of the rural area where they do not compromise the long-term use of the land for rural purposes.*
- c. *Protect or manage significant natural features, resources, and processes, including the capacity for primary production and extractive industry in designated areas.*
- d. *Ensure rural uses are not adversely impacted by inappropriate land uses and development.*
- e. *Ensure areas of Agricultural Land Classification Class A and B agricultural land are protected for agricultural uses and from fragmentation, alienation or diminished agricultural productivity.*
- f. *The potential for conflict between agricultural and other uses on Agricultural Land Classification Class A and B are minimised.*

Despite the apparent conflict with Overall Outcome A and Overall Outcome L which concern avoiding fragmentation of and rural residential expansion of land in the Rural Zone, the proposal is considered to be consistent with the purpose of the Rural Zone Code.

The degree of fragmentation already experienced in the locality has occurred as a result of the Infrastructure Agreement for Provision of Open Space which has resulted in allotments which vary in size between 1.3 hectares and 10 hectares within the locality. As such, a persistent precedent has been set in this locality in which the lot sizes are more aligned with that expected in the Rural Residential Zone than the Rural Zone. As a result, the capacity of the subject lot for agricultural and rural activities prior to the proposed subdivision, taken in the context of the wider locality and the steep topography of the site, is already minimal. As such, the proposal is considered to be a continuation of the status quo rather than a dramatic reduction in the ability of the site to be used for commercial agricultural purposes. As such, the proposed Reconfiguration of a Lot (One into Two Lots) is considered to be compliant with the purpose as it will provide opportunities for non-rural uses (Dwelling House) that are compatible with agricultural and rural activities, and the landscape character of the rural area.

Reconfiguration of a Lot Code

The proposal is not compliant with Acceptable Outcome 1 (AO1) which requires that lots comply with the minimum lot size and dimensions specified for its zone (minimum lot size of 250 hectares and a minimum road frontage of 300m). Performance Outcome 1 (PO1) requires that *reconfiguration creates lots that are of a sufficient size, shape and dimension (a) that are consistent with the character of the zone, (b) to accommodate development commensurate with the required building footprint, setbacks, private open space, vehicle access and parking and servicing areas for the zone; (c) that does not compromise the future development potential of land in the emerging community zone for urban purposes, and (d) are sufficient to protect areas with significant ecological values.*

In response, the Applicant has made the following statement:

The proposed subdivision remains consistent with the character of the surrounding locality, which consists of Rural Zoned lots ranging in size between 1.3 hectares and 10 hectares. Each allotment is large enough to accommodate future development, would not compromise the future development potential of the Emerging Community Zone and can sufficiently cater for the protection of significant ecological values.

Subsequently, the proposal is considered compliant with PO1 despite non-compliance with AO1.

Performance Outcome 20 (PO20) requires that *each reconfigured lot is provided with infrastructure and services appropriate to its intended use and location in a manner that: (a) is efficient; (b) is adaptable to allow for future infrastructure upgrades; (c) minimises risk of adverse environmental or amenity-related impacts; (d) promotes the efficient use of water resources, and (e) minimises whole of life cycle costs for that infrastructure.* As per the assessment against the Development Design Code below, conditions for appropriate infrastructure and services have been recommended.

Performance Outcome 21 (PO21) requires that *where reconfiguration proposes individual on-site waste water disposal, it must be demonstrated that: (a) the soil type and permeability, slope, and hydrology of the land is capable of accommodating the proposed loads within the lot, and (b) individually and collectively, the impacts of the existing and proposed systems do not adversely impact on the groundwater quality of the locality.* Conditions to this effect have been recommended.

Acceptable Outcome 22 (AO22) requires that *lots are designed to achieve safe vehicle and pedestrian access in accordance with the Engineering Design Planning Scheme Policy.* The Applicant has proposed that the subdivision will gain access via an existing access easement along the eastern property boundary. The additional lot will be provided with an access driveway, with areas greater than 10% sealed for all weather access by a private vehicle. Therefore, conditions have been recommended in accordance with the proposal which will ensure compliance with AO22.

Performance Outcome 26 (PO26) requires that *reconfiguration includes appropriate pedestrian and cycle infrastructure that: (a) provides a high level of connectivity and permeability that links residential areas with schools; centres, community activity uses; parks, employment areas and public transport stops; (b) provides for safe street crossings and for safety between pedestrians and cyclists; (c) is designed taking into account topography and convenience for users; and (d) meets disability access standards.* Given the rural nature of the area, pedestrian and cycle infrastructure is not considered to be appropriate infrastructure particularly due to the steep nature of the subject lot. Subsequently, the proposal is considered consistent with PO26 as the provision of pedestrian and cycle infrastructure is not considered to be appropriate in this instance.

Performance Outcome 27 (PO27) requires that *reconfiguring a lot development: (a) manages the stormwater quality, quantity and velocity flow characteristics from the lot to maintain or improve the pre-development levels, and (b) where practicable incorporates stormwater re-use.* The proposed development is located in a Rural Zone and seeks to subdivide the existing lot into two lots. As such, it does not trigger compliance with Stormwater Management Design Objectives in accordance with State Planning Policy 2017.

Performance Outcomes 28 to 31 (Parks and Open Space) are not considered applicable to as the created lots are greater than 6,000m², are zoned Rural and are affected by the Infrastructure Agreement for the provision of Open Space.

Development Design Code

The Applicant has indicated that appropriate connections to electricity, telecommunications, and provision for on-site water supply and sewerage treatment system will be made as part of any future

development applications for subsequent land use. Notwithstanding this, conditions have been recommended in accordance with the following:

- Performance Outcome 1 (and associated Acceptable Outcome 1.1),
- Performance Outcome 2 (and associated Acceptable Outcome 2.2), and
- Performance Outcome 3 (and associated Acceptable Outcomes 3.1 and 3.2);

As the proposed development is located in a Rural Zone and seeks to subdivide the existing lot into two lots, it does not trigger compliance with Stormwater Management Design Objectives in accordance with State Planning Policy 2017. In addition, any dwelling or non-habitable structure constructed on the proposed lots would be subject to future Development Applications for Building Works that would ensure that the roof water pipes were directed to an appropriate location that would not adversely impact adjoining properties. Therefore, the development is considered to comply with Performance Outcomes 5, 6, and 23 to 27.

Performance Outcome 8 (PO8) requires that *development is designed such that earthworks and any associated retaining structures (a) result in a landform that is stable, (b) maintain as far as practical, and minimise alteration to, the existing landforms, (c) minimise height of batter faces and retaining structures, (d) do not unduly impact on the amenity or privacy for occupants of the site or on adjoining land, (e) do not unduly impact on the amenity of the streetscape, (f) achieves a high level of visual amenity, (g) does not prevent or obstruct the function of adjacent sites including land in Council ownership; and (h) are designed and constructed so that they do not cause unintentional ponding (i.e. ponding not associated with stormwater control) on the site or on nearby land.* A condition has been recommended that the Applicant must construct the driveway and building pad generally in accordance with the approved plans and must comply with the associated Acceptable Outcomes in the Development Design Code.

Acceptable Outcome 11.1 (AO11.1) requires that *access driveways are: (a) designed and constructed in accordance with the [Engineering Design Planning Scheme Policy](#), and (b) in accordance with AS2890 as amended and certified by a Registered Professional Engineer of Queensland.* A condition has been recommended that an access driveway must be provided in accordance with AO11.1

Acceptable Outcome 13 (AO13) requires that *footpaths are: (a) provided to the full road frontage and designed in accordance with the [Engineering Design Planning Scheme Policy](#); (b) connected to the existing footpath network; and (c) certified by a Registered Professional Engineer of Queensland.* Amongst other things, the purpose of the development design code is to ensure all development is provided with appropriate infrastructure, services and parking provisions. Given the rural nature of the area, pedestrian and cycle infrastructure is not considered to be appropriate infrastructure particularly due to the steep nature of the subject lot. Subsequently, the proposal is considered consistent with item (a) of the purpose of the Development Design Code despite any non-compliance with AO13 or PO13.

Officer's Recommendation:

The Development Application 18/2018 for a Reconfiguration of a Lot (One into Two Lots) on land at 570 Haddock Drive, O'Connell, be recommended for approval. The approval is supported by a Notice of Reason and subject to reasonable and relevant conditions as follows:

Notice 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 Reconfiguration of a Lot (One into Two Lots).

Assessment Benchmarks:

Benchmarks applying to the development	Benchmark Reference
<i>State Planning Policy July 2017</i>	State Interest - Natural Hazards, Risk and Resilience
<i>Our Place Our Plan Gladstone Regional Council Planning Scheme Version 2</i>	Airport Environs Overlay Code Bushfire Hazard Overlay Code Steep Land Overlay Code Rural Zone Code Reconfiguring a Lot Code Development Design Code

Reasons for the Assessment Manager's 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:

Benchmarks applying to the development	Benchmark Reference
<i>Bushfire Hazard Overlay Code Table 8.2.4.3.1 – Acceptable Outcomes 5.1, 5.2 and 5.3</i>	<i>Compliance with Bushfire Hazard Overlay Code Table 8.2.4.3.1 – Performance Outcome 5</i>
<i>Bushfire Hazard Overlay Code Table 8.2.4.3.1 – Acceptable Outcome 8</i>	<i>Compliance with Bushfire Hazard Overlay Code Table 8.2.4.3.1 – Performance Outcome 8</i>
<i>Steep Land Overlay Code Table 8.2.12.3.1 – Acceptable Outcomes 1.1 and 1.2</i>	<i>Compliance with Acceptable Outcomes 1.1 and 1.2 via Condition</i>
<i>Steep Land Overlay Code Table 8.2.12.3.1 – Acceptable Outcomes 2.1 and 2.2</i>	<i>Compliance with Acceptable Outcomes 2.1 and 2.2 via Condition</i>
<i>Steep Land Overlay Code Table 8.2.12.3.1 – Acceptable Outcomes 3.1 and 3.2</i>	<i>Compliance with Acceptable Outcomes 3.1 and 3.2 via Condition</i>
<i>Rural Zone Code Table 6.2.22.3.1 – Overall Outcome (a) and (l)</i>	<i>Compliance with the Purpose of the Rural Zone Code</i>
<i>Reconfiguring a Lot Code Table 9.3.7.3.1 - Acceptable Outcome 1</i>	<i>Compliance with Reconfiguring a Lot Code Table 9.3.7.3.1 – Performance Outcome 1</i>
<i>Reconfiguring a Lot Code Table 9.3.7.3.1 - Performance Outcome 20</i>	<i>Compliance with Performance Outcome 20 via Condition</i>
<i>Reconfiguring a Lot Code Table 9.3.7.3.1 - Performance Outcome 21</i>	<i>Compliance with Performance Outcome 20 via Condition</i>
<i>Reconfiguring a Lot Code Table 9.3.7.3.1 – Acceptable Outcome 22</i>	<i>Compliance with Acceptable Outcome 22 via Condition</i>

Development Design Code Table 9.3.2.3.1 – Acceptable Outcome 1.1	<i>Compliance with Acceptable Outcome 1.1 via Condition</i>
Development Design Code Table 9.3.2.3.1 – Acceptable Outcome 2.2	<i>Compliance with Acceptable Outcome 2.1 via Condition</i>
Development Design Code Table 9.3.2.3.1 – Acceptable Outcomes 3.1 and 3.2	<i>Compliance with Acceptable Outcomes 3.1 and 3.2 via Condition</i>
Development Design Code Table 9.3.2.3.1 – Acceptable Outcomes 8.1, 8.2, 8.3 and 8.4 and Performance Outcome 8	<i>Compliance with Acceptable Outcomes 8.1, 8.2, 8.3 and 8.4 and Performance Outcome 8 via Condition</i>
Development Design Code Table 9.3.2.3.1 – Acceptable Outcome 11.1	<i>Compliance with Acceptable Outcome 11.1 via Condition</i>
Development Design Code Table 9.3.2.3.1 – Acceptable Outcome 13	<i>Compliance with item (a) of the Purpose of the Development Design Code</i>

Relevant Matters under Section 45(5)(b) of the Act that the Development was Assessed Against:

1. The ‘Infrastructure Agreement for Provision of Open Space’ drafted by King and Company Solicitors and signed by Council on the 17 September 1996

Matters raised in Submissions and Councils response in dealing with these matters:

Matters raised in the Submission	How the matters were dealt with
In the development application minutes of a meeting between Council and the applicant on Document Set ID:4099945 two potential house locations are identified. The submitter requested that the Applicant change the proposed house site to the site furthest from the submitter’s residence to lessen the impact on the privacy of his residence.	<p>The proposed location is approximately 130m from the submitters dwelling house across hilly terrain which is moderately vegetated. The submitters residence is situated on the 80m AHD contour whereas the proposed location is located on a 74m AHD contour.</p> <p>It is noted that the submitter’s preferred location is approximately 188m from the submitter’s residence and is located on the 73m AHD contour.</p> <p>Therefore, any house with an overall height of less than 8.5m that the Applicant builds at either location will be located at or below the ground level of the submitters house (i.e. will be looking up to the submitter’s house) and will be obscured by the surrounding vegetation. Subsequently, it is considered that the current proposal will have a negligible effect on the privacy and amenity of the submitter.</p>

Matters prescribed by a regulation:

1. N/A

Conditions of Approval:

The following provides the Conditions of Approval under section 63(2)(3e) 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
SK-DA-01	B	Proposed Reconfiguration of a Lot (1 into 2) Subdivision Plan	Zone Planning Group	4/06/2018
PEG0429-DA-SK02	B	Driveway Grading Plan – Option 2	Pinnacle Engineering Group	17/05/2018

Special Conditions

2. Prior to the lodgement of a request for Survey Plan Endorsement, a cleared fire break is to be provided at minimum of 20m of the immediate development footprint.
3. As part of any future Building Works application, the Applicant must submit a Bushfire Hazard Assessment and Management Plan to Council for approval. The Management Plan is to:
 - a. Be prepared by a suitably qualified person experienced in the area of bushfire management;
 - b. Be provided for the whole of the site;
 - c. Provide an evacuation and emergency plan in the event of a bushfire event;
 - d. Identify an alternative evacuation route if required to achieve an acceptable level of bushfire risk;
 - e. Identify areas of vegetation clearing and maintenance;
 - f. Identify the location and severity of all bushfire risks including vegetation, topography and bushfire history;
 - g. Identify fire risk reduction features including identified fire maintenance trails and fire-fighting facilities to be installed and their ongoing maintenance schedule; and
 - h. Be implemented by the Applicant for the life of the approval.

Operational Works

4. Prior to the lodgement of a request for Survey Plan Endorsement, a building envelope is to be constructed for Proposed Lot 1. The building envelope is to be of a regular shape, have a minimum area of 1,000sqm, have a minimum dimension of 18m and not be located on land steeper than 15%.
5. Prior to the commencement of earthworks on the site, the Applicant must demonstrate that the earthworks will be located outside of the areas mapped in the Steep Land overlay or the Applicant must submit a Site-Specific Geotechnical Report to Council for approval. The report must:
 - a. Be prepared by a suitably qualified person experienced in the area of geology;
 - b. Certify that the stability of the site, including associated buildings and infrastructure, will be maintained during both the construction and operational life of the development;
 - c. Certify that the site is not subject to risk of landslide activity originating from other land, including land above the site;
 - d. Certify that the development will not increase the risk of landslide on the other land; and

- e. Be in accordance with the *Landslide Risk Management – Australian Geomechanics Journal*.

6. Earthworks on the site must:

- a. Change the ground level no more than 1m at any point;
- b. Have the steepest formed batter as 1 vertical to 4 horizontal;
- c. Ensure that the top and toe of any batter slope is a minimum of 0.9m horizontally from the boundary of the development site;
- d. Not to be located on land in Council ownership; and
- e. Not occur within 1.5m of any property boundary.

OR

A Development Permit for Operational Works (Earthworks) must be obtained from Council prior to the commencement of construction.

Water Infrastructure

7. As part of Building Works, the Applicant is to provide an easily accessible concrete water storage tank or in-ground swimming pool or dam. The water storage infrastructure is:
 - a. To be constructed with fire brigade fittings;
 - b. To have a minimum capacity of 5,000 litres;
 - c. To be located within 100m of the immediate development footprint; and
 - d. To be readily identifiable with clear signage.

Sewerage Infrastructure

8. All on-site sewerage facilities must be located so that they do not have any adverse impacts on the existing watercourse and stormwater overland flow.

Advisory Note: The treatment system for the on-site sewerage system should be sited above AEP 1% flood level.

Transportation Services

9. Prior to the lodgement of a request for Survey Plan Endorsement, the Applicant is to construct a rural standard driveway to proposed Lot 1 generally in accordance with the approved plans. The driveway is to extend from the existing driveway within the access easement on Lot 68 RP13540 to the proposed building pad.

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

10. The longitudinal grade of an access driveway for each proposed lot shall not exceed 25% and the access driveway shall be sealed with asphalt, concrete or another type of hardstand where the longitudinal grade will exceed 10%.
11. Prior to the lodgement of a request for Survey Plan Endorsement, all existing disused invert crossings are to be removed and reinstated in accordance with Council's Standard Drawing for a Rural Access.

Advisory Note: Council's Engineering Standards and Standard Drawings are located within the Capricorn Municipal Development Guidelines - Drawings and Specifications at <http://www.cmdq.com.au/Guidelines/GuidelinesHome.htm>.

12. Prior to the construction of any driveway works within Council's road reserve required by the conditions of this approval, the Applicant shall obtain an approval from Council to construct/change a driveway within the road reserve in conformity with Council's Subordinate Local Law No. 1.1 and 1.15.

Advisory Note: Council's Application to Construct (and maintain) a Driveway (Vehicle Crossover) is found at <http://www.gladstone.qld.gov.au/forms>.

Electrical, Telecommunication and Gas services

13. Prior to the lodgement of a request for Survey Plan Endorsement, all electrical (and telecommunication) conduits are to be installed (including conduits under roads, under concrete pathways and beneath retaining walls etc.) together with the associated infrastructure (including electrical pits, light pole and sub-station footings etc.) as part of the Operational Works.

14. As part of the lodgement of a request for Survey Plan Endorsement, a Certificate of Supply shall be provided to demonstrate connection of electricity supply to each proposed lot.

Advisory Note: The Ergon Energy Rockhampton Office are available on (07) 49311012.

15. As part of the lodgement of a request for Survey Plan Endorsement, a Certificate of Supply shall be provided to demonstrate connection of telecommunication supply to each proposed lot.

Advisory Note: The Telstra Smart Communities Team are available on 1800 226 543.

Survey Plan Endorsement

16. Lodgement of Survey Plan Endorsement must include the following:

- a. Completion of Council's Request - Assessment and Endorsement of a Survey Plan Form;
- b. All survey marks in their correct position in accordance with the Survey Plan;
- c. A Compliance Report demonstrating compliance with all associated Development Permit(s);
- d. One copy of the Survey Plan, each fully executed for the lodgement with the Titles Office;
- e. Payment of any outstanding rates and charges in accordance with Schedule 18, Item 2(1)(c) of the *Planning Regulation 2017*; and
- f. Payment of any outstanding Adopted Infrastructure Charges.

Advisory Note: Council's Request - Assessment and Endorsement of a Survey Plan Form is found at <http://www.gladstone.qld.gov.au/forms>.

END OF CONDITIONS

Advice to Applicant:

Council provides a comprehensive certification service for any Building Certification requirements.

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

Council's Infrastructure Charges Incentive Policy may be applicable to this development. Please see the full Policy on Council's website.

Attachments:

1. DA/18/2018 - Properly Made Submission dated 9 July 2018.

Tabled Items:

Nil

Report Prepared by: Planning Officer

G/3.7. PEOPLE CULTURE AND SAFETY

Nil.

G/3.8. FINANCE GOVERNANCE AND RISK

G/3.8.1. BUSINESS IMPROVEMENT COMMITTEE MEETING MINUTES 27 JUNE 2018

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 21 August 2018

File Ref: CM26.2

Purpose:

This report presents the minutes from the Business Improvement Committee Meeting held on the 27 June 2018 and the 2017/18 Business Improvement Committee Annual Report.

Officer's Recommendation:

That:

1. Council receive and note the minutes of the Business Improvement Committee Meeting held on the 27 June 2018.
2. Council receive and adopt the Business Improvement Committee 2017/18 Annual Report.
3. Council rotate one of its existing Councillor members by nominating Cr _____ to replace Cr _____ on the Business Improvement Committee commencing September 2018 with the next scheduled review of Councillor membership to occur in March 2020.

Background:

Council's Business Improvement Committee met on the 27 June 2018. Matters considered included:

1. Progress Report - Work Health and Safety Audit;
2. Asset Management Progress Report;
3. Quarterly Procurement and Contracts Report;
4. Review of Business Improvement Policies;
5. Annual Report – 2017/18 Business Improvement Committee;
6. Business Improvement Committee and Councillor Survey – Determine Form and Content
7. Business Improvement Committee External Member Tenure;
8. Organisation Redesign Progress Report;
9. Risk Management Report;
10. Review of Open Audit Issues;
11. Internal Audit Report;
12. Fraud and Corruption Report;
13. Financial Reports for period ending 31 May 2018;
14. 2017/18 Financial Statement Timeline;
15. 2018/19 Council Budget Preparation and Content Report;
16. External Audit Briefing Report;
17. External Audit Interim Management Letter;
18. Queensland Audit Office Insights Newsletter;
19. Legal and Legislative Matters
20. General Business;
21. A closed session with Audit Representatives.

Key issues arising out of the meeting included:

Business Improvement Committee Membership:

As Members will be aware, external member Carolyn Eagle will leave the Committee on 31 December 2018 and Kerry Phillips has been recruited as Carolyn's replacement and has been serving on the Committee since 22 March 2018. The current Chairperson Mr Ross Cook's five-year tenure expires in June 2019 and the Committee recommended at the meeting that recruitment for Ross's replacement commence as soon as possible with a new member to commence at the December 2018 meeting.

The issue of Councillor representation was also discussed at the meeting. Council's current policy suggests a rotation of Councillor membership on the Committee with a minimum term of 18 months and where possible a mix of experienced and new Councillors.

Crs Hansen and Sobhanian are the Councillors serving on the Committee with Cr Goodluck as the recently appointed proxy delegate. Cr Hansen has been a member of the BIC since its inception on 16 November 2010, whilst Cr Sobhanian commenced his tenure in 1 July 2015. Cr Goodluck was appointed as proxy delegate at Council's General Meeting on the 23 January 2018.

Cr Goodluck requested at the BIC meeting that the issue of Councillor tenure on Committees / memberships become a standard agenda item for future Council meetings.

Option 1 – Rotate Councillor Membership

Given the policy direction in relation to rotation of Councillor membership on the Committee, Council may wish to consider rotating one of its existing Councillor members now which would give the replacement Councillor 19 months experience prior to the next Council election in March 2020. Following the 2020 elections, Council will make appropriate appointments to BIC and then it may wish to schedule Councillor membership reviews in September 2021 and March 2023.

Option 2 – Keep current Councillor Membership

Alternatively, given that the two external representatives on the Business Improvement Committee following Carolyn Eagle's departure in December 2018 and Ross Cook's departure in July 2019, will be relatively new (Kerry Phillips commenced March 2018 and Ross Cook's replacement will commence December 2018) Council may wish to retain its current Councillor members through to the 2020 local government elections. The advantage of this option would be that the Councillor members would have the continuity of experience in BIC matters until such time as the external members have acquired more experience of Gladstone Regional Council's operations. If this option is preferred, an alternative resolution to point 3 above could be:

3. *Council retain its existing Councillor member representatives on the Business Improvement Committee with the next scheduled review of Councillor membership to occur in March 2020.*

Annual Report on Business Improvement Committee Activities for 2017/18

Members will note that the 2017/18 BIC Annual Report on the Committee's activities is attached for Members information. The Committee is required to provide an annual report to Council, with the contents of that report precised into Council's Annual Report.

Members will note that the Committee has some concerns this year on the lack of progress with Council's internal audit program and continues to identify asset management, risk management and reporting on compliance management to be key areas which need to improve moving forward. Members were satisfied that the new organisational structure proposed should assist in Council's performance in these key areas.

Business Improvement Policies

The Committee suggested some minor changes to Council's Business Improvement Policies for consideration. A report on the policies will be brought to Council shortly.

Councillor Survey

Members will note that a short survey will be circulated to Councillors in the coming weeks. The survey proposes to provide feedback to the Committee on elected members views of the Committee's activities.

Consideration:

Not applicable

Communication and Consultation (Internal/External):

Business Improvement Committee
External Audit
Queensland Audit Office
Relevant Council Officers

Legal Environmental and Policy Implications:

It is a legislative requirement that Council's Business Improvement Committee (acting in its capacity as an 'Audit Committee') oversee audit, annual financial reporting and other relevant governance functions to provide Council with an additional level of assurance that systems and controls are in place to assist Council in minimising its risk exposures.

Financial and Resource Implications:

Business Improvement Committee External Member fees are included within the annual operational budget each year.

Commentary:

Nil.

Summary:

Nil

Anticipated Completion Date:

Nil

Attachments:

1. Business Improvement Committee Meeting Minutes 27 June 2018
2. Business Improvement Committee 2017/18 Annual Report

Tabled Items:

Nil.

Report Prepared by: Governance Advisor

G/4. COUNCILLORS REPORT

Nil.

G/5. URGENT BUSINESS

Nil.

G/6. NOTICE OF MOTION

Nil.

G/7. CONFIDENTIAL ITEMS

G/7.1. TENDER 13-19 KIRKWOOD LAVENDER INTERSECTION UPGRADE

Responsible Officer: General Manager Operations

Council Meeting Date: 21 August 2018

File Ref: RD1.2; PE8.3

Reason for Confidentiality:

This report is **CONFIDENTIAL** in accordance with Section 275 (1) of the Local Government Regulation 2012, the meeting is to be closed to the public to discuss business relating to the following: -

- (e) contracts proposed to be made by it.

**G/7.2. REQUEST FOR LEASE REVIEW AND REQUEST FOR CONCESSION -
GLADSTONE ANZAC MEMORIAL BOWLS AND CITIZENS INC.**

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 21 August 2018

File Ref: (P15810, CP8.2, RV4.4)

Reason for Confidentiality:

This report is **CONFIDENTIAL** in accordance with Section 275 (1) of the Local Government Regulation 2012, the meeting is to be closed to the public to discuss business relating to the following: -

(d) rating concessions.

ATTACHMENTS