



## **MINUTES**

### **Ordinary Meeting**

**Held at Council Chambers  
Sir Albert Abbott Administration Building  
73 Gordon Street, Mackay**

**On Wednesday 21 June 2023**

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His Worship the Mayor, Cr Williamson conducted an acknowledgement of Country acknowledging the traditional custodians of the land on which we meet today.

Mayor Williamson advised that the Council Meeting is being streamed live, recorded and published in accordance with Council's Standing Orders, including publishing on Council's website.

Mayor Williamson advised those present in the public gallery that, by attending a public meeting of the Council they are consenting to their image, voice and comments being recorded and published, and comments will form part of the live stream and recording.

Attendees were also advised that they may be subject to legal action if their actions result in inappropriate and/or unacceptable behaviour and/or comments.

## **1. ATTENDANCE**

His Worship the Mayor, Cr G R Williamson (Chairperson), Crs M J Bella, L G Bonaventura, J F Englert, M I Green, B C Hassan, A N Jones, F A Mann, K L May and R J Seymour were in attendance at the commencement of the meeting.

Also present was Mr S Owen (Chief Executive Officer), Mrs J Ronald (Minute Secretary), Mr D McKendry (Executive Officer), Mr J Devitt (Director - Engineering & Commercial Infrastructure), Ms A Nugent (Director - Development Services), Mr J Carless (Director - Capital Works), Ms A Hays (Director - Organisational Services) and Mr M Sleeman (A/Director, Community & Client Services) and Mrs M Rogers (A/Manager - Corporate Communications & Marketing).

The meeting commenced at 10:00 am.

## **2. OPENING PRAYER**

Pastor Amanda Grobbelaar from New Life Church led those present in Prayer.

## **3. ABSENT ON COUNCIL BUSINESS**

Nil

## **4. APOLOGIES**

### **Council Resolution ORD-2023-147**

#### **4.1 LEAVE OF ABSENCE - CR PAULINE TOWNSEND**

THAT Cr Townsend be granted leave of absence for today's Meeting.

**Moved Cr Mann**

**Seconded Cr Bonaventura**

**CARRIED UNANIMOUSLY**

### **Council Resolution ORD-2023-148**

#### **4.2 LEAVE OF ABSENCE - CR ALISON JONES**

THAT Cr Jones be granted leave of absence for the Council Meeting on July 26, 2023.



**Moved Cr Mann**

**Seconded Cr Hassan**

**CARRIED UNANIMOUSLY**

## **5. CONDOLENCES**

Cr Williamson expressed condolences, on behalf of Council to the family of Kerry Latter, Chief Executive Officer of Canegrowers Mackay, who passed away recently after a short illness.

Cr May expressed condolences, on behalf of Council to the family of Nick Kenyon of Sarina Beach, who passed away last month. Cr May advised that Nick had been a Councillor of the former Sarina Shire Council from 1976 to 1981 and had been an active member of both Apex and Lions.

## **6. CONFLICT OF INTEREST**

Nil conflicts raised at this point however refer to Item 11.3.3, New Lease to Bendigo and Adelaide Bank Ltd, where Cr May subsequently raised a conflict.

## **7. CONFIRMATION OF MINUTES**

### **7.1. CONFIRMATION OF MINUTES - 24.5.23**

#### **Council Resolution ORD-2023-149**

THAT the Ordinary Meeting Minutes dated 24 May 2023 be adopted.

**Moved Cr Green**

**Seconded Cr Jones**

**CARRIED**



## **MINUTES**

### **Ordinary Meeting**

**Held at Council Chambers  
Sir Albert Abbott Administration Building  
73 Gordon Street, Mackay**

**On Wednesday 24 May 2023**

ORDINARY MEETING - 24 MAY 2023

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His Worship the Mayor, Cr Williamson conducted an acknowledgement of Country acknowledging the traditional custodians of the land on which we meet today.

Mayor Williamson advised that the Council Meeting is being streamed live, recorded and published in accordance with Council's Standing Orders, including publishing on Council's web-site.

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**1. ATTENDANCE**

His Worship the Mayor, Cr G R Williamson (Chairperson), Crs M J Bella, L G Bonaventura, J F Englert, M I Green, B C Hassan, A N Jones, F A Mann, K L May, R J Seymour and P A Townsend were in attendance at the commencement of the meeting.

Also present was Mr S Owen (Chief Executive Officer), Mrs P Jaenke (Minute Secretary), Mr D McKendry (Executive Officer), Mr J Devitt (Director - Engineering & Commercial Infrastructure), Ms A Nugent (Director - Development Services), Mr J Carless (Director - Capital Works), Ms J McKay (Director - Community & Client Services), Ms A Hays (Director - Organisational Services) Ms M Rogers (Manager - Corporate Communications & Marketing) and Mrs K Verroen (Coordinator - Governance).

The meeting commenced at 10:00 am.

**2. OPENING PRAYER**

Pastor Jai Wright from the Evangelical Church led those present in Prayer.

**3. ABSENT ON COUNCIL BUSINESS**

Nil

**4. APOLOGIES**

Nil

**4.2. LEAVE OF ABSENCE - CR BONAVENTURA**

**Council Resolution ORD-2023-121**

**4.1 LEAVE OF ABSENCE - CR LAURENCE BONAVENTURA**

THAT Cr Bonaventura be granted leave of absence for today's Meeting.

**Moved Cr Mann**

**Seconded Cr Jones**

**CARRIED UNANIMOUSLY**

**5. CONDOLENCES**

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ORDINARY MEETING - 24 MAY 2023

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Cr Williamson expressed condolences, on behalf of Council to the family and friends of John Pearce, who passed away recently. John had worked for Council for 52 years and 10 months, starting with Pioneer Shire Council in July 1970 and finishing up with Mackay Regional Council on May 3, 2023. John did his cadetship with Main Roads and then went on to become a Technical Officer in Construction and Maintenance. John developed and maintained Council's first quality management system and received many accolades over the years for this system with it being recognised as one of the top 5 in Queensland. John was a pioneer and instigator of quality management for our Council. John was a very private and humble man and did his job to the best of his ability every day of his working life. He was married to Josephine for 42 years and sadly Josephine passed away just a few weeks prior to John. Mayor Williamson expressed sympathy on behalf of the Councillors and the entire Council, to John's family and friends.

## **6. CONFLICT OF INTEREST**

### **CONFLICT OF INTEREST IN ITEM 11.1.7**

#### **Cr Martin Bella**

In accordance with Chapter 5B of the *Local Government Act 2009*, Cr Martin Bella has a Declared conflict of interest in Agenda Item 11.1.7, Referral from Office of Independent Assessor.

The nature of Cr Bella's interest is as follows:

#### **Subject of Report**

#### **Mayor Williamson**

In accordance with Chapter 5B of the *Local Government Act 2009*, I Mayor Greg Williamson inform the meeting that I will declare a conflict of interest in Agenda Item 11.1.7, Referral from Office of independent Assessor.

#### **Cr Laurence Bonaventura**

In accordance with Chapter 5B of the *Local Government Act 2009*, I Cr Laurence Bonaventura inform the meeting that I will declare a conflict of interest in Agenda Item 11.1.7, Referral from Office of independent Assessor.

#### **Cr Justin Englert**

In accordance with Chapter 5B of the *Local Government Act 2009*, I inform the meeting that I, Cr Justin Englert have a Declared conflict of interest in Agenda Item 11.1.7 – Referral from Office of Independent Assessor.

#### **Cr Belinda Hassan**

In accordance with Chapter 5B of the *Local Government Act 2009*, I, Belinda Hassan, inform the meeting that I have a Declared Conflict of Interest in Agenda Item 11.1.7, Referral from Office of Independent Assessor.

#### **Cr Alison Jones**

In accordance with Chapter 5B of the *Local Government Act 2009*, I Cr Alison Jones inform the meeting that I have a Declared conflict of interest in Agenda Item 11.1.7 – Referral from Office of Independent Assessor.

#### **Cr Fran Mann**

In accordance with Chapter 5B of the *Local Government Act 2009*, I inform the meeting that I, Cr Fran Mann have a Declared conflict of interest in Agenda Item 11.1.7 – Referral from Office of Independent Assessor.

ORDINARY MEETING - 24 MAY 2023

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**Cr Russell Seymour**

In accordance with chapter 5B of the *Local Government Act 2009*, I Cr Russell Seymour inform the meeting that I have a Declared conflict of interest in the agenda item 11.1.7, Referral from Office of Independent Assessor.

**Cr Pauline Townsend**

In accordance with Chapter 5B of the Local Government Act 2009, I, Cr Pauline Townsend, inform the meeting that I have a Declared conflict of interest in Agenda 11.1.7, Referral from Office of Independent Assessor.

**Mayor Williamson**

In accordance with Chapter 5B of the *Local Government Act 2009*, I, Mayor Greg Williamson, inform the meeting that I have a Declared Conflict of Interest in Agenda Item 11.1.2, Referral from Office of Independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this matter given I am referenced in the written response from Cr Bella tabled within the agenda item.

The Particulars:

1. The name of the related party is – Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor
3. The nature of the related party's interest in this matter is the subject of the report

As a result of my conflict of interest, I will leave the meeting room while the matter is considered and voted on.

**Cr Englert**

In accordance with Chapter 5B of the Local Government Act 2009, I inform the meeting that I, Cr Justin Englert have a Declared conflict of interest in Agenda Item 11.1.2 – Referral from Office of Independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this matter given my decision on the matter underpinning the subject of the Facebook posts.

The Particulars:

1. The name of the related party is Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor
3. The nature of the related party's interest in this matter is the subject of the report

As a result of my conflict of interest, I will leave the meeting room while the matter is considered and voted on.

**Cr Townsend**

ORDINARY MEETING - 24 MAY 2023

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In accordance with Chapter 5B of the Local Government Act 2009, I, Cr Pauline Townsend, inform the meeting that I have a Declared conflict of interest in Agenda 11.1.2, Referral from Office of Independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this item given my decision on the matter that is underpinning the subject of the Facebook posts.

The particulars:

1. The name of the related party is - Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor
3. The nature of the related party's interest in this matter is the subject of the report

As a result of my conflict interest, I will leave the meeting room while the matter is considered and voted on.

**Cr Hassan**

In accordance with Chapter 5B of the *Local Government Act 2009*, I, Belinda Hassan, inform the meeting that I have a Declared Conflict of Interest in Agenda Item 11.1.2, Referral from Office of Independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this matter given my decision on the matter underpinning the subject of the Facebook posts.

The Particulars:

1. The name of the related party is – Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor
3. The nature of the related party's interest in this matter is the subject of the report

As a result of my conflict of interest, I will leave the meeting room while the matter is considered and voted on.

**Cr Mann**

In accordance with Chapter 5B of the *Local Government Act 2009*, I inform the meeting that I, Cr Fran Mann have a Declared conflict of interest in Agenda Item 11.1.2 – Referral from Office of Independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this matter given my decision on the matter underpinning the subject of the Facebook posts.

The Particulars:

1. The name of the related party is Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor
3. The nature of the related party's interest in this matter is the subject of the report



ORDINARY MEETING - 24 MAY 2023

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As a result of my conflict of interest, I will leave the meeting room while the matter is considered and voted on.

**Cr Jones**

In accordance with Chapter 5B of the *Local Government Act 2009*, I Cr Alison Jones inform the meeting that I have a Declared conflict of interest in Agenda Item 11.1.2 – Referral from Office of Independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this matter given my decision on the matter underpinning the subject of the Facebook posts.

The Particulars

1. The name of the related party is – Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor
3. The nature of the related party's interest in this matter is the subject of the report

As a result of my conflict of interest, I will leave the meeting room while the matter is considered and voted on.

**Cr Seymour**

In accordance with chapter 5B of the *Local Government Act 2009*, I Cr Russell Seymour inform the meeting that I have a Declared conflict of interest in the agenda item 11.1.2, Referral from Office of Independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this matter given my decision on the matter underpinning the subject of the Facebook posts.

1. The name of the party is: Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor
3. The nature of the related party's interest in this matter is the subject of the report

As a result of my conflict of interest, I will leave the room while the matter is considered and voted on.

**Cr Bonaventura**

In accordance with Chapter 5B of the *Local Government Act 2009*, I Cr Laurence Bonaventura inform the meeting that I will declare a conflict of interest in Agenda Item 11.1.2, Referral from Office of independent Assessor.

The nature of my interest is as follows:

I believe it could be perceived that I have a conflict in participating in decisions relating to this item given my decision on the matter that is underpinning the subject of the social media posts.

The Particulars:

1. The name of the related party is – Cr Martin Bella
2. The nature of my relationship with the related party is that as a colleague Councillor

ORDINARY MEETING - 24 MAY 2023

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3. The nature of the related party's interest in this matter is the subject of the report

As a result of my conflict of interest, I will leave the meeting room while the matter is considered.

#### **Conflict of Interest - Items 13.1 and 13.2**

##### **Mayor Williamson**

In accordance with Chapter 5B of the *Local Government Act 2009*, I, Mayor Greg Williamson, inform the meeting that I have a Declared Conflict of Interest in Agenda Items 13.1 – MRC 2023-031 Design and Construct Pioneer River Floating Pontoon Bluewater Quay, Mackay and 13.2 – MRC 2023-030 Design and Construct Building Refurbishment – 8 River Street, Mackay.

The nature of my interest is as follows:

My son Dean Williamson is a part owner of the property at 31 River Street, which is within the PDA and within close proximity to the proposed works the subject of the tenders and with the potential that it could be viewed that this property could be impacted.

The Particulars:

1. The value and date of the gift is/are – N/A
2. The name of the related party is – Dean Williamson
3. The nature of my relationship with the related party is that - Father
4. The nature of the related party's interest in this matter is/are – Part owner of the property at 31 River Street

As a result of my conflict of interest, I will leave the meeting room while the matter is considered and voted on.

#### **Conflict of Interest - Item 17.4**

##### **Cr Mann**

In accordance with Chapter 5B of the *Local Government Act 2009*, I inform the meeting that I, Cr Fran Mann have a Declared conflict of interest in Agenda Item 17.4 – Draft Minutes Invest Mackay Events and Conference Attraction Program – 8 May 2023.

The nature of my interest is as follows:

I declare I am the current Treasurer of the Zonta Club of Mackay who have applied for conference funding assistance.

The Particulars:

1. The value and date of the gift is/are – N/A
2. The name of the related party is Zonta Club of Mackay
3. The nature of my relationship with the related party is that - Treasurer of the Zonta Club of Mackay

ORDINARY MEETING - 24 MAY 2023

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4. The nature of the related party's interest in this matter is/are – Grant applicant for conference funding support

As a result of my conflict of interest, I will leave the meeting room while the matter is considered and voted on.

**7. CONFIRMATION OF MINUTES**

**7.1. CONFIRMATION OF MINUTES - 26 APRIL 2023**

**Council Resolution ORD-2023-122**

THAT the Ordinary Meeting Minutes dated 26 April 2023 be adopted.

**Moved Cr Bonaventura**

**Seconded Cr Jones**

**CARRIED UNANIMOUSLY**

**8. BUSINESS ARISING OUT OF PREVIOUS MINUTES**

ORDINARY MEETING - 24 MAY 2023

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**UPDATE ON QUESTIONS ARISING FROM COUNCIL MEETING HELD ON 26 APRIL 2023**

<b>AGENDA ITEM</b>	<b>MATTER</b>	<b>RESPONSE</b>
11.2.1 – Capital Works Monthly Review Report	Cr Seymour queried the completion time for the works on Lorne Road, Walkerston.	<p>The road was due to be completed and opened by end April, however rain held up the completion of the asphalt works to the property accesses. The road was opened to the public in early May.</p> <p>There are also some minor drainage works which will be completed in May without any further road closures.</p>
14.4.1 – ECI – Transport & Drainage Monthly Review Report	Cr Mann referred to the incident of exposure to chemical or substance and queried if the person involved is ok.	The Director advised that there doesn't appear to be a safety incident relating to exposure to chemicals even though this was referenced in the overview summary. It appears that the statement likely related to the foreign object in the eye. In this case the employee was fine and there were no ongoing issues.

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ORDINARY MEETING - 24 MAY 2023

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## 9. MAYORAL MINUTES

Nil

## 10. CONSIDERATION OF COMMITTEE REPORTS & RECOMMENDATIONS

### 10.1. DRAFT MINUTES - HERITAGE REFERENCE GROUP - 8 MAY 2023

<b>Author</b>	Acting Manager Strategic Planning (Jay Rosenberg)
<b>Responsible Officer</b>	Director Development Services (Aletta Nugent)
<b>File Reference</b>	SPLP-031

#### Attachments

1. Draft Minutes - Heritage Reference Group - 8 May 2023 [10.1.1 - 4 pages]

#### Purpose

To receive the draft minutes of the Heritage Reference Group meeting held 8 May 2023 and give consideration of the Group's recommendation.

#### Related Parties

Nil

#### Officer's Recommendation

THAT the draft minutes of the Heritage Reference Group meeting dated 8 May 2023 be received.

AND THAT Council accept the recommendations of the Heritage Reference Group at item 5.1 and approve the installation of a Commemorative Street Blade at Morley Street, subject to a revised design for the blade being endorsed by Council.

Cr May advised that she wished to note for the public record, that at the Council Briefing which occurred after the meeting of the Heritage Reference Group, she declared a conflict of interest, as she was unaware until then that a property that she owns was subject to the Local Heritage Register, something covered in the Heritage Reference Group meeting on 8 May 2023.

#### Council Resolution ORD-2023-123

THAT the draft minutes of the Heritage Reference Group meeting dated 8 May 2023 be received.

AND THAT Council accept the recommendations of the Heritage Reference Group at item 5.1 and approve the installation of a Commemorative Street Blade at Morley Street, subject to a revised design for the blade being endorsed by Council.

Moved Cr Mann

Seconded Cr Hassan

**CARRIED UNANIMOUSLY**

ORDINARY MEETING - 24 MAY 2023

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ORDINARY MEETING - 24 MAY 2023

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## 10.2. AUDIT COMMITTEE - MINUTES OF MEETING 11 MAY 2023

**Author** Secretariat (Jeanne Ronald)  
**Responsible Officer** Executive Officer (David McKendry)  
**File Reference** Audit Committee

**Attachments** 1. Draft Minutes [10.2.1 - 7 pages]

### Purpose

To receive the draft final minutes of the Audit Committee (the Committee) meeting held on 11 May 2023.

### Related Parties

Nil

### Corporate Plan Linkage

Priority: Organisational Performance

*Strategy: Governance and performance* - Ensure that council complies with all of its statutory obligations, minimises its exposure to litigation, manages its risk, undertakes targeted internal audits, and meets community expectations of transparency and performance reporting.

### Background/Discussion

In accordance with Section 211 (1) (c) of the *Local Government Regulation 2012* (the regulation), the Committee must as soon as practicable after a meeting, give the local government a written report about the matters reviewed at the meeting and the committee's recommendations about the matters.

Furthermore, under Section 211 (4) of the regulation, the Chief Executive Officer must present the report at the next meeting of the local government.

### Consultation and Communication

The draft minutes were approved by the Chair of the Committee and circulated to the Committee.

### Resource Implications

Nil

### Risk Management Implications

Nil

### Officer's Recommendation

THAT the minutes of the Committee meeting of 11 May 2023 is presented.

### Council Resolution ORD-2023-124

**THAT the minutes of the Committee meeting of 11 May 2023 is presented.**

ORDINARY MEETING - 24 MAY 2023

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**Moved Cr Bella**

**Seconded Cr Jones**

**CARRIED UNANIMOUSLY**



ORDINARY MEETING - 24 MAY 2023

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## **11. CORRESPONDENCE AND OFFICER'S REPORTS**

### **11.1. OFFICE OF THE MAYOR AND CEO**

#### **11.1.1. MAYOR'S MONTHLY REPORT**

<b>Author</b>	Mayor (Greg Williamson)
<b>Responsible Officer</b>	Mayor (Greg Williamson)
<b>File Reference</b>	DMRR

#### **Attachments**

1. Mayoral Monthly Report - April 2023 [**11.1.1.1** - 6 pages]

#### **Purpose**

To provide Council with the Mayor's Monthly Report for the month of April 2023.

#### **Related Parties**

Nil

#### **Officer's Recommendation**

THAT the Mayor's Monthly Review Report for April 2023 be received.

Mayor Williamson provided an overview of the report and advised that from now on the report would focus on the weeks in between the Council Meetings.

#### **Council Resolution ORD-2023-125**

**THAT the Mayor's Monthly Review Report for April 2023 be received.**

**Moved Cr Williamson**

**Seconded Cr May**

**CARRIED UNANIMOUSLY**

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**11.1.2. CHIEF EXECUTIVE OFFICER'S MONTHLY REVIEW REPORT**

**Author**  
**Responsible Officer**  
**File Reference**

Chief Executive Officer (Scott Owen)  
Chief Executive Officer (Scott Owen)  
DMRR

**Attachments**

1. FINAL - CEO Monthly Review Report - April 2023 [11.1.2.1 - 18 pages]

**Purpose**

To provide Council with the Chief Executive Officer's Monthly Review Report for the month of April 2023.

**Related Parties**

Nil

**Officer's Recommendation**

THAT the Chief Executive Officer's Monthly Review Report for April 2023 be received.

The Chief Executive Officer (CEO), Scott Owen, introduced the new format of reporting which will hopefully provide a strategic look at Council's activities. The CEO thanked Councillors and staff for the effort and work that went into preparations for and representation at ANZAC Day activities throughout the region.

**Council Resolution ORD-2023-126**

**THAT the Chief Executive Officer's Monthly Review Report for April 2023 be received.**

**Moved Cr May**

**Seconded Cr Mann**

**CARRIED UNANIMOUSLY**

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**11.1.3. ADOPTION OF COUNCIL POLICIES**

<b>Author</b>	Coordinator Corporate Governance (Kerri Verroen)
<b>Responsible Officer</b>	Executive Officer (David McKendry)
<b>File Reference</b>	013 - Tree and/or Vegetation Vandalism 052 - Drinking Water Quality 046 - Information Privacy / 065 - Community Leasing

**Attachments**

1. 013 - Tree and/or Vegetation Vandalism [11.1.3.1 - 12 pages]
2. 052 - Drinking Water Quality [11.1.3.2 - 4 pages]
3. 046 - Information Privacy [11.1.3.3 - 17 pages]
4. 065 - Community Leasing [11.1.3.4 - 22 pages]

**Purpose**

To present the following Council policies and any associated Corporate Standard for consideration and adoption:

1. COU013 – Tree and/or Vegetation Vandalism
2. COU052 – Drinking Water Quality
3. COU046 – Information Privacy
4. COU065 – Community Leasing

**Related Parties**

There are no identified related parties.

**Corporate Plan Linkage**Financial Strength

*Ethical Decision-Making and Good Governance* - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

**Background/Discussion**

Mackay Regional Council (MRC) have a process of reviewing policies and any associated corporate standard to ensure that they are relevant and up to date. The process involves a review by the responsible program manager, circulation to the management team for consultation and final submission to the Executive Leadership Team (ELT) for endorsement, prior to presenting to Council for adoption.

COU013 – Tree and/or Vegetation Vandalism

This policy and its associated corporate standard have been developed in response to instances of vandalism of trees and vegetation on Council managed land across the region.

This policy has been reviewed as part of MRC's policy review process.

COU – Drinking Water Quality

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This policy is a best practice policy to provide a strategic, preventative approach to drinking water management and outline the treatment and distribution of potable water.

This policy has been reviewed as part of MRC's policy review process.

COU046 – Information Privacy

This policy is a best practice policy to manage personal information as required by the *Information Privacy Act 2009* and confidential information by the *Local Government Act 2009*.

This policy has been reviewed as part of MRC's policy review process.

COU065 – Community Leasing

This policy is a best practice policy to ensure there is an equitable and consistent approach in providing tenure to community organisations.

This policy has been reviewed as part of MRC's policy review process.

**Consultation and Communication**

As part of the review process consultation has been undertaken with relevant stakeholders including responsible and associated program managers, director and ELT.

**Resource Implications**

The implementation of these policies will not require additional resources beyond those currently budgeted.

**Risk Management Implications**

There were no risk management implications identified regarding the proposed policies.

**Conclusion**

It is recommended that Council adopt the following policies and their associated corporate standards:-

1. COU013 – Tree and/or Vegetation Vandalism
2. COU052 – Drinking Water Quality
3. COU046 – Information Privacy
4. COU065 – Community Leasing

**Officer's Recommendation**

**THAT Council adopt the following policies and their associated Corporate Standard:-**

1. COU013 – Tree and/or Vegetation Vandalism
2. COU052 – Drinking Water Quality
3. COU046 – Information Privacy
4. COU065 – Community Leasing

**Council Resolution ORD-2023-127**

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**THAT Council adopt the following policies and their associated Corporate Standard:-**

1. COU013 – Tree and/or Vegetation Vandalism
2. COU052 – Drinking Water Quality
3. COU046 – Information Privacy
4. COU065 – Community Leasing

**Moved Cr Bonaventura**

**Seconded Cr Hassan**

**CARRIED UNANIMOUSLY**

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**11.1.4. COUNCILLOR ATTENDANCE - QUEENSLAND DISASTER MANAGEMENT CONFERENCE - CR  
MAY & CR ENGLERT**

**Author** Councillor Support Officer – Pam Jaenke  
**Responsible Officer** Executive Officer – David McKendry  
**File Reference** Councillors General

**Attachments**

1. 2023 Disaster Management Conference Program [11.1.4.1 - 9 pages]

**Purpose**

The purpose of the report is to request approval for Cr Karen May and Cr Justin Englert to attend the 2023 Queensland Disaster Management Conference to be held in Brisbane from 30 May – 1 June 2023.

**Related Parties**

Local Government Association of Queensland (LGAQ)

**Corporate Plan Linkage**

Community and Environment

Safe, Healthy and Engaged Region – Our region is a safe and resilient community, with services that support high standards of public health, and extends friendship and support to each other through both good and challenging times.

**Background/Discussion**

The 2023 Queensland Disaster Management Conference is being held in Brisbane from 30 May – 1 June 2023 with speakers from Federal Government, State Government, Local Government, Bureau of Meteorology, Multicultural Australia, disaster recovery organisations and more.

This conference provides an opportunity for leaders to develop a better understanding of the opportunities Queensland disaster management reforms will have for safer and more resilient communities, including engaging with diverse communities during disasters.

**Consultation and Communication**

Mayor and Councillors

**Resource Implications**

The total cost for travel, accommodation and attendance at the Conference is estimated at \$2,400 per person.

**Risk Management Implications**

Not Applicable

**Conclusion**

This Conference will provide an opportunity for Council to learn from the array of speakers, presentations and workshops, and obtain information and knowledge on the future of disaster management in Queensland, disaster recovery, community resilience and engaging with diverse communities during disasters.

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**Officer's Recommendation**

THAT Council approve Cr May and Cr Englert's attendance at the 2023 Queensland Disaster Management Conference in Brisbane from 30 May – 1 June 2023.

**Council Resolution ORD-2023-128**

**THAT Council approve Cr May and Cr Englert's attendance at the 2023 Queensland Disaster Management Conference in Brisbane from 30 May – 1 June 2023.**

**Moved Cr Jones**

**Seconded Cr Townsend**

**CARRIED UNANIMOUSLY**

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#### **11.1.5. 2024 MACKAY SHOW HOLIDAY**

**Author** Executive Officer (David McKendry)  
**Responsible Officer** Chief Executive Officer (Scott Owen)  
**File Reference** Mackay Show Association

#### **Attachments**

1. Letter - Office of Industrial Relations [11.1.5.1 - 1 page]

#### **Purpose**

To consider a request for the appointment of a special holiday for the 2024 annual Mackay Show.

#### **Related Parties**

Office of Industrial Relations  
Mackay & District Agricultural, Pastoral & industrial Assn Inc (Mackay Show Assn)

#### **Corporate Plan Linkage**

#### **Live and Visit**

*Community Participation and Active Lifestyles* – Our region is vibrant and culturally rich, home to a wide variety of events, experiences and attractions.

#### **Background/Discussion**

Correspondence has been received from the Executive Director, Industrial Relations, Office of Industrial Relations, requesting that Council advise whether a special holiday is requested for 2024 (namely for a Show Day).

A response by Council is required by Friday, 3 July 2023.

Contact has been made with the Mackay Show Assn, who advise that per the Queensland Show dates schedule, the Mackay Show is planned for Tuesday 18<sup>th</sup> June to Thursday 20<sup>th</sup> June 2024, making the applicable holiday date Thursday 20<sup>th</sup> June 2024.

This date aligns with the Pioneer Valley Show which is scheduled for Sunday 16<sup>th</sup> June 2024.

#### **Consultation and Communication**

Mackay Show Association

#### **Resource Implications**

Nil

#### **Risk Management Implications**

Nil

#### **Conclusion**

It is recommended that Council request a special holiday for the 2024 Mackay Show for Thursday 20<sup>th</sup> June



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2024, being the date advised by the Mackay Show Assn.

**Officer's Recommendation**

THAT Council endorses that a special holiday be requested for Thursday 20<sup>th</sup> June 2024 for the hosting of the annual Mackay Show.

**Council Resolution ORD-2023-129**

**THAT Council endorses that a special holiday be requested for Thursday 20<sup>th</sup> June 2024 for the hosting of the annual Mackay Show.**

**Moved Cr Bonaventura**

**Seconded Cr Jones**

**CARRIED UNANIMOUSLY**

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#### **11.1.6. AMENDMENT TO COUNCIL MEETING DATES - JUNE ORDINARY AND SPECIAL BUDGET MEETING - 2023**

**Author** Executive Officer (David McKendry)  
**Responsible Officer** Chief Executive Officer (Scott Owen)  
**File Number** Council Meetings Ordinary

**Attachments** Nil

#### **Purpose**

To change the proposed date for the June 2023 Council meeting, and also confirm details for the 2023 Special Budget Meeting.

#### **Related Parties**

Nil.

#### **Corporate Plan Linkage**

Organisational Performance - We are an innovative and responsive council that strives for excellence to achieve for our customers and the community. We operate efficiently and effectively to develop strong partnerships with all stakeholders providing value for money services.

#### **Background/Discussion**

Council's current Ordinary Meeting Schedule sees meetings held on the 4<sup>th</sup> Wednesday of each month (schedule adopted 22 March 2023).

For June it is proposed to amend the meeting date from Wednesday 28 June, to Wednesday 21 June. Doing so will also align with a Special Budget Meeting able to be held the same day.

In considering such a recommendation the following aspects were taken into consideration –

- Under the provisions of the Local Government Regulation 2012 (Regulation), section 257 requires that a local government must meet at least once per month.
- The Regulation allows the calling of Special Meetings (defined as - a meeting of a local government at which the only business that may be conducted is the business stated in the notice of meeting), able to be utilised outside monthly meeting cycles.

#### **Consultation and Communication**

Public advertisement related to Council meeting changes is required as per section 254B of the *Regulation*, with the exact method of advertisement left to Council's to decide with website and a conspicuous place at its public office (ie official notice board) required as a minimum.

It is proposed to amend the Council web-site, post a notice on Council's notice board, but also undertake media updates especially related to the Special Budget Meeting.

#### **Resource Implications**

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N/a

### **Risk Management Implications**

The risk of confusion from the public regarding the change of meeting dates will be mitigated through advertising and promotion of change.

### **Conclusion**

For June it is proposed to amend the Council meeting date from Wednesday 28 June, to Wednesday 21 June. Doing so will also align with a Special Budget Meeting able to be held the same day. Regarding the Council meeting schedule, it is recommended that the following which the normal scheduling of the fourth(4<sup>th</sup>) Wednesday recommence.

In relation to advertising for Council meetings, with web-site and publishing at Council's public office (ie official notice board) as a minimum, this is seen as satisfactory to advise the public subject also to release of a specific media statement for promotion through local media outlets generally.

### **Officer's Recommendation**

THAT Mackay Regional Council's Ordinary Meeting schedule be amended as -

1. Council's Ordinary Meeting be held on Wednesday 21 June 2023 commencing at 10.00 am.
2. Council's Special Budget Meeting be held on Wednesday 21 June 2023 commencing at 2pm.
3. Post the 21 June 2023 Ordinary Meeting, meetings would return to the normal schedule of commencing at 10.00 am on the fourth(4<sup>th</sup>) Wednesday of the month.
4. All Ordinary Meetings to be held in the Council Chambers, Administration Building 73 Gordon Street Mackay

FURTHER THAT Per section 254B of the *Local Government Regulation 2012*, that public advertisement of Council meeting changes via the Councils website, and posting of notices on official notice boards at Council offices, be undertaken of the meeting changes, supported by a specific media release.

### **Council Resolution ORD-2023-130**

**THAT Mackay Regional Council's Ordinary Meeting schedule be amended as -**

- 1. Council's Ordinary Meeting be held on Wednesday 21 June 2023 commencing at 10.00 am.**
- 2. Council's Special Budget Meeting be held on Wednesday 21 June 2023 commencing at 2pm.**
- 3. Post the 21 June 2023 Ordinary Meeting, meetings would return to the normal schedule of commencing at 10.00 am on the fourth(4<sup>th</sup>) Wednesday of the month.**

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**4. All Ordinary Meetings to be held in the Council Chambers, Administration Building 73  
Gordon Street Mackay**

**FURTHER THAT** Per section 254B of the *Local Government Regulation 2012*, that public advertisement of Council meeting changes via the Councils website, and posting of notices on official notice boards at Council offices, be undertaken of the meeting changes, supported by a specific media release.

**Moved Cr Green**

**Seconded Cr Hassan**

**CARRIED UNANIMOUSLY**

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**11.1.7. REFERRAL FROM OFFICE OF INDEPENDENT ASSESOR**

<b>Author</b>	Executive Officer (David McKendry)
<b>Responsible Officer</b>	Chief Executive Officer (Scott Owen)
<b>File Reference</b>	Councillor Code of Conduct
<b>Attachments</b>	1. Councillor Investigation Policy 2. Code of Conduct for Councillors in Queensland

**Purpose**

The purpose of this report is for Council to determine in its opinion whether or not Cr Martin Bella has engaged in inappropriate conduct as per Section 150AG of the *Local Government Act 2009* (LGA), and if so what if any actions to apply.

**Related Parties**

- Office of Independent Assessor
- Councillor Conduct Tribunal
- Complainants – Names withheld for privacy reasons

**Corporate Plan Linkage**Financial Strength

*Ethical Decision-Making and Good Governance* - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

**Background/Discussion**

In Queensland, complaints concerning Councillor conduct are referred to the Office of the Independent Assessor (OIA). After investigating a matter, the OIA may decide to refer suspected inappropriate conduct to the relevant local government for further investigation.

On 9 October 2022 the OIA received a complaint about the conduct of Cr Bella. It was alleged that Cr Bella made defamatory and derogatory statements at the Council meetings on 13 and 27 July 2022, and also in social media posts, the content of which would be in breach of the Code of Conduct for Councillors.

On 7 November 2022 the OIA referred the allegation against Cr Bella in relation to the social media statements only to Council to be dealt with, pursuant to section 150W(1)(b) of the LGA. In relation to the allegations linked to the Council meetings comments, the advice from the OIA was that they did not consider that they would amount to inappropriate conduct.

On 14 November 2022 Council's Acting Chief Executive Officer referred the matter related to social media posts only to the Councillor Conduct Tribunal (Tribunal) for investigation in accordance with Council's Councillor Investigation Policy.

On 3 February 2023 Council received the report from the Tribunal in relation to the suspected inappropriate conduct referral.

The Tribunal summarised the matter under review as whether the social media comments were appropriate, or whether they may have breached section –150K(1)(a) of the Local Government Act 2009 (Qld) ('the Act'), in that

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the conduct is contrary to behavioural standard 2 in the Code of Conduct for Councillors in Queensland approved on 4 August 2020, namely:

**'2. Treat people in a reasonable, just, respectful and non-discriminatory way'**

The outcome of the investigation by the Tribunal being–

*The Tribunal has investigated the suspected inappropriate conduct of the Councillor referred by the Independent Assessor to the local government and has provided recommendations to the local government pursuant to section 150DL(1)(a)(i) & (ii) of the LGA.*

*The Tribunal has formed the opinion that the evidence **is sufficient** for the Council to reach a determination that the allegation of inappropriate conduct is sustained on the balance of probabilities.*

In accordance with Clause 1.2 of Council's Councillor Investigation Policy, Cr Bella is provided the opportunity to put his case in writing for the Council's consideration. In response Cr Bella provided the below –

*I understand that my reply to sustained, and in many cases shocking, comments on a social media post may be seen as inappropriate.*

*My actions may not be seen as reflective of standards expected of me as an elected official, and, as in every case, I take responsibility for my actions.*

*In this case, however, I will take the opportunity to explain the exceptional circumstances that led to my reply.*

*In this instance, I experienced a great deal of both stress and pressure, due to abuse, and even what equates to death threats, directed at both myself, and my colleagues, by some members of the public, many of whom were ill informed of the issues at hand.*

*I did what I felt was right in the circumstances at play – some may see this as a mistake. I recognise that my replies may be deemed inappropriate, and assure you that there was no intent to harm – merely to ease the pressure myself and others were placed under, by merely carrying out our roles in a responsible and ethical manner.*

*I truly believe, that the events which placed me in this position could have been avoided, if the organisation had an appropriate policy or policies in place, to deal with matters such as these when they first became apparent, as opposed to 8 days later.*

*I will continue to work, as I have always done, toward better policies and practices that prioritise the safety and wellbeing of our community.*

*I thank you for your understanding in this matter, and ask you to rest assured that I will continue to uphold essential values such as loyalty, honesty and integrity, as expected of me as a councillor.*

Councillors are now required to consider the matter and determine as per section 150AG of the LGA:

- a) Whether or not in its opinion Cr Bella has engaged in inappropriate conduct in accordance with the Councillors Code of Conduct; and

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- b) If Council decides that Cr Bella has engaged in inappropriate conduct – what action (if any) Council will take under section 150AH to discipline the councillor.

If Council determines that inappropriate conduct has been undertaken, a resolution to this effect is required as well as confirmation of which disciplinary action (if any) from the legislation is applicable, (i.e. one or more of the potential actions outlined below must be selected). Council may consider any previous inappropriate conduct of the Cr Bella and any allegation made in the investigation that was admitted, or not challenged, and that Council is reasonably satisfied is true.

In this regard Council's Councillor Conduct Register does not show any complaints naming Cr Bella, or in fact any current Councillor (noting that if complaints are dismissed or withdrawn the details are still recorded however the Councillors name is not published as the allegation has not been substantiated)

To support Councillors to comply with the requirements of the LGA, the following draft motions are provided for consideration. If Council determines that no inappropriate conduct has been undertaken, a resolution to this effect is required.

Inappropriate decision:

- THAT Council decides that Cr Bella <has / has not> engaged in inappropriate conduct as per section 150AG(1)(a) of the LGA in relation to the allegation that Cr Bella has breached the behavioural standard in the Code of Conduct for Councillors in Queensland.

Potential actions if decided that conduct was inappropriate:

- THAT Council decides that even though Cr Bella has engaged in inappropriate conduct, as per section 150AG(1)(b) of the LGA that no action be taken against the Councillor.

OR

- THAT Council decides that as Cr Bella has engaged in inappropriate conduct, as per section 150AG(1)(b) of the LGA the following disciplinary action/s will apply: (Council must select one or more of the following disciplinary actions, if it determines that disciplinary action is applicable.)
  - (i) an order that the councillor make a public admission that the councillor has engaged in inappropriate conduct;
  - (ii) an order reprimanding the councillor for the conduct;
  - (iii) an order that the councillor attend training or counselling to address the councillor's conduct, including at the councillor's expense;
  - (iv) an order that the councillor be excluded from a stated local government meeting;
  - (v) an order that the councillor is removed, or must resign, from a position representing the local government, other than the office of councillor;

*Example: The councillor is ordered to resign from an appointment representing the local government on a State board or committee.*

- (vi) an order that if the councillor engages in the same type of conduct again, it will be treated as misconduct;

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- (vii) an order that the councillor reimburse the local government for all or some of the costs arising from the councillor's inappropriate conduct.

#### **Consultation and Communication**

- Office of Independent Assessor
- Councillor Conduct Tribunal – Report from the Tribunal provided to Councillors however not tabled with Council report for privacy reasons
- Senior Legal Counsel
- Coordinator Corporate Governance
- Cr Bella
- Mayor & Councillors
- Complainants – Names withheld for privacy reasons

#### **Resource Implications**

Cost of this investigation is \$5,518.80 inclusive of GST, being charges as billed from the Tribunal.

#### **Risk Management Implications**

Should Council decide a Councillor has engaged in inappropriate conduct, there is a requirement to publish the decision in the Councillor Conduct Registers.

#### **Conclusion**

The allegations of inappropriate conduct by Cr Bella referred to Council by the Office of the Independent Assessor have been investigated by the Councillor Conduct Tribunal in accordance with Council's Councillor Investigation Policy. Based on the response from the Tribunal Council must now determine in its opinion whether or not Cr Bella has engaged in inappropriate conduct, and if so determine what disciplinary action (if any) must be taken.

#### **Officer's Recommendation**

THAT Council consider the matter and information provided, and resolve to make a decision about allegations of inappropriate conduct against Cr Bella in accordance with section 150AG of the *Local Government Act 2009*.

Cr Bella having a Declared conflict of interest in this matter, refer Item 6, left the meeting at 10.23 am.

Mayor Williamson, Cr Englert, Cr Townsend, Cr Hassan, Cr Mann, Cr Jones, Cr Seymour and Cr Bonaventura declared a Declared conflict of interest in this matter, refer Item 6 (as per Chapter 5B of the Local Government Act 2009).

Mayor Williamson noted that due to the number of conflicts of interest, including his own, if all associated Councillors were to leave that Council will not have a quorum so advised that the Act is quite specific with a motion being required to delegate the decision to the Mayor, or in this case the Deputy Mayor who will become Acting Chair, in order to fulfil the requirements of this particular agenda item.

#### **Council Resolution ORD-2023-131**



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**That per section 150EU(4) of the Local Government Act 2009 (Act) it is noted that Councillors who had declared conflicts are able to make a resolution to delegate the decision on the matter without contravening conflict provisions.**

**Further that per section 257(2) of the Act, given that this matter is related to a Councillors conduct, and that the Mayor has declared a conflict, that the Council delegate the decision on the matter per the legislative options to the Deputy Mayor as Acting Mayor.**

**Moved: Cr Englert**

**Seconded: Cr Bonaventura**

**CARRIED UNANIMOUSLY**

Mayor Williamson, Cr Englert, Cr Townsend, Cr Hassan, Cr Mann, Cr Jones, Cr Seymour and Cr Bonaventura left the meeting at 10.26 am.

Cr May assumed the role of Acting Chair and tabled the below asking that it be recorded as her decision.

**That noting the outcome of the report from the Councillor Conduct Tribunal “that the evidence is sufficient for the Council to reach a determination that the allegation of inappropriate conduct is sustained on the balance of probabilities”, having been delegated to make a decision on this matter my decision is that per the Tribunal report that there is sufficient evidence that Cr Bella has engaged in inappropriate conduct as per section 150AG(1)(a) of the Local Government Act 2009 (LGA) in relation to the allegation that Cr Bella has breached the behavioural standard in the Code of Conduct for Councillors in Queensland.**

**Further that having made this decision determine that the disciplinary action applicable per the legislative options is that –**

**1. Cr Bella makes a public admission (per section 150AG(1)(b)(i) of the LGA) – However accepting that the written statement provided by Cr Bella and tabled at today’s meeting fulfills this acknowledgement**

**2. Cr Bella attends applicable social media training to address the councillor’s conduct, the content of which to be confirmed**

**The Chief Executive Officer to write to Cr Bella and the Office of the Independent Assessor advising of Council’s decision.**

**The Chief Executive Officer to update the Councillor Conduct Register with the decision in accordance with section 150DX of the LGA.**

The Chief Executive Officer noted the decision and advised that further to item 2, he will be instructing all Councillors, inclusive of the Mayor and Deputy Mayor, to undergo both Councillor interaction and social media training, which will fulfill that obligation.

Mayor Williamson, Cr Englert, Cr Townsend, Cr Hassan, Cr Mann, Cr Jones, Cr Seymour and Cr Bonaventura returned at 10.29 am.

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Cr May advised that as per the authority delegated to her, the decision made is on the screen for Councillors to note.

The Chief Executive Officer noted for the benefit of those returning to the meeting, that in addition to the recommendation of section two, all Councillors, including Mayor and Deputy Mayor, will undergo both interaction and social media training, which will fulfil that obligation.

The Mayor reassumed the Chair of the meeting.

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**11.2. DEVELOPMENT SERVICES****11.2.1. DA-2022-226 - MATERIAL CHANGE OF USE - SERVICE STATION - 214 AND 216 NEBO ROAD AND 2 LAGOON STREET, WEST MACKAY**

<b>Author</b>	Senior Development Planner (Brogan Jones)
<b>Responsible Officer</b>	Director Development Services (Aletta Nugent)
<b>File Number</b>	DA-2022-226
<b>Attachments</b>	Attachment 1 – Locality and Zoning Plans Attachment 2 – Proposal Plans Attachment 3 – Referral Agency Response Attachment 4 – Planning Scheme Overlay Mapping
<b>Date Received:</b>	23 November 2022
<b>Applicant's Details:</b>	Brisbane Prestige Property Developments Pty Ltd c/- Viva Property Group Pty Ltd PO Box 419 INDOOROOPIILLY QLD 4068
<b>Proposal:</b>	Material Change of Use – Service Station
<b>Site Address:</b>	214 and 216 Nebo Road and 2 Lagoon Street, West Mackay
<b>Property Description:</b>	Lots 1 and 2 on RP715178 and Lot 63 on RP732833
<b>Owner's Details:</b>	Samuel Scriha and Janette Stebbeings
<b>Area:</b>	2,551m <sup>2</sup>
<b>Planning Scheme:</b>	Mackay Region Planning Scheme v4.0
<b>Planning Scheme Designations:</b>	
Zone:	Medium density residential
Precinct:	MD3 (Multi-storey medium density precinct)
<b>Assessment Level:</b>	Impact
<b>Submissions:</b>	192 properly made 6 not properly made 7 properly made petitions (219 signatures)
<b>Referral Agencies:</b>	State Assessment Referral Agency
<b>Recommendation:</b>	Refusal

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**Executive Summary**

The Applicant has lodged a Development Application with Council seeking a Development Permit for a Service Station over three parcels of land at the corner of Nebo Road and Lagoon Street, West Mackay (214 and 216 Nebo Road and 2 Lagoon Street, West Mackay). The subject site and surrounds are zoned Medium density residential.

The proposed Service Station is a non-residential land use in a residential zone. The Mackay Region Planning Scheme v4.0 (Planning Scheme) permits non-residential uses in residential zones only where it can be demonstrated that the proposed non-residential use is small scale and low intensity, required to serve the needs of the local area, located on prominent and highly accessible sites, and consistent with the amenity and character of the surrounding urban area. The Applicant has not demonstrated the proposal complies with these requirements and therefore cannot achieve compliance with the Planning Scheme. Further, compliance with the Planning Scheme cannot be achieved by applying development conditions.

The Development Application was referred to the State Assessment Referral Agency (SARA) as the subject site has frontage to two State-controlled roads (Nebo Road and Lagoon Street) and the proposed Service Station proposes access to both. The subject site is also at the intersection of the two State-controlled roads. As part of its referral agency response, SARA approved the application subject to conditions.

The Development Application was publicly notified as required by the *Planning Act 2016*. Council received 192 properly made submissions, 6 not properly made submissions, 7 properly made petitions totalling 219 signatures, and 1 not properly made petition with 22 signatures. No submissions or petitions were in support of the proposed development.

Based on the non-compliance with the Planning Scheme (noting that compliance cannot be achieved by applying development conditions) and the concerns raised by the local community, Council officers are recommending the proposed Development Application for a Service Station be refused.

**Related Parties**

- Landowners – Samuel Scriha and Janette Stebbeings
- Applicant – Brisbane Prestige Property Developments
- Planning Consultant – Viva Property Group
- Other Consultants – PTT Traffic and Transport Engineering, Projex Partners, Foresight Partners, Verve Building Design Co.
- Referral Agency – State Assessment Referral Agency (SARA)

**Corporate Plan Linkage**Live and Visit

*Live, Visit and Play* - We have a diverse mix of accessible spaces to live, visit and play.

*Places and Spaces* - We provide well planned and designed places, facilities and infrastructure that meet the needs of our residents and visitors.

**Subject Site**

The subject site consists of three parcels of land located on the corner of Nebo Road and Lagoon Street, approximately 3km southwest from the Mackay CBD. Each parcel currently contains a Dwelling House. The subject site is zoned Medium density residential, is rectangular in shape, and has an area of 2,551m<sup>2</sup>.

The subject site is surrounded by Dwelling Houses and a Motel to the north, Dwelling Houses and a Motel to the east (across Nebo Road), Dwelling Houses to the south (across Nebo Road), and a Mackay Regional Council

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water treatment plant to the west (across Lagoon Street). Like the subject site, the surrounding Dwelling Houses and Motels are within the Medium density residential zone and the water treatment plant is within the Special purpose zone. Other nearby land uses include the region's Botanic Gardens to the northwest and Catherine McAuley College to the southwest. The Blue Water Trail (a bike and pedestrian shared pathway that circles the urban area of Mackay south of the Pioneer River) is also in proximity to the site.

Refer to Attachment 1 – Locality and Zoning Plans.

**Background**

There is no planning history for the subject site.

Under all previous versions of the Planning Scheme (since its adoption in July 2017) the land has been zoned Medium density residential. Prior to this, under the superseded Mackay City Planning Scheme (in effect from March 2006) the land was zoned Urban residential. Under the historic Transitional Planning Scheme (in effect from May 1999) the land was also zoned Urban residential.

**Proposal**

The Applicant proposes the development of a Service Station over the three parcels of land comprising the subject site.

Specifically, the proposal includes:

- 24 hour operation
- left-in and left-out vehicle access to both Lagoon Street and Nebo Road
- a 240m<sup>2</sup> Service Station building
- 3 bowsers with 6 car refuelling positions
- 2,052m<sup>2</sup> of impervious area
- 10 car parking spaces
- fuel vents on Lagoon St frontage.

Refer to Attachment 2 – Proposal Plans.

**Referrals**

The Development Application was referred to the State Assessment Referral Agency (SARA) for assessment of the relevant State interests. For this application the State interest is the development's impacts on Nebo Road, Lagoon Street and the intersection of the two roads as these roads and the intersection are State controlled.

On 2 February 2023, SARA provided its referral agency response approving the application subject to conditions. The approved access arrangement is a left-in/left-out to both the Nebo Road and Lagoon Street frontages with a raised median to be constructed and extending along Lagoon Street to prevent right-out movements.

The reasons provided by SARA for its decision are as follows:

- *'The proposal does not create a safety hazard for users of the state-controlled road; and*
- *The proposal does not result in a worsening of the physical condition or operating performance of the state-controlled road.'*

Refer to Attachment 3 - Referral Agency Response.

**Planning Assessment**Planning Act 2016 and Planning Regulation 2017

As per s45(5) of the *Planning Act 2016* an impact assessment is an assessment that:

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- a) Must be carried out:
  - i) Against the assessment benchmarks in a categorising instrument for the development, and
  - ii) Having regard to any matters prescribed by regulation for this subparagraph, and
- b) May be carried out against, or having regard to, any other relevant matter, other than a person's personal circumstances, financial or otherwise.

Sections 29-31 of the *Planning Regulation 2017* prescribe the assessment benchmarks and matters impact assessment must have regard to which has been upheld during this assessment.

#### State Planning Policy July 2017 – Water Quality

The Minister has identified that the Planning Scheme appropriately advances the State Planning Policy July 2017, as it applies in the Planning Scheme area other than for water quality. The assessment benchmarks for water quality apply where the development application is for:

- 1) A Material Change of Use for an urban purpose that involves premises 2,500m<sup>2</sup> or greater in size and:
  - a) Will result in six or more Dwellings, or
  - b) Will result in an impervious area greater than 25% of the net developable area, or
- 2) Reconfiguring a Lot for an urban purpose that involves premises 2,500m<sup>2</sup> or greater in size and will result in six or more lots, or
- 3) Operational Works for an urban purpose that involves disturbing a land area 2,500m<sup>2</sup> or greater in size.

Assessment Benchmark	Officer's Assessment
(2) Development achieves the applicable stormwater management design objectives outlined in tables A and B (Appendix 2) of the State Planning Policy July 2017.	Development conditions can be applied to ensure compliance with the development outcomes of the State Planning Policy for the purposes of water quality.

#### Mackay Isaac Whitsunday Regional Plan 2012

The Minister has identified that the Planning Scheme appropriately advances the Mackay Isaac Whitsunday Regional Plan 2012, as it applies in the Planning Scheme area. As such, an assessment is not required.

#### Mackay Region Planning Scheme 2017 v4.0 (Planning Scheme)

Assessment of the proposal has been undertaken against the relevant assessment benchmarks within the Planning Scheme. Where the proposal is considered to generally comply, a statement of compliance has been provided. However, where compliance has been unable to be achieved with one or more of the relevant provisions, a more detailed assessment is provided below.

Assessment Benchmark	Code Compliance
Strategic Framework	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Medium Density Residential Zone Code	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Acid Sulfate Soils Overlay Code	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Bushfire Hazard Overlay Code	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Flood and Coastal Hazards Overlay Code	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Landscape Character and Image Corridor Overlay Code	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Service Station and Car Wash Code	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
General Development Requirements Code	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Healthy Waters Code	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

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Strategic framework

The proposed development conflicts with the policy direction of the Planning Scheme as expressed in Part 3 – Strategic framework.

The policy direction in the Strategic framework encourages higher residential densities in locations adjoining major transport corridors, public transport routes and near to areas of high amenity (e.g. the Mackay Regional Botanic Gardens).

Specifically, the proposal is inconsistent with:

- 3.2.2 – Growth management and urban consolidation
- 3.3.1 – Settlement pattern – (1)(d) and (e)
- 3.3.1 – Settlement pattern – (6)
- 3.3.5.1 – Compact urban form – (4)
- 3.3.7 – Higher density residential development – (1)

The subject site is zoned for higher residential densities as it meets the above policy direction of the Planning Scheme, i.e. the site adjoins a major transport corridor, is located on a public transport route and is near to an area of high amenity (Mackay Regional Botanic Gardens). The proposed Service Station development does not work towards achieving the desired outcome for the land.

Medium density residential zone code

The proposal is inconsistent with the purpose of the zone and the relevant performance outcomes and overall outcomes. Further, compliance with the relevant performance outcomes and overall outcomes cannot be achieved by applying development conditions. A detailed assessment of the proposal against the relevant provisions of the zone code is provided below.

The proposal represents a non-residential use in the Medium density residential zone. The relevant provisions for non-residential uses proposed in the zone are shown below.

**Overall outcome 3(a)(iii)**

*A limited range of small-scale and low intensity non-residential uses may be appropriate if these uses are:*

- a) required to serve the needs of the local area; and*
- b) located on prominent, highly accessible sites; and*
- c) consistent with the amenity and character of the surrounding urban area;*

**Performance outcome 3**

*Non-residential activities, such as centre activities and community activities, are:*

- a) required to serve the needs of the local area and do not compromise the viability of:
 
  - i) existing or intended uses within a multi-purpose centre; and*
  - ii) similar existing or approved uses in the local area; and**
- b) of a small scale and are subordinate to the primary residential character of the area; and*
- c) generate minimal impacts.*

*\*underline added to relevant phrases and terms*

To achieve compliance with the above provisions, the proposed development must demonstrate the use is small scale and low intensity, that the non-residential use is required to serve the needs of the local area, is located on prominent and highly accessible sites, and is consistent with the amenity and character of the surrounding urban area. The four matters are discussed below.

- a) Small scale, low intensity, subordinate

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The proposed Service Station is not considered small scale, low intensity or subordinate to the primary residential character of the area based on the following:

- i) The proposed development takes up three Medium density residential zone lots;
- ii) The proposed development attracts approximately 273 vehicles per day on average (per the applicant's traffic impact assessment); and
- iii) The proposed development attracts heavy vehicles onsite (waste collection, fuel delivery, stock delivery).

b) Serving the needs of the local area

The Applicant submitted a report, prepared by Foresight Partners, assessing the need for a Service Station in this location. The Foresight Partners report concludes there is a need for the Service Station. Council engaged Norling Consulting to conduct a peer review of Foresight Partners report. The peer review concludes that the Foresight Partners report does not demonstrate there is a need in the local area for a Service Station. Based on the two reports, Council officers make the following comments on need:

- i) The Foresight Partners report identified 16 existing Service Stations within the primary trade area (PTA) for the proposed Service Station. There are, in fact, 17 Service Stations, with one under construction at 2-4 Empire Street, Paget, that were not included.
- ii) The PTA has a current population of 26,295 persons and 17 Service Stations, representing a ratio of one Service Station per 1,547 persons. This is a high ratio considering the Australian Petroleum Institute identifies sufficient provision as one Service Station per 4,000 persons. The catchment therefore appears oversupplied.
- iii) Generally, it is difficult to understand how there is latent unsatisfied need for a Service Station in the proposed location given:
  - Within 800m north along Nebo Road there are two Service Stations servicing both northbound and southbound traffic (144 Nebo Rd and 153 & 155 Nebo Rd).
  - Within 1km south along Nebo Road there are two Service Stations servicing both northbound and southbound traffic (324 Nebo Road and 1 Broadsound Road).
  - There are four other proximate Service Stations, each accessible without leaving arterial roads or urban areas (1-3 Empire St, 2-4 Empire St, 67-79 Boundary Rd, and 7 Connors Rd).
  - There are 9 other Service Stations within the PTA.
- iv) The Foresight Partners report concludes the proposed Service Station can operate viably and attain a market share. This is noted, however, demonstrating the proposed Service Station can trade viably is not the same as demonstrating there is a need for a Service Station in this location that is not currently being met.
- v) The Foresight Partners report identifies alternative sites that are appropriately zoned for the proposed development (ie. the District centre zoned land at 107-115 Nebo Road) but discounts the land due to it not being vacant (the land contains dwelling houses) or on the market. It is unclear how this is relevant when the proposal is relying on residential land for commercial development. On this basis the alternative land identified and discounted by the Applicant is considered by Council to be a valid for use as a Service Station.
- vi) The Foresight Partners report makes no mention of the Mackay Ring Road and its implications on the need or demand for the proposed Service Station.



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- vii) The Applicant has not provided any evidence of residents needing to queue at existing Service Stations within the PTA to obtain fuel, nor evidence of any inconvenience or lack of choice in accessing fuel for their vehicles.

Based on the above, the Applicant has not demonstrated that there is a need for the proposed Service Station in this location that is not currently being met.

- c) Located on prominent and highly accessible sites

It is acknowledged the proposed Service Station is located on a prominent and accessible site.

- d) Consistency with the amenity and character of the surrounding urban area

The proposal is not considered to be consistent with the amenity and character of the surrounding urban area based on the following observations:

- i) The northern corner of the intersection contains land in the Medium density residential zone and consists of detached residential Dwelling Houses and uses consistent with the Medium density residential zone (ie. accommodation uses, home-based businesses).
- ii) The eastern corner of the intersection contains land in the Medium density residential zone and consists of detached residential Dwelling Houses and uses consistent with the Medium density residential zone (ie. accommodation uses).
- iii) The southern corner of the intersection contains land in the Medium density residential zone and consists of detached residential uses.
- iv) The western corner of the intersection contains land in the Special purpose zone and consists of a water treatment plant. The argument that the surrounding residential area is already compromised by the water treatment plant is not accepted. The existence of the water treatment plant on one corner of the intersection is not justification for new commercial development on the opposite side of an arterial road, in land zoned for residential uses and that is so far uncompromised by uses inconsistent with the zone.

On this basis the proposal is in conflict with the relevant performance outcome and overall outcome. Such an inconsistency required the proposal to be assessed against the purpose of the zone, which is provided in full below.

<b>Purpose</b>
<p><i>The purpose of the medium density residential zone is to provide for:</i></p> <ul style="list-style-type: none"> <li><i>a) medium density multiple dwellings; and</i></li> <li><i>b) community uses, and small-scale services, facilities and infrastructure, to support local residents.</i></li> </ul>

The proposed development does not form medium density multiple dwellings nor does it represent development similar to medium density multiple dwellings. Further, the proposed development is not a community use or small scale.

The discussion above demonstrates the proposal is inconsistent with key development outcomes of the Medium density residential zone code. Further, compliance with the development outcomes cannot be achieved by applying development conditions.

Overlay codes

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Development conditions can be applied to ensure the development outcomes of the following overlay code are achieved:

- Acid sulfate soils overlay code
- Bushfire hazard overlay code
- Flood and coastal hazards overlay code
- Landscape character and image corridor overlay code.

Refer to Attachment 4 – Planning Scheme Overlay Mapping.

#### Service station and car wash code

The proposal is generally compliant with the development outcomes of the code. Where there are non-compliances, development conditions can be applied to achieve compliance.

#### General development requirements code

The proposal is generally compliant with the development outcomes of the code. Where there are non-compliances, development conditions can be applied to achieve compliance.

#### Healthy waters code

Development conditions can be applied to ensure the development outcomes of the code are achieved.

#### Other Relevant Matters

In accordance with s45(5)(b) of the *Planning Act 2016*, Council, in its assessment, may consider other relevant matters.

It is acknowledged that non-compliance with the Planning Scheme does not necessarily result in the refusal of a development. However, in undertaking the necessary balancing exercise in the determination of whether the proposal has merit despite the non-compliance with the Planning Scheme, Council has not identified any relevant matters of support, and nor has the Applicant provided any.

#### **Public Notification and Submissions**

The application was publicly notified in accordance with the *Planning Act 2016*. Specifically, a notice was published in a local paper, adjoining landowners were notified directly and a sign was placed on each road frontage of the subject site for a period of 15 business days in February 2023.

Council received the following properly made submissions:

- 7 petitions (totalling 219 signatures)
- 192 submissions

Council received 6 not properly made submissions.

No submissions or petitions were in support of the proposed development.

The table below details the various concerns raised by the submitters.

<b>Matter raised submissions</b>	<b>Officer's comments</b>
Lack of need	The submissions raised concerns regarding a lack of need for a Service Station in this location considering the number of existing Service Stations within a close radius.

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	<p>The Planning Scheme requires the Applicant to demonstrate need for the proposed development as one of the criteria required to allow non-residential uses in the Medium density residential zone. As discussed in detail in this report, the applicant has not demonstrated there is a need for the proposed Service Station in this location.</p> <p>This lack of need contributes to the recommended reasons for refusal, detailed below.</p>
Traffic impacts	<p>The submissions raised concerns regarding adverse traffic impacts resulting from the proposed Service Station at this location. Specifically, concerns were raised with the performance of the intersection of Nebo Road and Lagoon Street.</p> <p>Nebo Road, Lagoon Street and the intersection of the two roads are State-controlled. As such, assessment of traffic impacts of the proposed development is under the jurisdiction of the SARA and its assessment benchmarks.</p> <p>The application was referred to SARA as stipulated by the <i>Planning Regulation 2017</i>. SARA provided their formal referral agency response which approved the development, subject to conditions (refer to Attachment 3 – Referral Agency Response).</p>
Pedestrian safety	<p>The submissions raised concerns about the proposed development's impacts on pedestrian safety immediately adjacent the site (ie. the Blue Water Trail) and further surrounds (ie. Catherine McAuley College and Botanic Gardens).</p> <p>The pedestrian movements impacted by the proposed Service Station occur within the bounds of the two State-controlled roads and their intersection. In these areas, SARA's assessment benchmarks apply rather than Council's. SARA provided their formal referral agency response which approved the development, subject to conditions (refer to Attachment 3 – Referral Agency Response).</p>
Inconsistency with zoning	<p>The submissions raised concerns about the proposed Service Station's inconsistency with the zoning of the subject site, stating specifically that <i>'this is a residential suburb of particular character'</i>.</p> <p>Council officers agree with the submissions on this matter and have concluded the proposal is not consistent with the key provisions of the Medium density residential zone code, of which the character of the surrounding area is a consideration. This inconsistency contributes to the recommended reasons for refusal, detailed below.</p> <p>Refer to the detailed assessment against the zone code above.</p>
Impacts on residential amenity (noise, odour, air quality)	<p>The submissions raised concerns about the impacts the proposed Service Station would have on residential amenity.</p> <p>Regarding noise impacts, the Applicant provided an acoustic report prepared by Simpson Engineering Group which concluded noise impacts could be mitigated to acceptable standards by the provision of a 2m acoustic barrier along the northern and eastern</p>

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	<p>boundaries of the site, as well as limiting waste collection to between the hours of 7am and 10pm.</p> <p>Regarding air quality and odour impacts, the applicant provided an air quality assessment prepared by Simpson Engineering Group. The report concludes, <i>'the air quality and odour at the proposed development boundary readily meets all air quality and odour goals'</i>, referring to the use of standard vapour recovery methods to meet air quality objectives in the <i>Environmental Protection (Air) Policy 2019</i>.</p> <p>Compliance with the relevant Queensland standards could be achieved by applying development conditions to ensure impacts on surrounding residents are mitigated.</p>
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**Infrastructure Agreement, Trunk Conditions and Offsets**

Not applicable.

**Levied Charges**

Not applicable as the application is recommended for refusal.

**Consultation and Communication**

Refer to the public notification and submissions section of this report.

**Resource Implications**

There are no resource implications for Council arising from this proposal.

**Risk Management Implications**

In the circumstances of refusal, there is a risk that an appeal could be lodged by the Applicant in the Planning and Environment Court against Council's decision. Alternatively, should the application be approved, there is the risk that an appeal could be initiated by submitters. Either outcome would give rise to costs for Council as it would be required to participate in any appeal proceedings.

**Conclusion**

Based on the non-compliance with the Planning Scheme (noting that compliance cannot be achieved by applying development conditions) and the concerns raised by submitters, Council officers are recommending the proposed Service Station application be refused.

**Officer's Recommendation**

In accordance with s60(3) of the *Planning Act 2016*, it is recommended that Council refuse the Development Application for a Development Permit for a Material Change of Use for a Service Station over land at 214 and 216 Nebo Road, and 2 Lagoon Street West Mackay (formally described as Lots 1 and 2 on RP715178 and Lot 63 on RP732833) based on the following reasons:

1. Non-compliance with the policy direction

The proposal is not compliant with the Strategic framework of the Mackay Region Planning Scheme v4.0.

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The policy direction in the Strategic framework encourages higher residential densities in locations adjoining major transport corridors, public transport routes, and near to areas of high amenity (e.g. Mackay Regional Botanic Gardens).

The subject site is zoned for higher residential densities as it meets the above policy direction of the Planning Scheme, i.e. the site adjoins a major transport corridor, is located on a public transport route, and is near to an area of high amenity (Mackay Regional Botanic Gardens). The proposed Service Station development does not work towards achieving the desired outcome for the land.

2. Non-compliance with the zone

The proposal is not compliant with the key development outcomes sought for the land by the Medium density residential zone code of the Planning Scheme.

The proposed Service Station represents a proposal for a non-residential land use in a residential zone. Performance outcome 3 and overall outcome 3(a)(iii) of the zone code permit non-residential uses in the zone only where it can be demonstrated that the proposed non-residential use is small scale and low intensity, required to serve the needs of the local area, located on prominent and highly accessible sites, and consistent with the amenity and character of the surrounding urban area. The Applicant has not demonstrated the proposed Service Station complies with these requirements and therefore cannot achieve compliance with the zone code.

3. Unable to achieve the development outcomes through development conditions

Compliance with the abovementioned development outcomes for the land cannot be achieved by imposing development conditions.

4. Other relevant matters

In undertaking the necessary balancing exercise in the determination of whether the proposal has merit despite the non-compliance with the Planning Scheme, Council has not identified any relevant matters in support of the proposal and nor has the applicant provided any.

**Mr Gerry Muscat addressed Council in relation to this matter from the public gallery, listing a number of reasons in objection to the proposal for the development.**

**Council Resolution ORD-2023-132**

In accordance with s60(3) of the *Planning Act 2016*, it is recommended that Council refuse the Development Application for a Development Permit for a Material Change of Use for a Service Station over land at 214 and 216 Nebo Road, and 2 Lagoon Street West Mackay (formally described as Lots 1 and 2 on RP715178 and Lot 63 on RP732833) based on the following reasons:

1. Non-compliance with the policy direction

**The proposal is not compliant with the Strategic framework of the Mackay Region Planning Scheme v4.0.**

**The policy direction in the Strategic framework encourages higher residential densities in locations adjoining major transport corridors, public transport routes, and near to areas of high amenity (e.g. Mackay Regional Botanic Gardens).**

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The subject site is zoned for higher residential densities as it meets the above policy direction of the Planning Scheme, i.e. the site adjoins a major transport corridor, is located on a public transport route, and is near to an area of high amenity (Mackay Regional Botanic Gardens). The proposed Service Station development does not work towards achieving the desired outcome for the land.

**2. Non-compliance with the zone**

The proposal is not compliant with the key development outcomes sought for the land by the Medium density residential zone code of the Planning Scheme.

The proposed Service Station represents a proposal for a non-residential land use in a residential zone. Performance outcome 3 and overall outcome 3(a)(iii) of the zone code permit non-residential uses in the zone only where it can be demonstrated that the proposed non-residential use is small scale and low intensity, required to serve the needs of the local area, located on prominent and highly accessible sites, and consistent with the amenity and character of the surrounding urban area. The Applicant has not demonstrated the proposed Service Station complies with these requirements and therefore cannot achieve compliance with the zone code.

**3. Unable to achieve the development outcomes through development conditions**

Compliance with the abovementioned development outcomes for the land cannot be achieved by imposing development conditions.

**4. Other relevant matters**

In undertaking the necessary balancing exercise in the determination of whether the proposal has merit despite the non-compliance with the Planning Scheme, Council has not identified any relevant matters in support of the proposal and nor has the applicant provided any.

Moved Cr Bella

Seconded Cr Townsend

**CARRIED UNANIMOUSLY**

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### **11.2.2. FACILITATING DEVELOPMENT IN THE MACKAY REGION POLICY - EXTENSION TO APPROVAL - ANDERGROVE LAKES PTY LTD - MACKAY ADVENTURE LODGE AND APARTMENTS - LOT 504 MICHIGAN WAY, ANDERGROVE**

**Author** Principal Economic Development Officer (Nadine Connolly)  
**Responsible Officer** Director Development Services (Aletta Nugent)  
**File Reference** Facilitating Development in the Mackay Region Policy

#### **Attachments**

1. Mackay Adventure Lodge and Apartments - Site Plans [11.2.2.1 - 9 pages]

#### **Purpose**

To assess a request for the extension of a current approval under the Facilitating Development in the Mackay Region Policy (Policy).

#### **Related Parties**

- Andergrove Lakes Pty Ltd
- Wake House Australia
- Mackay Cable Park Pty Ltd
- Kinneally Miley Law
- Mackay Adventure Tours and Transfers
- RPS Group (Town Planning Consultant)

#### **Corporate Plan Linkage**

##### Invest and Work

*Diversified Economy* - We have a diversified economy that attracts new and emerging industries, such as sport, tertiary education, health, tourism, agribusiness, biofutures industry, and the Mining Equipment Technology and Services (METS) sector.

*Industries, Jobs and Growth* - Our core industries are growing and prosperous, encouraged to innovate, create jobs, and drive growth.

*Region of Choice* - We are recognised as Australia's best region for attracting, retaining, and developing a skilled workforce.

##### Live and Visit

*Community Participation and Active Lifestyles* - Our region is vibrant and culturally rich, home to a wide variety of events, experiences and attractions.

*Eco-Tourism Adventure and Leisure* - We are a world-famous tourism destination, providing eco, adventure and water-based sport, recreation, and leisure opportunities.

*Enhance Liveability* - We have a range of housing and social infrastructure options that supports a great quality of life and wellbeing in our community.

*Live, Visit and Play* - We have a diverse mix of accessible spaces to live, visit and play.

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*Places and Spaces* - We provide well planned and designed places, facilities and infrastructure that meet the needs of our residents and visitors.

### **Background/Discussion**

Policy incentives were approved for Andergrove Lakes Pty Ltd on 28 April 2021. The development, Mackay Adventure Lodge and Apartments, included a Material Change of Use for Short-term Accommodation (5 dormitories and 16 double rooms) and Multiple Dwelling Units (10 x 2 bedroom). The development is located at Lot 504 Michigan Way, Andergrove (Lot SP271521) and Lot 500 Beaconsfield Road East, Andergrove (SP271521).

The Mackay Adventure Lodge and Apartments is an integrated tourism and residential development aimed to complement the existing cable water ski park facility. It comprises a tourist accommodation lodge and residential apartments in an attached building with shared vehicle access, services, garbage management and landscaping.

Approved incentives are as follows:

- a) Concession of 100% be applied against the net charge amount (calculated following annual adjustments and subtraction of any offsets and credits) on the Material Change of Use for Short-term Accommodation component, identified on the Infrastructure Charges Notice for DA-2020-103/A.
- b) Concession of 25% be applied against the net charge amount (calculated following annual adjustments and the subtraction of any offsets and credits) on the Material Change of Use for Multiple Dwelling component, identified on the Infrastructure Charges Notice for DA-2020-103/A.

AND THAT concessions are dependent on:

- c) The development must be completed and commenced use by 28 April 2023.
- d) No additional infrastructure costs incurred by Council (including establishment and bring forward costs).
- e) The developer utilising local contractors and suppliers.

The applicant formally submitted an extension request to Council on 16 March 2023, when they recognised that the approved incentive timeframe was unable to be met due to unforeseen delays.

### **Incentive Request**

The applicant is requesting a six month extension to the existing approval.

The applicant has provided the following justification for delays resulting in the request for an extension:

- Local contractors experiencing a shortage of workers
- Delays in the supply of building materials.

The development is nearing completion with only minor external work remaining including balustrade, footpaths, screens, gate, signs, line-marking and landscaping. Final certification and council permits will be required prior to the commencement of use.

Investment in the development exceeds \$6 million to date.

### **Consideration of Request**



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In accordance with the Policy, Council may consider applications for an extension of up to 12 months for approved incentives, where the applicant can demonstrate that the development will be completed within the extended timeframe. A request for an extension must be made prior to the lapsing of the approved incentives.

### General Eligibility Criteria

In response to the applicant's extension request, the application has been reassessed against the Policy. This assessment shows that the development continues to comply with the eligibility criteria in Schedule 4 Tourism Development and Schedule 7 Housing Diversity of the Policy, as demonstrated below:

Criteria	Eligibility
<b>Timing of development</b>	Construction is nearing completion with only minor external works remaining. The applicant anticipates the facility to be fully operational by July 2023.
<b>Non-Government Development</b>	Yes
<b>Infrastructure capacity</b>	The applicant has advised all required urban services are already provided to the site, and no external or trunk infrastructure upgrades will be required to service the proposed development.

### Specific Eligibility Criteria

Based on information provided by the applicant, the development still satisfies the requirements under Schedule 4 Tourism Development and Schedule 7 Housing Diversity of the Policy:

Criteria	Eligibility
<b>Economic Investment</b> Schedule 4: There is no minimum capital investment. Schedule 7: The applicant must demonstrate that the minimum capital investment in the development is equal to or greater than \$500,000.	<ul style="list-style-type: none"> <li>Original estimated construction cost of development was \$4.6M, however, the applicant has advised investment to date exceeds \$6million.</li> <li>The applicant continues to utilise local contractors and suppliers during construction of the development.</li> </ul>
<b>Employment Generation</b>	<ul style="list-style-type: none"> <li>The applicant's original projection of employment was as follows:               <ul style="list-style-type: none"> <li>Approximately 25 FTE workers for the construction period.</li> <li>Post construction, the applicant anticipates new permanent jobs will be created as a result of the additional accommodation facilities (5-13 jobs), requirement for additional seasonal employees at the Cable Ski Park (&lt;25 could increase to 30-40 jobs) and commencement of tour bus operations (starting at 2 employees and growing to 6-8 employees with expansion to a second bus).</li> </ul> </li> <li>Based on Council's original economic modelling, the project will generate 6 direct and 17 indirect jobs, totalling 23 jobs during construction.</li> </ul>
<b>Applicable Area</b>  Schedule 4: In urban areas, appropriately zoned land that supports the development of	The development is on appropriately zoned land in the urban area.

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Criteria	Eligibility
<p>tourism uses or accommodation options that principally services short-stay needs.</p> <p>Schedule 7: Appropriately zoned land located within the Priority Infrastructure Area (PIA).</p>	
<p><b>Applicable Land Uses</b></p> <p>Schedule 4: The Policy applies to material change of use (MCU) for uses that are consistent with “applicable land uses” in Schedule 4 Tourism Development in urban areas.</p> <p>Schedule 7: The Policy applies to material change of use (MCU) for uses that are consistent with “applicable land uses” in Schedule 7 Housing Diversity.</p>	<p>The development DA-2020-103/A applies to a Material Change of Use for short-term accommodation in an urban area which is consistent with land uses identified under Schedule 4 Tourism Development in the Policy.</p> <p>The development DA-2020-103/A applies to a Material Change of Use for a Multi-dwelling development which is consistent with land uses identified under Schedule 7 Housing Diversity in the Policy.</p>

### Business and Regional Benefits

Based on information provided by the applicant, and despite the delayed timeframes, the development will value-add to the regional economy and generate additional employment and business activity.

In reviewing this extension request, consideration has been given to the previous council report where the applicant proposed that the development will deliver the following benefits to the Mackay region:

- The project involves the delivery of 10 new dwelling units to Mackay’s property market, aiming to assist with the current shortage of rental properties.
- The project will provide a new style of accommodation offering to the Mackay market, creating the potential to attract a greater range of tourists. In particular, the Mackay Adventure Lodge component of the project will target the backpacker and adventure tourist market, primarily from Airlie Beach, which expands on the region’s traditional tourism markets, creating new opportunities for growth.
- The project will increase visitors to the existing cable ski park and support café and bar operations, improving the viability of operations.
- The project includes the provision of new and packaged tourism experiences, as well as supporting current tourism assets in the region. By adding to the range of offerings, visitors may increase their time in the region and increase their daily spend.
- The development will result in value-add to the local economy through new dwelling construction.

### Consultation and Communication

Concessions for this development were previously considered and approved by Council at its meeting on 28 April 2021.

The applicant has been in regular contact with Council officers to inform on the progress of the development.

The Director Development Services has considered this extension request and provided support for the application to proceed to Council for consideration.

### Resource Implications

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In accordance with the Infrastructure Charges Notice, the development gives rise to total infrastructure charges of \$485,785.20 (+ annual adjustments), separated as follows:

- Reconfiguration of a Lot = \$30,226.70
- Material Change of Use = \$455,558.50

Concessions under the Policy only apply to the Material Change of Use component (\$455,558.50). Within this component, the applicant has approval for concessions under two different Policy schedules – Schedule 4 Tourism Development and Schedule 7 Housing Diversity. At the time of approval, concession rates under these schedules were as follows:

## a) Mackay Adventure Lodge – Schedule 4 Tourism Development

<b>Net Infrastructure Charge – Short-term accommodation</b>	<b>Concession (%)</b>	<b>Concession (\$)</b>	<b>Charges Payable</b>
\$239,653.50	100%	\$239,653.50	\$0

Under Schedule 4 Tourism Development, infrastructure charges for the short-term accommodation component were reduced by 100%, with \$0 payable.

## b) Mackay Adventure Apartments – Schedule 7 Housing Diversity

<b>Net Infrastructure Charge – Multi-dwellings</b>	<b>Concession (%)</b>	<b>Concession (\$)</b>	<b>Charges Payable</b>
\$215,905.00	25%	\$53,976.25	\$161,928.75

Under Schedule 7 Housing Diversity, infrastructure charges for the multi-dwelling component were reduced by 25%, with a total of \$161,928.75 (+ annual adjustments) payable.

**Risk Management Implications**

There is a risk that granting concessions can leave Council exposed to similar claims in the future and that a potential infrastructure funding gap could present. These risks are sufficiently mitigated through the following measures:

- Concessions for this development have been previously approved by Council.
- A development approval is in place and on-site infrastructure requirements have been reviewed as part of the assessment process.
- A condition has been included as part of the officer's recommendation stating that any approved concessions are dependent on Council not incurring any additional infrastructure costs (including 'bring forward costs') to service the development.
- Strict timeframes are placed for claiming approved concessions. If the development is not in use by the extended due date, concessions will no longer apply and 100% of the applicable Infrastructure Charges will be payable.
- Council can review the application of the Policy at any time.

**Conclusion**

The Policy provides incentives for developments that will deliver economic development and growth outcomes in alignment with Council's policy and planning objectives.

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This development continues to support the desired outcomes of Schedule 4 and Schedule 7 of the Policy and as such, it is recommended that a 12 month extension from the date of the original approval be supported to allow the applicant to finalise construction works.

#### **Officer's Recommendation**

THAT the following Specific Incentives approved under the Facilitating Development in the Mackay Region Policy for Mackay Adventure Lodge and Apartments, Andergrove Lakes Pty Ltd, located at Lot 504 Michigan Way, Andergrove and Lot 500 Beaconsfield Road East, Andergrove, be amended to:

- a) Concession of 100% be applied against the net charge amount (calculated following annual adjustments and subtraction of any offsets and credits) on the Material Change of Use, Short-term Accommodation component, identified on the Infrastructure Charges Notice for DA-2020-103/A.
- b) Concession of 25% be applied against the net charge amount (calculated following annual adjustments and the subtraction of any offsets and credits) on the Material Change of Use, Multiple Dwelling component, identified on the Infrastructure Charges Notice for DA-2020-103/A.

AND THAT the approval of concessions is dependent on:

- a) The development must be completed and commenced use by 28 April 2024.
- b) No additional infrastructure costs incurred by Council (including establishment and bring forward costs).
- c) The developer utilising local contractors and suppliers.

#### **Council Resolution ORD-2023-133**

THAT the following Specific Incentives approved under the Facilitating Development in the Mackay Region Policy for Mackay Adventure Lodge and Apartments, Andergrove Lakes Pty Ltd, located at Lot 504 Michigan Way, Andergrove and Lot 500 Beaconsfield Road East, Andergrove, be amended to:

- a) **Concession of 100% be applied against the net charge amount (calculated following annual adjustments and subtraction of any offsets and credits) on the Material Change of Use, Short-term Accommodation component, identified on the Infrastructure Charges Notice for DA-2020-103/A.**
- b) **Concession of 25% be applied against the net charge amount (calculated following annual adjustments and the subtraction of any offsets and credits) on the Material Change of Use, Multiple Dwelling component, identified on the Infrastructure Charges Notice for DA-2020-103/A.**

AND THAT the approval of concessions is dependent on:

- a) **The development must be completed and commenced use by 28 April 2024.**
- b) **No additional infrastructure costs incurred by Council (including establishment and bring forward costs).**
- c) **The developer utilising local contractors and suppliers.**

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**Moved Cr Green**

**Seconded Cr May**

**CARRIED UNANIMOUSLY**

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**11.2.3. REQUEST FOR COUNCIL OWNERSHIP OF FISH HABITAT STRUCTURES**

**Author** Director Development Services (Aletta Nugent)  
**Responsible Officer** Director Development Services (Aletta Nugent)  
**File Reference** Parks - General

**Attachments**

1. Rubble to Reef - Project Brief [11.2.3.1 - 3 pages]
2. Rubble to Reef - Draft Monitoring Plan [11.2.3.2 - 2 pages]
3. Letter to Mackay Regional Council - Rubble to Reef Project [11.2.3.3 - 1 page]
4. Decommissioning Action Plan [11.2.3.4 - 3 pages]
5. Letters from Reef Catchments and NQBP [11.2.3.5 - 3 pages]

**Purpose**

For Council to consider the request from Reef Catchments for Council to accept ownership of Habitat Reef Modules located within Port waters.

**Related Parties**

- Reef Catchments (Mackay Whitsunday Isaac) Limited
- James Cook University
- North Queensland Bulk Ports

**Corporate Plan Linkage**Community and Environment

*Sustainable Practices* - We are responsible and active custodians of our natural environment, with future targets and commitments aimed at driving us towards a cleaner, greener and more sustainable region. Climate change will continue to be a consideration in forward planning and we will continue to implement sustainability initiatives in council operations.

Live and Visit

*Eco-Tourism Adventure and Leisure* - We are a world-famous tourism destination, providing eco, adventure and water-based sport, recreation, and leisure opportunities.

**Background/Discussion**

Reef Catchments has received funding from the Australian Government's Fisheries Habitat Restoration Program for the "Rubble to Reef" project. This project involves the deployment of 30 Habitat Reef Modules within the inshore marine environment of the Mackay Whitsunday region by June 2023.

Detail on the proposed installation of the Modules is provided in Attachment 1. It is intended that the Modules will provide the conditions conducive to recruitment and regeneration of coral, fish and crustacean communities.

The Modules will be located in Port waters surrounding the Port of Mackay. Reef Catchments cannot own the Habitat Reef Modules and the process for North Queensland Bulk Ports (NQBP) to consider taking ownership was considered too lengthy. Therefore, Reef Catchments requested that Council accept ownership of the Modules.

Councillors were briefed on the proposal on 9 February 2022 and 20 April 2022. Following the briefings, officers negotiated a Memorandum of Understanding (MOU) with Reef Catchments, to provide a framework for Council

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and Reef Catchments to work together on the planning of the project. In accordance with the MOU, it was agreed to prepare a report to Council recommending that Council resolve to take ownership of up to 30 Habitat Reef Modules subject to the parties working in good faith to:

- Consider possible sites for the deployment and installation of the Habitat Reef Modules; and
- Develop viable approaches for long term monitoring of Habitat Reef Modules effectiveness at remaining secure and supporting coral reef regeneration.

Reef Catchments is obliged under the MOU to provide evidence that:

- The proposed sites have been included in Maritime Safety Queensland navigational hazard charts;
- The Habitat Reef Modules are RPEQ certified for stability in 1% ARI wave conditions; and
- All permits and approvals of any relevant Authority have been obtained for the deployment and installation of the Habitat Reef Modules for the chosen proposed sites.

In accordance with the MOU, Council and Reef Catchments will enter into an agreement to acquire the Modules upon Council resolving to accept their ownership.

Since the execution of the MOU, Reef Catchments has been progressing the project, with regular project updates and consultation with Council officers. As part of this, the Habitat Reef Modules were RPEQ certified for stability in up to 1% ARI conditions and Reef Catchments has worked with Maritime Safety Queensland regarding the procedure for plotting the Modules on navigational hazard charts.

Throughout all discussions in relation to this project, a reasonable monitoring regime was discussed as being utilising side scanning sonar technology to inspect the Modules following a 1% AEP weather event. This was further refined to include a 1% AEP event resulting in significant wave height of more than 4.6m recorded at proximate buoys. This included the option of securing underwater footage to check the ecological status of the Modules.

Reef Catchments have been working through another significant milestone for the project, which is obtaining a sea dumping permit from the federal Department of Agriculture, Water and the Environment. As part of this, draft monitoring conditions that will attach to the permit have been provided. The draft monitoring conditions are included in Attachment 2. In summary, there will be a requirement to undertake monitoring of the Modules once a year for the first five years of the permit, and then every five years for the life of the permit (30 years). This is in addition to post 1% AEP event monitoring. If there is a build up of marine debris on the Modules posing an entanglement hazard, commercial divers must be deployed to remove the debris. It should be noted that these additional monitoring requirements were not foreseen or expected by Reef Catchments or Council officers at the time the MOU was entered into.

Council officers raised concerns with this requirement for ongoing monitoring. In response to this, Reef Catchments has agreed to take on responsibility for the ongoing monitoring outside post event monitoring and what is agreed for the first 12 months with NQBP. A letter from Reef Catchments confirming this support is shown in Attachment 3.

There is also a decommissioning plan that has been developed by Reef Catchments as part of the permit application, see Attachment 4. The obligations in this plan are broadly consistent with the discussions before and after the MOU was signed, noting that all of the triggers for removal of the Modules are considered unlikely. However, Council officers advised that Council would not agree to a permit condition that required the Modules to be removed at the end of the life of the permit unless one of the other triggers were met. Reef Catchments have advised that they will accept responsibility for this should it become a condition in the permit due to the low likelihood of it being required.

Council officers have concerns overall with the permit and the obligations it potentially places on Council. While Reef Catchments have stated they will take on most of the obligations, they are the Natural Resource Management group for the region, and as such there is no guarantee that they will be in a position to monitor and discharge the obligations outlined in the sea dumping permit for a 30 year period. Council, as joint permit holder, will be left with responsibility if Reef Catchments are unable to perform their obligations.

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The current cost of undertaking a monitoring inspection as per the permit is \$5300 (excl. GST). While this is not a significant cost, undertaking this type of activity is not Council core business and there is a real risk that this legal responsibility will be missed over time, putting Council in breach of its legal obligations.

A report on this matter was presented to Council at the Council meeting on 26 April 2023. At this meeting, Council resolved that the report be laid on the table in anticipation of information to be provided by Reef Catchments.

Since the Council meeting on 26 April 2023, the Director Development Services met with representatives from Reef Catchment and NQBP. At that meeting it was discussed and agreed that:

- Reef catchments had secured a reduction in the long term monitoring commitment in the sea dumping permit to 15 years. Monitoring of the Modules by Council following a significant weather event will still be required for the life of the permit (30 years).
- NQBP will provide a letter confirming their intent to enter into an agreement to partner with Council and Reef Catchments to monitor the Modules in accordance with the permit conditions.
- The need for a commercial diver to remove marine debris (if found) from the Modules has been removed from the permit conditions, as there are methods of removing the debris without a diver entering the water.
- Reef Catchments will recognise the liability for monitoring the Modules under the permit in their annual financial statements which are audited externally, to ensure the monitoring obligations remain visible over time.

A letter confirming the above and the letter from NQBP expressing an interest in entering into a partnering arrangement with Council and Reef Catchments are shown in Attachment 5.

The benefits of this project to the marine environment and recreational fishing are recognised. It is noted however that the regulatory requirements sitting with Council in relation to this has grown significantly from what was envisaged when entering into the MOU and when Council was asked to accept ownership of the Modules.

Reef Catchments is progressing quickly with the project, including arranging community engagement events and public interpretation resources to promote the installation of the Modules. While all of the steps in the MOU have not yet been met or fulfilled, these permit conditions represent a significant departure from what was previously discussed and it is considered timely for Council to formally consider whether it is willing to accept these conditions and ownership of the Modules. Therefore, the effect of this report is to bring forward the commitment for Council to formally consider accepting ownership of the Modules as outlined in the MOU.

Should Council not accept ownership of the Modules, the project cannot be completed as Reef Catchments has been unable to secure another organisation that can accept ownership of the Modules. Reef Catchments has expended in the order of \$150,000 on this project, and has advised that they will not be reimbursed from grant funds for any of the costs incurred unless the Modules are deployed. The Modules are in the process of being constructed, and there is nowhere to store them on land should they not be deployed. Reef Catchments has advised that if the project does not proceed, they will consider options to recover the funds expended so far, which may include approaching Council for this funding.

The letters from Reef Catchments and NQBP in Attachment 5 contain confirmation of commitments to accept the additional ongoing monitoring obligations that were never envisaged when the MOU was entered into. This combined with the reduction of the timeframe for the monitoring to occur from 30 years to 15 years does assist with alleviating some of the concerns raised above in relation to Council accepting ownership of the Modules. Despite this, the commitments are not definitive enough to enable officers to make a recommendation to Council to accept the ownership of the Modules. However, it is acknowledged that it is the intention of both Reef Catchments and NQBP to accept the monitoring, and that the letters are as far as they are able to commit at this stage. Therefore, Councillors may be of the view that, to allow the funding to be acquitted, they are willing to agree to the monitoring obligations and accept ownership of the Modules.

**Consultation and Communication**

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There has been ongoing consultation between Reef Catchments and Council officers. Councillors were briefed on the proposal on 9 February 2022 and 20 April 2022.

Reef Catchments have a communications plan for the project.

A report on this matter was presented to Council at the meeting on 26 April 2023. Council resolved that the report be laid on the table in anticipation of further information being provided by Reef Catchments.

**Resource Implications**

Should the project progress and Reef Catchments perform the additional monitoring obligations under the permit as per their commitment, the resource implications for Council will only arise following a 1% AEP event. Given the current cost of inspecting the Modules is \$5,300 (excl. GST) and the obligation can be built into Council's emergency management planning, this is considered to have a limited impact on Council's operations and resources.

Should Council have to step in as a joint permit holder and perform more of the monitoring over a 30 year period, this will have an impact on resources by necessitating Council as an organisation embed this non-core business activity into its operations so that the legal responsibility does not get missed.

Reef Catchments has indicated that it may seek to recover expenditure already incurred on the project from Council, should Council decline to accept ownership of the Modules and the project not proceed.

**Risk Management Implications**

A risk assessment relating to Council accepting ownership of the Modules was undertaken early last year, identifying risks including movement of the Modules, unsuitability of the module structures, failure of Reef Catchments to perform their monitoring obligations, colonisation of the structures by invasive species and inadequate management of the Modules as Council assets. The risk level assigned to these risks ranged from medium to high, with a number of controls outlined that would reduce the risk to an acceptable level. It should be noted that this risk assessment was on the basis of the limited monitoring obligations originally discussed, with Reef Catchments/NQBP/JCU identified as doing some initial monitoring of the Modules.

The increased monitoring obligations give rise to a new risk that Reef Catchments and Council will not meet the conditions of the sea dumping permit. The Likelihood of this occurring has been assessed as "Likely" with the Consequences of not meeting this legislative requirement assessed as "Moderate", resulting in a risk level of High.

**Conclusion**

When first approached about this project by Reef Catchments, Council was asked to accept ownership of the Habitat Reef Modules as Council assets, given their proposed location and the nature of the project proponent. Should Council decline to accept ownership now, with the project scheduled to be completed by June 2023, this could impact the ability of the project to proceed.

The conditions that will attach to the sea dumping permit are such that Council may be required to have a more active role in the ongoing management of the Modules should the commitments made by Reef Catchments and NQBP in the letters in Attachment 5 not be acted upon. It is for this reason that it is recommended that Council not accept ownership of the Habitat Reef Modules and that Reef Catchments be advised accordingly. Despite this, Councillors may be comfortable to agree to ownership of the Modules on the basis that they are willing to accept that further clarification and certainty of commitment from Reef Catchments and NQBP will be forthcoming in the future.

**Officer's Recommendation**

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THAT Council not accept ownership of the Habitat Reef Modules proposed to be deployed by Reef Catchments with funding from the Australian Government's Fisheries Habitat Restoration Program for the "Rubble to Reef" project.

The Chief Executive Officer provided additional information in relation to possible future costs which may arise if Council takes ownership of the Habitat Reef Modules.

#### **Council Resolution ORD-2023-134**

**THAT Council not accept ownership of the Habitat Reef Modules proposed to be deployed by Reef Catchments with funding from the Australian Government's Fisheries Habitat Restoration Program for the "Rubble to Reef" project.**

**Moved Cr Bella**

As there was no Seconder, the Motion lapsed.

Cr Hassan advised that she would like to move an Alternate Motion.

THAT in accordance with section 254H of the Local Government Regulation 2012, the following are recorded as reasons in support of a decision made at a local government meeting inconsistent with a recommendation or advice given to the local government by an advisor of the local government –

The benefits of this project to the marine environment and recreational fishing are recognised by all parties, who remain committed to working closely with all partners to ensure that the installation and monitoring of the artificial reef modules is carried out to the highest standards of environmental sustainability.

Reef Catchments has provided sufficient information to mitigate the risk to Council as much as possible at this time. This has been demonstrated by:

- a) A reduction in the long-term monitoring commitment to 15 years, with advice from the Australian Government's Sea Dumping branch. (Which does not affect the original MoU agreement conditions accepted where Mackay Regional Council made a commitment to monitor the Habitat Reef modules within 6 weeks of an event with significant wave heights (Hs) exceeding 4.6m remains for the life of the permit (30 years))
- b) North Queensland Bulk Ports has provided Reef Catchments with a letter confirming their intent to enter into a partnering agreement with Mackay Regional Council and Reef Catchments (Mackay Whitsunday Isaac) to install and monitor the Habitat Reef modules in the coastal waters off Mackay.
- c) Removing all references to requiring a commercial diver for removal of marine debris that has been identified as obstructing or posing a risk to the habitat modules. This will allow for greater flexibility in how we may address perceived marine debris risk to the modules without requiring in-water supervision.
- d) Reef Catchments will recognise a long-term liability in the balance sheet for the ongoing monitoring expenditure for the life of the sea dumping permit. The annual financial statements of Reef Catchments are audited externally. This will ensure that the monitoring obligations remain visible over time.
- e) Council officers advised that Council would not agree to a permit condition that required the Modules to be removed at the end of the life of the permit unless one of the other triggers were met. Reef Catchments

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have advised that they will accept responsibility for this should it become a condition in the permit due to the low likelihood of it being required.

FURTHER THAT Council support entering into an agreement to formally accept ownership of the Habitat Reef Modules proposed to be deployed by Reef Catchments with funding from the Australian Government's Fisheries Habitat Restoration Program for the "Rubble to Reef" project.

**Moved: Cr Hassan**

**Seconded: Cr Jones**

**CARRIED**

Cr Bella recorded his vote against the Alternate Motion.

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### **11.3. ENGINEERING AND COMMERCIAL INFRASTRUCTURE**

#### **11.3.1. PETITION - SEALING OF GRAVINOS ROAD, VICTORIA PLAINS**

<b>Author</b>	Executive Assistant (Robyn Smith)
<b>Responsible Officer</b>	Director Engineering & Commercial Infrastructure (Jason Devitt)
<b>File Reference</b>	Petition
<b>Attachments</b>	Nil

#### **Purpose**

Council formally received a Petition from residents on 3 April 2023 regarding a request for the bitumen sealing of Gravinosa Road, Victoria Plains.

The Resolution from Council was:

THAT the Petition be received.

FURTHER THAT the outcome of the Petition request be considered in a separate report.  
This Report identifies the outcome of the investigations for consideration by the Council.

#### **Related Parties**

The parties relating to this report are as follows:

- Council
- Residents

#### **Corporate Plan Linkage**

- Optimised Asset Management – Our asset spend is aligned with the optimised maintenance, replacement and renewal of our asset base.
- Planned Capital and Forecasting – Our planned capital and operational projects are delivered with agility in line with business needs.

#### **Background/Discussion**

A Petition was received by Council on 19 March 2023 and formally received at its Ordinary Meeting of 3 April 2023.

The basis of the request is that residents have requested the bitumen sealing of Gravinosa Road, Victoria Plains.

Following receipt of the Petition to Council, investigations into the reported issues have been undertaken.

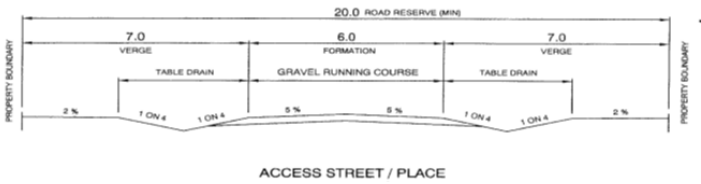
#### **Road Hierarchy**

The road in question has an Access Road function within Council's Road Network and the activity on this road appears to support rural Access Road activity. The road does not support a rural school bus function.

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The Hierarchy of Roads and their associated functions is used to inform and determine the functional need of a road. Under Council's Type Cross Sections for Roads of this hierarchy, the following cross section would be implemented on reconstruction noting 6m traffic lanes to a 6m formation width.



Current Road Geometry

Current road seal and formation widths are as follows:

Section	Chainage	Length	Width	Description
1	0 – 92	92 m	5 m	Bitumen Sealed
2	92 – 1,098	1,006 m	5.5 m	Gravel Running Course

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3	1,098 – 1,474	376 m	505 m	Gravel Running Course
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Traffic Data

No recent traffic data is available for the site but given 13 lots are serviced by the road in question and applying the Planning Scheme Traffic Generation Rates, a maximum flow rate of 130 vehicles per day (vpd) may be the upper limit of traffic flows which could be expected.

Accident History

During the period 2006 to 2023 no reported crashes have been reported.

Maintenance and Complaint History

Information related to maintenance expenditure and current condition follows:

Gravinos Road - Victoria Plains Road No. 1092															
	2011 Actuals	2012 Actuals	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Actuals	2022 Actuals	2023 Actuals	Commitments	Total Actual
1117 - Temporary Gravel	0.00	0.00	1,050.25	431.95	0.00	0.00	0.00	0.00	0.00	997.33	0.00	0.00	0.00	0.00	2,377.55
1118 - Medium Formation	3,365.68	0.00	3,724.88	0.00	0.00	2,215.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,305.90
1119 - Heavy Formation	0.00	0.00	0.00	0.00	0.00	5,976.99	0.00	0.00	1,862.61	11,982.84	0.00	0.00	10,270.43	0.00	30,100.87
1121 - Gravel / Blotter	0.00	0.00	0.00	0.00	0.00	3,408.78	0.00	0.00	756.40	7,298.38	0.00	0.00	1,386.85	0.00	12,852.42
1204 - Shoulder grading	0.00	0.00	0.00	0.00	0.00	0.00	476.50	0.00	0.00	0.00	0.00	905.42	0.00	0.00	581.92
1302 - Clear Open Drain	0.00	0.00	0.00	0.00	0.00	4,354.34	0.00	0.00	1,509.54	0.00	0.00	0.00	0.00	0.00	6,453.88
1407 - Tree and Vegetation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.74	0.00	0.00	0.00	0.00	24.74
1410 - Mowing	0.00	0.00	0.00	0.00	0.00	0.00	475.13	569.64	999.60	416.47	0.00	0.00	0.00	0.00	2,459.84
1610 - NCRRA - Sealcoat	92.37	0.00	7,437.52	(7,437.61)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	92.28
1712 - Sub-grade Repair/UV	6,181.82	1,167.64	69.70	255.15	(8,422.11)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1715 - 2011 Cyclone Ts	2,136.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,136.96
1716 - MacRC 1.11 - 10	0.00	0.00	33,426.95	7,043.28	(40,470.18)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1765 - 2011 Erosion - Df	0.00	0.00	0.00	0.00	0.00	743.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	743.79
1752 - Formation Repair	0.00	0.00	0.00	0.00	0.00	0.00	470.00	(470.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1774 - Formation Repair	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,409.08	0.00	1,409.08
1775 - Road Surface Pits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	744.82	0.00	744.82
	12,627.83	1,167.64	46,709.30	290.06	(48,143.61)	16,666.46	1,421.83	98.64	6,128.16	20,810.78	0.00	823.08	13,783.18	0.00	69,786.03

SSMMS Road Conditions Score Report - 05-Apr-2023													
RoadID	Road No	Inspector	Gravel Road Classification	Work Area	Road Name	Total Of Distance	Date	Current SSMMS	SSMMS 3 Month	SSMMS 6 Month	SSMMS 12 Month	Last Service	Profile
61	10302	Charlie Ward - Southern North	3	VICTORIA PLAINS	Gravinos Road	1,487	16-Mar-2023	4.6	6.8	9.0	13.4	13-Mar-2023	1

With regards to the grading frequency, Class 3 Roads are generally between 2.0 and 2.5 years depending on weather events and usage.

Upgrading Cost Assessment

There is a significant difference in pavement depths for bitumen sealing to that used for maintenance grading so the requested upgrade cost is not limited to just the bitumen seal cost involved.

Similarly, the standard of pavement materials for the MG2 unsealed road pavements would not be suitable for a designed pavement.

As an assumption, not knowing the CBR (California Bearing Ratio) of the underlying subgrade, if we use standard reconstruction rates using 200mm 2.3 and 150mm 2.1 gravel this equates to \$238/m2.

As such, for the extent of the road link under Council control, upgrading costs conceptually are estimated at \$1,973,496.

Compliance with Relevant Standards

While Council has established hierarchy standards, relevant reference guidelines should also be considered with these being Austroad's "Guide to Road Design Part 3: Geometric Design" and the Institute Public Works Engineering Australasia's (IPWEA's) "Lower Order Road Design" which established guideline road widths based on traffic volumes.

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## Austroads

**Table 4.5: Single carriageway rural road widths (m)**

Element	Design AADT				
	1–150	150–500	500–1000	1000–3000	> 3000
Traffic lanes <sup>(1)</sup>	3.7 (1 x 3.7)	6.2 (2 x 3.1)	6.2–7.0 (2 x 3.1/3.5)	7.0 (2 x 3.5)	7.0 (2 x 3.5)
Total shoulder	2.5	1.5	1.5	2.0	2.5
Minimum shoulder seal (2),(3),(4),(5),(6)	0	0.5	0.5	1.0	1.5
Total carriageway	8.7	9.2	9.2–10.0	11.0	12.0

## Institute Public Workings Engineering Australasia (IPWEA) Lower Order Road Design

**Table 4 – Road Asset Classification: Desirable Characteristics, Features and Values**

Asset Classification Characteristic	Minor Road	Local Access	Formed Track
Vehicles per Day	50-150	10-50	0-10
Design Speed (km/hr)	100-60	70-40	50-30
Road Type	Sealed or unsealed	Sealed or unsealed	Formed
Formation Width (metres) (minimum)	7.0m	6.5m	4.0m
Seal Width (minimum)	4.0m	3.5m	n/a
Pavement Width (metres) (minimum)	6.0m	3.5m	n/a
Minimum Crossfall	Sealed 3% Gravelled 4%	Sealed 3% Gravelled 4%	Formed No Gravel 4%
Maximum Superelevation (Depending on the nature of truck traffic)	10% sealed 7% unsealed	10% sealed 9% unsealed	n/a
Gradient (maximum)	16% Sealed 10% Unsealed	16% Sealed 10% Unsealed	n/a

Given the above, it appears the Council Road Hierarchy Cross Sectional Standards is relevant for all the road sections requested for upgrading.

Noting the dimensions and volumes expected and the level of maintenance activity, there does not appear to be a specific driver for the requested upgrading as the road is not unlike a significant number of other like roads within the Local Government Area.

## Consultation and Communication



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Consultation has been held with the Director Engineering & Commercial Infrastructure and Manager Civil Operations on this matter and general agreement was reached that this is not a current option considering current priorities for capital expenditure proposed in the Long-Term Financial Forecast (LTFF) by Council.

### **Resource Implications**

No funding allocations exist within the LTFF for the requested upgrade. Maintenance works will continue to be undertaken through allocated funds for Unsealed Road Maintenance.

### **Risk Management Implications**

The risk of not funding the proposed project may be restricted to adverse local community reaction from the residents on Gravin Road.

### **Conclusion**

While understandable from a local level, traffic volumes are relatively low and the current and expected accident history does not appear to generate unexpected levels of risk residual. From the maintenance history of the site, ongoing maintenance costs are not significant in comparison with expected construction investments.

Based on Council's current hierarchy and priorities, the requirements for this project do not mandate the extent of the level of construction requested.

Construction based on this request may generate a precedent resulting in further requests for construction within rural areas not normally supported or funded by Council.

As such, there appears to be no driver or priority for this project apart from local convenience for residents.

### **Officer's Recommendation**

THAT the Council note the outcomes of the investigation into the Petition and approve the following actions:

- Advise Petitioners that Council considers the road formation trafficable for all residents and that ongoing maintenance, in alignment with Council's normal intervention level, will continue to be undertaken; and
- That the Principal Petitioner be advised of these outcomes.

### **Council Resolution ORD-2023-135**

**THAT the Council note the outcomes of the investigation into the Petition and approve the following actions:**

- **Advise Petitioners that Council considers the road formation trafficable for all residents and that ongoing maintenance, in alignment with Council's normal intervention level, will continue to be undertaken; and**
- **That the Principal Petitioner be advised of these outcomes.**

**Moved Cr Jones**

**Seconded Cr Townsend**

**CARRIED UNANIMOUSLY**



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**11.4. ORGANISATIONAL SERVICES**  
**11.4.1. INTERIM MANAGEMENT REPORT**

<b>Author</b>	Acting Manager Financial Services (Christopher Ruggeri)
<b>Responsible Officer</b>	Director Organisational Services (Angela Hays)
<b>File Number</b>	External Audit
<b>Attachments</b>	1. Interim Report To Management - Final [ <b>11.4.1.1</b> - 6 pages]

**Purpose**

The purpose of this report is to table, for Council's information, the 2023 Interim Report to the Mayor completed by Council's external auditors on behalf of the Queensland Audit Office.

**Related Parties**

Nil.

**Corporate Plan Linkage**

Financial Strength

*Ethical Decision-Making and Good Governance* - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

**Background/Discussion**

The interim audit for the 2022/23 financial year has now concluded. As part of this process the audit team assessed the design and implementation of internal controls and whether they are operating effectively. The attached report provides details of audit matters and other information relating to the audit of Council's financial statements.

Audit processes completed to 28 February 2023 identified the following deficiencies:

- 2 raised in the current year, relating to general journal control activities and payroll system updates
- 1 unresolved from prior years, relating to the ageing of completed projects

**Consultation and Communication**

In accordance with section 213 of the *Local Government Regulation 2012*, an auditor-general's observation report must be presented to the next ordinary meeting of the local government.

**Resource Implications**

Nil

**Risk Management Implications**

Remedial action by Management to resolve all identified deficiencies is currently underway, with all work on track for completion by agreed resolution dates.

**Conclusion**

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It is recommended that Council receive the report.

**Officer's Recommendation**

THAT Council receives the Interim Report for Mackay Regional Council, for the financial year ending 30 June 2023.

**Council Resolution ORD-2023-136**

**THAT Council receives the Interim Report for Mackay Regional Council, for the financial year ending 30 June 2023.**

**Moved Cr May**

**Seconded Cr Green**

**CARRIED UNANIMOUSLY**

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**11.4.2. STRATEGIC FINANCIAL REPORT - APRIL 2023**

<b>Author</b>	Acting Manager Financial Services (Chris Ruggeri)
<b>Responsible Officer</b>	Director Organisational Services (Angela Hays)
<b>File Reference</b>	Strategic Financial Report

<b>Attachments</b>	1. April 2023 Strategic Financial Report [11.4.2.1 - 22 pages]
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**Purpose**

To adopt Mackay Regional Council's (MRC) Strategic Financial Report for the month of April 2023.

**Related Parties**

Nil.

**Corporate Plan Linkage**

Financial Strength

**Ethical Decision-Making and Good Governance** - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

**Background/Discussion**

Under Part 9, section 204 of the *Local Government Regulation 2012*, the local government is required to prepare a financial report which the Chief Executive Officer presents at a meeting of the local government once a month.

The financial report must state the progress that has been made in relation to the local government's budget for the period of the financial year up to a day as near as practicable to the end of the month before the meeting is held.

**Consultation and Communication**

Chief Executive Officer, Directors, Manager Financial Services.

**Resource Implications**

MRC is forecasting an operating surplus of \$0.5M for the 2022/23 financial year following adoption of the March budget review by Council on 26 April 2023. The actual operating result for March 2023 is reporting a favourable variance of \$1.0M against YTD budget.

**Risk Management Implications**

Variances will be closely reviewed and considered in future budget processes if required.

**Conclusion**

For the period ending April 2023, MRC reported a favourable operating variance of \$1.0M against YTD budget. Operating expenditure is reporting under YTD budget, primarily in materials and services (\$1.6M) and is largely attributable to delays in recognition of forecast expenditure for consultants. Revenue is reporting slightly lower than current month forecast for the reporting period.

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To date, \$80.3M has been expended in the delivery of Council Projects; \$78.6M capital expenditure and \$1.7M operational expenditure. Council projects includes accrued expenditure for works in progress and associated operational costs expended in the delivery of these works.

**Officer's Recommendation**

**THAT the Strategic Financial Report for April 2023 be received.**

**Council Resolution ORD-2023-137**

**THAT the Strategic Financial Report for April 2023 be received.**

**Moved Cr May**

**Seconded Cr Jones**

**CARRIED UNANIMOUSLY**

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**11.4.3. LEASE OF LAND - TELSTRA CORPORATION LIMITED - MACKAY HARBOUR**

**Author** Supervisor Land Operations (Jane Gosper)  
**Responsible Officer** Director Organisational Services (Angela Hays)  
**File Reference** Current L1 Ron Searle Drive, MACKAY HARBOUR QLD 4740

**Attachments**

1. Att 1 Lease for Land - Telstra Corporation Ltd - Mackay Harbour - Previous meeting minutes [11.4.3.1 - 3 pages]

**Purpose**

To approve the consecutive lease to Telstra Limited ("Telstra") over an approximate area of 52 square metres on part of Lot 1 on RP743428 ("the Land"), known as Lot 1 Ron Searle Drive, Mackay Harbour.

**Related Parties**

Telstra Limited

**Corporate Plan Linkage**Financial Strength

*Ethical Decision-Making and Good Governance* - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

*Resilient and Agile Economy* - Our long-term vision guides our planning for present and future needs, understanding the future implications of decisions made today.

**Background/Discussion**

In November 2021, Council approved a ten (10) year lease to be granted to Telstra Corporation Limited for telecommunication purposes which is due to expire 7 October 2030 (the 'First Lease'). A copy of the minutes and resolution is attached. Pursuant to this lease, Telstra will install its ground equipment in the new lease area.

At the time of resolution for the First Lease, the proposed consecutive ten-year lease was not included in the resolution, therefore, it is required that Council approve a further lease for the period of 8 October 2030 to 7 October 2040. This was omitted due to a misinterpretation of the Heads of Agreement provided by Telstra at the time.

Pursuant to a scheme of arrangement under court orders there has been a restructure of the Telstra Group which has resulted in the Lessee now being "Telstra Limited", and not "Telstra Corporation Limited".

According to Section 236(1)(c)(vi) of the *Local Government Regulation 2012*, "a local government may dispose of a valuable non-current asset other than by tender or auction if – the disposal is for the purpose of a lease for a telecommunications tower." This is subject to a resolution of Council and an independent valuation confirming market value.

**Consultation and Communication**

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Legal Services, Executive Officer, Director Organisational Services, Manager Property Services and Supervisor Land Operations.

### **Resource Implications**

The rent under the consecutive lease will commence at \$20,876.37 per annum (being a 3% fixed increase on the rent at the expiry of the First Lease). The consecutive lease will have fixed annual rental increases of 3% (being the same method of rent review as the First Lease). The term of the lease will be ten (10) years.

The commencing rent under the First Lease was confirmed by a registered Valuer as being representative of the market.

### **Risk Management Implications**

Council has already passed the resolution for the First Lease.

### **Conclusion**

Approval of the consecutive ten-year lease to Telstra is the most advantageous outcome for the Mackay region.

### **Officer's Recommendation**

THAT Council resolves to apply the exemption under Section 236(1)(c)(vi) of the *Local Government Regulation 2012*, to “dispose of a valuable non-current asset other than by tender or auction if – the disposal is for the purpose of a lease for a telecommunications tower” in respect of the proposed ten year lease to Telstra Limited, being a lease for a telecommunications tower; and

AND THAT Council approve the consecutive lease to Telstra Limited for a period of ten (10) years from 8 October 2030 to 7 October 2040 for an approximate area of 52 square metres on part of Lot 1 on RP743428, Lot 1 Ron Searle Drive, Mackay Harbour for the purpose of a telecommunications ground equipment.

### **Council Resolution ORD-2023-138**

**THAT Council resolves to apply the exemption under Section 236(1)(c)(vi) of the *Local Government Regulation 2012*, to “dispose of a valuable non-current asset other than by tender or auction if – the disposal is for the purpose of a lease for a telecommunications tower” in respect of the proposed ten year lease to Telstra Limited, being a lease for a telecommunications tower; and**

**AND THAT Council approve the consecutive lease to Telstra Limited for a period of ten (10) years from 8 October 2030 to 7 October 2040 for an approximate area of 52 square metres on part of Lot 1 on RP743428, Lot 1 Ron Searle Drive, Mackay Harbour for the purpose of a telecommunications ground equipment.**

**Moved Cr Jones**

**Seconded Cr Green**

**CARRIED UNANIMOUSLY**

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**11.4.4. REQUEST EOI FOR HRIS**

<b>Author</b>	Strategic Project Manager (Christina Petriwskyj)
<b>Responsible Officer</b>	Director Organisational Services (Angela Hays)
<b>File Reference</b>	MRC 2023-046

**Purpose**

To present to Council for approval a request to call for Expressions of Interest (EOI) for supply of a fit-for-purpose Human Resources Information System (HRIS), as per section 228 (3) of the *Local Government Regulation*.

**Corporate Plan Linkage**

Key initiative contributing to the Operational Excellence pillar – Processes and Systems – develop and continually improve and innovate to create efficient processes that deliver value for our community, and endeavour to make service levels more transparent and harness opportunities for existing and emerging technologies to aid this delivery.

**Background/Discussion**

Mackay Regional Council's (MRC) current primary HRIS (iChris provided by Frontier) in its existing form, does not support many of Council's Human Resource (HR) processes, with many activities managed via spreadsheet or alternate application with limited integration.

The HRIS Project is tasked with sourcing and implementing a technological solution that enables optimised end-to-end HR management via a minimal number of applications that are interoperable. This will provide a single source of truth for HR data, enable access to live HR data to inform decision-making, automate and uplift HR processes, facilitate self-service and increase capacity of HR personnel to contribute to value-add activities.

MRC's business requirements for its HRIS have been workshopped with representatives from across the business and documented, ensuring these are well-understood. Aligned with the Determination 2022, the requirements are relatively complex in some respects (particularly roster and payment options), limiting the number of products able to meet these requirements.

In order to test the market and identify the range of market offerings available, an EOI process is proposed.

The EOI process, as prescribed under the Local Government Regulation 2012 (Regulation), provides Council with the opportunity to call an EOI and then to invite tenders to be submitted from the shortlisted EOI respondents. This enables a very high level and broad consideration to be given to all options, which would then be narrowed following a review of the EOI submissions based upon EOI assessment criteria such as;

**1. Appropriateness of proposal to meet Mackay Regional Council requirements**

- a. Respondent's response to Project Brief

**2. Capacities and capabilities of the Respondent to deliver**

- a. Past experience and proven track record with similar projects for local government, supported by end user feedback report
- b. Reasonableness and robustness of implementation plans and project expected timeframe

**3. Financial sustainability of the development proposal or business model**

- a. Approximate set-up and implementation costs
- b. Approximate ongoing operating costs for Council

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There is no requirement or commitment for Council to continue to the tender phase. If Council chooses to proceed, the details for the tender phase will be well considered with specific detail dependent on the submission proposals.

With regard to timing, it is intended that the EOI will be advertised by the end of May 2023, with shortlisting and a recommendation report provided to Council for consideration in August 2023.

The calling of EOIs would be in the public interest as it is considered the most cost-effective way to identify the most appropriate options for a human resources information system that meets Council's requirements, without major resource implications for both the Council and the respondents, while meeting legislative requirements.

The Regulation requires Council to decide by resolution that it is in the public interest to invite EOI's before subsequently inviting written tenders, and also to record the reasons why the EOI process has been endorsed.

**Consultation and Communication**

- Consultation was conducted with representatives from People and Culture, Shared Services and Information Services, as well as with Procurement and Plant prior to the EOI being released.

**Resource Implications**

There are no material resource implications for the EOI phase (excluding minor advertising and document development costs).

Calling of the EOI itself, and the assessment of submissions, will be undertaken in-house.

Should Council decide, following assessment of the EOI submissions, to progress to the tender stage, there may be a requirement to allow for costs within future budgets associated with legal and other reviews.

**Risk Management Implications**

The EOI process in itself poses no financial risk to Council as it does not commit the Council to any future funding, nor a commitment to proceed with any proposal.

The issuing of the EOI will assist Council in ensuring only those respondents who have the experience and capacity to deliver will be shortlisted.

**Conclusion**

The calling of EOIs would be in the public interest as it is considered the most cost-effective way to identify the appropriate options for a human resources information system that meets Council's requirements. An EOI enables this to be completed in a clear and transparent manner without major resources implications for Council or the respondents.

**Officer's Recommendation**

THAT Expressions of Interest are called for EOI – MRC 2023-046 Human Resources Information System as per section 228 (3) of the *Local Government Regulation 2012*, noting that doing so is considered to be in the public interest as it is able to be undertaken with minimal resource implications for both the Council and the respondents, and is considered the most cost-effective way to identify the appropriate options for a human resources information system that meets Council's requirements.

**Council Resolution ORD-2023-139**



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**THAT Expressions of Interest are called for EOI – MRC 2023-046 Human Resources Information System as per section 228 (3) of the *Local Government Regulation 2012*, noting that doing so is considered to be in the public interest as it is able to be undertaken with minimal resource implications for both the Council and the respondents, and is considered the most cost-effective way to identify the appropriate options for a human resources information system that meets Council's requirements.**

**Moved Cr Jones**

**Seconded Cr Townsend**

**CARRIED UNANIMOUSLY**

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## 12. RECEIPT OF PETITIONS

Nil

## 13. TENDERS

### 13.1. MRC 2023-031 DESIGN AND CONSTRUCT PIONEER RIVER FLOATING PONTOON BLUEWATER QUAY, MACKAY

<b>Author</b>	Manager Major Projects (Michael Zimmerle)
<b>Responsible Officer</b>	Director Capital Works (Jim Carless)
<b>File Number</b>	MRC 2023-031
<b>Attachments</b>	Nil

#### Purpose

To present to Council for approval for MRC 2023-031 Design and Construct Pioneer River Floating Pontoon Bluewater Quay, Mackay.

#### Related Parties

The parties relating to this report are as follows:

- Bellingham Marine Australia Pty Ltd
- SMC Marine Pty Ltd
- The Marina Specialist Pty Ltd T/A The Jetty Specialist

#### Corporate Plan Linkage

##### Invest and Work

*Diversified Economy* - We have a diversified economy that attracts new and emerging industries, such as sport, tertiary education, health, tourism, agribusiness, biofutures industry, and the Mining Equipment Technology and Services (METS) sector.

##### Live and Visit

*Eco-Tourism Adventure and Leisure* - We are a world-famous tourism destination, providing eco, adventure and water-based sport, recreation, and leisure opportunities.

*Live, Visit and Play* - We have a diverse mix of accessible spaces to live, visit and play.

#### Background/Discussion

Mackay Regional Council (Council) issued Tender documents seeking an experienced contractor to design and construct Pioneer River Floating Pontoon Bluewater Quay, Mackay

Tenders were invited via Mackay Regional Council's website and on the Queensland Government's QTenders website on the 1<sup>st</sup> of February 2023.

The submissions were received by the closing time of 10.00am, 07 March 2023.

The weighting attributed to each qualitative criteria was:

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Criterion	Weighting %
Value for money	10%
Relevant Experience, Innovation and Value Adding	40%
Key Personnel and Tenderers Resources	25%
Demonstrated Understanding	25%

The tender price of the preferred tender is \$2,449,709.00.

### Resource Implications

The current funding allocation within the Capital Works budget is \$ 2,045,887.68 for these project works. With the tendered price and other costs associated with the delivery of this project a shortfall of \$ 1,000,000.00 has been identified.

Description	Amount	Notes
<b>MRC 2023-031 Design and Construct Pioneer River Floating Pontoon Bluewater Quay, Mackay</b>		
Expenditure to Date	\$ 42,678.33	2022-2023 actuals only
Tender Amount	\$ 2,449,709.00	SMC Marine Pty Ltd
Project risks	\$ 244,970.90	10 % Contingency allowed
Council's costs	\$ 308,529.45	Below the line costs for council – overheads, statutory fees, project management and supervision
<b>Estimated Cost of Project</b>	<b>\$ 3,045,887.68</b>	
<b>BUDGET</b>		
Budget for 2022/2023	\$ 61,859.47	
Budget for 2023/2024	\$ 1,984,028.21	
Budget Total	<b>\$ 2,045,887.68</b>	
<b>BALANCE</b>	<b>- \$1,000,000.00</b>	Additional funding requested

Additional funding required for completion of this project is proposed to be allocated in the 2023/2024 financial year Capital Works budget to cover the total project spend, this additional funding is depicted in the table above.

### Risk Management Implications

The conditions of contract provide sufficient remedies and warranties to Council based on the risk profile of the services being provided.

Risks to council for this project include the design and construction of a pontoon within the Pioneer River, environmental and safety risks. These risks have been mitigated by:

- Engagement of a qualified and experienced contractor.
- Council providing sufficient project management supervision of safety, environmental and quality controls are administered throughout the delivery of the project.

### Conclusion

On the recommendation of the evaluation panel, and their assessment against the qualitative criteria, awarding the contract to SMC Marine Pty Ltd represents the most advantageous outcome to Mackay Regional Council

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based on their relevant experience, capacity, and highly skilled resources to complete the works to the quantity and quality as specified in the RFT. Furthermore, that support be given to awarding of this contract as part of a critical Council project, noting the requirement to allocate additional funding as part of the upcoming 2023/24 budget.

#### **Officer's Recommendation**

THAT Council award contract MRC 2023-031 Design and Construct Pioneer River Floating Pontoon Bluewater Quay, Mackay to SMC Marine Pty Ltd for the total tendered price of \$2,449,709.00 (Ex GST) including a provisional sum for 6-months maintenance program.

In accordance with Chapter 5B of the *Local Government Act 2009*, I, Mayor Greg Williamson, inform the meeting that I have a Declared Conflict of Interest in Agenda Items 13.1 – MRC 2023-031 Design and Construct Pioneer River Floating Pontoon Bluewater Quay, Mackay and 13.2 – MRC 2023-030 Design and Construct Building Refurbishment – 8 River Street, Mackay.

The nature of my interest is as follows:

My son Dean Williamson is a part owner of the property at 31 River Street, which is within the PDA and within close proximity to the proposed works the subject of the tenders and with the potential that it could be viewed that this property could be impacted.

The Particulars:

1. The value and date of the gift is/are – N/A
2. The name of the related party is – Dean Williamson
3. The nature of my relationship with the related party is that - Father
4. The nature of the related party's interest in this matter is/are – Part owner of the property at 31 River Street

As a result of my conflict of interest, I will now leave the meeting room while the matter is considered and voted on.

Mayor Williamson left the room at 10.59 am.

Cr May assumed the role of Acting Chair.

#### **Council Resolution ORD-2023-140**

**THAT Council award contract MRC 2023-031 Design and Construct Pioneer River Floating Pontoon Bluewater Quay, Mackay to SMC Marine Pty Ltd for the total tendered price of \$2,449,709.00 (Ex GST) including a provisional sum for 6-months maintenance program.**

**Moved Cr Jones**

**Seconded Cr Englert**

**CARRIED UNANIMOUSLY**

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**13.2. MRC 2023-030 DESIGN AND CONSTRUCT BUILDING REFURBISHMENT - 8 RIVER STREET, MACKAY**

**Author** Manager Major Projects (Michael Zimmerle)  
**Responsible Officer** Director Capital Works (Jim Carless)  
**File Number** MRC 2023-030

**Attachments** Nil

**Purpose**

To present to Council for approval MRC 2023-030 Design and Construct Building Refurbishment - 8 River Street, Mackay.

**Related Parties**

The parties relating to this report are as follows:

- TF Woollam & Son Pty Ltd

**Corporate Plan Linkage**Invest and Work

*Diversified Economy* - We have a diversified economy that attracts new and emerging industries, such as sport, tertiary education, health, tourism, agribusiness, biofutures industry, and the Mining Equipment Technology and Services (METS) sector.

*Industries, Jobs and Growth* - Our core industries are growing and prosperous, encouraged to innovate, create jobs, and drive growth.

*Technologically Advanced Region* - We harness technology to support business and the economy.

**Background/Discussion**

Mackay Regional Council (Council) issued Tender documents seeking an experienced contractor to design and construct 8 River Street, part of the Mackay Waterfront Priority Development Area (Mackay Waterfront PDA).

Tenders were invited via Mackay Regional Council's website and on the Queensland Government's QTenders website on the 19<sup>th</sup> of December 2022.

The submission was received by the closing time of 10:00am 7 February 2023:

The weighting attributed to each qualitative criteria was:

Criterion	Weighting %
Value for Money	10%
Demonstrated Understanding and Program	50%
Relevant Experience	20%
Key Personnel	20%

The tender price of the preferred tender is \$3,750,492.00.

**Resource Implications**

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The current funding allocation within the Capital Works budget is \$ 2,443,407.54 (includes current and future years as well as other identified variances) for these project works. With the tendered price and other costs associated with the delivery of this project a shortfall of \$ 2,100,000.00 has been identified.

Description	Amount	Notes
<b>MRC 2023-030 92115 Design and Construct Building Refurbishment - 8 River Street, Mackay</b>		
Expenditure to Date	\$ 40,076.04	22/23 actuals up to 10/05/2023
Contract Price	\$ 3,750,492.00	TF Woollam & Son Pty Ltd
Project risks	\$ 375,049.20	10% Contingency allowed
Council's costs	\$ 377,790.30	Below the line costs for council – Overheads, statutory fees, project management and supervision
<b>Estimated Cost of Project</b>	<b>\$ 4,543,407.54</b>	
<b>BUDGET</b>		
Budget for 2022/2023	\$ 66,406.54	
Budget for 2023/2024	\$ 2,377,001.00	Includes previous additional budget identified and included in LTFF calculations
<b>Budget Total</b>	<b>\$ 2,443,407.54</b>	
<b>BALANCE</b>	<b>- \$ 2,100,000.00</b>	Additional funding requested

Additional funding required for completion of this project is proposed to be allocated in the 2023/2024 financial year Capital Works budget to cover the total project spend, this additional funding is depicted in the table above.

### Risk Management Implications

The conditions of contract provide sufficient remedies and warranties to Council based on the risk profile of the services being provided. Many tasks within the schedule have been allocated as Provisional Sum items so as these items can be managed between council and the contractor to be carried out within the project budget.

The project team will work with the contractor to ensure that all relevant building and construction approvals are sourced and complied with. This will ensure construction will be carried out in a safe and environmentally friendly manner and also that the quality of the works will meet current standards.

The current state of the building is of concern to council and the project team and contractor will review the construction methodology to ensure that works are carried out in a safe manner to protect both the asset and the workers undertaking the works.

### Conclusion

On the recommendation of the evaluation panel, and their assessment against the qualitative criteria, awarding the contract to TF Woollam & Son Pty Ltd represents the most advantageous outcome to Mackay Regional Council as they have the experience, capacity and resources to complete the works to the quantity and quality as required by Council. Further, that support be given to awarding of this contract as part of a critical Council project, noting the requirement to allocate additional funding as part of the upcoming 2023/24 budget.

### Officer's Recommendation

THAT Council award contract MRC 2023-030 Design and Construct Building Refurbishment - 8 River Street, Mackay to TF Woollam & Son Pty Ltd for the total tendered price of \$3,750,492.00 (excl GST).

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Cr Bonaventura queried if Councillors would have the opportunity, once the staging was complete, to be provided with detailed designs.

The Director advised that there would be an opportunity to provide a briefing as the project proceeds.

**Council Resolution ORD-2023-141**

**THAT Council award contract MRC 2023-030 Design and Construct Building Refurbishment - 8 River Street, Mackay to TF Woollam & Son Pty Ltd for the total tendered price of \$3,750,492.00 (excl GST).**

**Moved Cr Seymour**

**Seconded Cr Englert**

**CARRIED UNANIMOUSLY**

Mayor Williamson returned to the meeting at 11.06 am and reassumed the role of Chair.

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**14. CONSIDERATION OF NOTIFIED MOTIONS****14.1. CONSIDERATION OF DECLARABLE CONFLICT OF INTEREST BY CR SEYMOUR AND A REQUEST TO SUPPORT HIS CONTINUED INVOLVEMENT IN THE PIONEER VALLEY MOUNTAIN BIKE PROJECT IN THE PUBLIC INTEREST DESPITE THIS IDENTIFIED CONFLICT**

<b>Author</b>	Executive Officer (David McKendry)
<b>Responsible Officer</b>	Chief Executive Officer (Scott Owen)
<b>File Number</b>	Councillors General

**Purpose**

To present a Notified Motion by Cr Russell Seymour related to consideration of a Declarable Conflict of Interest, and a request for approvals that it is in the public interest for Cr Seymour to still be involved in future discussions, engagement, and decisions related to the Pioneer Valley Mountain Bike project.

**Related Parties**

- Cr Russell Seymour
- Michael Seymour

**Corporate Plan Linkage**Financial Strength

*Ethical Decision-Making and Good Governance* - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

**Background/Discussion**

Under clause 6.3 of Council's Standing Orders, any Councillor can request that a matter be included on a Council meeting agenda.

Cr Seymour has requested that a Notified Motion as below be presented to Council allowing his continued involvement in the Pioneer Valley Mountain Bike project:

***THAT Council acknowledges the Declarable Conflict of Interest by Cr Seymour, the particulars of which are –***

- The name of the related party is Michael G Seymour***
- The nature of Cr Seymour's relationship with the related party is that of Brother.***
- The nature of the conflict is that the properties owned by Michael Seymour, being Lot 1 and 6373 Mackay Eungella Road Netherdale, are considered to be within the area potentially benefited by the Pioneer Valley Mountain Bike project***

***FURTHER THAT it is in the public interest that Cr Russell Seymour participate –***

- in any community engagement about the matter of the Pioneer Valley Mountain Bike project,***
- as a member of any advisory committees formed to discuss the matter of the Pioneer Valley Mountain Bike project.***



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*c) in any internal or external briefings convened to discuss the matter of the Pioneer Valley.*

*d) in the decision-making process about the matter, including by voting on the matter of the Pioneer Valley Mountain Bike related projects.*

**ALSO THAT the decision is made –**

*a) as it is not considered a reasonable person could have a perception of bias that Cr Seymour's brothers property located approximately 11Km from the Finch Hatton trail head site could be advantaged above other properties in the vicinity*

*b) as a reasonable person would trust that any decisions or involvement in the matter of the Pioneer Valley Mountain bike project by Cr Seymour could be successfully made in the public interest*

*c) noting Cr Seymour's extensive local knowledge of the flora, fauna, and surrounding landscape, would be of value to the project*

On advice, Cr Seymour has identified a Declarable Conflict of Interest due to this relationship and potential benefit to properties from the Pioneer Valley Mountain Bike project, and has excluded himself from any involvement with the project including making the associated declarations for Council meeting decisions.

Cr Seymour advises that he has extensive local knowledge of the flora, fauna, and surrounding landscape, and that his experience would be of value to the project.

Further, that in his opinion he does not believe a reasonable person could have a perception of bias that his brothers property located approximately 11Km from the Finch Hatton trail head could be advantaged above other properties in the vicinity, and therefore would be able to continue involvement in the project and successfully make decisions in the public interest.

As a Declarable Conflict of Interest, as well as the option of removal from all involvement is also the possibility for Council under section 150ES(3) of the *Local Government Act 2009 (Act)* to resolve that a Councillor may still participate in decisions despite the conflict of interest. Such consent can include conditions if necessary.

### **Consultation and Communication**

Cr Seymour

### **Resource Implications**

N/a

### **Risk Management Implications**

Conflict of Interest provisions are enacted to ensure public confidence in decision making. However, there is an option for Council to approve continued involvement, and as this is required to be made in a public meeting is considered a transparent decision.

### **Conclusion**

This report is simply providing the information as advised by Cr Seymour and as allowed under both Council's Standing Orders, and the *Regulation*. The Officers Recommendation for this Notified Motion report is simply that Cr Seymour's Notified Motion be considered.

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#### **Officer's Recommendation**

In accordance with the provisions of both Council's Standing Orders, and the Local Government Regulation 2012, the following advised Notified Motion be considered –

***THAT Council acknowledges the Declarable Conflict of Interest by Cr Seymour, the particulars of which are –***

- a) The name of the related party is Michael G Seymour***
- b) The nature of Cr Seymour's relationship with the related party is that of Brother.***
- c) The nature of the conflict is that the properties owned by Michael Seymour, being Lot 1 and 6373 Mackay Eungella Road Netherdale, are considered to be within the area potentially benefited by the Pioneer Valley Mountain Bike project***

***FURTHER THAT it is in the public interest that Cr Russell Seymour participate –***

- a) in any community engagement about the matter of the Pioneer Valley Mountain Bike project,***
- b) as a member of any advisory committees formed to discuss the matter of the Pioneer Valley Mountain Bike project.***
- c) in any internal or external briefings convened to discuss the matter of the Pioneer Valley.***
- d) in the decision-making process about the matter, including by voting on the matter of the Pioneer Valley Mountain Bike related projects.***

***ALSO THAT the decision is made –***

- a) as it is not considered a reasonable person could have a perception of bias that Cr Seymour's brothers property located approximately 11Km from the Finch Hatton trail head site could be advantaged above other properties in the vicinity***
- b) as a reasonable person would trust that any decisions or involvement in the matter of the Pioneer Valley Mountain bike project by Cr Seymour could be successfully made in the public interest***
- c) noting Cr Seymour's extensive local knowledge of the flora, fauna, and surrounding landscape, would be of value to the project***

#### **Council Resolution ORD-2023-142**

In accordance with the provisions of both Council's Standing Orders, and the Local Government Regulation 2012, the following advised Notified Motion be considered –

***THAT Council acknowledges the Declarable Conflict of Interest by Cr Seymour, the particulars of which are –***

- a) The name of the related party is Michael G Seymour***

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*b) The nature of Cr Seymour's relationship with the related party is that of Brother.*

*c) The nature of the conflict is that the properties owned by Michael Seymour, being Lot 1 and 6373 Mackay Eungella Road Netherdale, are considered to be within the area potentially benefited by the Pioneer Valley Mountain Bike project*

***FURTHER THAT it is in the public interest that Cr Russell Seymour participate –***

- a) in any community engagement about the matter of the Pioneer Valley Mountain Bike project,*
- b) as a member of any advisory committees formed to discuss the matter of the Pioneer Valley Mountain Bike project.*
- c) in any internal or external briefings convened to discuss the matter of the Pioneer Valley.*
- d) in the decision-making process about the matter, including by voting on the matter of the Pioneer Valley Mountain Bike related projects.*

***ALSO THAT the decision is made –***

- a) as it is not considered a reasonable person could have a perception of bias that Cr Seymour's brothers property located approximately 11Km from the Finch Hatton trail head site could be advantaged above other properties in the vicinity*
- b) as a reasonable person would trust that any decisions or involvement in the matter of the Pioneer Valley Mountain bike project by Cr Seymour could be successfully made in the public interest*
- c) noting Cr Seymour's extensive local knowledge of the flora, fauna, and surrounding landscape, would be of value to the project*

Moved Cr Seymour

Seconded Cr Englert

**CARRIED**

Cr May and Cr Green recorded their vote against the motion.

ORDINARY MEETING - 24 MAY 2023

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**15. PUBLIC PARTICIPATION**

**16. LATE BUSINESS**

Nil

**17. CONFIDENTIAL REPORTS**

**17.1. DRAFT MINUTES - INVEST MACKAY EVENTS AND CONFERENCE ATTRACTION PROGRAM  
ADVISORY COMMITTEE - 17 APRIL 2023**

**Confidential**

*Confidential Report to be forwarded separately.*

This report is **CONFIDENTIAL** in accordance with the Section 254J (3) (c) of the *Local Government Regulation 2012* which permits the meeting to be closed to the public to discuss a matter **relating to Council's budget**.

**Council Resolution ORD-2023-143**

**THAT the draft minutes of the Invest Mackay Events and Conference Attraction Program Advisory Committee meeting dated 17 April 2023 be received.**

**AND THAT funding as recommended by the Invest Mackay Events and Conference Attraction Program Advisory Committee for Item 4.1 be approved.**

**AND THAT funding as recommended by the Invest Mackay Events and Conference Attraction Program Advisory Committee for Item 5.1 be approved.**

**AND THAT funding as recommended by the Invest Mackay Events and Conference Attraction Program Advisory Committee for Item 6.1 be approved.**

Moved Cr Hassan

Seconded Cr May

**CARRIED UNANIMOUSLY**

**17.2. APPROVED CONCESSIONS UNDER THE FACILITATING DEVELOPMENT IN THE MACKAY  
REGION POLICY - APRIL 2023**

**Confidential**

*Confidential Report to be forwarded separately.*

This report is **CONFIDENTIAL** in accordance with the Section 254J (3) (c) of the *Local Government Regulation 2012* which permits the meeting to be closed to the public to discuss a matter **relating to Council's budget**.

**Council Resolution ORD-2023-144**

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**THAT the concessions approved under the Facilitating Development in the Mackay Region Policy are noted.**

**Moved Cr Townsend**

**Seconded Cr Mann**

**CARRIED UNANIMOUSLY**

**17.3. APPROVED SPONSORSHIP UNDER THE INVEST MACKAY EVENTS AND CONFERENCE ATTRACTION PROGRAM - APRIL 2023**

**Confidential**

*Confidential Report to be forwarded separately.*

This report is **CONFIDENTIAL** in accordance with the Section 254J (3) (c) of the *Local Government Regulation 2012* which permits the meeting to be closed to the public to discuss a matter **relating to Council's budget**.

**Council Resolution ORD-2023-145**

**THAT the sponsorship approved under the Invest Mackay Events and Conference Attraction Program are noted.**

**Moved Cr Green**

**Seconded Cr Englert**

**CARRIED UNANIMOUSLY**

**17.4. DRAFT MINUTES - INVEST MACKAY EVENTS AND CONFERENCE ATTRACTION PROGRAM ADVISORY COMMITTEE - 8 MAY 2023**

**Confidential**

*Confidential Report to be forwarded separately.*

This report is **CONFIDENTIAL** in accordance with the Section 254J (3) (c) of the *Local Government Regulation 2012* which permits the meeting to be closed to the public to discuss a matter **relating to Council's budget**.

Cr Mann declared a Declared conflict of interest in this matter (as per Chapter 5B of the Local Government Act 2009) and left the meeting at 11.22 am.

**Council Resolution ORD-2023-146**

**THAT the draft minutes of the Invest Mackay Events and Conference Attraction Program Advisory Committee meeting dated 8 May 2023 be received.**

**AND THAT funding as recommended by the Invest Mackay Events and Conference Attraction Program Advisory Committee for Item 4.1 be approved.**

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**AND THAT funding as recommended by the Invest Mackay Events and Conference Attraction Program Advisory Committee for Item 4.2 be approved.**

**AND THAT funding as recommended by the Invest Mackay Events and Conference Attraction Program Advisory Committee for Item 5.1 be approved.**

**AND THAT funding as recommended by the Invest Mackay Events and Conference Attraction Program Advisory Committee for Item 5.2 be approved.**

**Moved Cr May**

**Seconded Cr Englert**

**CARRIED UNANIMOUSLY**

Cr Mann returned to the meeting at 11:23 am.

#### **18. MEETING CLOSURE**

Meeting closed at 11:23 am.

#### **19. FOR INFORMATION ONLY**

##### **19.1. DEVELOPMENT APPLICATIONS - APRIL 2023**

ORDINARY MEETING - 24 MAY 2023

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Confirmed on Wednesday 21 June 2023.

.....  
MAYOR

**8. BUSINESS ARISING OUT OF PREVIOUS MINUTES**

**9. MAYORAL MINUTES**

Nil

**10. CONSIDERATION OF COMMITTEE REPORTS & RECOMMENDATIONS**

**10.1. LOCAL DISASTER MANAGEMENT GROUP (LDMG) MINUTES - 8 MAY 2023**

<b>Author</b>	Emergency Management Co-ordinator (Kristie Brown)
<b>Responsible Officer</b>	Director Community & Client Services (Janine McKay)
<b>File Number</b>	LDMG
<b>Attachments</b>	1. MINUTES - LDMG Meeting - 8 May 2023 [ <b>10.1.1</b> - 4 pages]

**Purpose**

To present to Council the Local Disaster Management Group (LDMG) Minutes of the meeting held on 8 May 2023 for information purposes.

**Related Parties**

n/a

**Corporate Plan Linkage**

Priority: Community Health & Wellbeing

*Strategy: Disaster preparedness* - Build community preparedness and responsiveness to emergencies and natural disasters.

**Officer's Recommendation**

THAT the Minutes of the Local Disaster Management Group Meeting of 8 May 2023 be received.

**Council Resolution ORD-2023-150**

**THAT the Minutes of the Local Disaster Management Group Meeting of 8 May 2023 be received.**

**Moved Cr May**

**Seconded Cr Englert**

**CARRIED UNANIMOUSLY**



## MACKAY LOCAL DISASTER MANAGEMENT GROUP MEETING

Monday, 8 May 2023, 1.00pm


MRC: Reception Room & Microsoft Teams Teleconference

### MINUTES

Meeting Opened: 1:02pm

ATTENDEES	
AGENCY	NAMES
Mackay Regional Council	Cr Greg Williamson
	Scott Owen
	Cr Fran Mann
	Angela Hays
	Jason Devitt
	Mark Sleeman
	Kristie Brown
	Vicki Booth
CQ Rescue	Rebecca Wiseman
Dalrymple Bay Coal Terminal	Sam Franettovich
Department of Communities, Housing and Digital Economy	Scott Green
Department of Education	Rod Wood
Mackay Hospital and Health Service (MHHS)	Claire Molloy
Mackay Mater Hospital	Holly Gillespie
Marine Safety Queensland	Matthew Cummings
NBN Co	Mick Allen
North Queensland Bulk Ports	Anthony Lee
North Queensland Primary Health Network	Nicola Hall
Queensland Ambulance	Jamie Cunningham
Queensland Fire and Emergency Services (QFES)	Darryl Youngberry, Patrick McGuire, Carla Duck
Queensland Fire and Emergency Services (QFES) – Guest Speaker	Jennifer Kerr (Brisbane)
Queensland Police Service (QPS)	Mark Lewer, Jeremy Novosel
State Development, Infrastructure, Local Government & Planning	Yolanda Smith
State Emergency Services (SES)	Alex McPhee

APOLOGIES	
AGENCY	NAMES
Mackay Regional Council	Cr Karen May, Aletta Nugent, Brenton Niemz
Ergon	Jade Hammer, Dan Chilcott
Reef Catchments	Katrina Dent
Mackay Airport	Philip Clark, Adrian Miles
North Queensland Primary Health Network	Colleen Watkins
Queensland Police Service (QPS)	Mitch Benson
Red Cross	Frank Frazer
State Development, Infrastructure, Local Government & Planning	Nikki Wright

TOPIC	
1	<p><b>WELCOME</b> – Chair – Mayor, Cr Greg Williamson</p> <p>The Chair thanked everyone for their attendance at this LDMG meeting and acknowledged the Traditional Custodians of the land we met and in the Mackay region this is the Yuwi people.</p> <p>Additional Apologies noted above</p>
2.	<p><b>MINUTES OF PREVIOUS MEETING</b></p> <ul style="list-style-type: none"> <li>No business arising from the minutes dated 6 March 2023.</li> </ul> <p><b>Moved:</b> Kristie Brown      <b>Seconded:</b> Mark Sleeman      <b>CARRIED</b></p>
3.	<p><b>ACTION LIST</b></p> <p>Nil</p>
4.	<p><b>CORRESPONDENCE</b></p> <p>Outwards correspondence was received and noted by the LDMG.</p>
<b>AGENDA ITEMS:</b>	
5.	<p><b>PRESENTATION ON THE AUSTRALIAN WARNING SYSTEM (AWS) – Jennifer Kerr (QFES)</b></p> <ul style="list-style-type: none"> <li>Suite of templates that are dependent on the Hazard/Action to help with consistency in messaging on: <ul style="list-style-type: none"> <li>Advice, Watch and Act, Emergency Warning</li> </ul> </li> <li>Community focused actions people should take to be safe for that hazard at that time</li> <li>Highlighting that this is NOT replacing or duplicating weather warnings <ul style="list-style-type: none"> <li>BoM will keep issuing weather warnings</li> <li>AWA warnings will be issued by hazard management agencies – eg if it's a heatwave, Health is the lead agency</li> </ul> </li> <li>There will be a national advertising campaign later this year which will include the warning icons</li> <li>Encourage all to subscribe to the AWS newsletter to keep up to date – <a href="mailto:QFES.AWS@qfes.qld.gov.au">QFES.AWS@qfes.qld.gov.au</a> or by scanning the below QR code.</li> </ul>  <p>Chair thanked Jennifer for the presentation which was well received by the group</p> <p><i>A copy of the presentation will be sent as a separate attachment to the minutes</i></p>
6.	<p><b>NBN CO UPDATE – Mick Allen (NBN Co)</b></p> <ul style="list-style-type: none"> <li>Presentation Fibre &amp; Fixed Wireless Network Upgrades for our local area</li> <li>Very important to remember that NBN are a wholesaler and not a direct supplier to end user</li> <li>Useful links: <ul style="list-style-type: none"> <li>Check your address: <a href="http://www.nbnco.com.au/connect-home-or-business/check-your-address">www.nbnco.com.au/connect-home-or-business/check-your-address</a></li> <li>NBN Rollout map: <a href="http://www.nbnco.com.au/learn/rollout-map">www.nbnco.com.au/learn/rollout-map</a></li> <li>Find out when you can upgrade to fibre: <a href="http://www.nbnco.com.au/residential/upgrades/more-fibre">www.nbnco.com.au/residential/upgrades/more-fibre</a></li> <li>Updates of suburbs announced for fibre: <a href="http://www.nbnco.com.au/corporate-information/media-centre/media-statements/nbnco-announces-suburbs-and-towns-where-an-additional-ninty-thousand-homes-and-businesses-will-become-eligible-for-fibre-upgrades">www.nbnco.com.au/corporate-information/media-centre/media-statements/nbnco-announces-suburbs-and-towns-where-an-additional-ninty-thousand-homes-and-businesses-will-become-eligible-for-fibre-upgrades</a></li> <li>Home Internet Helper: <a href="http://www.nbnco.com.au/learn/optimisation/in-home-optimisation">www.nbnco.com.au/learn/optimisation/in-home-optimisation</a></li> <li>Aust. Govt Scams Watch: <a href="http://www.scamwatch.gov.au">www.scamwatch.gov.au</a></li> <li>Regional Tech Hubs: <a href="#">Home • Regional Tech Hub</a></li> <li>NBN OSCAR tool: <a href="http://Feedback (Humanlistening.com)">Feedback (Humanlistening.com)</a></li> </ul> </li> </ul> <p>Chair thanked Mick for the presentation which was well received by the group</p> <p><i>A copy of the presentation will be sent as a separate attachment to the minutes</i></p>

7.	<p><b>CYCLONE SATURDAY November 2023 – Kristie Brown (MRC)</b></p> <p>Kristie advised the group that we have some funding so will be expanding the space this year. This will allow us to accommodate more of our Local Disaster Management Group Members. We will be sending out expressions of interest to join us later in the year, remembering that this is an opportunity to showcase to the community what services you have to help them to better prepare for disasters – Preparedness, Prevention, Recovery and Response.</p>
8.	<p><b>EMERGENCY LIAISON OFFICER (ELO) PROGRAM REFRESH – Kristie Brown (MRC)</b></p> <ul style="list-style-type: none"> <li>▪ Kristie explained to the group of how the program began and where it is today: <ul style="list-style-type: none"> <li>○ Following unprecedented weather events in 2010-11 the ELO program was introduced.</li> <li>○ Currently have 17 ELO's in 10 community areas</li> <li>○ Interest received from other area's</li> <li>○ ELO's are eyes and ears on the ground for the Emergency Management Team/Local Disaster Coordination Centre</li> </ul> </li> <li>▪ What is happening moving forward: <ul style="list-style-type: none"> <li>○ Current Terms of Reference will be reviewed</li> <li>○ Incorporate the ELO's into the MRC Volunteer Strategy which is to be reviewed. <ul style="list-style-type: none"> <li>▪ Current ELO position description and agreement will change in line with the MRC Volunteer Strategy</li> </ul> </li> <li>○ When this has all been completed, we will be able to grow the ELO program and target other isolated areas of the Mackay LGA: <ul style="list-style-type: none"> <li>▪ Recruitment strategy</li> <li>▪ Advertising</li> <li>▪ Training of new and existing ELO's</li> </ul> </li> </ul> </li> <li>▪ Growing the program will result in increasing the community's resilience threshold to disasters – exciting times ahead</li> </ul>
9.	<p><b>REPORTING: Agency Status Reports</b></p> <p>Comments:</p> <ul style="list-style-type: none"> <li>▪ <b>DoE</b>, Rod Wood - report <ul style="list-style-type: none"> <li>○ Chair asked whom reviews the Response plans, Rod advised that others in his team do – they all work off the same template which ensures there is consistency, and they update their individual contacts etc</li> </ul> </li> <li>▪ <b>NQBP</b>, Anthony Lee – report <ul style="list-style-type: none"> <li>○ Further discussions on the stricken vessel off the coast. Chair asked if the case study/full report could come back through to the LDMG</li> </ul> </li> <li>▪ <b>QFES</b>, Carla Duck – report <ul style="list-style-type: none"> <li>○ Carla introduced the A/Inspector, Patrick McGuire who is replacing Scott Campbell</li> </ul> </li> <li>▪ <b>NBN Co</b>, Mike Allen – report: <ul style="list-style-type: none"> <li>○ Nothing further to add from the submitted report</li> </ul> </li> <li>▪ <b>SES</b>, Alex McPhee - report: <ul style="list-style-type: none"> <li>○ There are 7 local SES volunteers currently completing training on Drones.</li> </ul> </li> <li>▪ <b>MRC EMC</b>, Kristie Brown – report: <ul style="list-style-type: none"> <li>○ Exploring an opportunity to work on a collaborative project with a major shopping chain to aid communities in being better prepared for disasters.</li> </ul> </li> </ul> <p>Chair called for any adhoc reports:</p> <ul style="list-style-type: none"> <li>▪ <b>QPS</b>, Jeremy Novosel - update: <ul style="list-style-type: none"> <li>○ BAU</li> </ul> </li> <li>▪ <b>QPS</b>, Mark Lewer - update: <ul style="list-style-type: none"> <li>○ Transition of agencies – no updates</li> <li>○ BAU</li> <li>○ Review of plans underway</li> </ul> </li> <li>▪ <b>QAS</b>, James Cunningham <ul style="list-style-type: none"> <li>○ BAU</li> </ul> </li> </ul> <p>Noted that Ergon Energy, Mater Private Hospital, Mackay Health &amp; Hospital Services, Mackay Airport and Maritime Safety Qld submitted status reports.</p>
	<p><b>DISASTER MANAGEMENT TRAINING FOR LDMG MEMBERS – Carla Duck (QFES)</b></p> <p>It is important that if you are a representative on the LDMG for your organisation (primary or proxy) you must have the necessary training and skills to do so.</p> <p><b><u>RECOMMENDATION</u></b></p>

	<p>To be noted.</p> <p>If you require further training or unsure of what training you may require, please contact QFES Emergency Management Coordinator <a href="mailto:carla.duck@qfes.qld.gov.au">carla.duck@qfes.qld.gov.au</a>.</p>
	<p><b>GENERAL BUSINESS:</b></p> <ul style="list-style-type: none"> <li>▪ The Emergency Management team will be sending out the Mackay Local Disaster Management Plan and the Resupply Subplan to the group for review and feedback in the coming months.</li> </ul>
	<p><b>NEXT MEETING</b></p> <ul style="list-style-type: none"> <li>▪ <b>Monday 3<sup>rd</sup> July 2023</b></li> </ul> <p><b>Future Meetings 2023:</b></p> <ul style="list-style-type: none"> <li>▪ Monday, 9th October</li> <li>▪ Monday 4th December</li> </ul> <p><u>Public Holidays 2023</u> – 22 June Mackay Show Holiday, 2 October Kings Birthday.</p> <p><u>School Holidays 2023</u> – 23 June to 10 July, 15 Sept to 3 October, 8 December</p>
	<p>Chair thanked all for their attendance and contribution to the meeting. Also reminded all that we need to be aware of the events coming up in our region along with the influx of people.</p> <p><b>MEETING CLOSED at 1.55pm</b></p>

## 10.2. DRAFT MINUTES - SUSTAINABILITY ADVISORY COMMITTEE MEETING - 12 MAY 2023

**Author** Director Development Services (Aletta Nugent)  
**Responsible Officer** Director Development Services (Aletta Nugent)  
**File Reference** SPSUS-002

**Attachments** 1. Draft Minutes - Sustainability Advisory Committee - 12 May 2023 [10.2.1 - 4 pages]

### Purpose

For Council to receive the draft minutes of the Sustainability Advisory Committee meeting held on 12 May 2023.

### Related Parties

- Linked Group Services - Jason Sharam
- Dalrymple Bay Coal Terminal (DBCT) – Ricci Churchill
- North Queensland Bulk Ports (NQBP) – Luke Galea
- Sugar Research Australia (SRA) – Dylan Wedel
- Reef Catchments – Katrina Dent
- Tyson Willoughby
- Alison Darley

### Corporate Plan Linkage

#### Community and Environment

Sustainable Practices - We are responsible and active custodians of our natural environment, with future targets and commitments aimed at driving us towards a cleaner, greener and more sustainable region. Climate change will continue to be a consideration in forward planning and we will continue to implement sustainability initiatives in council operations.

### Officer's Recommendation

THAT the draft minutes of the Sustainability Advisory Committee meeting held on 12 May 2023 be received.

### Council Resolution ORD-2023-151

**THAT the draft minutes of the Sustainability Advisory Committee meeting held on 12 May 2023 be received.**

**Moved Cr May**

**Seconded Cr Jones**

**CARRIED UNANIMOUSLY**



## Minutes Sustainability Advisory Committee

<b>Purpose:</b>	Provide executive oversight and support for implementation of the <a href="#">Environmental Sustainability Strategy 2017-2025</a> .		
<b>Date:</b>	12 May 2023	<b>Time:</b>	10.00am – 12.00pm
		<b>Venue:</b>	Reception Room
<b>Chairperson:</b>	Councillor Karen May (CKM), Deputy Chairperson Councillor Alison Jones (CAJ)		
<b>MRC Attendees:</b>	Councillor Michelle Green, Director Development Services - Aletta Nugent (AN), Tracie Harvison (TH) on behalf of Manager Parks & Environment - Max Corte (MC), Sustainability Advisor - Michael Hewerdine (MH), Acting Manager Strategic Planning - Jay Rosenberg (JR), Principal Planner - Philip Grobler (PG), Tabitha Cocup (TC)		
<b>External Representatives:</b>	District Manager Sugar Research Australia - Dylan Wedel (DW), CEO Reef Catchments - Katrina Dent (KD), Manager Risk & Environment Dalrymple Bay Coal Terminal - Ricci Churchill (RC), Individual Representative - Tyson Willoughby (TW)		
<b>Apologies:</b>	Individual Representative - Alison Darley (AD), Environmental Coordinator North Queensland Bulk Ports - Luke Galea (LG), Managing Director Linked Group Services - Jason Sharam (JS),		

Item No. / Requestor		Discussion	Actions
1.	Standing Item	<b>Welcome, Acknowledgement of Country &amp; Apologies</b>	
	1.1	<ul style="list-style-type: none"> <li>Acknowledgement of Country</li> <li>Chair welcomed attendees to the newly formed committee</li> <li>Chair noted good response to EOI, and thanked members for their interest and commitment to committee</li> <li>Apologies noted</li> <li>Each member introduced themselves</li> </ul>	
2.	Standing Item	<b>Conflicts of Interest Declaration</b>	
	2.1	<ul style="list-style-type: none"> <li>Nil declared</li> </ul>	
3.	Standing Item	<b>Adoption of Previous Minutes</b>	
	3.1	<ul style="list-style-type: none"> <li>Nil as first meeting of new committee</li> </ul>	
4.	Standing Item	<b>Outstanding Action Items</b>	



	4.1	<ul style="list-style-type: none"> <li>Nil as first meeting of new committee</li> </ul>	
5.	<b>Standing Item</b>	<b>Strategic Funding Opportunities</b>	
	5.1	<ul style="list-style-type: none"> <li></li> </ul>	
6.	<b>Standing Item</b>	<b>Presentations</b>	
	6.1	<ul style="list-style-type: none"> <li>Environmental Sustainability Strategy Update</li> </ul>	<b>Action:</b> <ul style="list-style-type: none"> <li>TC to circulate Presentation (attached to Minutes)</li> </ul>
7.	<b>Standing Item</b>	<b>Agenda Items</b>	
	7.1	<ul style="list-style-type: none"> <li>Sustainability Advisory Committee - Terms of Reference discussed and roles and responsibilities explained</li> </ul>	<b>Action:</b> <ul style="list-style-type: none"> <li>TC to circulate Terms of Reference (attached to Minutes)</li> </ul>
	7.2	<p><u>Item:</u> Update on Environmental Sustainability Strategy</p> <ul style="list-style-type: none"> <li>Strategy was extended to 2025 (2017-2025)</li> <li>Strategy has a governance structure, including role of Sustainability Advisory Committee</li> <li>There are five working groups with deliverables: <ul style="list-style-type: none"> <li>Energy and Carbon Working Group</li> <li>Corporate Resource Recovery Plan / Regional Waste Strategy</li> <li>Natural Assets and Biodiversity Working Group</li> <li>Climate Risk Working Group</li> <li>Corporate Strategy Working Group</li> </ul> </li> </ul> <p><u>Minutes:</u></p> <ul style="list-style-type: none"> <li>PG provided background on progress with strategy implementation, and deliverables of each working group</li> <li>It was noted the Council approved 2 policies in 2022, that is related to the Environmental Sustainability Strategy – i.e. Corporate Environmental Sustainability (23/11/22) &amp; Climate Change (26/10/2022)</li> <li>Strategy can be accessed on Council's website (see link)</li> <li>Presentation to be circulated with Minutes</li> </ul>	<b>Action:</b> <ul style="list-style-type: none"> <li>TC to circulate Environment &amp; Sustainability Strategy</li> </ul> <p>Council Website link:  <a href="#">Mackay Regional Council - Environmental Sustainability Strategy 2017-2025</a></p> <ul style="list-style-type: none"> <li>TC to circulate presentation on update on Environmental Sustainability Strategy (attached to Minutes)</li> </ul>
	7.3	<p>Ideas for topics for meetings in 2023:</p> <ul style="list-style-type: none"> <li>CKM raised the pumped hydro project and asked if there was interest from the group to seek a presentation</li> <li>CAJ raised the Bowen River Utility Group project, Capricornia Energy Hub, located in Eungella via private enterprise on private land</li> <li>RC raised seeking a presentation from GW3 on circular economy projects/decarbonisation strategy</li> </ul>	<b>Action:</b> <ul style="list-style-type: none"> <li>CKM to seek pumped hydro presentation</li> <li>CAJ to seek Capricornia Energy Hub presentation</li> </ul>



		<ul style="list-style-type: none"> <li>CKM raise bio-food project run by Dept State Development and seeking presentation to group for a future meeting</li> <li>DW raised potential presentation from Mackay Sugar on sustainability concerns and sustainable product development opportunities that may be beneficial to Committee.</li> </ul>	<ul style="list-style-type: none"> <li>TC to seek presentation of circular economy from GW3</li> <li>CKM to seek presentation on bio-food project</li> <li>DW to present on Mackay Sugar on sustainability.</li> </ul>
<b>8.</b>	<b>Standing Item</b>	<b>General Business</b>	
	8.1	<p><b><u>Stakeholder updates</u></b></p> <ul style="list-style-type: none"> <li><b><u>DBCT</u></b> <ul style="list-style-type: none"> <li>Purchase power agreement (PPA) for electricity supply 100% renewable from 1 January 2023</li> <li>Completed materiality assessment of DBCT non-financial risks as driven by Environment, Social and Governance (ESG) reporting. 'Materiality assessment' identifies social and environmental topics that matter most to the business and stakeholders. It applies a sustainability lens to business risk, opportunity, trends and enterprise risk management. 98% of DBCT emissions are scope 1 and 2, with remaining 2% attributed to fuel use.</li> <li>Improving waste recycling, but issues with disposing specific products (i.e. conveyor belts)</li> <li>Next 12 months seeking partnerships particularly around waste, working with other networks, and <u>would appreciate liaison with MRC on waste projects</u></li> <li>Vehicle fleet transition plan, but finding availability of EV/hybrid vehicles difficult</li> <li>DBCT will be presenting at upcoming Resource Industry Network safety conference 26 May 2023</li> <li>Biodiversity Accounting considered this financial year, with NQBP, due to strategic port land</li> <li><b><u>NOTE:</u></b> Sustainability projects are run within DBCT with Ricci (Sustainability specialist) and other position, with reliance on internal working groups.</li> </ul> </li> <li><b><u>Reef Catchments</u></b> <ul style="list-style-type: none"> <li>Reviewed its strategic plan 2023, which is available on website.</li> <li>ESG policy developed with action plan being developed.</li> <li>Federal Reef Funding of \$1 billion (of which \$200m has been allocated), and working with operators on projects that will be utilised within region that aligns to 2050 Reef Guardian programme. This includes opportunities around reef and water quality investment in a regional approach.</li> <li>Liaising with Queensland State Government on reef investment</li> <li>Exploring funding opportunity on biodiversity</li> <li>Sustainable agriculture projects and priorities being discussed, although not well defined.</li> <li>Natural Asset Accounting being worked through.</li> <li><b><u>NOTE:</u></b> Reef catchment are also impacted by resourcing and recruitment challenges – a number of positions being advertised.</li> <li><b><u>NOTE:</u></b> DW offered to present to Reef Catchment groups, particularly on irrigation projects</li> </ul> </li> </ul>	





		<ul style="list-style-type: none"> <li>• <u>Sugar Research Australia</u> <ul style="list-style-type: none"> <li>○ Dealing with exploring alternative poisons for cane grub – as current use of imidacloprid has recognised negative impacts. Water Quality project assessing alternate pest management products.</li> <li>○ Lifecycle assessment for the sugar industry - including carbon emission assessments, particularly from fertiliser and diesel use</li> <li>○ Strategic plan level investigation of bio futures, alternate products from biproducts and sustainable aviation fuel product development</li> <li>○ Biofutures – Sugar Research involved in proposal on government funding to support biofutures, and can provide update at next Sustainability Advisory Committee</li> </ul> </li> <li>• <u>Linked Group</u> <ul style="list-style-type: none"> <li>○ Nil as apology</li> </ul> </li> <li>• <u>NQBP</u> <ul style="list-style-type: none"> <li>○ Nil as apology</li> </ul> </li> <li>• <u>MRC</u> <ul style="list-style-type: none"> <li>○ In addition to presentation on Environmental Sustainability Strategy:</li> <li>○ Reef Guardian Council Funding discussed</li> <li>○ EV trial, underway as part of transport fleet transition plan – trial to procure initial EVs and improve charging network on Council land as part of EV trial.</li> <li>○ Federal Grant opportunities being investigated re. EV charging network</li> <li>○ Currently recruiting for senior sustainability position</li> </ul> </li> <li>• <u>Reef Guardian Councils</u> <ul style="list-style-type: none"> <li>○ Reef Snapshot - summer addition released this week. TC to circulate.</li> </ul> </li> </ul>	
9.	Standing Item	Next Meeting	
	9.1	<ul style="list-style-type: none"> <li>• 4 August 2023</li> </ul>	TC to send meeting invite to external members.

Meeting closed: 11.39am

Minutes Recorded by: Tabitha Cocup

## 11. CORRESPONDENCE AND OFFICER'S REPORTS

### 11.1. OFFICE OF THE MAYOR AND CEO

#### 11.1.1. MAYOR'S MONTHLY REVIEW REPORT

<b>Author</b>	Mayor (Greg Williamson)
<b>Responsible Officer</b>	Mayor (Greg Williamson)
<b>File Reference</b>	DMRR

#### **Attachments**

1. Mayoral Monthly Report - May- June 2023 [11.1.1.1 - 7 pages]

#### **Purpose**

To provide Council with the Mayor's Monthly Review Report for the month of May/June 2023.

#### **Related Parties**

Nil

#### **Officer's Recommendation**

THAT the Mayor's Monthly Review Report for May/June 2023 be received.

Cr Jones noted that Mayor Williamson had met with Minister Mick de Brenni and queried if it was still intended that the Minister provide a briefing to the whole Council about the Pioneer Burdekin Project.

Mayor Williamson noted that the meeting had not been a briefing about the Project and would ask the Minister for a briefing to Council.

#### **Council Resolution ORD-2023-152**

**THAT the Mayor's Monthly Review Report for May/June 2023 be received.**

**Moved Cr Jones**

**Seconded Cr May**

**CARRIED UNANIMOUSLY**

# MAYORAL MONTHLY REVIEW REPORT MAY/JUNE 2023



Mayor Greg Williamson



# SUMMARY OF CONTENT

Key Events Attended

Key Events Attended – Points of Note

Key Meetings Held

Key Meetings Held – Points of Note

# KEY EVENTS ATTENDED

## Listing of key events attended as Mayor representing council

- Speaker at Mackay Region Chamber of Commerce B2B Brews
- Hosted Year 11 Tourism Studies Students from Mackay State High School at Council
- Opened Accessible Active Living Seminar
- Judged JCU Science and Engineering Challenge and Present Trophies
- Speaker at DV Candle Lighting Ceremony
- Meet and Greet with Mark Berg from Mark Berg Fishing Addiction as part of Sooty Grunter World Championships in Mackay
- Attended JCU Traditional Naming Celebrations
- Attended RIN May Industry Briefing
- Opened Zach Mach 2023 Challenge
- Hosted Mayor's Charity Ball
- Launched 5<sup>th</sup> Shawn Claydon Memorial Run
- Speaker at Mackay Volunteers Thank You Breakfast and Expo
- Speaker at Young Mayors Election Celebration
- Speaker at Rats of Tobruk Commemoration Ceremony
- Speaker at St Mary's Primary School about My Legendary Neighbour
- Launched Cherry Tree Creek Signage as part of Botanic Gardens 20-year celebrations
- Attended ESA International Alpha Rho Mackay Branch 28<sup>th</sup> Annual Changeover Dinner
- Opened Jayco Italian Festival
- Presented awards at Eimeo Surf Life Saving Club 2023 Awards Dinner
- Provided Welcome at Veteran Car Rally
- Speaker at Mackay and Whitsundays Family Law Pathways Network Hypothetical
- Speaker at Chamber of Commerce Small Business Month Event
- Attended SES Volunteers Celebratory BBQ
- ABC Mayoral Talkback
- Speaker at Friends of the MECC Lunch
- Speaker at Mackay Isaac Tourism Annual Volunteer Recognition Event
- Officially Opened Artspace Exhibition Fire and Ash
- Speaker at Great Barrier Reef Arena Grand Opening



## KEY EVENTS ATTENDED

- Delivered welcome at the Inaugural Melbourne Mackay Bonza Celebration
- Attended Bowen Basin Mining Club Networking Luncheon
- Attended LGMA Awards Ceremony Event
- Hosted Marian State School Tour at Council
- Speaker at ATSICHS Sorry Day
- Speaker at RIN 2023 Safety Conference
- Speaker at Botanic Gardens 20 Year Celebration and Open Day
- Mackay Says No to Domestic Violence Free Family Fun Day
- Presentation of Cheques to Mayor's Charity Ball Recipients
- Carried the Legacy Torch in the Mackay Relay leg
- Hosted National Reconciliation Week Morning Tea
- Attended New REMAX Business Launch Function
- Guided Walk at Botanic Gardens with Garden Designer Lawrie Smith
- Participated in Mackay Isaac Tourism Roundtable with Minister Stirling Hinchcliffe MP
- Speaker at ATSI Community Health Mabo Day Celebrations
- Speaker at Red Shield Appeal 2023 Launch
- Hosted Formal Reception for the 1943 Bakers Creek Crash Victims Families
- Delivered welcome at Live with the Legends BMA Mackay Marina Run
- Welcomed Indigenous Marathon Foundation – RAW Championship Relay
- Attended Catholic Women's League Biennial Diocesan Conference Mass
- Delivered welcome at Marina Marathon Mitsubishi Development Dinner
- Speaker at Dawn Service for 80<sup>th</sup> Anniversary of Bakers Creek Memorial
- Speaker at BMA Mackay Marina Run Presentations
- Speaker and present awards at GW3 Professional Grant and Tender Services Network
- Conduct Queensland Day Citizenship Ceremony and swear in 85 new citizens
- Launch Prof Clive Moore's book : The River: Mackay in the Nineteenth Century
- Officially Open Whitsunday STEM
- Attended RIN June Industry Briefing
- Speaker and present awards at Whitsunday STEM Pedal Prix Trophy Presentation
- Participated in Pioneer Valley Pro-Am and Pioneer Valley North Qld Series Presentation
- Perform Pioneer Valley Mountain Bike Trailhead Finch Hatton Sod-Turning
- Speaker at Selectability Suicide Prevention Event
- Deliver welcome at QCWA 2023 State Council meeting Morning Tea
- Attended Report Presentation of Scout Association of Australia Qld Branch Central Coast Region Hibiscus Coast District

# KEY EVENTS ATTENDED - POINTS OF NOTE

**From the listing of key events attended, the following are listed as points of note**

## **Mayor's Charity Ball**

This was the best Ball yet in terms of numbers. It was a sell-out and the supporters had a fabulous night. Our MECC staff did an outstanding job and the venue perfectly reflected the Cuban Nights theme. Most importantly, the evening was about raising money for our two charities – Australian Street Aid in support of the homeless in Mackay, and Ronald Macdonald Rooms at Mackay Base Hospital. Each of the charities received \$45,500.00 after we had to take out GST. The Charity Ball has now raised over \$1M for local charities since it started. The Ball is now organised by a community committee who should be very proud of their volunteer efforts. Our heartfelt thanks go to the major sponsors who underpin the fundraising efforts each year.

## **Legacy Torch Relay**

On Anzac Day this year the Australian Legacy torch was lit at Pozieres in France to mark 100 years of Legacy. The torch began its journey in the European battlefields, was paraded before the King in London and made its way to Australian shores. Mackay was a relay leg for the torch's 50,000km journey to raise awareness about Legacy, a uniquely Australian organisation which exists to ensure no spouse or child of an Aussie Veteran suffers financially or socially after the death or disablement of their loved one. The patron of Legacy Mackay is Keith Payne VC who was the first person in Mackay to carry the torch. I was privileged to be one of the 24 torch carriers in the Mackay leg.

It is a sobering fact to realise that Legacy in Mackay cares for 140 widows and there are 43,000 total beneficiaries in Australia.

## **Young Mayors Program**

Mackay Regional Council became the first Council in Australia to team up with the Melbourne based Foundation for Young Australians (FYA) to realise the first democratically elected youth council in the nation. When we conducted the Youth Out Loud program over the last year we collected 1000 opinions of our young people. Overwhelmingly they told us they wanted a voice in their community. This program delivers just that. In an election overseen by the Queensland Electoral Commission 21 young people ran for the council. 12 were elected on voting day via ballot boxes at schools and in community facilities. FYA are supplying some seed funding and our Council will provide mentoring when they start their meeting schedule. Has been a fantastic program so far.

## **Queensland Day Citizenship Ceremony**

One of the best things I do as Mayor is to administer the Oath or Affirmation to candidates for citizenship which is the last step in their process to become an Aussie. On Queensland Day we created 85 new Australians here in the Mackay region from 19 different countries around the world. One young lady was from Kiev in Ukraine and while she was overjoyed at becoming an Aussie, her angst over her family still in Kiev was profound.

We have looked back 10 years at the citizens we have created here in Mackay, and they have come from an incredible 98 countries. We are truly a multicultural community.

# KEY MEETINGS HELD

## Listing of key meetings attended as Mayor representing council

- Mackay Showgrounds Trustees Meeting
- Minister Mick de Brenni re Pioneer Burdekin Project
- Pioneer Valley Mountain Bike Trial Community Update Session in Finch Hatton
- Mayor's Domestic Violence Taskforce Meeting
- Mackay Local Disaster Management Group Meeting
- GW3 Board Meeting
- Greater Whitsunday Council of Mayors Meeting
- Meeting with State Member for Whitsunday, Ms Amanda Camm MP and Shadow Minister for State Development, Infrastructure and Planning, Mr Jarrod Bleijie MP
- Mackay Community Foundation Board Meeting
- Meeting with Minister Stirling Hinchcliffe MP
- Minister Hinchcliffe's Tourism Round Table
- Meeting with Deputy Commissioner Shane Chelepy
- Meeting with Q Shelter



## KEY MEETINGS HELD - POINTS OF NOTE

**From the listing of key meetings held, the following are listed as points of note**

### **Minister Hinchcliffe's Tourism Round Table**

A fruitful meeting attended by the Board and CEO of Mackay Isaac Tourism, the CEO of Isaac Regional Council, the CEO of Mackay Regional Council along with the Minister and his senior staffers. The meeting discussed potential tourism opportunities for Mackay like Cruise Ship visits and the infrastructure, product development and marketing needed to support ventures like that. The CEO of Mackay Isaac Tourism outlined some exciting marketing plans for the region and detailed the success of the region with some impressive figures supporting the growth of our domestic tourism.

The meeting had a lengthy discussion on the issues facing the industry over labour shortages, attraction and retention of staff. As with most industry sectors finding a place to live for any staff that may be attracted to the region is a real problem. As we indicated, Council has 4000 domestic house blocks approved, but with the state of the economy making house building very risky, there has been a serious drop off in new house builds.

### **Meeting with Deputy Commissioner Shane Chelepy**

All our elected members, the Mayor of Isaac Regional Council and the Mayor of Whitsunday Regional Council met at Council to hear the State Disaster Coordinator Deputy Commissioner Shane Chelepy outline the Queensland Disaster Management reforms scheduled for the next 12 months. Our thrust was to understand the challenges and impacts on our local Disaster Management teams and on our local SES groups. Over the next 12 months there will be a transition of the disaster management State functions from the QLD Fire and Emergency service to the QLD Police Service. It was a great discussion underpinned by the DC's message that Disaster Management will still have a locally led response.

The SES will receive \$60M funding across the State including an extra 45 funded positions 30 of those in regional areas. There is a clear aim to strengthen the QPS/Council/SES partnership which is good news for us.

### **Meeting with Q Shelter**

The Executive Director Fiona Caniglia and members of her management team met with the CEO, our Director of Communities and myself to discuss planning for housing and a response to homelessness. Q Shelter is Queensland's peak organisation working to ensure that every Queenslanders has a home.

Q Shelter as a peak body works with government agencies around system reform, community housing and housing diversity, rental reform and tenant participation along with proposing homelessness solutions to the Queensland Housing Summit.

They are another helpful organisation to assist councils and communities like ours as we all seek solutions for the homelessness issues.

**11.1.2. CHIEF EXECUTIVE OFFICER'S MONTHLY REVIEW REPORT**

**Author**

Chief Executive Officer (Scott Owen)

**Responsible Officer**

Chief Executive Officer (Scott Owen)

**File Reference**

DMRR

**Attachments**

1. FINAL - CEO Monthly Review Report - May 2023 [11.1.2.1 - 17 pages]

**Purpose**

To provide Council with the Chief Executive Officer's Monthly Review Report for the month of May 2023.

**Related Parties**

Nil

**Officer's Recommendation**

THAT the Chief Executive Officer's Monthly Review Report for May 2023 be received.

**Council Resolution ORD-2023-153**

**THAT the Chief Executive Officer's Monthly Review Report for May 2023 be received.**

**Moved Cr Jones**

**Seconded Cr May**

**CARRIED UNANIMOUSLY**

# CEO MONTHLY REVIEW REPORT MAY 2023



Scott Owen CEO



# SUMMARY OF CONTENT

CEO's Summary

Safety

Highlights

Workforce Profile

Utilisation of Council Facilities

Community Events

Community Engagement

Customer Contacts

Regional Growth

Economic Snapshot

Development Activity

# CEO'S SUMMARY

It is with pleasure that I present the consolidated CEO's report for Council operations for the month of May 2023.

Whilst each is further detailed in the report, items of note include -

- Council was proud to again sponsor the RIN Safety Conference, which enabled a number of attendees from Council to learn about industry trends in safety
- The MECC cracked the 100,000 customers milestone for 12 months, showing how popular the venue and attractions presented are
- Council is again leading the way, being recognised with a national award for the City Heart Fridays initiative
- The very popular Botanic Gardens reached the 20th milestone birthday, with a range of celebration activities very well attended by the public
- Like all regional businesses, Council is noticing a higher than normal turnover of employees. In a very competitive employment market it is important to consider attraction options. Some work is happening in this space including through the graduate, and trainee and apprentice program areas

# SAFETY

## General snapshot

- Twelve council WHS advisors, managers and safety representatives attended the 2023 RIN Safety Conference held at the MECC on May 26. The conference attracted 185 attendees from all industries and included key presenters on topics such as Safety Differently and Just Culture, and More than the Carrot and Stick: Using Recognition to Drive Improve Safety Performance, as well as break-out sessions for specialist areas.
- Fifteen staff attended a Health Check run by My Health 4 Life held at the Paget Depot. This was a staff-driven initiative to provide free health checks as early identifiers of health issues to address or monitor.
- WHS finalising two ICAMs (MARC - release of chemical / electrical cable)
- As a result, from outcomes from these incident investigations:
  - Safety Stop organised for July 20 as a learning opportunity. The session will be delivered by Ergon/DBYD and will be available for all council staff who work near underground or overhead electrical services.
  - WHS alert and training session with all pool contractors/operators around chemical leak management.
- WHS and Quality Assurance teams reviewing SOPs across council.
- Developed new trailer/tilt tray SOPs with educational videos in progress.
- WHS assisting sewer team with improvement around fall potential risk when working on manholes. A new lid that allows work without risk and cost saving.
- WHS review of new vac truck prior to use - improvements to exterior controls.
- WHS/Vector - safety improvement - Davit crane and step to remove manual handling risk loading chemical implemented.
- Parks electricians developed a remote control to stop all traffic on main roads when servicing traffic lights at busy intersections to minimise interaction hazards - TMR looking at adopting as well.
- WHS reviewed six contractor safety management plans and various SWMS for Capital Works projects.



This month there were **104** safety interactions, **34** site safety inspections across council, and **96%** of MAP actions were carried out.



# HIGHLIGHTS

## **State Emergency Services WOW Day Celebrations**

May 17 saw staff celebrating and acknowledging the great work of the SES volunteers by wearing orange to work. Council has a number of SES volunteers who enjoy helping to keep the community safe.

## **Waste Services Tenders**

Waste Services Management is currently in discussions with the Waste and Recycling Collection Services and Materials Recovery Facility (MRF) contractors regarding extending the contracts to enable a strategic procurement process that disassociates aligned contract expiry and enables alignment with Waste Strategy outcomes.

## **Online dump voucher trial planned**

Council's Waste Management Software Vendor (Mandalay Technologies) is currently developing a mobile platform and electronic Residential Product Suite which includes self-service. The new electronic system would enable all residents (including renters) to access online vouchers rather than paper-based vouchers currently distributed with Rates Notices. Additionally, the new electronic system will provide real-time data on voucher usage. Council will be undertaking a trial of the new electronic system with the Department of Housing during the 2023-02024 financial year.

## **2023 Mayors Charity Ball**

The 2023 Mayor's Charity Ball was a huge success raising more than \$90,000 for two local charities. The event has now donated more than \$1 million for charity. This year's funds have been split equally between Australian Street Aid Project and Ronald McDonald House Charities Mackay Family Room, with each receiving \$45,529.01.

## **MECC celebrates 100,000 customers**

The Mackay Entertainment and Convention Centre (MECC) has reached the impressive milestone of 100,000 customers in 12 months and the team are celebrating with the ultimate ticket giveaway. Mackay locals will be given the opportunity to win a share in more than 100 tickets via the MECC's 100K Competition simply by uploading any photo or video of them attending an event at either the MECC or BB Print Stadium Mackay.

## **Queensland Small Business Month**

May was Queensland Small Business Month and the Economic Development program was delighted to partner with Mackay Region Chamber of Commerce to highlight the contribution of small business to our region. There was a host of events designed for small business, including webinars on a variety of topics and networking functions. The recently appointed Small Business Commissioner, Dominique Lamb was a guest speaker at the Chamber's Small Business Big Impact Luncheon held on May 18 and council was a major sponsor for this event.

## **City Heart Fridays wins National Award**

Council's City Heart Fridays concept was the recipient of two national awards at the Main Street Australia Awards held on May 19. The initiative won awards for 'Best traditional/digital marketing – Council/Government' and 'Most sustainable main street or town centre'. These are fantastic accolades for a low-cost initiative adding vibrancy and activating our regional city.

**Botanic Gardens 20<sup>th</sup> Birthday Celebration**

The Botanic Gardens celebrated its 20<sup>th</sup> Birthday on May 24. Several events were held during the month of May (and into June). The highlight was the Botanic Gardens Open Day on May 27, held on the Tropical Sun Lawn delivering a huge range of fun activities, plant sales, community group displays, guided walks, children's activities, plant giveaways, raffles and much more.

**Mackay Region Recreational Fishing Strategy**

A consultation meeting was held with Sunwater to provide input into the proposed upgrades to the dams in the Mackay region. Further consultation is expected with Sunwater when draft plans have been identified. There was also a presentation from Infofish discussing the outcomes of last year's Lucky Catch and Snap competition. Feedback will be incorporated into the 2023 event which will take place from September 9 to October 8.

**Invest Mackay Events and Conference Attraction Program**

Legends on the Lawn was held on May 20 with over 8000 people attending. This was also in collaboration with the opening of Great Barrier Reef Arena opening, with the Deputy Premier in attendance.

**Mackay City & Waterfront Project**

Following a competitive tender process for the council-owned building at Bluewater Quay (formerly the Ashtart restaurant), Red Dog Brewery has secured a lease of the premises and plan to open a second outlet with a restaurant, bar and micro-brewery. They are working towards an opening date in early July.

During May, two other major tenders were also awarded for the next two stages of the Riverside Revitalisation project. SMC Marine was awarded the tender for the \$2.44 million construction of the Pioneer River Floating Pontoon at Bluewater Quay and Woollam Constructions was successful in the tender for the \$3.75 million design and refurbishment of 8 River Streets (formerly Maria's Donkey and more recently the Don Daniels restaurant site).

The first instalment of 'Sunday afternoon at River Wharves' was held on the last Sunday in May welcoming the community to enjoy music, food trucks and circus entertainment from 3pm at River Wharves. This activation will occur on the last Sunday of each month moving forward.



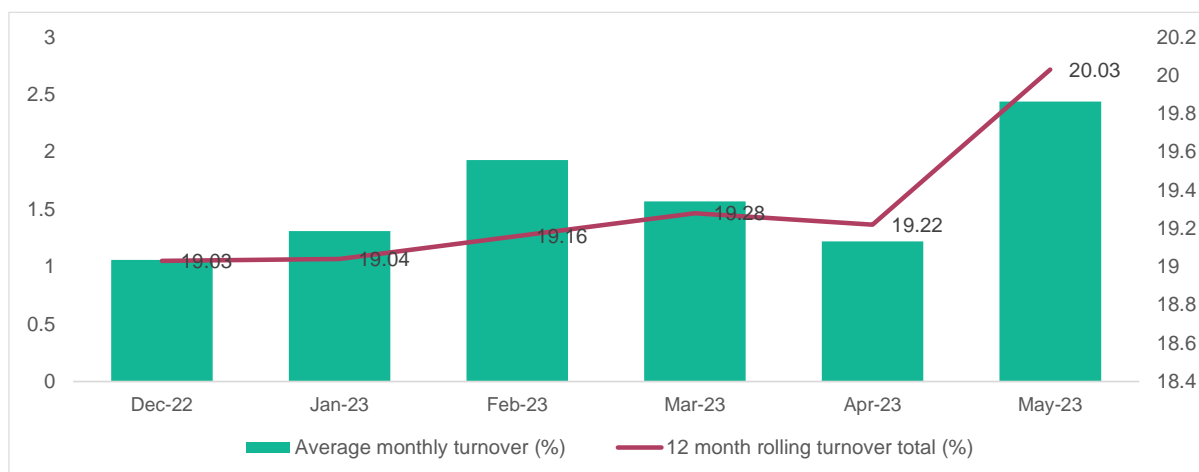
# WORKFORCE PROFILE

## Staff Contingent

The current make-up of council's workforce is below. Of note, 81% of staff are permanently employed. The number of active vacancies is slightly reduced from the previous month, with overall staff numbers remaining consistent.

	CW	CCS	DS	ECI	OM & CEO	OS	TOTAL	Prev. month
Casual	1	75	5	2	1	1	85	83
Contract	4	4	4	8	2	6	28	28
Permanent Full Time	82	117	173	288	23	164	847	852
Permanent Part Time	4	27	8	5	2	31	77	76
Permanent Job Share	0	6	0	1	0	3	10	10
Temporary Full Time	5	21	18	16	0	22	82	79
Temporary Part Time	1	7	2	1	0	7	18	20
TOTAL EMPLOYEES*	97	257	210	321	28	234	1147	1148
TOTAL ACTIVE VACANCIES**	17	12	10	34	3	26	102	130

## Employee Turnover



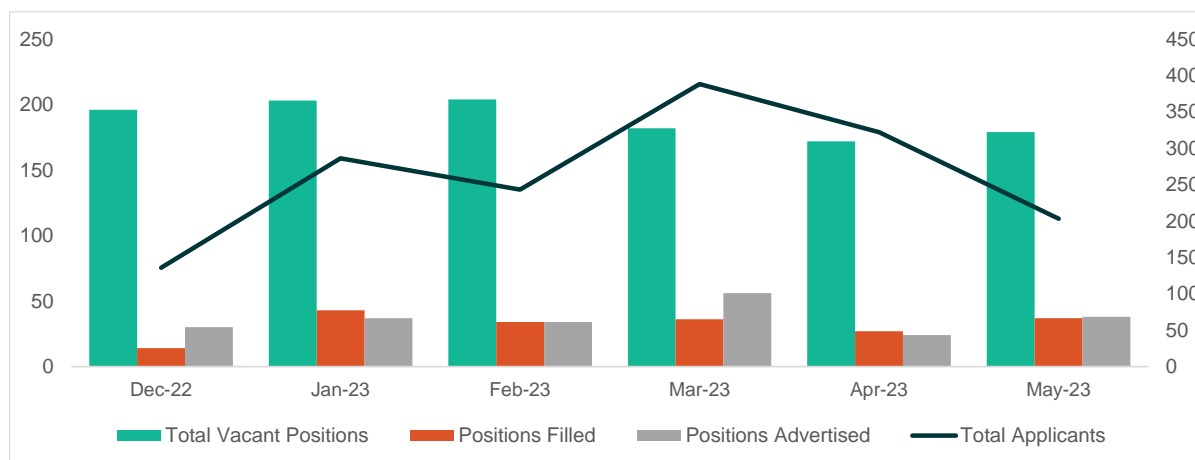
### STAFF TURNOVER



**12 month rolling average was 20.03%.**  
**The monthly turnover for May was 2.44%.**

Activities to support staff retention are being prioritised, with future planning including a review of remuneration frameworks, reward and recognition processes, and flexible working arrangements.

## Monthly Recruitment



This month there were **179** vacant positions, **38** positions were advertised resulting in **203** applicants and **37** positions filled.

## Key Workforce Initiatives

- Two council career pathway programs were initiated in the month of May, with position vacancies promoted to the public. This includes the graduate and apprentice and trainee programs.
- The importance of our employee's health and wellbeing continues to be realised, with the annual flu vaccination program being delivered in the month of May. A total of 370 employees participated in the program.

# UTILISATION OF COUNCIL FACILITIES

## Aquatic Facilities

MARC 5990 ▲

PIONEER 2225 ▼

MIRANI 0 ▼

SARINA 0 ▼

MEMORIAL 693 ▼

Note: Mirani and Sarina facilities have commenced winter closure periods and were not opened during May.

## Public Programs and Facilities



Library loans have increased slightly from the April figure of 69,570. Similarly, Community program participants are up from 5444 in April. Botanic Gardens ground hire bookings are up one from 18 in April.

## Health and Regulatory Services Registrations and Stats



Improved collection of information relating to illegal dumping allows a more comprehensive analysis of the volume (litres) of waste dumped each month and who has cleaned up dumped waste. In May, the volume dumped was slightly up and 11 per cent was cleaned up by offender, compared to 13 per cent YTD.

# COMMUNITY EVENTS

## Upcoming Events

Date	Event	Location
20/6/23	Council Mackay Show display (June 20 - 22)	P500 - Mackay Showgrounds
24/6/23	BE Social FEST	GBR Arena
25/6/23	River wharves Sunday afternoon	River Wharves
1/7/23	Mackay Festival of Arts (for the month of July)	Mackay - various
1/7/23	Pirtek and IMS Mackay Motor Show	Mackay Showgrounds
2/7/23	Friends of the MECC Jazz Brunch	MECC
3/7/23	NAIDOC Flag Raising (morning tea)	Civic Precinct
3/7/23	The Whitsunday Wealth Festival Hub (July 3-9)	Civic Precinct lawn
7/7/23	City Heart Fridays	Mackay City Heart
8/7/23	Bluewater Fling	Bluewater Quay
14/7/23	MRFA Fringe 2023: Literary Dinner (Whitsunday Voices)	MECC
15/7/23	Wisely Wine and Food Day	Queens Park
21/7/23	Festival of Arts - Paint and Sip Sarina Sugar Shed	Sarina Sugar Shed
22/7/23	Flavours of the Field	Finch Hatton Showgrounds
27/7/23	Daly Bay Illuminate (July 27-30)	Queens Park

# COMMUNITY ENGAGEMENT

## Active and upcoming engagement

### **Accessible Communities Action Plan (consult)**

Council is developing a new Accessible Communities Action Plan. Consultants Cred have been engaged to review the existing plan. The consultation period ended June 11.

### **2023 Australian Liveability Census (consult)**

National Liveability Census is nearing the end for residents to provide feedback and take the survey – it closes June 30.

### **Mackay Region RV Strategy (inform / consult)**

Consultants, Otium delivered a briefing to council on May 24 with the findings from their research and engagement, as well as outlining key actions to be explored in the draft RV Strategy. A draft strategy will be made available for public review by end of June. Consultation will open for a three-week period with an online survey available for feedback.

### **Oak Street relining (inform)**

This project was completed in mid-June. Residents have been informed of the updated finish date and future works in the area.

### **Barton Street drainage upgrade (inform/consult)**

As part of a future drainage project four mature trees in the Mackay Regional Botanic Gardens will be removed. The trees will be replaced with indigenous species after consultation with the Horticultural Reference Group.

### **Alsatia Park (inform)**

An update was provided to surrounding residents of Alsatia Park in late-May. The detailed design is expected to be completed later this year with construction anticipated to commence mid-next year.

### **Pioneer Valley Mountain Bike Trails (inform)**

Stage one of the Pioneer Valley Mountain Bike Trails is under way with expected completion before Christmas, weather permitting. A sod-turning event was held on June 12.

### **Woodlands District Park (inform)**

The pathways have been reopened with drainage and earthworks almost complete and minor works remaining including barbecue shelters and lighting. The next stage of work is expected to start later this year.

### **Pioneer Valley Show (inform)**

Community engagement had a display at the Pioneer Valley Show on June 18 and handed out information about local projects; the Mountain Bike Trails project and the Finch Hatton Flood Study.

### **Mackay Show – Major Project stall (inform)**

The major project team is holding a display at the Mackay Show where they will be showcasing their ongoing projects (June 20-22).

### **East Gordon Street water main upgrade (inform)**

Construction for this project started mid-June with completion expected late August. A reduced speed zone will be in place during work hours and parking on the southern side of East Gordon Street will be reduced.

### **Mirani Caravan Park asphalt reseal works (consult)**

Consultation was undertaken with the Mirani Caravan Park lessee in May and construction started in early-June. The works include kerb and pavement repairs and asphalt resurfacing of the caravan park road. The project manager is liaising directly with the lessee to keep the tenants updated on the works. Works are expected to be completed by the end of the month.

More information on these and other projects can be found at [connectingmackay.com.au](https://connectingmackay.com.au)

# CUSTOMER CONTACTS

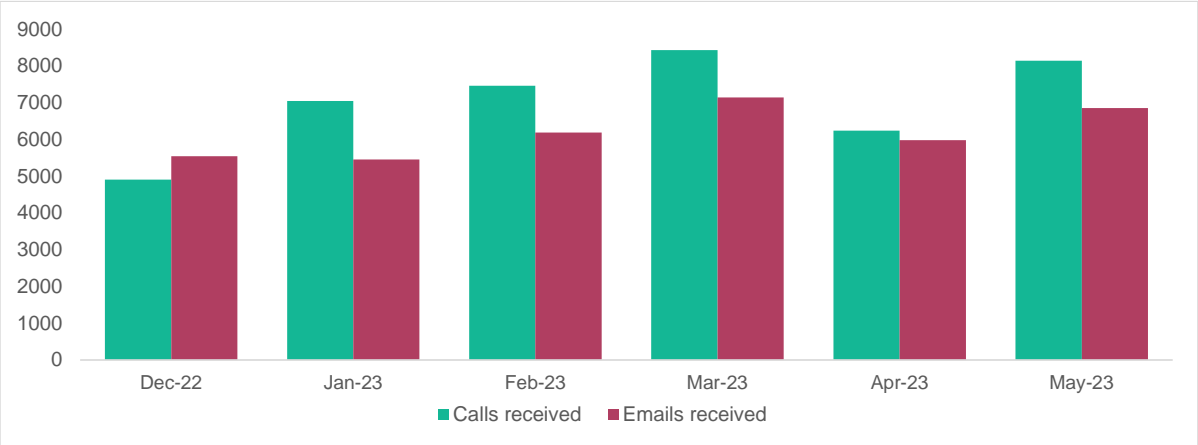
## Top five customer requests

Pathway requests lodged	Volume	% of total requests
Replace wheelie bin	497	12.5%
Phone message	371	9.3%
Water – leak (public area)	213	5.3%
Repair wheelie bin	170	4.3%
Change of mailing address	151	3.8%



Across council, **72%** of customer requests were responded to on time.

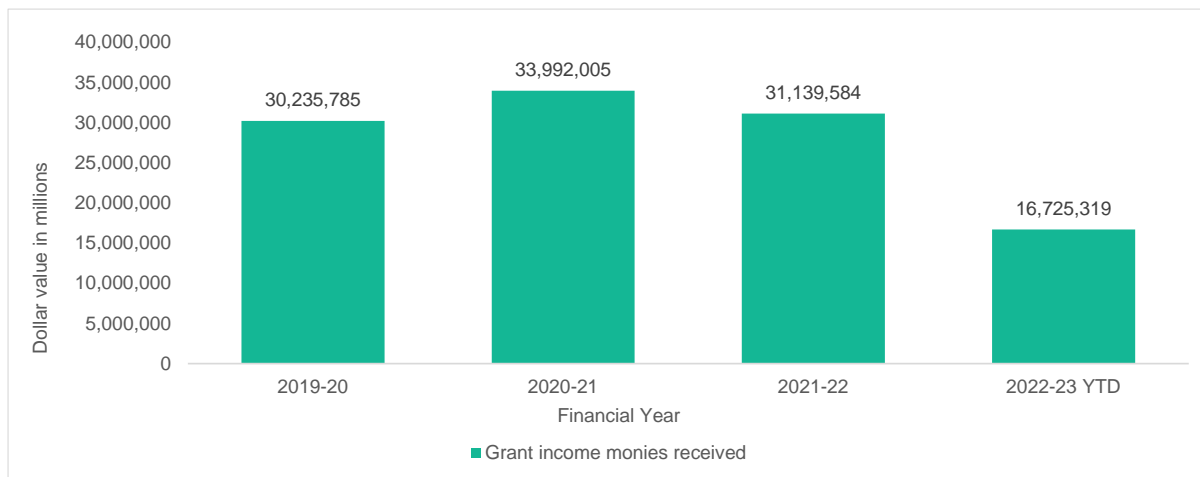
## Customer Enquiries



KPI	KPI Description	Target			Result
		Red (Under KPI)	Green (Met KPI)	Blue (Exceed KPI)	
First Contact Resolution (FCR)	The percentage of external customer enquiries that are resolved at the first point of contact.	< 50%	50-60%	> 60%	51%
Abandoned Calls	The percentage of customers that abandon their call before being served.	> 6%	4.5-6%	< 4.5%	12%
Customer Satisfaction	A measure of customer satisfaction as reported by the end of call survey.	< 80%	80-85%	> 85%	96%

# REGIONAL GROWTH

## External grant funding



## Successful funding submissions announced

- Department of Industry, Science and Resources – Reducing Light Pollution in the Mackay Region - \$50,000.00
- Department of Infrastructure, Transport, Development, Communications and the Arts - Local Roads and Community Infrastructure Phase 4 - \$3,085,195.00

## Applications Submitted

- Department of Transport and Main Roads - Expression of Interest for Pindi Pindi Bus Interchange – School Transport Infrastructure Program (STIP)

+



**\$20M**, or **79%**, of council spend in May was with local suppliers.

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# SIGNIFICANT PROJECTS



*Rock Bank Protection Works*

## Pioneer River Levee Construction – Valetta Gardens to Kay Court

Construction scheduled from March 2023 to December 2023.

**Project budget:** \$7,720,984.26 (Construction only)

**Project status:** Generally on track with slight delays due to wet weather.



*Shellgrit Creek – Levee alignment around eastern end of runway connects to Illawong Drive*

## South Mackay Levee

Detailed design scheduled from March 2023 to May 2024.

**Project budget:** Approx. \$1,500,000 (design only)

**Project status:** Survey commenced by council surveyors. Design due mid-2024.





*Gorge Road Concrete Pavement*

## Gorge Road Upgrade

Final stage of construction scheduled from May to June 2023

**Project budget:** \$699,000

**Project status:** On track



*Culvert Replacement nearing completion*

## Owens Creek Loop Road Culvert Replacements

Construction started in October 2022 with expected completion in January 2023.

**Project budget:** \$1,666,289

**Project status:** Delayed and now estimated to be complete by June 15.

# ECONOMIC SNAPSHOT

## Economic Indicators (Quarterly)

Indicator	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Mar 23
<b>Employment</b>						
Unemployment rate	2.6%	2.5%	2.6%	2.6%	2.4%	NA
Employed persons	66,881	67,583	68,335	70,470	70,721	NA
<b>Real Estate</b>						
Median house sale	\$410,000	\$420,000	\$425,000	\$440,000	NA	NA
Median house rent 3 bed house (12 month ending)	\$400	\$420	\$425	\$450	\$450	\$460
Median rent 2 bed unit (12 month ending)	\$320	\$320	\$325	\$340	\$350	\$350
Res. Vacancy rate	0.7%	0.6%	0.5%	0.6%	1.0%	1.0%
<b>Residential Lot Supply</b>						
Lots approved	158	345	21	78	NA	NA
Lots registered	78	99	44	56	26	27

Data relates to the Mackay Local Government Area and is updated on a quarterly basis as it is received by council. There is often a 3-6 month lag from the receipt of data for a previous quarter. The 'employed persons' data does get adjusted retrospectively by the source. This may see quarterly figures change but is a valuable indicator for recognising trends. ^ Queensland Government data (QLD Treasury).

## E-Statistics

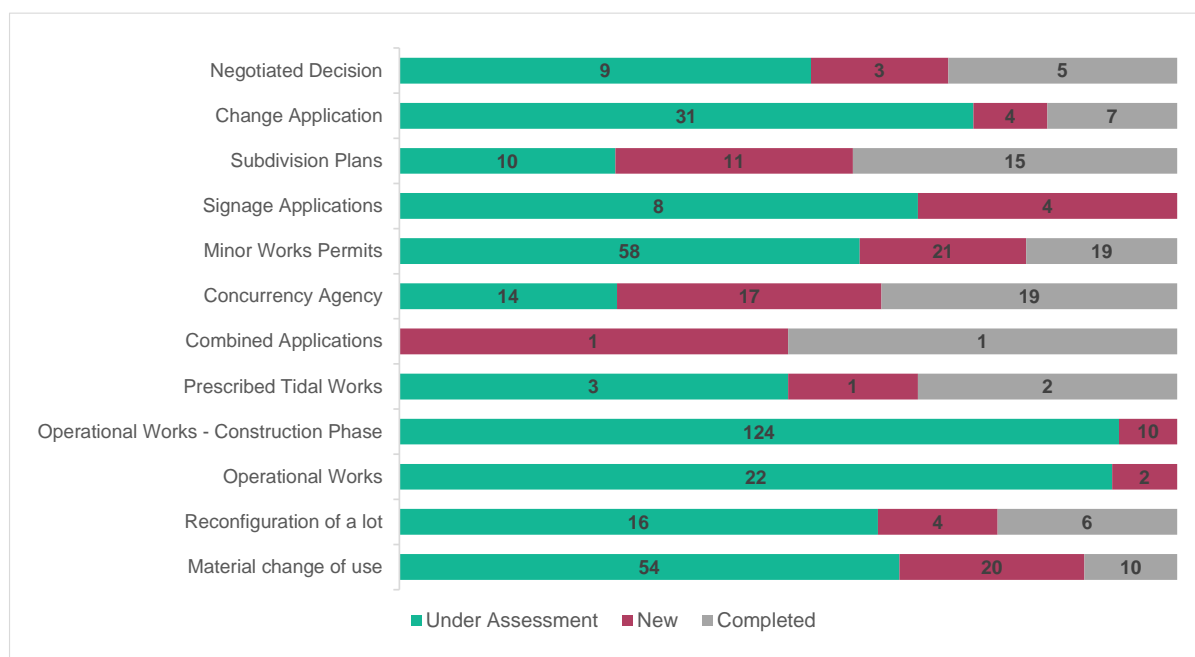
	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23
Mackay Region Joblink Analytic Report Active Users	188	282	485	389	351	601
Internet Vacancy Index (Central Qld) Advertised Jobs*	4,103	4,123	4,145	4,857	4,761	NA
SEEK Advertised Jobs**	1,027	1,552	1,608	1,707	1,728	1,834
Sarina Field of Dreams Website Visitation	262	285	119	319	325	400
Hooked on Mackay Facebook	5,767	5,837	5,889	6,019	6,107	6,135
Hooked on Mackay Instagram	889	892	904	920	923	931
Hooked on Mackay Youtube Subscribers	312	323	330	346	392	398
Net Free Zone Voluntary Code Sign-ups	716	716	716	716	716	716
Mackay Region Event Organisers Connect Facebook Group Members	124	134	146	150	151	152
Invested in Mackay Subscribers	591	594	594	589	591	589

\*The Internet Vacancy Index (IVI) is the only publicly available source of detailed data on online vacancies, including for around 350 occupations (at all skill levels), as well as for all states/territories and 37 regions. The IVI is based on a count of online job advertisements newly lodged on SEEK, CareerOne and Australian JobSearch during the month. As such, the IVI does not reflect the total number of job advertisements in the labour market as it does not include jobs advertised through other online job boards, employer websites, word of mouth, in newspapers, and advertisements in shop windows. The IVI also does not take into account of multiple positions being advertised in a single job advertisement. The data available is broken down as far as Central QLD which includes nine local Government areas and is calculated on a three-month moving average.

\*\*SEEK data is captured on the first Tuesday of each month.

# DEVELOPMENT ACTIVITY

## Applications received by Development Planning and Engineering



This month **187** building approvals incl. amendments together with **98** development and **62** plumbing applications were lodged.



## Building applications lodged with council

Class	May 22	May 23	Year to date	Total value of proposed works
Class 1A	47	57	211	\$11,878,961
Other classes	170	131	540	\$28,239,308
<b>Totals</b>	<b>217</b>	<b>188</b>	<b>751</b>	<b>\$40,118,269</b>

### **11.1.3. MACKAY REGIONAL HOUSING COMPANY LIMITED - CONSTITUTION AND SHAREHOLDER AGREEMENT CHANGES**

<b>Author</b>	Executive Officer (David McKendry)
<b>Responsible Officer</b>	Chief Executive Officer (Scott Owen)
<b>File Reference</b>	Customer - Mackay Regional Housing Company Limited/Connect Housing Group Subject - Affordable Housing/Mackay Housing Company

<b>Attachments</b>	1. Draft – Amended Mackay Regional Housing Company Limited – Constitution 2. Draft - Amended Mackay Regional Housing Company Limited – Shareholders Agreement
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#### **Purpose**

To recommend to Council support as a shareholder for the proposed changes of the Mackay Regional Housing Company Limited Constitution and Shareholders Agreement.

#### **Related Parties**

- Mackay Regional Housing Company Limited – (also incorporating Connect Housing Limited) (Housing Company)
- Department of Housing and Public Works (State)
- Blue CHP Limited (Blue CHP)
- Mackay Regional Council for Social Development Ltd (Greater Whitsunday Communities - GWC)
- Community Accommodation Support Agency Inc.
- Community Housing and Information Centre Inc.
- Lowanna House Incorporated
- St Vincent De Paul Society Queensland
- Mackay and District Australian South Sea Islander Association Inc.
- Mackay Regional Community Legal Centre
- Hugh Reilly Real Estate
- Pointglen Developments Pty Ltd

#### **Corporate Plan Linkage**

##### Live and Visit

*Enhance Liveability* – We have a range of housing and social infrastructure options that supports a great quality of life and wellbeing in our community.

#### **Background/Discussion**

Mackay Regional Council (Council) was the catalyst for auspicing the establishment of the Mackay Regional Housing Company Limited (Housing Company) in 2009, on the back of moves from State and Federal Governments with a desire to deal with single large housing providers (ie Brisbane Housing Company) for provision and management of housing as well as funding.

Council at the time managed a range of public housing units, known then as “Pensioner Cottages” due to incumbents, with the view that this ‘stock’ would be transferred to the new Housing Company. Whilst this type of housing was considered to be Social Housing, there was a desire to see the amount of Affordable Housing increased in Mackay, and that the Housing Company with support was the right model to achieve this (backed

by the asset base available from the Social Housing stock). The Affordable Housing sector in particular was targeted due to increasing house/rental prices at the time which drove the affordability aspect for the general community (including as example key roles such as Police/Nurses/Teachers, seen as critical to Mackay).

At its meeting of 20 May 2009 Council resolved –

***THAT Council resolve to nominate for Class C Shareholding of the forming Mackay Housing Company Limited.***

***FURTHER THAT Council endorse the nomination of Cr George Christensen for consideration by Shareholders for a position as a Director of the Mackay Housing Company Limited.***

Further, at its meeting of 27 May 2009 Council resolved –

***THAT Council resolves that in its opinion, Mackay Regional Housing Company Limited, in addressing housing and housing affordability needs in the area of Mackay Regional Council, will provide a benefit to the community and the area of Council.***

***FURTHER THAT Council, given the identified benefits of Mackay Regional Housing Company Limited to the area, resolves to assist the Company and in doing so recognises the Company, and the help given by Council to the Company, as engaging in, and helping, an enterprise under the provisions of the Local Government Act 1993.***

***ALSO THAT Council resolves to –***

***a) Nominate for Class C Shareholding of Mackay Regional Housing Company Limited (with the Mayor being given delegated power to execute the associated documentation, including the Constitution and Shareholders Agreement for the Company); and***

***b) Endorse the nomination of Cr George Christensen for consideration by Shareholders for a position as a Director of the Mackay Regional Housing Company Limited; and***

***c) Record within a register of enterprises the required details of Council's exercise of an enterprise power, and in particular, engaging with, and helping, Mackay Regional Housing Company Limited.***

Following these, assistance including legal advice and costs was given by Council in auspicing the establishment of the Housing Company. Council's involvement in establishment, and shareholder activities, sees it deemed as a Beneficial Enterprise of Council and noted within Council's Annual Reports.

Since that time significant negotiation has been undertaken with the State regarding proposals to transfer the existing (90) Social Housing Stock in the name of Council to the Housing Company. In the interim, as a Registered Housing Provider (which Council is not), management of these properties has been undertaken by the Housing Company essentially on Council's behalf.

As well, the Housing Company has established four (4) affordable housing units in Andergrove of their own, and also manages a large number Social Housing units on behalf of the State.

The Housing Company is a Not-for-Profit entity registered with the Australian Charities and Not-for-profits Commission (ACNC) (for cited purposes of Long Term Housing Provider, and Social Housing).

Noting the original intent for establishment of the Company, being enabling recognition and support from various levels of Government for investment, and leveraging of asset base for growth, the Company has come to the

realisation over the past few years that unless the Company size is large enough (ie a Tier 1 provider), investment or contribution from Government is unlikely.

With this realisation there was a journey by the Housing Company to explore options with a focus on growth. These included amalgamating with other like entities (including possibly local groups), but also joining with an existing large Tier 1 company. After exploring a number of options that did not come to fruition, or were not considered favourable, the Housing Company identified Blue CHP in 2019 as suitable entity and one with an interest to expand operations including into North Queensland. Significant dialogue and investigation has been undertaken by the Housing Company to explore options, and ensure due diligence. The point has been reached where the best outcome for all is a restructure of the existing Housing Company (including Constitution and Shareholders agreement), to see Blue CHP become a major shareholder of the Company and essentially integrate into the Housing Company).

Blue CHP is registered with the Australian Charities and Not-for-profits Commission (ACNC) with a summary of activities listed as part of the registration as – *“To grow the supply of high-quality affordable housing in Australia through property development, procurement & property management activities for those individuals experiencing housing stress”*.

The current Housing Company set-up includes –

Board

- Cr Karen May - Chair (Council appointee)
- Cr Fran Mann – Director (Council appointee)
- Josephine Comerford – Director
- Maree Franettovich – Director
- Paul Thompson – Director

Shareholders

**Class A (Not for Profit)**

- Mackay Regional Council for Social Development Ltd (Greater Whitsunday Communities)
- Community Accommodation Support Agency Inc.
- Community Housing and Information Centre Inc.
- Lowanna House Incorporated
- St Vincent De Paul Society Queensland
- Mackay and District Australian South Sea Islander Association Inc.
- Mackay Regional Community Legal Centre

**Class B (Business/Commercial)**

- Hugh Reilly Real Estate
- Pointglen Developments Pty Ltd

**Class C (Government)**

- Mackay Regional Council

In summary then the changes would see the existing structure with a mix of Not for Profit, commercial, and Council as shareholders, with locally elected Directors, moving towards a situation of –

Shareholders

Class A –

- Four (4) shares held by Blue CHP Limited
- One (1) share held by Greater Whitsunday Communities

Class B –

- Two (2) shares held by Mackay Regional Council

Greater Whitsunday Communities was identified as a representative body for local Not for Profits.

Directors

A Director appointed for each share, ie –

- 4 - Blue CHP Limited
- 1 – Greater Whitsunday Communities
- 2 – Mackay Regional Council

Under the arrangement Blue CHP will also provide the administrative services for the Company under a Services Agreement, whilst still ensuring a presence of staff based in Mackay.

**Consultation and Communication**

- The Housing Company has sought associated specialist legal advice from Minter Ellison, and K & L Gates.
- Existing Company Shareholders have been consulted by the Housing Company over a number of years at various Annual General Meetings, and have in-principle supported the changes subject to formal consideration and approval at a future General Meeting
- Council Briefing – 3 June 2020
- All Council Departments (in particular the areas of Assets, Finance, Property, Planning and Legal)

**Resource Implications**

There are no identified resource implications for Council for the proposed changes.

Currently Council has as appointed Directors, Cr Karen May (Chair) and Cr Fran Mann. Council retains its right to appointment of two(2) Directors, noting that these do not need to be Councillors or Council staff, so could be anyone with the appropriate skills and experience that Council considers appropriate

**Risk Management Implications**

Controls are being put in place regarding major decisions, and are considered sufficient to protect the local presence and investments. In particular, the Housing Company sought legal advice on the specific items of –

- Ensure that the future management costs will be calculated in a fair and equitable manner
- Ensure that the local Directors will be required to approve major decisions and variations
- Ensure that the local assets and equity will not be utilised outside the Greater Whitsunday Region area without specific approval including locally appointed Directors

Council, by virtue of remaining as a Shareholder and the ability to appoint Directors, retains an interest in the entity (including ability to have major input into large decisions as detailed below).

Noting the proposal for significant Mackay assets to be contributed to the Housing Company, and the Shareholder and Director numbers showing control by Blue CHP, significant work has been undertaken to ensure that any critical decisions require full majority approval, meaning Mackay based approval. For example, asset disposal of more than 10% needs 75% majority approval. Given that Blue CHP are making a major investment by becoming involved with the Company it was seen as reasonable that they held day to day control by virtue of Director numbers etc, however again the key decision of concern regarding assets has been controlled by requiring large majority (ie 75%) approval.

### **Conclusion**

Integrating with a Tier 1 Housing Provider is seen as a natural progression to ensure the Housing Company is recognised as a major entity, and is then able to secure Government funding for housing supply.

Controls have been put in place to ensure that decisions over major assets require majority Shareholder approval, essentially ensuring Mackay assets are protected.

At this stage the amended Constitution, and amended Shareholders Agreement, are in final draft. Allowing for some possible minor wording changes, it is recommended that Council approves the Constitutional and Shareholder Agreement changes for the Company as presented and gives the Chief Executive Officer approval to endorse the final documents subject to only minor changes.

### **Officer's Recommendation**

THAT Council resolves to approve and support –

- a) The Mackay Regional Housing Company Limited - Amended Constitution
- b) The Mackay Regional Housing Company Limited – Amended Shareholders Agreement

FURTHER THAT the Chief Executive Officer is authorised to approve any final minor subsequent changes to these documents if required.

### **Council Resolution ORD-2023-154**

**THAT Council resolves to approve and support –**

- a) The Mackay Regional Housing Company Limited - Amended Constitution**
- b) The Mackay Regional Housing Company Limited – Amended Shareholders Agreement**

**FURTHER THAT the Chief Executive Officer is authorised to approve any final minor subsequent changes to these documents if required.**

**Moved Cr May**

**Seconded Cr Mann**

**CARRIED UNANIMOUSLY**



Mackay Regional Housing Company Limited

Draft Constitution

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**1 Preliminary**

**1.1 Name of Company**

The name of the Company is Mackay Regional Housing Company Limited.

**1.2 Nature of the Company**

- (a) The Company is a not for profit public company limited by shares.
- (b) The liability of the members is limited.

**1.3 Replaceable rules**

The Replaceable Rules do not apply to the Company.

**1.4 Inconsistency with Shareholders Agreement**

- (a) The provisions of the Shareholders Agreement govern and prevail over any provision of this Constitution in the event of any conflict or inconsistency.
- (b) The provisions of the Shareholders Agreement are intended to be read in conjunction with, and form part of this Constitution.
- (c) The members must perform any action necessary to amend any conflicting or inconsistent provision of this Constitution upon request by any member.
- (d) This clause 1.4 applies to the fullest extent permitted by law.

**1.5 Actions Authorised under the Law and Compliance with the Law**

Where the Law authorises or permits a company to do any matter or thing if so authorised by its constitution, the Company is and shall be taken by this clause to be authorised or permitted to do that matter or thing, despite any other provisions of this Constitution.

**2 Definitions and interpretation**

**2.1 Definitions**

In this Constitution:

Term	Definition
<b>Business Day</b>	means a day other than a Saturday, Sunday or public holiday within the Mackay, Isaac and Whitsunday Area, Brisbane Local Government Area and New South Wales.
<b>Company</b>	means Mackay Regional Housing Company Limited to which this Constitution applies.

<b>Director</b>	means a person appointed or elected to the office of director of the Company in accordance with the Shareholders' Agreement and includes any alternate director duly acting as a director.
<b>Government Entity</b>	means any national, state, local, regional, territorial or municipal government, agency or instrumentality that exercises an executive or legislative power, or any company or statutory corporation that is wholly owned by a Government Entity.
<b>Housing</b>	means residential accommodation by way of a house, duplex, home unit, boarding house, hostel or other means.
<b>Law</b>	means the <i>Corporations Act 2001</i> and the <i>Corporations Regulations</i> .
<b>Mackay, Isaac and Whitsunday Regional Councils</b>	means the local government areas comprising Mackay, Isaac and Whitsunday Regional Councils.
<b>Member Present</b>	means, in connection with a meeting, the member present in person at the venue or venues for the meeting or present by agreed electronic means or by proxy, by attorney and, where the member is a body corporate, by representative.
<b>Prescribed Rate</b>	means, at a relevant time, the overdraft bank rate for overdrafts in excess of \$100,000 published by Commonwealth Bank of Australia or its successor (the Bank), or if such rate is no longer published, the rate which the principal officer of the Bank in Queensland for the time being states to be the indicator rate most closely resembling that original indicator rate.
<b>Related Entity</b>	has the same meaning as in the Shareholders' Agreement.
<b>Replaceable Rules</b>	means all or any of the replaceable rules contained in the Law from time to time and includes any replaceable rule that was or may become, a provision of the Law.
<b>Seal</b>	means any common seal or duplicate common seal of the Company.
<b>Shareholders' Agreement</b>	means the agreement so entitled, initially between the Company and its shareholders relating to certain rights and obligations of the parties, as that agreement may be varied from time to time (including by the addition of other parties).

## **2.2 Interpretation**

Headings are for convenience only and do not affect interpretation. The following rules of interpretation apply unless the context requires otherwise.

- (a) A gender includes all genders.
- (b) Singular includes plural and conversely.
- (c) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a paragraph or sub-paragraph is to a paragraph or sub-paragraph, as the case may be, of the clause or paragraph, respectively, in which the reference appears.
- (e) A reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it, and all regulations and statutory instruments issued under it.
- (f) Division 10 of Part 1.2 of the Law applies in relation to this Constitution as if it is an instrument made under the Law.
- (g) Except in so far as a contrary intention appears in this Constitution, an expression has, in a provision of this constitution which relates to a particular provision of the Law, the same meaning as in that provision of the Law.

## **3 Objects**

### **3.1 Objects of the Company**

The objects of the Company are:

- (a) to be a charitable institution in terms of item 1.1 of the table in sS0-5 of the Income Tax Assessment Act 1997;
- (b) to provide affordable Housing to people in need in the Mackay and surrounding regions, including:
  - (i) low income households;
  - (ii) people with specific needs;
  - (iii) households in Housing stress;
  - (iv) households denied access to general market Housing; and
  - (v) households requiring a subsidised Housing solution;
- (c) to provide successful, safe and secure Housing outcomes for vulnerable members of the Mackay and surrounding community who are homeless or at risk;

- (d) to assist persons in need, by providing access to appropriate support and a wider range of community services;
- (e) to operate in a manner that ensures equitable and fair access to affordable Housing for both persons in need and for persons who may be excluded from access to the housing market;
- (f) to provide a range of Housing models, Housing assistance, products and services to meet the varying and changing needs of the Company and disadvantaged members of the community which may involve a number of different models and subsidies;
- (g) to provide cost effective, efficiently managed and well maintained Housing as part of the delivery of timely, quality client services;
- (h) to provide quality living environments and Housing forms that reflect appropriate cultural values, energy efficiency and ecologically sustainable development, cost effectiveness and access to community and retail services, transport and employment opportunities;
- (i) to develop Housing that is appropriate for persons with disabilities;
- (j) to work with existing local communities, businesses, other service providers, charities and all levels of government to develop an integrated, coordinated and cooperative approach to address Housing issues;
- (k) to encourage and support tenant participation in the planning and management of their Housing;
- (l) to undertake best practice in governance, policy and service delivery; and
- (m) to promote the objects of the Company in any manner the Board considers appropriate, and to do things incidental or conducive to the attainment of these objects.

#### **4 Income and property**

##### **4.1 Application of income and property**

- (a) Subject to clause 4.1 (b), the profits (if any) or other income and property of the Company must be applied solely towards the promotion of the objects of the Company in clause 3, and no portion of it may be paid or transferred, directly or indirectly, to any member of the Company whether by way of dividend, bonus or otherwise.
- (b) Nothing in clause 4.1(a) prevents any payment in good faith by the Company of:
  - (i) reasonable and proper remuneration to any member for any services actually rendered or real property or goods supplied to the Company in the ordinary and usual course of business;
  - (ii) the payment or reimbursement of out-of-pocket expenses incurred by a member of the Company on behalf of the Company where the amount



payable does not exceed an amount previously approved by the Directors of the Company;

- (iii) reasonable and proper rent for premises leased by any member of the Company to the Company;
- (iv) payment to any member, being a solicitor, accountant or other person engaged in any profession, for all usual professional or other charges for work done by that person or that person's firm or employer, where the provision of the service has the prior approval of the Directors and where the amount payable is approved by the Directors and is not more than reasonable payment for the service; or
- (v) interest on money borrowed from members of the Company in accordance with the Shareholders Agreement.

## **5 Shares**

### **5.1 Issue of shares and options**

- (a) Subject to the Law, the Shareholders Agreement and any rights and restrictions attached to a class of shares, the Company may:
  - (i) allot and issue unissued shares; and
  - (ii) grant options over unissued shares,on any terms, at any time and for any consideration, as the Directors resolve.
- (b) The powers of the Company under clause 5.1 (a) may only be exercised by the Directors.

### **5.2 Issue of redeemable preference shares**

Subject to the Law, any preference shares may be issued on the terms that they are, or at the option of the Company, are liable to be redeemed and otherwise on such terms and in such manner as the Company determines before the issue.

### **5.3 Variation of classes and class rights**

Subject to the Law, the Shareholders Agreement and the terms of issue of shares in a particular class, the Company may:

- (a) vary or cancel rights attached to shares in that class; or
  - (b) convert shares from one class to another,
- by a special resolution of the Company and:
- (c) a special resolution passed at a meeting of members holding shares in that class; or

- (d) the written consent of members who are entitled to at least 75% of the votes that may be cast in respect of shares of that class.

#### **5.4 Brokerage and Commission**

- (a) The Company may exercise the powers to pay brokerage or commission conferred by the Law in the manner provided by the Law.
- (b) The brokerage or commission may be satisfied by:
  - (i) the payment of cash;
  - (ii) the allotment of fully or partly paid shares; or
  - (iii) partly by the payment of cash and partly by the allotment of fully or partly paid shares.

#### **5.5 Recognition of Third Party Interests**

- (a) Except as required by law or the Shareholders Agreement, the Company shall not recognise a person as holding a share on any trust.
- (b) Whether or not it has notice of the rights or interests concerned, the Company is not bound to recognise:
  - (i) any equitable, contingent, future or partial interest in any share or unit of a share; or
  - (ii) any other right in respect of a share,

except an absolute right of ownership of the member or as otherwise provided by this constitution or by law.

#### **5.6 Register of Debenture Holders: Suspension**

If at any time the Company has issued debentures and keeps a register of debenture holders, the Company may close its register of debenture holders during a period or periods not exceeding in aggregate 30 days in any calendar year.

### **6 Share certificates**

- (a) Unless the Directors otherwise determine, a person whose name is entered as a member in the register of members is entitled without payment to receive a certificate in respect of the member's shares.

- (b) The Company is not bound to issue more than one certificate in respect of a share or shares held jointly by several persons.
- (c) Delivery of a certificate for a share to one of several joint holders is sufficient deliver to all of the joint holders.

## **7 Form of share certificates**

Any certificate for shares shall be in a form that the Directors from time to time decide and must contain details of:

- (a) the name of the Company and the state in which it is registered;
- (b) the class of the shares; and
- (c) the amount paid and unpaid on the shares.

## **8 Worn out or defaced share certificates**

- (a) Subject to clause 8(b), the provisions of the Law with respect to certificates which are lost or destroyed shall apply to certificates which are worn out or defaced. The Directors may exercise all the powers in relation to certificates, which are lost, destroyed, worn out or defaced as are exercisable by the Company or its Directors under the Law in relation to certificates that are lost or destroyed.
- (b) The Company:
- (c) shall issue a certificate in replacement of a worn out or defaced certificate only if the Directors have not resolved not to issue further share certificates, and if the certificate to be replaced is received by the Company for cancellation and is cancelled; and
- (d) may require the payment of any amount as the Directors determine in connection with the issue of a replacement certificate.

## **9 Lien on shares**

### **9.1 Lien on shares**

- (a) The Company has a first and paramount lien on every share for:
  - (i) any amount due and unpaid in respect of the share which has been called or is payable at a fixed time (whether presently payable or not);
  - (ii) all amounts that the Company may be called on by law to pay in respect of the share.

- (b) The Directors may at any time exempt a share wholly or in part from the provisions of this clause.

#### **9.2 Exercise of lien**

- (a) Subject to clause 9.2(b), the Company may sell any shares on which the Company has a lien, in the manner that the Directors think fit. However, the sale can only be to a person who is or is entitled to be a Shareholder in accordance with the Shareholders Agreement.
- (b) A share on which the Company has a lien shall not be sold unless:
  - (i) a sum in respect of which the lien exists is payable; and
  - (ii) at least 14 days before the date of the sale, the Company has given to the registered holder of the share a notice in writing demanding payment of the sum.

#### **9.3 Completion of sale**

- (a) For the purpose of giving effect to a sale of shares under lien pursuant to clause 9.2, the Directors may authorise a person to do everything necessary to transfer the shares sold to the purchaser of the shares.
- (b) The Company must register the purchaser as the holder of the shares comprised in any transfer, after which the validity of the sale may not be impeached by any person, and the purchaser is not bound to see to the application of the purchase money.
- (c) The title of the purchaser to the shares is not affected by any irregularity or invalidity in connection with the sale.
- (d) The remedy of any person aggrieved by any sale shall be in damages only and against the Company exclusively.

#### **9.4 Application of proceeds of sale**

The proceeds of a sale made under a lien pursuant to clause 9.2 shall be applied by the Company in payment of the part of the amount in respect of which the lien exists as is presently payable. Any residue shall (subject to any like lien for sums not presently payable that existed on the shares before the sale) be paid to the person entitled to the shares immediately prior to the sale.

### **10 Call on shares**

#### **10.1 Directors' power to make calls**

- (a) The Directors may make calls on the members in respect of any money unpaid on the shares of the members (whether on account of the nominal value of the shares or by way of premium) which is not by the terms of issue of those shares made payable at fixed times.

- (b) Each member shall, on receiving at least 14 days' notice specifying the time or place of payment, pay to the Company at the time and place so specified the amount called on the member's shares.
- (c) The Directors may revoke or postpone a call.

#### **10.2 Making calls**

- (a) A call may be required to be paid by instalments.
- (b) A call is made at the time when the resolution of the Directors authorising the call is passed.
- (c) The non-receipt of a notice of a call by, or the accidental omission to give notice of a call to, any member shall not invalidate the call.

#### **10.3 Liability of joint holders for calls**

The joint holders of a share are jointly and severally liable to pay all calls in respect of the share.

#### **10.4 Interest on unpaid amounts**

If a sum called or otherwise payable to the Company in respect of a share is not paid before or on the day appointed for payment of the sum, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment of the sum to the time of actual payment at a rate determined by the Directors but not exceeding the Prescribed Rate together with expenses incurred by the Company by reason of non-payment, but the Company may waive payment of that interest wholly or in part.

#### **10.5 Fixed sums taken to be called**

Any sum that, under the terms of issue of a share, becomes payable on allotment or at a fixed date (whether on account of the nominal value of the share or by way of premium) shall, for the purposes of this constitution, be taken to be a call duly made and payable on the date on which under the terms of issue the sum becomes payable and, if not paid when due, all the provisions of this constitution relating to payment of interest and expenses, forfeiture or otherwise apply as if that sum had become payable by virtue of a call duly made and notified.

#### **10.6 Differentiation Between Holders**

The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.

#### **10.7 Prepayments of Calls**

- (a) The Directors may accept from a member the whole or a part of the amount unpaid on a share even if that amount has not been called.

- (b) The Directors may authorise payment by the Company of interest on the whole or any part of an amount accepted under clause 10.7(a) until the amount becomes payable, at a rate, not exceeding the Prescribed Rate, which is agreed between the Directors and the member paying the sum.

## **11 Transfer of shares**

### **11.1 Transferability of certificated shares**

- (a) No share may be transferred except in accordance with the Shareholders Agreement.
- (b) In respect of a share transfer permitted by the Shareholders Agreement, subject to this constitution and the Law, the transfer must be by instrument in writing, in any form authorised by the Law or in any other form that the Directors approve.
- (c) A transferor of shares remains the holder of the shares transferred until the transfer is registered.

### **11.2 Registration of transfers**

- (a) The following documents must be lodged for registration at the registered office of the Company or the location of the relevant share register:
  - (i) the instrument of transfer;
  - (ii) the certificate (if any) for the shares; and
  - (iii) any other information that the Directors may require to establish the transferor's right to transfer the shares, including compliance with clause 11.1(a).
- (b) The Directors may waive compliance with clause 11.2(a)(ii) on receipt of satisfactory evidence of loss or destruction of the certificate.

### **11.3 Restriction on transferability**

The Directors must decline to register any transfer of a share unless:

- (a) the requirements of clauses 11.1 and 11.2 have been complied with; and
- (b) the transferee has become a party to the Shareholders' Agreement.

### **11.4 Suspension of Transfers**

The registration of transfers of shares may be suspended at any time and for any period as the Directors from time to time decide. The aggregate of those periods shall not exceed 30 days in any calendar year.

## **12 Forfeiture of shares**

### **12.1 Liability to forfeiture**

- (a) If a member fails to pay a call or instalment of a call on or before the day appointed for payment of the call or instalment, the Directors may, at any time afterwards while any part of the call or instalment remains unpaid, serve a notice

on the member requiring payment of so much of the call or instalment as is unpaid, together with any interest that has accrued and all expenses of the Company incurred as a result of the non-payment.

- (b) The notice must:
- (i) specify another day (not earlier than 14 days after the date of service of the notice) on or before which and a place at which the payment required by the notice is to be made; and
  - (ii) state that, if payment is not made at or before the time specified, the shares in respect of which the call was made are liable to be forfeited.

#### **12.2 Surrender of shares**

- (a) Subject to law, the Directors may accept the:
- (i) surrender of any fully paid share by way of compromise of any question as to the proper registration of the holder or in satisfaction of any payment due to the Company; and
  - (ii) gratuitous surrender of any fully paid share.
- (b) Any share surrendered under clause 12.2(a) may be disposed of in the same manner as a forfeited share.

#### **12.3 Power to forfeit**

If the requirements of a notice served under clause 12.1 are not complied with, any share in respect of which the notice has been given may at any time afterwards, but before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.

#### **12.4 Powers of directors**

- (a) If the Directors so determine, a forfeited share may be sold or otherwise disposed of on the terms and in the manner that the Directors think fit but only to a person who is or is entitled to be a Shareholder in accordance with the Shareholders Agreement and, at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit.
- (b) Any residue from the proceeds of sale of a forfeited share, after satisfaction of any calls or instalments due and unpaid and accrued interest and expenses in respect of that share, shall be paid to the person entitled to that share at the time of the forfeiture, to the successors or assigns of the person or as the person directs.

#### **12.5 Consequences of forfeiture**

A person whose shares have been forfeited:

- (a) ceases to be a member in respect of the forfeited shares at the time and on the date of the passing of the Directors' resolution approving the forfeiture;
- (b) has no claims or demands against the Company in respect of those shares;
- (c) has no other rights incident to the shares except the rights that are expressly provided by the Law or saved by this constitution; and
- (d) remains liable to pay to the Company all money that, at the date of forfeiture, was payable by the person to the Company in respect of the shares, including, if the Directors think fit, interest from the date of forfeiture at the Prescribed Rate on the money for the time being unpaid. The Directors may, but shall not be obliged to, enforce the payment of the money or any part of the money for which the member is liable as they think fit.

**12.6 Notice of forfeiture**

- (a) Notice of the resolution of forfeiture shall be given to the member in whose name the share was registered immediately before the forfeiture and an entry of the forfeiture and its date shall be made immediately in the register.
- (b) The provisions of clause 12.6(a) are directory only and the validity of any forfeiture is not affected in any way by any omission to give the notice or to note the entry.

**12.7 Evidentiary matters**

Without prejudice to clause 12.6, a statement in writing by a Director or a secretary of the Company to the effect that:

- (a) a share in the Company has been duly forfeited on a date specified in the statement; or
- (b) a particular sum is payable by a member or former member to the Company as at a particular date in respect of a call or instalment of a call (including interest),

is prima facie evidence of the facts set out in the statement as against all persons claiming to be entitled to the share and against the member or former member who remains liable to the Company under clause 12.5.

**12.8 Transfers after forfeiture and sale**

- (a) The Company may:
  - (i) receive the consideration (if any) given for a forfeited share on any sale or disposition of the share; and
  - (ii) effect a transfer of the share in favour of the person to whom the share is sold or disposed of.



- (b) On the completion of the transfer, the transferee must be registered as the holder of the share and is not bound to see to the application of any money paid as consideration.
- (c) The title of the transferee to the share is not affected by any irregularity or invalidity in connection with the forfeiture, sale or disposal of the share.

#### **12.9 Fixed amounts taken to be calls**

The provisions of this constitution relating to forfeiture apply in the case of non-payment of any sum that, under the terms of issue of a share, becomes payable at a fixed time, as if that sum had become payable by virtue of a call duly made.

### **13 Proceedings of members**

#### **13.1 Written resolutions of members**

- (a) While the Company has only one member, the Company may pass a resolution by that member signing a record in writing of that resolution.
- (b) The Company may pass a resolution without a meeting of the members in accordance with the Law.

#### **13.2 Who can call meetings of members**

- (a) Any three or more Directors may convene a general meeting of the Company.
- (b) The same three Directors who convene a general meeting may cancel that meeting by notice in writing to all members, except that a meeting convened on the requisition of a member or members shall not be cancelled without the consent of that member or those members.
- (c) The Directors may postpone a general meeting or change the place at which it is to be held by notice not later than 72 hours prior to the time of the meeting to all persons to whom the notice of meeting (the first notice) was given. The postponing notice shall specify the place, date and time of the meeting. The meeting shall be taken to be duly convened under the first notice.
- (d) The Directors must call and arrange to hold a general meeting on the request of members made in accordance with the Law.
- (e) The members may call and arrange to hold a general meeting as provided in the Law.

#### **13.3 Notice of general meetings**

- (a) Each notice convening a general meeting shall contain the information required by the Law and shall specify the place, the day and the hour of the meeting and state the general nature of the business to be transacted at the meeting.

- (b) The non-receipt of a notice convening a general meeting by, or the accidental omission to give notice to, any person entitled to receive notice does not invalidate the proceedings at or any resolution passed at the meeting.

#### **13.4 Business of general meetings**

Unless all members are present as Members Present and agree otherwise, no business shall be transacted at any general meeting except as set out in the notice of meeting.

#### **13.5 Quorum**

- (a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (b) A quorum of members at a general meeting comprises members representing not less than 71% of:
  - (i) all members entitled to vote at the meeting; and
  - (ii) all members holding ordinary shares and entitled to vote at the meeting.

#### **13.6 If quorum not present**

If a quorum is not present within 30 minutes after the time appointed for the meeting:

- (a) where the meeting is convened on the requisition of members, the proposed meeting shall be dissolved;
- (b) in any other case:
  - (i) the meeting stands adjourned to a day and at a time and place as the Directors decide or, if no decision is made by the Directors, to the same day in the next week at the same time and place;
  - (ii) notice of the day, the time and the place of the adjourned meeting must be given to all members not less than two Business Days before the day of the meeting; and
  - (iii) if at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the meeting, the Members Present shall constitute a quorum and may transact the business for which the meeting was called.

#### **13.7 Chair of meetings**

- (a) Subject to clause 13.7(b), the chair of Directors shall preside as chair at every general meeting.
- (b) Where a general meeting is held and:
  - (i) there is no chair of Directors; or

- (ii) the chair of Directors is not present within 15 minutes after the time appointed for the meeting or does not wish to act as chair of the meeting,

the Members Present shall elect one of their number to be chair of the meeting.

- (c) The chair is entitled to vote but has no casting vote at a meeting of members.

#### **13.8 Adjournments**

- (a) The chair of a meeting shall if so directed by any meeting at which a quorum is present adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (b) When a meeting is adjourned, notice of the adjourned meeting shall be given as in the case of an original meeting.

#### **13.9 Voting at general meetings**

- (a) Any resolution to be considered at a general meeting shall be decided on a show of hands, unless a poll is demanded whether before or after the declaration of the result of the show of hands.
- (b) Unless a poll is so demanded, a declaration by the chair that a resolution has on a show of hands been carried or lost and an entry to that effect in the minutes of the meeting shall be taken as conclusive evidence of the fact without the need to show the number or proportion of the votes recorded in favour of or against the resolution.
- (c) A poll for a resolution may be demanded by at least 5% of Members Present and entitled to vote on the resolution. The demand for a poll may be withdrawn.
- (d) A poll may not be demanded on the election of a chair or on a resolution for adjournment.

#### **13.10 Procedure for Polls**

- (a) A poll, when demanded, shall be taken in the manner and at the time the chair directs.
- (b) The result of the poll shall be a resolution of the meeting at which the poll was demanded.
- (c) The demand for a poll shall not prevent a meeting from continuing for the transaction of any business other than that on which a poll has been demanded.

#### **13.11 Representation and Voting of Members**

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (a) at meetings of members or classes of members, each member entitled to attend and vote may attend and vote in person, by electronic means if approved by the board or by proxy, or attorney and (where the member is a body corporate) by representative;
- (b) on a show of hands, every Member Present having the right to vote at the meeting has one vote; and
- (c) on a poll, every Member Present having the right to vote at the meeting has one vote for each fully paid share.

#### **13.12 Joint holders**

Where more than one joint holder votes, the vote of the holder whose name appears earliest in order in the register of members shall be accepted to the exclusion of the others whether the vote is given personally, by attorney or by proxy.

#### **13.13 Restriction on Voting Rights- Unpaid Amounts**

A member is not entitled to attend or vote at a general meeting unless all calls and other sums presently payable by the member in respect of shares in the Company have been paid.

#### **13.14 Objections to qualification to vote**

- (a) An objection to the qualification of a person to vote may be raised only at the meeting or adjourned meeting at which the vote objected to is tendered.
- (b) Any objection shall be referred to the chair of the meeting, whose decision shall be final.
- (c) A vote allowed after an objection shall be valid for all purposes.

#### **13.15 Appointment of proxies**

- (a) A member entitled to cast one vote may appoint one proxy. A member entitled to cast two or more votes may appoint not more than two proxies. A proxy need not be a member.
- (b) If a member appoints two proxies, neither proxy is entitled to vote on a show of hands.
- (c) A member may not appoint an Independent Chair (whether acting as chair of the meeting or not) as a proxy.

#### **13.16 Form of proxy**

- (a) An instrument appointing a proxy must:

- (i) be in writing under the hand of the appointer or of the appointor's attorney duly authorised in writing; or
  - (ii) if the appointor is a corporation, be either under seal or under the hand of a duly authorised officer or attorney.
- (b) A proxy may vote as the proxy thinks fit on any motion or resolution in respect of which no manner of voting is indicated.
- (c) An instrument appointing a proxy may be in any form that the Directors may accept or stipulate.
- (d) If an instrument appointing two proxies does not specify the proportion of the member's voting rights each proxy is entitled to represent, each proxy shall exercise the proportion of voting rights specified by the Law.
- (e) Despite clause 13.2, where an instrument of proxy is signed by all of the joint holders of any shares, the votes of the proxy so appointed must be accepted in respect of those shares to the exclusion of any votes tendered by a proxy for any one of those joint holders.

**13.17 Lodgement of proxies**

- (a) For an instrument appointing an attorney to act on behalf of a member at all meetings of the Company (or at all meetings for a specified period) to be effective the following documents must be received by the Company not less than 48 hours (or any shorter period as the Directors may permit) before the commencement of the meeting or adjourned meeting at which the attorney proposes to vote:
  - (i) the power of attorney or a certified copy of that power of attorney; and
  - (ii) any evidence that the Directors may require of the validity and non-revocation of that power of attorney.
- (b) For the purposes of this clause, the Company receives these documents when they are received at any of the following:
  - (i) the Company's registered office; or
  - (ii) a place, fax number or electronic address specified for the purpose in the notice of meeting.

**13.18 Validity of proxies**

- (a) A vote exercised in accordance with the terms of an instrument of proxy, a power of attorney or other relevant instrument of appointment is valid despite:
  - (i) the previous death, unsoundness of mind, liquidation, administration or incapacity of the principal;
  - (ii) the revocation of the instrument (or of the authority under which the instrument was executed) or the power; or

- (iii) the transfer of the share in respect of which the instrument or power is given,

if no notice in writing of the death, unsoundness of mind, liquidation, administration or incapacity, revocation or transfer has been received by the Company at its registered office not less than 48 hours (or any shorter period as the Directors may permit) before the commencement of the meeting, or adjourned meeting at which the instrument is used or the power is exercised.

- (b) A proxy is not revoked by the principal attending and taking part in the meeting, unless the principal actually votes at the meeting on the resolution for which the proxy is proposed to be used.
- (c) A proxy is revoked if the proxy becomes an Independent Chair.

#### **13.19 Where proxy is Incomplete**

- (a) Subject to clause 13.19(b), no instrument appointing a proxy is treated as invalid merely because it does not contain:
  - (i) the address of the appointor or of a proxy;
  - (ii) the proxy's name or the name of the office held by the proxy; or
  - (iii) in relation to any or all resolutions, an indication of the manner in which the proxy is to vote.
- (b) Where the instrument does not specify the name of a proxy, the instrument is taken to be in favour of the chair of the meeting unless the chair is an Independent Chair in which case the proxy is treated as invalid.

#### **13.20 Right of officers and advisers to attend general meeting**

- (a) A Director who is not a member shall be entitled to be present and to speak at any general meeting.
- (b) A secretary who is not a member shall be entitled to be present and, at the request of the chair, to speak at any general meeting.
- (c) Any other person (whether a member or not) requested by the Directors to attend any general meeting shall be entitled to be present and, at the request of the chair, to speak at that general meeting.

#### **13.21 Meeting at more than one place**

- (a) A meeting of members may be held in two or more places linked together by any technology that:
  - (i) gives the members as a whole in those places a reasonable opportunity to participate in proceedings;
  - (ii) enables the chairperson to be aware of proceedings in each place; and

- (iii) enables the members in each place to vote on a show of hands and on a poll.
- (b) If a meeting of members is held in two or more places under clause 13.21(a):
  - (i) a member present at one of the places is taken to be present at the meeting; and
  - (ii) the chairperson of that meeting may determine at which place the meeting is taken to have been held.

## **14 Directors**

### **14.1 Appointment**

The number, method of appointment and removal, powers and remuneration of Directors shall be as specified in the Shareholders' Agreement.

### **14.2 No share qualification**

Directors are not required to hold shares in the capital of the Company.

## **15 Powers of directors**

### **15.1 Management**

Subject to the Law, this constitution and the Shareholders' Agreement, the business of the Company shall be managed by the Directors.

### **15.2 Appointment of attorneys**

- (a) The Directors may, by power of attorney, appoint any person to be the attorney of the Company for the purposes, with the powers, authorities and discretions vested in or exercisable by the Directors for any period and subject to any conditions as they think fit.
- (b) Any appointment under clause 15.2(a) may be made on terms for the protection and convenience of persons dealing with the attorney as the Directors think fit and may also authorise the attorney to delegate all or any of the powers, authorities and discretions vested in the attorney.

### **15.3 Committees and delegates**

- (a) The Directors may delegate any of their powers (including this power to delegate) to a committee of Directors, a Director, an employee of the Company or any other person.
- (b) The Directors may revoke or vary any power delegated under clause 15.3(a).
- (c) A committee or delegate must exercise the powers delegated in accordance with any directions of the Directors.

- (d) The exercise of a delegated power by the committee or delegate is as effective as if the Directors exercised the power.
- (e) Clause 16 applies with the necessary changes to meeting of a committee of Directors.

#### **15.4 Negotiable instruments**

All negotiable instruments of the Company shall be executed by the persons and in the manner the Directors decide from time to time.

### **16 Proceedings of directors**

#### **16.1 Convening meetings**

The Directors shall call and conduct meetings and otherwise regulate their procedures in accordance with the Shareholders' Agreement.

#### **16.2 Interested directors**

- (a) A Director is not disqualified by the Director's office from contracting with the Company or any Related Entity in any capacity by reason of holding of the office of Director.
- (b) In relation to a contract or arrangement in which a Director has a material personal interest:
  - (i) the fact that the Director signed the document evidencing the contract or arrangement will not in any way affect its validity;
  - (ii) a contract or arrangement made by the Company or any Related Entity with a Director may not be avoided merely because the Director is a party to the contract or arrangement or otherwise interested in it; and
  - (iii) the Director will not be liable to account to the Company for any profit derived in respect of the contract or arrangement merely because of the Director's office or the fiduciary relationship it entails.
- (c) Subject to clause 16. 2(d), a Director who has a material personal interest in a matter that relates to the affairs of the Company must give the other Directors notice of his or her interest.
- (d) A Director with a material personal interest in a matter that relates to the affairs of the Company is not required to give notice in the following circumstances:
  - (i) if all of the following conditions are met:
    - (A) the Director has already given notice of the nature and extent of the interest and its relation to the affairs of the Company;



- (B) if a person who was not a Director at the time the notice was given is appointed as a Director, the notice is given to that person; and
    - (C) the nature or extent of the interest has not materially increased above that disclosed in the notice; or
  - (ii) if the Director has given a standing notice of the nature and extent of the interest in accordance with the Law and that standing notice is still effective in relation to the interest; or
  - (iii) as otherwise permitted under the Law.
- (e) Notices of material personal interest given by Directors must:
  - (i) give details of the nature and extent of the Director's interest and the relation of the interest to the affairs of the Company;
  - (ii) be given at a Directors' meeting as soon as practicable after the Director becomes aware of their interest in the matter; and
  - (iii) be recorded in the minutes of the Directors' meeting at which the notice is given.
- (f) A Director who has a material personal interest in a matter that is being considered at a Directors' meeting must not be present while the matter is being considered at the meeting or vote on the matter, except in the following circumstances:
  - (i) if the material personal interest is a matter that is not required to be disclosed under this clause or under the Law; or
  - (ii) if the Directors who do not have a material personal interest in the matter have passed a resolution that:
    - (A) identified the Director, the nature and the extent of the Director's interest in the matter and its relation to the affairs of the Company; and
    - (B) states that those Directors are satisfied that the interest should not disqualify the Director from voting or being present; or
  - (iii) as otherwise permitted under the Law.
- (g) Nothing in this clause affects the duty of a Director:
  - (i) who holds any office or possesses any property whereby, directly or indirectly, duties or interests might be created in conflict with the Director's duties or interests as a Director, to declare at a meeting of Directors, the fact and the nature, character and extent of the conflict; or
  - (ii) to comply with the Law.

**16.3 Defects in appointment**

- (a) All acts done by any meeting of the Directors, committee of Directors, or person acting as a Director are as valid as if each person was duly appointed and qualified to be a Director or a member of the committee.
- (b) Clause 16.3(a) applies even if it is afterwards discovered that there was some defect in the appointment of a person to be a Director or a member of a committee or to act as a Director or that a person so appointed was disqualified.

**17 Other officers****17.1 Secretary**

The Directors must appoint or remove a secretary to the Company in accordance with the Law and the Shareholders' Agreement.

**17.2 Other Officers**

- (a) Subject to the Shareholders' Agreement, the Directors may from time to time:
  - (i) create any other position or positions in the Company with the powers and responsibilities as the Directors may from time to time confer; and
  - (ii) appoint any person to any position or positions created under clause 17.2(a).
- (b) The Directors at any time may terminate the appointment of a person holding a position created under clause 17.2(a)(i) and may abolish the position.

**18 Seals and executing documents****18.1 Seals and their use**

- (a) The Company may have a common seal. If the Company has a common seal it may also have a duplicate common seal.
- (b) A Seal may be used only by the authority of the Directors, or of a committee of the Directors authorised by the Directors to authorise the use of the Seal. Every document to which the Seal is affixed shall be signed by:
  - (i) two Directors; or

- (ii) a Director and a secretary (or another person appointed by the Directors to countersign that document or a class of documents in which that document is included).
- (C) This clause does not limit the ways in which the Company may execute a document.

## **19 Inspection of records**

- (a) The Directors may authorise a member to inspect books of the Company to the extent, at the time and places and under the conditions, the Directors consider appropriate.
- (b) A member (other than a Director) does not have the right to inspect any document of the Company except as provided by law or the Shareholders' Agreement or as authorised by the Directors.

## **20 Notices**

### **20.1 Notices Generally**

- (a) Any member who has not left at or sent to the registered office, a place of address or an electronic mail address (for registration in the register) at or to which all notices and documents of the Company may be served or sent is not entitled to receive any notice.
- (b) A notice may be given by the Company to any member by:
  - (i) serving it on the member personally;
  - (ii) sending it by post to the member or leaving it at the member's address as shown in the register or the address supplied by the member to the Company for the giving of notices;
  - (iii) serving it in any manner contemplated in this clause 20.1(b) on a member's attorney as specified by the member in a notice given under clause 20.1(c);
  - (iv) fax to the fax number supplied by the member to the Company for the giving of notices; or
  - (v) transmitting it electronically to the electronic mail address given by the member to the Company for giving notices.
- (c) A member may, by written notice to the secretary left at or sent to the registered office, require that all notices to be given by the Company or the Directors be served on the member's attorney at an address specified in the notice.

- (d) Notice to a member whose address for notices is outside Australia shall be sent by airmail, fax or electronic mail.
- (e) Where a notice is sent by post, service of the notice shall be taken to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected:
  - (i) in the case of a notice of a meeting, on the day after the date of its posting; and
  - (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (f) Where a notice is sent by fax or electronic transmission, service of the notice is taken to be effected by properly addressing and sending or transmitting the notice and to have been effected on the day it is sent.
- (g) A notice may be given by the Company to a person entitled to a share in consequence of the death or bankruptcy of a member:
  - (i) by serving it on the person personally;
  - (ii) by sending it by post addressed to the person by name or by the title of representative of the deceased or assignee of the bankrupt or by any like description at the address (if any) within Australia supplied for the purpose by the person;
  - (iii) if such an address has not been supplied, at the address to which the notice might have been sent if the death or bankruptcy had not occurred;
  - (iv) by sending a fax to the fax number supplied by the person to the Company;
  - (v) if such a fax number has not been supplied, to the fax number to which the notice might have been sent if the death or bankruptcy had not occurred; or
  - (vi) by transmitting it to the electronic mail address supplied by the person to the Company.

## **20.2 Notices of General Meeting**

- (a) Notice of every general meeting shall be given:
  - (i) in the manner authorised by clause 20.1(b);
  - (ii) subject to clause 21(a), to every member and to each Director;
  - (iii) to every person entitled to a share in consequence of the death or bankruptcy of a member who, but for death or bankruptcy, would be entitled to receive notice of the meeting; and
  - (iv) to the auditor of the Company.

- (b) No other person is entitled to receive notice of general meetings.

## 21 Joint holders

- (a) Joint holders of a share shall give to the Company notice of a single address for the purpose of all notices given by the Company under clause 21(c) in respect of that share.
- (b) Where the Company receives notice under clause 21(a), the giving of notice to the address so notified shall be deemed given to all joint holders of the relevant share.
- (c) Where joint holders of a share fail to give notice to the Company in accordance with clause 21(a), the Company may give notice to the address of the joint holder whose name first appears in the register.

## 22 Winding up

If, on the winding up or dissolution of the Company by any means and for any reason, there remains any property, after the satisfaction of all the Company's debts and liabilities, the property must not be paid to or distributed among the members but must be given or transferred to:

- (a) one or more institutions (whether or not a member or members of the Company) determined by the members at or before the time of the dissolution:
  - (i) having objects similar to the objects of the Company; and
  - (ii) whose constitution prohibits the distribution of its or their income and property to an extent at least as great as that imposed on the Company under clause 4.
- (b) In this clause 'Community Housing Asset', 'Corresponding Law', 'Housing Agency', 'Participating Jurisdiction' and 'Registered Provider' have the same meanings as in the Housing Act 2003 (Qld).
- (c) Despite the previous sub-clauses, each Community Housing Asset remaining after satisfaction of the Company's liabilities must be transferred as follows:
  - (i) each remaining Community Housing Asset of the Company in Queensland must be transferred under s 37H(2)(a) of the Housing Act 2003 (Qld); and
  - (ii) each remaining Community Housing Asset of the Company located in a Participating Jurisdiction must be transferred under the Corresponding Law of that Participating Jurisdiction to:
    - (iii) the Housing Agency in the Participating Jurisdiction;
    - (iv) another Registered Provider in the Participating Jurisdiction; or
    - (v) another entity as prescribed under the Corresponding Law.

## 23 Indemnity

### 23.1 Indemnity and Insurance

- (a) To the extent permitted by law and without limiting the powers of the Company, the Company must indemnify each person who is, or has been, a Director or secretary of the Company against any liability which results from facts or circumstances relating to the person serving or having served as a Director, secretary in relation to the Company:

- (i) other than:
  - (A) a liability owed to the Company or a Related Entity;
  - (B) a liability for a pecuniary penalty order under section 1317G or a compensation order under section 1317H; or
  - (C) a liability that is owed to someone (other than the Company or a Related Entity) and did not arise out of conduct in good faith;

(this clause 23.1 does not apply to a liability for legal costs)

- (ii) other than for legal costs incurred in defending an action for liability if the costs are incurred:
  - (A) in defending or resisting civil proceedings in which the person is found to have a liability for which they could not be indemnified under clause 23.1(a)(i)(A); or
  - (B) in defending or resisting criminal proceedings in which the person is found guilty; or
  - (C) in defending or resisting proceedings brought by ASIC or a liquidator for a court order if the grounds for making the order are found by the Court to be established; or
  - (D) in connection with proceedings for relief to the person under the Law in which the Court denies the relief.

Clause 23.1(a)(ii)(C) does not apply to costs incurred in responding to actions brought by ASIC or a liquidator as part of an investigation before commencing proceedings for the court order.

- (b) To the extent permitted by law and without limiting the powers of the Company, the Directors may authorise the Company to, and the Company may enter into any:

- (i) documentary indemnity in favour of; or
- (ii) insurance policy for the benefit of,

a person who is, or has been, a Director, secretary, auditor, employee or other officer of the Company or of a subsidiary of the Company, which indemnity or insurance policy may

be in such terms as the Directors approve and, in particular, may apply to acts or omissions prior to or after the time of entering into the indemnity or the policy.

- (c) The benefit of each indemnity given in clause 23.1(a) continues, even after its terms or the terms of this clause are modified or deleted, in respect of a liability arising out of acts or omissions occurring prior to the modifications or deletion.

## **24 Gift fund**

- (a) The Company may establish and maintain a separate gift fund solely for the promotion of the objects of the Company in clause 3 with the intention that it be endorsed as a deductible gift recipient pursuant to the Income Tax Assessment Act 1997 and otherwise in accordance with requirements of the Income Tax Assessment Act 1997.
- (b) The name of the gift fund will be 'The Mackay Regional Housing Company Gift Fund' or any other name determined by the Directors from time to time.
- (c) The following amounts may be credited to the gift fund:
  - (i) gifts of money or property made for the principal purpose of the Company, including testamentary gifts;
  - (ii) distributions from other charities or deductible gift recipients (if made for the principal purpose of the Company);
  - (iii) deductible contributions made to a fundraising event staged to raise funds for the principal purpose of the Company; and
  - (iv) money received because of these gifts and deductible contributions, including proceeds from the sale of gifted property, and investment returns from money or property that continues to be part of the gift fund.
- (d) Amounts that are not gifts or deductible contributions are not to be credited to the gift fund including:
  - (i) receipts from sponsorships or commercial activities; and
  - (ii) proceeds of raffles, charity auctions, dinners and the like where the proceeds are not deductible contributions.
- (e) During any period while the Company maintains a gift fund under clause 24(a), the Directors shall establish rules for the operation of the gift fund and at any time may vary, modify, revoke or replace those rules in whole or in part in their absolute discretion.
- (f) Upon whichever is the earlier of:
  - (i) the winding up or dissolution of the Company;
  - (ii) the winding up or dissolution of the gift fund; or
  - (iii) when the endorsement of the Company as a deductible gift recipient is revoked;

all money, investments and property then forming the separate gift fund and remaining after the payment of all debts, expenses and liabilities properly payable out of the gift fund, shall be applied in accordance with clause 22 (as if, in the case of sub-clauses 22(a)(i) and 22(a)(ii), the Company has been wound up or dissolved) and additionally, to an institution which is endorsed as a deductible gift recipient pursuant to the Income Tax Assessment Act 1997.



ME Draft 06.07.2021

Shareholders' agreement  
Mackay Regional Housing Company Limited  
ACN 138 877 942

Mackay Regional Council  
BlueCHP Limited  
Mackay Regional Council for Social Development

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# Shareholders' agreement

Dated

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## Parties

Shareholder 1	Mackay Regional Council ABN 56 240 712 069 of PO Box 41, Mackay, Queensland, 4740
Shareholder 2	BlueCHP Limited ABN 78 128 582 383 Suite 3A, 12 O'Sullivan Road Leumeah NSW, 2560
Shareholder 3	Mackay Regional Council for Social Development ABN 53 009 931 408 of PO Box 984, Mackay, Queensland, 4740

## Background

- A The Shareholders have agreed to continue the Company as a vehicle, having as its primary object, the promotion of the relief of poverty by providing affordable Housing solutions to people in the Mackay, Isaac and Whitsunday region who are in need, including members of low income households, people with complex and specific needs, people experiencing housing stress and people in disadvantaged target groups.
- B The parties propose that in order to achieve the primary object specified in Background paragraph A, the shareholder parties to this document will become the Shareholders of the Company.
- C The issued shareholding in the Company will be divided into:
- (i) Class A Shares;
  - (ii) Class B Shares;
- with equal rights attaching to each class of Shares.
- D The Company, will have an issued share capital of \$7 comprising seven fully paid Ordinary Shares of \$1 each), of which:
- (i) Class A Shares:
    - (a) Four (4) fully paid Class A Shares will be held by BlueCHP Limited;
    - (b) One (1) fully paid Class A Share will be held by Mackay Regional Council for Social Development Ltd;
  - (ii) Class B Shares:
    - (c) Two (2) fully paid Class B Shares will be held byMackay Regional Council.
- E The Shareholders wish to enter into this document in order to regulate the rights and obligations of Shareholders of the Company.

## Agreed terms

### 1 Definitions and interpretation

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#### 1.1 Definitions

In this document the following definitions apply unless the context requires otherwise:

Term	Definition
Administrative Service Agreement	means the Administrative Service Agreement between BlueCHP Limited and the Company entered into on or around the date of this document in the form in Schedule 4, as may be amended or replaced from time to time.
ASIC	means Australian Securities and Investment Commission.
Auditors	means the auditors of the Company.
BlueCHP Limited	means the Tier 1 NRSCH Community Housing Provider BlueCHP Ltd (ACN 128 582 383) of Unit 9 / 76 Doggett Street Newstead QLD 4006
Board	means the Directors of the Company or those of them who are present at a meeting of the Directors at which there is a quorum.
Business Day	means a day other than a Saturday, Sunday or public holiday within the Mackay, Isaac and Whitsunday Area, Brisbane Local Government Area and New South Wales.
Business Plan	means the Business Plan developed by the Company and adopted by the Board (via a 75% majority decision) which is intended to provide high level guidance as to the operations and activities of the Company for a two to five year period.
Class A Shareholders	means each party who holds Class A Shares.
Class B Shareholders	means each party who holds Class B Shares.
Class A Shares	means Not For Profit Organisations' Ordinary Shares in the Company referred to in Background paragraph D(i).
Class B Shares	means Mackay Regional Council's Ordinary Shares in the Company referred to in Background paragraph D(ii).
Commencement Date	means the date on which this document amends and replaces the Existing Shareholders Agreement of the Company or any later day that the Shareholders agree.
Company	means Mackay Regional Housing Company Limited ACN 138 877 942 (whether under that name or any changed name agreed among the Shareholders) and, where appropriate, includes: <ul style="list-style-type: none"> <li>(a) the Company and/or each and any of its Subsidiaries;</li> <li>(b) the Company and all of its Subsidiaries together including on a consolidated basis.</li> </ul>
Confidential Information	means all information of a Shareholder or the Company (the Relevant Party) which is regarded by the Relevant Party as confidential to it or would reasonably be considered to be confidential to it, including

Term	Definition
	information relating to technology, processes, products, specifications, inventions or designs used or developed by the Relevant Party, trade secrets and know-how, cabinet, ministerial executive and other government documents not publicly available and information of a commercially sensitive nature. Confidential Information does not include information which:
	(a) at the time of the first disclosure to or observation by the other party, was already in the lawful possession of that party;
	(b) is in or comes into the public domain otherwise than by disclosure in breach of this document; or
	(c) becomes available to the other party from any other source provided it was not acquired directly or indirectly from the Relevant Party.
Constitution	means the Constitution in the form in Schedule 1, as amended or replaced from time to time pursuant to this document.
Deed of Accession	means a Share Issue Deed of Accession or a Share Transfer Deed of Accession.
Default Event	has the meaning given in clause 17.3.
Director	means a person appointed to the office of director of the Company.
Disclosing Party	has the meaning in clause 18.1.
Dispose	<p>in relation to a person and any property means to sell, transfer, assign, create a Security Interest over, declare oneself a trustee of or part with the benefit of or otherwise dispose of that property (or any interest in it or any part of it) whether done before, on or after the person obtains any interest in the property including, without limitation, in relation to a Share, to enter into a transaction in relation to the Share (or any interest in the Share) which results in a person other than the registered holder of the Share:</p> <p>(a) acquiring or having any equitable or beneficial interest in the Share, including, without limitation, an equitable interest arising under a declaration of trust, an agreement for sale and purchase or an option agreement or an agreement creating a charge or other Security Interest over the Share; or</p> <p>(b) acquiring or having any rights of pre-emption, first refusal or other direct or indirect control over the disposal of the Share; or</p> <p>(c) acquiring or having any rights of direct or indirect control over the exercise of any voting rights or rights to appoint Directors attaching to the Share; or</p> <p>(d) otherwise acquiring or having legal or equitable rights against the registered holder of the Share (or against a person who directly or indirectly controls the affairs of the registered holder of the Shares) which have the effect of placing the other person in substantially the same position as if the person had acquired a legal or equitable interest in the Share itself,</p> <p>but excludes a transaction:</p>

Term	Definition
	(i) permitted by this document; or
	(ii) conditional on each other Shareholder consenting to it.
Government Entity	means any local, regional, or municipal government, agency or instrumentality that exercises an executive or legislative power, or any company or statutory corporation that is wholly owned by a Government Entity.
Greater Whitsunday Region	means the local government areas comprising Mackay Regional Council, Isaac Regional Council and Whitsunday Regional Council.
Group	means the following corporations: <ul style="list-style-type: none"> <li>(a) the Company; and</li> <li>(b) each wholly-owned Subsidiary of the Company (if any).</li> </ul>
Group Company	means each corporation, which is a member of the Group.
Housing	means residential accommodation by way of a house, duplex, home unit, boarding house, hostel or other means.
Insolvency Event	means the occurrence of any of the following events in relation to a Shareholder: <ul style="list-style-type: none"> <li>(a) a resolution is passed for the winding up of the Shareholder (other than for the purposes of reconstruction or amalgamation on terms which have been previously approved in writing by the other party);</li> <li>(b) a liquidator, provisional liquidator or receiver or receiver and manager, voluntary administrator, or administrator of a deed of company arrangement is appointed to all of the property of the Shareholder;</li> <li>(c) a receiver, receiver and manager, voluntary administrator or an administrator of a deed of company arrangement, is appointed to, or a mortgagee takes possession of, all of the business or assets of the Shareholder;</li> <li>(d) the Shareholder makes any composition or arrangement or assignment with or for the benefit of its creditors;</li> <li>(e) the Shareholder or any creditor appoints a voluntary administrator or a resolution is passed for that party to execute a deed of company arrangement;</li> <li>(f) the Shareholder ceases to carry on its business; or</li> <li>(g) the Shareholder becomes insolvent within the meaning of section 95A of the Corporations Act.</li> </ul>
Land	means real property owned by the Company.
Law	means the <i>Corporations Act 2001</i> (Cth) and the Corporations Regulations.
Mackay, Isaac & Whitsunday Region	means the local government areas comprising Mackay Regional Council, Isaac Regional Council and Whitsunday Regional Council.
Mackay Regional Council	means the Mackay local government authority.



<b>Term</b>	<b>Definition</b>
Mackay Regional Council For Social Development Ltd	means the registered charity also known as Regional Social Development Coalition (ABN 53 009 931 408) & Greater Whitsunday Communities 63 Sydney Street Mackay QLD 4749.
Members Present	has the same meaning as in the Constitution.
Net Assets	means the total value of all assets of the Group as shown in the latest audited consolidated accounts of the Group, or if the Company has no Subsidiaries, in the latest audited accounts.
Not for Profit Organisation	means an organisation that is not carried on for the purpose of profit or gain to its individual members and is, by the terms of its constituent documents, prohibited from making any distribution, whether in money, property or otherwise, to its members.
Objects	means the objects of the Company set out in clause 2 of the Constitution.
Ordinary Share	means any Share in the Company.
party	means each of the Shareholders, the Company (whether or not it executes a Deed of Accession) and any person who executes a Share Issue Deed of Accession or a Share Transfer Deed of Accession.
Related Entity	has the meaning given to Related Body Corporate in the Law, but on the basis that Subsidiary has the meaning given in this document and that body corporate includes any entity and a trust. In relation to a shareholder, which is a government department, statutory corporation, or government-owned corporation of the Queensland Government, it means any other government department, statutory corporation or government owned corporation of the Queensland Government.
Security Interest	means an interest or power: <ul style="list-style-type: none"> <li>(a) reserved in or over any interest in any asset including, without limitation, any retention of title; or</li> <li>(b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power by way of security for the payment of debt or any other monetary obligation or the enforcement of any other obligation and whether or not existing or agreed to be granted or created.</li> </ul>
Share	means either or both of a Class A Share or Class B Share.
Share Issue Deed of Accession	means a deed substantially in the form set out in Schedule 2 which relates to the situation where the New Party named in the deed is a subscriber for either a Class A Share or a Class B Share.
Share Transfer Deed of Accession	means a deed substantially in the form set out in Schedule 3 which relates to the situation where the New Party named in the deed is a transferee of Shares.
Shareholder	means each person holding one or more Shares at a relevant time, including the Shareholders prior to the time that they acquire their Shares. On and from the Commencement Date it means each Shareholder listed in the Parties section of this document.
Stakeholder Organisations	means any Government Entity and Not For Profit Organisations, having an interest in the provision of subsidised or low rental Housing, that are not Shareholders.
Subsidiary	has the meaning given in the Law but so that:

Term	Definition
	(a) an entity will also be deemed to be a Subsidiary of a company if it is controlled by that company (expressions used in this paragraph have the meaning given in section 50AA of the Law);
	(b) a trust may be a Subsidiary, for the purposes of which a unit or other beneficial interest will be regarded as a share; and
	(c) a corporation or trust may be a Subsidiary of a trust if it would have been a Subsidiary if that trust were a corporation.
Termination Event	has the meaning in clause 17.5.

## 1.2 Interpretation

Headings are for convenience only and do not affect interpretation. The following rules apply unless the context requires otherwise.

- (a) The singular includes the plural and conversely.
- (b) A gender includes all genders.
- (c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (d) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (e) A reference to a clause or Schedule is a reference to a clause of or a Schedule to this document.
- (f) A reference to any agreement or document (including, without limitation, a reference to this document) is to the agreement or document as amended, varied, supplemented, novated or replaced, except to the extent prohibited by this document or that other agreement or document.
- (g) A reference to any party to this document or another agreement or document includes the party's successors, permitted substitutes and assigns (and, where applicable, the party's legal personal representatives).
- (h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (i) A reference to conduct includes, without limitation, an omission, statement and undertaking, whether or not in writing.
- (j) A reference to an agreement includes any undertaking, deed, agreement and legally enforceable arrangement whether or not in writing and a reference to a document includes an agreement (as so defined) in writing and any certificate, notice, instrument and document of any kind.
- (k) A reference to writing includes electronic and any other means of reproducing words in a tangible and permanently visible form.
- (l) Words and expressions having a particular meaning in the Law have that meaning in this document.
- (m) A reference to \$ is to Australian currency.

- (n) Accounting and financial terms have the meanings commonly given to them in accordance with accounting principles generally accepted in Australia.

### 1.3 Incorporation of Schedules

Each Schedule to this document is incorporated by reference in this document but if there is any inconsistency between any Schedule and any provision of this document, the provision of this document prevails to the extent of the inconsistency.

### 1.4 Consents or approvals

If the doing of any act, matter or thing under this document is dependent on the consent or approval of a party or is within the discretion of a party, the consent or approval may be given or the discretion may be exercised conditionally or unconditionally or withheld by the party in its absolute discretion.

### 1.5 Constitution

- (a) The provisions of this document govern and prevail over any provision of the Constitution in the event of any conflict or inconsistency.
- (b) Each party must perform any action necessary to amend any conflicting or inconsistent provision upon request by any other party.
- (c) This clause 1.5 applies to the fullest extent permitted by law.

## 2 Restructure of the Company

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### 2.1 Re-structure of Company and board

On or before the Commencement Date:

- (a) (approve the Constitution) the Shareholders must approve the Constitution; and
- (b) (subscription) each subscribe for their respective parts of the restructured share capital of the Company.

### 2.2 Subscription for Shares

The Shareholders acknowledge that by signing this document (which schedules the amended Constitution at Schedule 1) and each subscribing for their respective Shares in the following manner:

- (a) Four (4) fully paid Class A Shares each \$1 in the capital of the Company will be taken to be issued to the Class A Shareholder BlueCHP Limited;
- (b) One (1) fully paid Class A Share each \$1 in the capital of the Company will be taken to be issued to the Class A Shareholder Mackay Regional Council for Social Development; and
- (c) Two (2) fully paid Class B Shares each \$1 in the capital of the Company will be taken to be issued to the Class B Shareholder Mackay Regional Council.

### 2.3 Not Used

### 2.4 First board meeting after the Commencement Date

On or as soon as practicable after the Commencement Date, the Shareholders must procure that a meeting of the Board (comprising the Directors) is convened and that the following resolutions are passed at that meeting in the following order:

- (a) (directors) noting the appointment of the Directors as Directors of the Company;

- (b) (secretary) noting the appointment of the secretary as the secretary of the Company;
- (c) (constitution) noting the adoption of the Constitution;
- (d) (share register) authorising the Shareholders' names to be entered in the register of members of the Company as holders of the Class A Shares and Class B Shares (as the case may be) issued on incorporation of the Company by ASIC and directing the sealing and issuance of certificates for those Shares; and
- (e) (auditors) appointing new Auditors of the Company (if so directed by the Shareholders in accordance with clause 3.5(d));
- (f) (public officer) appointing a new public officer of the Company (if so agreed);
- (g) (Administrative Service Agreement) noting the adoption of the Administrative Service Agreement (substantially in the form in Schedule 4) and appointment of BlueCHP Limited as the Manager of the Company who oversees the functions of the Company's regional operations managers; and
- (h) (Development Management Services) resolving that whilst BlueCHP remains a Shareholder, BlueCHP is the Company's preferred provider of development management services or other development management functions, where such services or functions are required by the Company from time to time.

### 3 Control of the Company

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#### 3.1 The Board

- (a) The Board will be responsible for the overall direction and control of the management of the Company, and the ongoing review and formulation of the policies to be applied in the carrying out the Objects.
- (b) Subject to this document and to any statutory requirement, no matters need to be referred to the Shareholders.
- (c) Without limiting the generality of clause 3.1(a), the Board may exercise all the powers of the Company:
  - (i) to borrow money, to charge any property or business of the Company or all or any of its uncalled capital; and
  - (ii) to issue debentures or give any other security for a debt, liability or obligation of the Company or of any other person.

#### 3.2 Business plan and accountability

- (a) Subject to clause 3.4(f) and as soon as practicable after the election of the Board pursuant to clause 10.2, the Board must develop and adopt a Business Plan for the operations and activities of the Company.
- (b) Subject to clause 3.4(f), the Board must:
  - (i) review the Business Plan at least once annually and update as may be required; and
  - (ii) develop a new Business Plan at least every two to five years adopt such new Business Plan for the operations and activities of the Company.

- (c) The Board must develop and adopt policies and criteria to facilitate accountability of the Board and the Company to the Shareholders.
- (d) The Business Plan will include a housing growth plan (format to be confirmed) for Mackay and the Greater Whitsunday Region.

### 3.3 Board approval – majority decisions

The Company must not, and must ensure that each Group Company does not, and must instruct management not to, take any action or pass any resolution in respect of any of the following matters except with the consent of, in each case, a 71% (if a fraction, rounded up to the next highest whole number) majority of all the Directors entitled to vote on the matter (whether or not present at any particular meeting of the Board) and at least one of the Directors voting in favour being appointed by Class A Shareholder Mackay Regional Council for Social Development or Class B Shareholder Mackay Regional Council):

- (a) (transactions with related parties) the making, variation or termination of a contract or arrangement (whether legally binding or not) by a Group Company with:
  - (i) any of its directors or a Shareholder or a Related Entity of a Shareholder; or
  - (ii) any person acting in concert with any of them;
- (b) (material contracts) the making, variation or termination of a contract or arrangement by a Group Company where such making, variation or termination:
  - (i) is outside the normal course of its business;
  - (ii) is such that the maximum amount which could reasonably be expected to be paid by a Group Company during any period of 12 months under the contract or arrangement (or variation or termination, as appropriate) exceeds whichever is the greater of 10% of Net Assets, or \$1,000,000; or
  - (iii) binds the Group Company for a period in excess of 24 months;
- (c) (third party credit or guarantees) the lending of money or provision of financial accommodation to any person other than:
  - (i) by way of deposit with a bank or other institution (the normal business of which includes the acceptance of deposits);
  - (ii) the granting of credit to purchasers or tenants of individual units of Housing or other customers in the ordinary course of business; or
  - (iii) another Group Company,

or the giving of any guarantee or indemnity or similar undertaking in respect of the obligations of any other person other than for the benefit of another Group Company.
- (d) (legal proceedings) the commencement, defence or settlement of any legal, arbitration or other proceedings other than:
  - (i) routine debt collection proceedings; or
  - (ii) proceedings which are not material in the context of the business of the Group and which do not involve a Shareholder or a Related Entity of a Shareholder or a director of any of them or of a Group Company;
- (e) (tax claims) the making of any claim, disclaimer, surrender, election or consent by a Group Company of a material nature for tax purposes; and

- (f) (capital expenditure) individual items of capital expenditure of \$250,000 or more.

### 3.4 Board approval – three quarters majority decisions

The Company must not, and must ensure that each Group Company does not, and must instruct management not to, take any action or pass any resolution in respect of any of the following matters except with the consent of, in each case, a three-quarters majority (if a fraction, rounded up to the next highest whole number) of all Directors entitled to vote on the matter (whether or not present at any particular meeting of the Board):

- (a) (employment contracts) the making, variation or termination of a contract or arrangement with respect to the appointment, removal or conditions of employment of:
- (i) a director of a Group Company (other than the Company);
  - (ii) chief executive officer (or equivalent), regional operations manager, chief operating officer, chief financial officer or general manager of the Company; or
  - (iii) any employee or consultant of a Group Company whose annual remuneration is equal to or more than R, where:

$$R = (\$150,000 \times A) / B$$

Where:-

- R = the amount of remuneration
  - A = the most recent Commonwealth Statistician's Consumer Price (All Groups) Index for Brisbane ("CPI") published prior to the making, variation or termination of the employment contract.
  - B = the most recent CPI published prior to February, 2021.
- (b) (employee schemes) the adoption of a bonus, or other scheme for the benefit of the officers or other employees of a Group Company or a material variation or a termination of any such scheme;
- (c) (acquisitions) the:
- (i) acquisition of any shares, interest in a trust, partnership or any other entity; or
  - (ii) incurring of an expenditure of a capital nature by a Group Company (including, for this purpose, the acceptance of any asset under lease or hire purchase) whether in one transaction or a series of related transactions for a total price in any period of twelve consecutive months of more than 10% of Net Assets, other than:
    - (A) acquisitions in the ordinary course of business; or
    - (B) acquisitions not exceeding 10% of Net Assets, and specified in a Business Plan; and
- (d) (financial indebtedness) the incurring of financial indebtedness by a Group Company which, when aggregated with all other financial indebtedness of the Group, would exceed 35% of Net Assets (for this purpose, financial indebtedness means any indebtedness, present or future, actual or contingent in respect of money borrowed or raised or any financial accommodation).
- (e) (Disposals) the sale or other Disposal of all or a material part of capital assets of a Group Company within the Greater Whitsunday Region whether in one transaction or a series of related transactions for a total value in any period of 12 consecutive months of more than 10% of Net Assets other than:
- (i) disposals in the ordinary course of business; or

- (ii) disposals specified in a Business Plan;
- (f) (amendments to Business Plan) amendments to the Business Plan and any new Business Plan.

### 3.5 Shareholder approvals

The Company must not undertake any of the following, and the Shareholders must procure that no action is taken or resolution passed by the Company in respect of the following, without the approval of a special resolution (75% majority decision) passed by a general meeting of Shareholders:

- (a) (Constitution) any amendment to the Constitution other than those amendments referred to in clause 3.7(a) to 3.7(c) inclusive;
- (b) (devolution of power) any contract or arrangement which involves the transfer or delegation of all or a substantial part of the management or control of the Company to any person (other than the Board);
- (c) (Subsidiary) the incorporation of any Subsidiary of the Company;
- (d) (Auditors) the appointment of and any change in the Auditors; and
- (e) (Transfer of Shares) a transfer of Shares.

### 3.6 Further Shareholder approvals – 75%

The Company must not undertake any of the following, and the Shareholders must procure that no action is taken or resolution passed by the Company in respect of the following, without the approval of 75% of Shareholders personally present and entitled to vote:

- (a) (amendment) the amendment of this document;
- (b) (Shares) any modification or abrogation of any rights attached to Shares or any sale or purchase of Shares; and
- (c) (winding up) any proposal to wind up the Company as a members' voluntary winding up.

### 3.7 Unanimous Shareholder approval

The Company must not undertake any of the following, and the Shareholders must procure that no action is taken or resolution passed by the Company in respect of the following without the unanimous approval of the Shareholders:

- (a) (change in Not for Profit status) any change to the not for profit status of the Company;
- (b) (change to clause 4 and clause 22 of the Constitution) any change to the clause in the Constitution relating to distribution of Company profits, income and property (Constitution clause 4) and any change to the clause in the Constitution relating to winding up (Constitution clause 22); and
- (c) (primary Object) any change to the primary Object of the Company in accordance with clause 3 of the Constitution.

## 4 Classes of Shares

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### 4.1 Classes of Shares

The capital of the Company is divided into two classes of shares:

- (a) Class A Shares (which include the five Class A Shares);

- (b) Class B Shares (which include the two Class B Share).

#### 4.2 Variation of rights

- (a) The rights attached to any class of Shares may not be varied, abrogated or otherwise affected:
  - (i) except (where applicable) as provided in clause 3.6; and
  - (ii) unless, at a meeting of the Shareholders of the class of Shares whose rights are proposed to be varied, abrogated or affected, a resolution in favour of the proposal is passed by a special resolution.
- (b) The rights conferred on the holders of Class A Shares and Class B Shares are not taken to be varied, abrogated or otherwise affected by the creation or issue of further shares ranking equally with those Shares.
- (c) The issue of any securities ranking in priority, or any conversion of existing securities to securities ranking in priority, to Class A Shares and Class B Shares is a variation or abrogation of the rights attaching to that existing class of Class A Shares or Class B Shares.

### 5 Class A Shares

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#### 5.1 Rights of Class A Shares

Each Class A Share:

- (a) must be issued at a price of \$1 per Share;
- (b) must be issued as fully paid;
- (c) carries the right to receive notice of and to attend and vote at general meetings of the Company;
- (d) does not carry the right to receive a dividend or participate in the income, profits or surplus assets of the Company;
- (e) in the event of the Company being wound up, carries no right to be repaid any amount;
- (f) is transferable to a Not For Profit Organisation by ordinary resolution of the Class A and B Shareholders; and
- (g) in the event BlueCHP Ltd transfers all its Shares, a notice period of not less than 12 months must be provided to all other Shareholders in writing.

#### 5.2 Issue of Class A Shares

- (a) The Class A and B Shareholders, by unanimous resolution, may resolve to cause the Company to issue one or more further Class A Shares to any person satisfying the criteria in clause 8.1(b) and the general eligibility criteria in clause 8.1(a).
- (b) Upon the Class A and B Shareholders passing a resolution to cause the Company to issue one or more Class A Shares, the Board must issue those Class A Shares to that person if (and only if) that person pays \$1 per Share and executes and delivers to the Company a Share Issue Deed of Accession.
- (c) A Class A Share may only be issued to a Not For Profit Organisation.



### 5.3 Class A Shareholders

- (a) The Class A Shareholders are:
  - (i) BlueCHP Limited
  - (ii) Mackay Regional Council for Social Development Ltd;

### 5.4 Transfer of Class A Shares

- (a) Subject to the Law, the other Class A & B Shareholders, may pass a unanimous resolution of those Class A and B Shareholders, directing a Class A Shareholder to transfer to another suitable nominated entity all Class A Shares held by that Class A Shareholder if such Class A Shareholder:
  - (i) no longer meets the criteria in clause 8.1(b);
  - (ii) requests that its Class A Shares be transferred ;
  - (iii) decreases in size to the extent that it is, in the reasonable opinion of the other Class A and B Shareholders, unable to properly perform the Objects;
  - (iv) is not prepared to take up a Shareholder's responsibility; or
  - (v) is a Defaulting Shareholder and clause 17.5(b)(i)(B) applies.
- (b) Each Class A Share transferred pursuant to this clause 5.4 will be transferred for \$1.
- (c) If one or more Class A Shares is transferred pursuant to this clause 5.4, one of the Directors, or some other person duly nominated by resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the relevant Shareholder with full power to execute, complete and deliver in the name and on behalf of the Shareholder all documents necessary to give effect to the transfer of the relevant Share or Shares.
- (d) The appointment referred to in clause 5.4(c) is irrevocable and is given by way of security for the performance of the obligations of the Class A Shareholders under this document.

## 6 Class B Shares

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### 6.1 Rights of Class B Shares

Each Class B Share:

- (a) must be issued at a price of \$1 per Share;
- (b) must be issued as fully paid;
- (c) cannot be converted into any other class of Share;
- (d) carries the same rights as a Class A Share to receive notice of and to attend and vote at general meetings of the Company;
- (e) carries the same rights as a Class A Share to receive reports and audited accounts;
- (f) does not carry the right to receive a dividend or participate in the income, profits or surplus assets of the Company;
- (g) in the event of the Company being wound up, carries no right to be paid any amount;

- (h) is transferable only to a Government Entity and has received the prior approval of a general meeting of Class A and B Shareholders in accordance with clause 3.5(e).

#### 6.2 Number of Class B shareholders

- (a) The Class A & B Shareholders must use their best endeavours to ensure that, at any time, there is at least one Class B Shareholder .
- (b) The aggregate number of Class B Shareholders at any time must not be more than 49% of the total number of issued Shares in the Company or such other maximum number as determined by the Class A Shareholders from time to time.
- (c) All acts done by the Company, the Board, a general meeting are valid even if the number of Class B Shareholders at any time is less than the minimum or more than the maximum stated in clauses 6.2(a).

#### 6.3 Issue of Class B Shares

- (a) The Class A and B Shareholders may resolve to cause the Company to issue a Class B Share to an entity satisfying the criteria in clause 8.1(c) and meeting the general eligibility criteria in clause 8.1(a).
- (b) Upon the Class A and B Shareholders passing a resolution to issue a Class B Share, the Board must issue that Class B Share if (and only if) that entity pays \$1 per Share and executes and delivers to the Company a Share Issue Deed of Accession.
- (c) Class B Shares cannot be issued except pursuant to this clause 6.3.

#### 6.4 Class B Shareholders

- (a) The Class B Shareholder is:
  - (i) Mackay Regional Council.

#### 6.5 Transfer of Class B Shares

- (a) Subject to the Law, the other Class A & B Shareholders, may pass a unanimous resolution of those Class A and B Shareholders, directing a Class B Shareholder to transfer to another suitable nominated entity all Class B Shares held by that Class B Shareholder if such Class B Shareholder:
  - (i) no longer meets the criteria in clause 8.1(c);
  - (ii) requests that its Class B Shares be transferred;
  - (iii) decreases in size to the extent that it is, in the opinion of the Class A and other Class B Shareholders (if any), unable to properly perform the Objects; or
  - (iv) is not prepared to take up a Shareholder's responsibility; or
  - (v) is a Defaulting Shareholder and clause 17.5(b)(i)(B) applies.
- (b) Each Class B Share transferred pursuant to this clause 6.5 will be transferred for \$1.
- (c) If one or more Class B Shares is transferred pursuant to this clause 6.5, one of the Directors, or some other person duly nominated by resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the relevant Shareholder with full power to

execute, complete and deliver in the name and on behalf of the Shareholder all documents necessary to give effect to the transfer of the relevant Share or Shares.

- (d) The appointment referred to in clause 6.5(c) is irrevocable and is given by way of security for the performance of the obligations of the Class B Shareholders under this document.

## **7 Annual General Meeting**

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- (a) The Annual General Meeting must be held in Mackay where the quorum of Directors must be physically at the meeting location in Mackay.

## **8 General eligibility criteria for Shareholders**

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### **8.1 Eligibility criteria**

- (a) All Shareholders, regardless of their class, must satisfy the following general eligibility criteria:
- (i) must, be an organisation or a representative or trustee of a particular group and not an individual in his or her personal capacity; and
  - (ii) must have an interest in the promotion, support, development and/or management of Housing services, including community Housing services and affordable Housing in the Mackay, Isaac and Whitsunday Region; and
- (b) if a Class A Shareholder, must be a Not For Profit Organisation that falls into one of the following categories:
- (i) a community managed housing organisation;
  - (ii) a religious or charitable organisation;
  - (iii) a housing or building industry organisation;
  - (iv) a community welfare service agency;
  - (v) an academic body;
  - (vi) a peak body for Housing; or
  - (vii) other categories as deemed appropriate by the Class A Shareholders; and
- (c) if a Class B Shareholder, must be a Government Entity.

## **9 Deed of accession required from new shareholder**

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- (a) Despite any other provision of this document, no person, other than the Shareholders, may be registered by the Company as a holder of any Share (whether under an allotment or transfer) unless that person, if not already a party to this document, enters into a Share Issue Deed of Accession or a Share Transfer Deed of Accession (as the case may be) and that Share Issue Deed of Accession or Share Transfer Deed of Accession has been delivered to the Company.
- (b) On being so registered, that person will be deemed to be a party to this document.

## 10 The Board

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### 10.1 Number of Directors

- (a) The minimum number of Directors (including any Chairman) at any time after the date which falls three months after the Commencement Date is five.
- (b) The maximum number of Directors (including any Chairman) at any time is seven.
- (c) Where the number of Directors at any time falls below the specified minimum, the Board must not act, except to fill the vacancies up to the minimum number specified.

### 10.2 Directors appointed by holders of Shares

- (a) The Board comprises the Directors.
- (b) As at the Commencement Date, the Shareholders agree that the Directors are:
  - (i) (MRCSD) Jennifer Emmett; Class A
  - (ii) (BCL) Charles Northcote; Class A
  - (iii) (BCL) Claire Davis; Class A
  - (iv) (BCL) Matthew Whitely; Class A
  - (v) (BCL) Tony Waters; Class A
  - (vi) Fran Mann; Class B
  - (vii) Karen May; Class B
- (c) The Class A Shareholders are collectively entitled to appoint up to five (but not less than three) Directors to the Board, of which:
  - (i) Class A Shareholder Mackay Regional Council for Social Development is entitled to appoint 1 Director; and
  - (ii) Class A Shareholder BlueCHP Limited is entitled to appoint 4 Directors.
- (d) Class A Shareholder BlueCHP appoints those Directors identified in 10.2(b)(ii)-(v).
- (e) Class A Shareholder Mackay Regional Council for Social Development appoints 1 Directors identified above in 10.2(b)(i).
- (f) The Class B Shareholders are collectively entitled to appoint up to two Directors to the Board.
- (g) Class B Shareholder Mackay Regional Council appoints that Directors identified above in 10.2(b)(vi)-(vii).
- (h) If the Shareholders wish to appoint a new Director (other than a Director listed in 10.2(b) they must deliver to the Board:
  - (i) a written nomination, signed by the Shareholder and confirming compliance with clause 10.4; and
  - (ii) a written consent in a form approved by the Board, signed by the nominee and containing full personal particulars of the nominee as required by the Law.

- (i) As soon as is reasonably possible, after receiving the documents referred to in clause 10.2(h), the Board must consider the nomination. If the application is in order and the nomination satisfies the requirements of clause 10.4, the Board must approve the appointment.
- (j) Upon approval of a nomination by the Board pursuant to clause 10.2(i) the appointment of the nominee as a Director becomes effective immediately upon the earlier of:
  - (i) if at the date of approval there is no current Director appointed by the nominating Shareholder to fill the position on the Board to which he or she is nominated - the time of approval by the Board; or
  - (ii) if at the date of approval there is a current Director appointed by the nominating Shareholder in respect of that position on the Board, by notice in writing to the Company.
- (k) To ensure ongoing continuity in the Board post restructure:
  - (i) all of the Directors appointed by the Class A Shareholders may hold office until the fifth annual general meeting of the Company after the Commencement Date without submitting for re-election; and
  - (ii) all of the other Directors may hold office until the third annual general meeting of the Company after the Commencement Date without submitting for re-election.
- (l) A retiring Director holding office pursuant to this clause 10.2 or clause 10.3 holds office as a Director until the end of the meeting at which the Director retires.
- (m) With respect to the annual general meeting, the Class A Shareholders and the Class B Shareholder are entitled to nominate a person or persons to stand for election to fill to the vacancy(ies) on the Board to which they are entitled to appoint under clause 10.2(c) and (f) and which exist (or in the case of an annual general meeting, arise at the end of the meeting).
- (n) No person is eligible to be elected or re-elected as Director at any general meeting unless a notice of the person's candidature is given to the Company at least 10 Business Days before the meeting.
- (o) In addition to the circumstances in which the office of a Director becomes vacant under the Law or in accordance with this document, a Director holds office until the Director:
  - (i) dies;
  - (ii) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
  - (iii) resigns, by notice in writing from the Director to the Company;
  - (iv) is removed as a Director by the Shareholder who made the appointment (or its successor as holder of the relevant Initial Share), by notice in writing to the Director and to the Company; or
  - (v) is absent without the consent of the Board from meetings of the Board held during a continuous period of six months.

### 10.3 Casual vacancies

- (a) Where a Director who was elected by the Class A Shareholders or the Class B Shareholders ceases to hold office, the Board may appoint another person as a Director to fill the vacancy, and that person holds office until the end of the next following annual general meeting and is

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eligible for election at that meeting. In determining the appointment of a person pursuant to this clause, the Board must have due regard to the criteria for Directors in clause 10.4 and the desirability of a range of different skills on the Board.

- (b) Subject to clause 10.3(a), where, at any time, the number of Directors is less than the minimum number specified in clause 10.1(a), the Directors may appoint any person as a Director to fill the vacancy and that person holds office until the end of the next following annual general meeting and is eligible for election at that meeting. In determining the appointment of a person pursuant to this clause, the Board must have due regard to the criteria for Directors in clause 10.4 and the desirability of a range of different skills on the Board.
- (c) Notwithstanding any other provision of this clause 10.3, where a Director entitled to be appointed by a particular Class A or Class B Shareholder in accordance with clause 10.2 ceases to hold office, the appointment of another person as a Director to fill the vacancy will be made by the Board or Directors in accordance with a written nomination of that particular Shareholder pursuant to clause 10.2(h), provided such nomination is made by that particular Shareholder within 14 days after that Shareholder was notified of the vacancy by the Board.

#### 10.4 Criteria for directors

In nominating, electing or appointing Directors and Shareholders (and, in the case of casual vacancies), the Board must, as far as reasonably possible, have due regard to the following criteria:

- (a) each Director must not be an employee of the Company or a tenant of the Company;
- (b) each Director should have an understanding of and commitment to promote the Objects;
- (c) each Director should have a knowledge and understanding of the obligations of directors under the Law and other relevant legislation;
- (d) each Director should have expertise relevant to finance or social housing management, preferably in at least one of the following areas of expertise:
  - (i) social housing management;
  - (ii) finance;
  - (iii) community welfare, community development or citizen advocacy;
  - (iv) Housing development and procurement;
  - (v) law;
  - (vi) social policy development;
  - (vii) accounting;
  - (viii) asset management; or
  - (ix) human resource management or personnel.
- (e) in clause 10.4(d), the following expressions have the following meanings:
  - (i) 'social housing management' means Housing need, allocations and rental policy development, community Housing management, tenancy management, property management, tenant participation, community development, ongoing and cyclical maintenance, service linkages to Housing and Housing training;

- (ii) 'finance' means Housing finance, property finance, corporate finance, public finance, finance and credit analysis, business planning and financial instruments applicable to affordable Housing;
  - (iii) 'community welfare' means social service needs assessment and delivery, related education and training, client/ customer relations / user rights, community development, understanding of homelessness, service linkages to Housing and equal opportunities;
  - (iv) 'Housing development and procurement' means Housing design, Housing marketing, property development, planning regulations, project management, consumer satisfaction, cost control planning and quality assurance;
  - (v) 'law' means corporate and commercial law, planning and environmental law, tax law, property law and general understanding of statutory obligations;
  - (vi) 'social policy development' means social policy development, demographics, social planning, Housing and land use management, social science research practices and operation of the three spheres of government and community organisations;
  - (vii) 'accounting' means corporate accounting, financial information systems, auditing and general understanding of statutory requirements;
  - (viii) 'asset management' means strategic planning of assets and financial resources, life cycle maintenance planning, cost benefit analysis, value assessment and asset management of medium density Housing;
  - (ix) 'human resource management or personnel' means training, recruitment, employee relations, equal opportunities, health and safety and workforce planning.
- (f) No officer or employee of a Government Entity or an entity owned by a Government Entity may be appointed as a Director of the Company. Where Mackay Regional Council are a Class B Shareholder, this clause shall not apply to a Councillor of the Mackay Regional Council who may be appointed as a Director.

#### 10.5 Nominee directors and shareholder interests

A Director appointed by, or following nomination by, a Shareholder may have regard to the interests and wishes of that Shareholder in performing any of his or her duties or exercising any power, right or discretion as a director in relation to the Company, but only to the extent that this does not conflict with the Director's duty to act in good faith and in the best interests of the Company at all times.

#### 10.6 Chair

##### (a) Chair appointment

- (i) Until and for a term not exceeding the third anniversary of the Commencement Date Mackay Regional Council as Class B Shareholder shall be entitled to:
- (ii) On and from the third anniversary of the Commencement Date, the Directors shall (by majority) resolve to:

appoint one of the existing Directors, and in case of paragraph (i) above, one of the existing Directors appointed by Class B Shareholder, to be the Chair of the Board for such term (not exceeding three years and in case of paragraph (i) above not exceeding the third anniversary of the Commencement Date) as they see fit, or until the Chair earlier:

- (A) ceases to be a Chair on the third anniversary of the Commencement Date;
- (B) dies;

- (C) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;
  - (D) resigns, by notice in writing from the Chair to the Company;
  - (E) is removed as Chair by the holders of the Class A Shares (by majority), by notice in writing to the Chair and to the Company;
  - (F) ceases to be a Director under another provision of this document (but a Director who is re-appointed promptly after they resign or after the previous term of their appointment expires will be taken not to have ceased to be a Director for the purposes of this paragraph); or
  - (G) is absent without the consent of the Board from meetings of the Board held during a continuous period of 6 months.
- (b) Subject to this document, a person whose term as Chair expires may be reappointed as Chair.
- (c) Where a meeting of the Board is held and:
- (i) a Chair has not been appointed as provided by clause 10.6(a); or
  - (ii) the Chair is not present at the time appointed for holding the meeting or does not wish to act as chairman for the meeting,

the Directors present at that meeting may appoint one of their number to chair that meeting.

#### 10.7 Secretary

- (a) The Company must have at least one secretary.
- (b) The secretary of the Company must be a person nominated by the Shareholders.
- (c) The Board may, at any time, appoint any person, whether or not a Director, as secretary and terminate the appointment of a secretary, including the secretary nominated by the Shareholders.
- (d) A secretary holds office on terms and conditions, as to remuneration and otherwise, as the Board determines.

### 11 Proceedings of the Board

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#### 11.1 Timing, place and notice of board meetings

- (a) The Directors must meet at least once a month during 10 calendar months each calendar year, or more frequently as requested by a majority by number of Directors.
- (b) A minimum of 2 board meetings must be held in Mackay, Queensland each calendar year where the quorum of Directors must be physically present at the meeting venue.
- (c) The Secretary may at any time, or on the request of a Director must, convene a meeting of the Directors. However a Director acting alone is not entitled to call or cause the secretary to call a meeting of Directors if a majority of Directors have previously resolved either that a single Director may not do so, or that the particular Director wishing to do so may not do so.
- (d) Unless otherwise agreed by a majority by number of Directors, at least five Business Days notice must be given to each Director of all meetings of the Board, except if:



- (i) the Director receiving less notice waives such requirement; or
  - (ii) a resolution is signed by the requisite number of Directors after the giving (or waiving by each of them) of any requisite notice for such a written resolution.
- (e) Where any Director is for the time being outside of Australia, no notice need be given to that Director.

#### 11.2 Passing of resolutions and voting

- (a) Subject to clause 3.4, decisions are taken by 71% majority vote of Directors present and entitled to vote.
- (b) Subject to this clause and the Constitution, each Director participating in the meeting has one vote.
- (c) The Chairman is entitled to vote and in the case of there being an equal number of votes for a resolution, has the casting vote.

#### 11.3 Circulating resolutions

- (a) If a document:
  - (i) is sent at least five Business Days before it is signed by Directors, by any Director or a secretary to all those entitled to receive notice of a meeting at which a resolution could be put;
  - (ii) contains a statement that the signatories to it are in favour of that resolution;
  - (iii) the terms of the resolution are set out or identified in the document; and
  - (iv) has been signed by a 71% majority (or in the case of a resolution on a matter set out in clause 3.4, the relevant majority) of the Directors entitled to vote on that resolution,

a resolution in those terms is passed on the day on which and at the time at which the document was signed by the required majority of Directors and the document has effect as a minute of the resolution.
- (b) For the purposes of clause 11.3(a):
  - (i) two or more separate documents containing statements in identical terms, each of which is signed by one or more Directors, are together taken to constitute one document containing a statement in those terms signed by those Directors at the time at which the last of those documents to be signed was signed by a Director; and
  - (ii) electronic communication made by or attached to an email which is received by the Company or an agent of the Company and is sent by or on behalf of a Director will be effective or delivered only when actually opened in legible format by the recipient party and is taken to be signed by that Director not later than the time of receipt of the electronic correspondence by the Company or its agent. Clauses 24(d)(ii) and (iii) apply to any communication made under this clause.

#### 11.4 Meetings by technology

- (a) For the purposes of the Law, Directors meetings may be called or held by:
  - (i) video;
  - (ii) telephone;

- (iii) electronic mail;
  - (iv) any other technology which permits each Director to communicate with every other participating Director; or
  - (v) any combination of the technologies described in the above paragraphs,
- unless a Director declines to consent to the use of such technology where such action would have the effect under the Law that such technology could not be utilised.
- (b) Where the Directors are not all in attendance at one place and are holding a meeting using technology and each Director can communicate with the other Directors:
    - (i) the participating Directors are, for the purpose of every provision of the Constitution and this document concerning meetings of the Directors, taken to be assembled together at a meeting and to be present at that meeting;
    - (ii) the meeting will be taken to be held at the place agreed to by the participating Directors so long as at least one participating Director is physically present at that place; and
    - (iii) all proceedings of those Directors conducted in that manner are as valid and effective as if conducted at a meeting at which all of them were present.

#### 11.5 Quorum for board meetings

- (a) The quorum for Board meetings is 71% of Directors (if a fraction, rounded up to the next highest whole number). A Director who is not entitled to vote for any reason, is not counted when reckoning the quorum in respect of any relevant item of business.
- (b) A quorum must be present at the time each item of business is considered.

## 12 Powers of the Board

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### 12.1 Delegation

The Directors may delegate any of their powers in accordance with the Law.

### 12.2 Committees

- (a) The Board may delegate any of its powers to a committee or committees consisting of such number of them and/or other persons as the Board thinks fit. A committee may consist of one person.
- (b) The Board may constitute committees as either special purpose or as standing committees.
- (c) A matter within clause 3.3 or clause 3.4 must not be delegated to such a committee, unless each Class A Shareholder agrees.
- (d) A committee to which any powers are delegated must exercise the powers delegated in accordance with any direction of the Board.
- (e) A power exercised by a committee and in accordance with any relevant direction of the Board, is taken to have been exercised by the Board.
- (f) The Chairman may be a member of a committee comprising more than one person and is entitled to vote.

- (g) The Chairman will preside as chair at every committee meeting at which the Chairman is present as a committee member unless the committee members present appoint another of their number to act as chair of a particular meeting or all meetings of that committee.
- (h) A committee must regulate its meetings in the same manner (or as nearly as the circumstances allow) as required by this document and the Constitution for meetings of the Board.
- (i) Except in the case of a committee of one person, the quorum for a committee meeting is two and the quorum need only be present when the meeting proceeds to business.
- (j) Minutes of all the proceedings and decisions of every committee must be made, entered and signed in the same manner in all respects as minutes of proceedings of the Board are required by the Law to be made, entered and signed.

### 12.3 Appointment of officers and employees

- (a) The Board may appoint one or more persons (other than a Director) as chief executive officer, chief operating officer, regional operations manager, chief financial officer or general manager (howsoever called) and may determine the tenure, remuneration and terms of employment of those appointees. Clause 3.4(a) applies in respect of any such appointment. Unless the Board otherwise determines, and subject to any other provision in this document, the appointment of other officers and employees and their terms of employment will be determined by the chief executive officer of the Company.
- (b) The regional operations manager or equivalent role with regional operational management delegations (other than BlueCHP Limited as the Manager under the Administrative Service Agreement) must be based in the Greater Whitsunday Area at all times unless otherwise agreed by 75% Majority Decision of the Board.
- (c) If the position of the regional operations manager becomes vacant a replacement is to be procured as soon as reasonable practicable.

## 13 Remuneration of the Board

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The Directors must be remunerated for their services as Directors in accordance with the current Business Plan.

## 14 Objects of Company

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### 14.1 Conduct of Company's operations

Each Shareholder (insofar as it lawfully can do so) must exercise its powers in relation to the Company to ensure that:

- (a) the Company carries out the Objects in a proper and efficient manner in accordance with sound business practice and so as to give effect to this document; and
- (b) the Company complies with all its obligations under this document.

### 14.2 Company dealings

The Company must transact all of its business on arm's length terms unless all the parties concerned are Group companies.

## 15 Budgets and financial information

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### 15.1 Annual plans & budgets

- (a) Before the commencement of each financial year of the Company, the Company must prepare and submit to the Directors for approval a draft-operating budget for the Group for that next financial year. The budget must be on a calendar month basis and must include estimated major items of revenue and recurrent and capital expenditure and be accompanied by a cash-flow forecast and a balance sheet showing the projected position of the Group as at the end of that next financial year.
- (b) The Board must consider and vote on each budget before the commencement of the financial year to which it relates. The Board may approve, a budget with or without amendment, and give conditional or unconditional approval of any item in the budget. Approval of an item in budget constitutes authority for the Company to undertake all relevant action and incur all approved expenditure in relation to that item subject to compliance with any condition of that approval. Individual items of capital expenditure of \$250,000 or more require specific Board approval, even if authorised in a budget.
- (c) The Company may, if at any time circumstances require it, prepare a revised or supplementary budget and submit it to the Directors for approval at a meeting of the Board convened at least 30 days before the proposed implementation date of the revised or supplementary budget.

### 15.2 Financial information

The Company must provide:

- (a) (unaudited management accounts) to each Director and to any Shareholder who requests for in writing as soon as practicable after the end of each calendar month, unaudited management accounts which must include a profit and loss account, balance sheet and cash-flow statement, an analysis of sales, rents and other revenues, a review of the budget together with a reconciliation of results with revenue and capital budgets for the corresponding month and (if required by the Board) a statement of the source and application of funds for that month;
- (b) (annual accounts) to each Shareholder and Director as soon as practicable (and in any event not later than 120 days) after the end of each of financial year, copies of the audited balance sheet and profit and loss account of the Company (on a consolidated basis if the Company has Subsidiaries); and
- (c) (additional information) to each Shareholder and Director any other information the Directors or Shareholders may at any time reasonably require as to any matter relating to the business or financial condition of the Company.

### 15.3 Accounting principles

The Company must:

- (a) keep books of accounts and make true and complete entries in them of all its dealings and transactions; and
- (b) ensure that each balance sheet, statement and account provided under clause 15.2:
  - (i) complies with:
    - (A) accounting principles and practices generally accepted in Australia consistently applied, except to the extent disclosed in them; and
    - (B) all applicable laws; and

- (ii) gives a true and fair view of its consolidated and unconsolidated state of affairs and the result of its consolidated operations, at the date, and for the period ending on the date, to which those statements are prepared.

## 16 Financing of Company

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### 16.1 Further financing

- (a) Any capital (in addition to subscription moneys for Shares) which is required by the Company may be provided by means of:
  - (i) public and private donations;
  - (ii) government grants (in cash or kind, for example land);
  - (iii) government loans or financial accommodation;
  - (iv) loans or other financial accommodation from Shareholders;
  - (v) overdraft or other borrowings or financial accommodation from third parties; or
  - (vi) such other means as the Board determines.
- (b) All loans, overdraft or other borrowings or financial accommodation must be on the basis there is no recourse to any Shareholder (unless that Shareholder specifically consents) otherwise on the best terms that reasonably can be obtained in the open market.

### 16.2 Financial accommodation from Shareholders

Any financial accommodation provided to the Company by a Shareholder or a Related Entity must be on arm's length terms, or terms more favourable to the Company than arm's length terms.

### 16.3 No other obligation to provide capital

No Shareholder is obliged to provide any capital (whether debt or equity) to the Company or to give any guarantee or indemnity in respect of any of the Company's liabilities, other than by virtue of the share capital in respect of a Share that it holds.

## 17 Default

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### 17.1 Ordinary resolution

For the purposes of this clause 17, any decision made or action taken must be by a unanimous resolution of the Non-Defaulting Shareholders.

### 17.2 Guiding principles

When considering issues and taking action pursuant to this clause 17.2, the Class A and B Shareholders must act in accordance with:

- (a) the best interests of the Company; and
- (b) the Objects.

### 17.3 Default Events

An event of default occurs in relation to a Shareholder (a **Defaulting Shareholder**) if:

- (a) the Shareholder breaches a material term of this document and:
  - (i) does not remedy that breach within 30 days after receiving notice from another Shareholder requesting the breach be remedied; or
  - (ii) the breach is material and incapable of being remedied;
- (b) an Insolvency Event occurs in relation to the Shareholder; or
- (c) a Shareholder ceases to hold the registration or accreditation necessary to achieve the Objects or otherwise comply with this document,

then a Default Event will have occurred and, in that case, the other Shareholders that are not the Defaulting Shareholder (**Non-Defaulting Shareholders**), may give notice of the Default Event to the Defaulting Shareholder pursuant to clause 17.4.

#### 17.4 Notice of Default Event

- (a) The Non-Defaulting Shareholders may issue a notice of Default Event whether or not they have previously issued a notice of Default Event with respect to the same or a different Default Event.
- (b) The notice of Default Event must give particulars of the nature of the Default Event and may require the Defaulting Shareholder to:
  - (i) rectify the Default Event within 21 days of the date of the notice; or
  - (ii) within 21 days after the date of the notice, enter into an agreement with the Non-Defaulting Shareholders as to a course of action to rectify the Default Event and implement the agreed course of action within the time specified in that agreement.
- (c) During the period after receipt of a notice of a Default Event until the Default Event is rectified or until the Defaulting Shares are transferred under clause 17.5(b)(i)(B), the Defaulting Shareholder must promptly supply to the Non-Defaulting Shareholders and the Company such information relating to the Default Event as may be reasonably requested from time to time by the Non-Defaulting Shareholders, in addition to the financial information usually required under this document and by law.

#### 17.5 Termination Event

- (a) If a Default Event has not been rectified to the reasonable satisfaction of the Non-Defaulting Shareholders as required in clause 17.4, then a Termination Event will have occurred and, in that case, the Non-Defaulting Shareholders may give notice to the Defaulting Shareholder and the Company that a Termination Event has occurred.
- (b) If a Defaulting Shareholder is given notice of a Termination Event under clause 17.5(a):
  - (i) the rights attaching to the Defaulting Shareholder's Shares and the Defaulting Shareholder's rights to appoint a Director are suspended until:
    - (A) the Default Event is remedied; or
    - (B) the Defaulting Shareholder's Shares are transferred pursuant to clauses 5.4(a)(v) or 6.5(a)(v).

## 18 Confidentiality

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### 18.1 Confidential information not to be disclosed

Each party (a Disclosing Party) undertakes that it will not:

- (a) use Confidential Information of any other party;
- (b) disclose that information to any person;
- (c) allow or make it possible for any person to observe that information;
- (d) disclose the terms of this document to any person who is not a party to it, except for the purpose for which the Confidential Information was given to the Disclosing Party:
  - (i) with the prior approval of the party whose Confidential Information it is; or
  - (ii) as permitted by this clause.

### 18.2 Permitted disclosure

Subject to clause 18.3, a Disclosing Party may disclose Confidential Information of another party:

- (a) (Related Entity) to any Related Entity of the Disclosing Party if necessary for the reporting purposes within the relevant group of companies;
- (b) (employees) to employees, officers and agents of the Disclosing Party whose duties in relation to the Disclosing Party require the disclosure;
- (c) (professional advisers) to professional advisers (including legal advisers) and consultants of the Disclosing Party whose duties in relation to the Disclosing Party require the disclosure; and
- (d) (compulsory disclosure) if and to the extent required under any legal requirement.

### 18.3 Conditions to disclosure

- (a) Any disclosure under clauses 18.2(a), 18.2(b) or 18.2(c) may only be made if the person to whom disclosure is to be made is informed of the confidential nature of the information and required to respect that confidentiality.
- (b) Each Disclosing Party must use reasonable endeavours to procure that each of its Related Entities or employees, officers or agents to whom Confidential Information is or has been disclosed or by whom that information has been observed (each of whom is in this clause 18.3(b) referred to as a Disclosee) will not improperly disclose or improperly use any of that information contrary to the requirements of this clause 18, during or after the termination of the Disclosee's employment, office or agency with the Disclosing Party and after the relevant company ceases to be a Related Entity of the Disclosing Party (as the case may be). Any breach by a Disclosee of confidentiality in relation to Confidential Information will be deemed to be a breach by that Disclosing Party of that undertaking or obligation.

## 19 Representations and warranties

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Each party represents and warrants to each other party that (except as expressly disclosed in this document or consented to by the other party) each of the following statements is true and correct and will be true and correct at the Commencement Date.

- (a) (status) If a corporation, it is duly incorporated and validly existing under the laws of the place of its incorporation.

- (b) (power) It has the power to enter into and perform its obligations under this document, to carry out the transactions contemplated by this document and to carry on its activities as now conducted or contemplated.
- (c) (corporate authorisations) It has taken all necessary corporate action to authorise the entry into and performance of this document and to carry out the transactions contemplated by this document.
- (d) (documents binding) This document is its valid and binding obligation, enforceable in accordance with its terms, subject to any necessary stamping and registration.
- (e) (transactions permitted) The execution and performance by it of this document and each transaction contemplated under this document did not and will not violate, in any respect, a provision of:
  - (i) a law, treaty or a judgment, ruling, order or decree of a government or governmental authority or agency binding on it;
  - (ii) its constitution or other constituent documents; or
  - (iii) any other document or agreement which is binding on it or its assets.

## 20 Operation of agreement

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### 20.1 Shareholders to observe and implement agreement

Each Shareholder undertakes with each other Shareholder and the Company to:

- (a) exercise all its votes, powers and rights under the Constitution so as to give full force and effect to the provisions and intentions of this document;
- (b) observe and comply fully and promptly with the provisions of the Constitution so that each provision of the Constitution is enforceable by the parties among themselves and in whatever capacity; and
- (c) exercise all its votes, powers and rights in relation to the Company so as to ensure that the Company fully and promptly observes, complies with and gives effect to the requirements and intentions of this document and the Constitution.

The obligations in this clause 20.1 include an obligation to exercise its powers both as a Shareholder and (where applicable and to the extent permitted by law) through any Director appointed or nominated by it and (to the extent permitted by law to procure that any Director appointed by it (whether alone or jointly with any other person) must procure that matter or thing.

### 20.2 Company to observe and implement agreement

The Company must do all things necessary or desirable to give effect to this document.

## 21 Relationship of the shareholders

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### 21.1 No partnership

Neither this document nor the Constitution are to be interpreted as constituting:

- (a) the relationship of the Shareholders as a partnership, quasi-partnership, association or any other relationship in which one or more of the Shareholders may (except as specifically provided for in this document) be liable generally for the acts or omissions of any other Shareholder; or



- (b) any Shareholder as the general agent or representative of any other Shareholder or of the Company with the exception of any powers of attorney specifically granted or contemplated by this document.

In particular, but without limitation, no Shareholder has the authority to pledge or purport to pledge the credit of any other Shareholder or the Company or to make or give (or purport to make or give) any representations, warranties or undertakings for or on behalf of any other Shareholder or the Company.

## 21.2 Shareholders to be just and faithful

Each Shareholder undertakes with each other Shareholder that it will be just and faithful in all its dealings with each other party in relation to carrying out the Objects and the implementation of this document and will in good faith do all things reasonably within its power which are necessary or desirable to give effect to the spirit and intent of this document and the Constitution and to promote the Objects.

## 22 Duration and termination

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### 22.1 Former shareholder not bound

Subject to clause 22.3, this document ceases to apply to a Shareholder when that Shareholder ceases to hold any Share in the Company.

### 22.2 Term

Subject to clause 22.1 this document continues in full force and effect until terminated by written agreement between the parties or any Shareholder holds all the issued Shares.

### 22.3 Termination not to affect certain provisions

The termination of this document however caused or the ceasing by any Shareholder to hold any Shares:

- (a) will be without prejudice to any obligations of the parties which has accrued prior to that termination or cessation and which remain unsatisfied; and
- (b) will not affect any provision of this document, which is expressed to come into effect on, or to continue in effect after, that termination or cessation.

## 23 Stakeholder organisations

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### 23.1 Recognition of stakeholder organisations

- (a) The Shareholders recognise that in order to achieve the Objects it will be necessary to liaise closely with the Stakeholder Organisations and the Shareholders will co-operate with each other to ensure such liaison as is necessary to achieve the Objects undertaken.
- (b) The Directors may, by majority resolution, invite Stakeholder Organisations to attend general meetings of the Company as observers where the majority of the Directors consider it appropriate to do so.
- (c) The Directors may, by majority resolution, invite Stakeholder Organisations to attend meetings of the Board as observers where the majority of Directors consider it appropriate to do so.

## 24 Notices

Any notice given under this document:

- (a) must be in writing, either in hard copy or by electronic means and addressed to the intended recipient at the address shown below or the address (including an email address) last notified by the intended recipient to the sender:

Shareholder	Contact person for receipt of notices	Address for service of notices	Street address	Contact phone	email
Mackay Regional Council for Social Development	Jennifer Emmett	PO Box 984 Mackay Qld 4740	The Old Town Hall, Sydney St Mackay Qld 4740	0409543702	<a href="mailto:jennifer@gwcommunities.org.au">jennifer@gwcommunities.org.au</a>
BlueCHP Limited	Mr Charles Northcote	Suite 3A, 12 O'Sullivan Road Leumeah NSW 2560	Suite 3A, 12 O'Sullivan Road Leumeah NSW 2560	02 4621 8600	Charles.Northcote@BlueCHP.com.
Mackay Regional Council	Mr Michael Thomson	PO Box 41, Mackay Qld 4740	Gordon Street, Mackay Qld 4740	07 4961 9525	Michael.thomson@mackay.qld.gov

- (b) where sent other than by email, must be signed by a person duly authorised by the sender;
- (c) when sent in hard copy, will be taken to have been given when delivered, received or left at the above address. If delivery or receipt occurs on a day when business is not generally carried on in the place to which the notice is sent, or is later than 4 p.m. (local time), it will be taken to have been duly given at the commencement of business on the next day when business is generally carried on in that place;
- (d) where sent by email or attached to an email, will be effective or delivered only:
- (i) on the first to occur of the following:
- (A) when it is dispatched by the sender to each of the email addresses specified by the recipient, unless for each of the addresses, the sender receives an automatic notification that the email has not been received (other than an out of office greeting for the named addressee) and it receives the notification before 2 hours after the last to occur (for all addresses) of:
- (I) dispatch if in business hours in the city of the address; or
- (II) if not, the next opening of business in such city,
- (B) the sender receiving a message from the intended recipient's information system confirming delivery of the email; and
- (C) the email being available to be read at one of the email addresses specified by the recipient; and
- (ii) when the email is in an appropriate and commonly used format, and any attached file is a pdf, jpeg, tiff or other appropriate and commonly used format; and

- (iii) in relation to an email with attached files:
  - (A) if the attached files are more than 3 MB in total, then:
    - (I) at the time of dispatch the giver of the email must send a separate email without attachments notifying the recipient of the dispatch of the email; and
    - (II) if the recipient notifies the sender that it did not receive the email with attached files, and the maximum size that is able to receive under its firewalls, then the sender shall promptly send to the recipient the attached files in a manner that can be received by the recipient;
  - (B) if the recipient of the email notifies the sender that it is unable to read the format of an attached file or that an attached file is corrupted, specifying appropriate and commonly used formats that it is able to read, the sender must promptly send to the recipient the file in one of those formats or send the attachment in some other manner; and
  - (C) if within 2 hours of:
    - (I) dispatch of the email if in business hours in the city of the recipient; or
    - (II) if not, the next opening of business in the city of the recipient,
 the recipient notifies the sender as provided in clauses 24(d)(iii)(A)(II) or 24(d)(iii)(B) then the relevant attached files will be taken not to have been received until the sender complies with that clause.

## 25 Further assurances

---

Each party must take all steps, execute all documents and do everything reasonably required by any other party to give effect to any of the transactions contemplated by this document.

## 26 Entire agreement

---

This document contains the entire agreement of the parties with respect to its subject matter. It sets out the only conduct relied on by the parties and supersedes all earlier conduct by the parties with respect to its subject matter.

## 27 No waiver

---

No failure to exercise and no delay in exercising any right, power or remedy under this document will operate as a waiver. Nor will any single or partial exercise of any right, power or remedy preclude any other or further exercise of that or any other right, power or remedy.

## 28 Remedies cumulative

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The rights, powers and remedies provided to a party in this document are in addition to, and do not exclude or limit, any right, power or remedy provided by law or equity or any agreement.

## 29 No merger

---

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this document. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing any such transaction.

**30 Severance**

---

Any provision of this document which is prohibited or unenforceable in any jurisdiction will be ineffective in that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this document nor affect the validity or enforceability of that provision in any other jurisdiction.

**31 Survival of representations and warranties**

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All representations and warranties in this document will survive the execution and delivery of this document and the completion of transactions contemplated by it.

**32 Enurement**

---

The provisions of this document will, subject as otherwise provided in this document, enure for the benefit of and be binding on the parties and their respective successors and permitted substitutes and assigns and (where applicable) legal personal representatives.

**33 Costs and stamp duty**

---

Each Shareholder must bear its own costs arising out of the negotiation, preparation and execution of this document.

**34 Governing law**

---

This document is governed by the laws of Queensland.

**35 Jurisdiction**

---

In regards to any legal actions or proceedings which may be brought with respect to this document or any transaction contemplated by this document (each, a Relevant Action), each party irrevocably:

- (a) submits to and accepts, for itself and in respect of its assets, generally and unconditionally the non-exclusive jurisdiction of courts exercising jurisdiction in Queensland in connection with matters concerning this document; and
- (b) waives any objection it may have now or in the future to the venue and any claim it may have now or in the future that the Relevant Action has been brought in an inconvenient forum.

**36 Counterparts**

---

This document may be executed in any number of counterparts. All counterparts will be taken to constitute one instrument.

## Schedule 1

Constitution

---

Constitution follows

## Schedule 2

Share issue deed of accession

---

### Share issue deed of accession

Dated

---

### Parties

Company            Mackay Regional Housing Company Limited ACN 138 877 942  
of [#insert address]

New Party        [#name of new party] [#insert ACN if applicable]  
of [#insert address]

### Background

- A. By a resolution passed on [\*], the Class A Shareholders resolved [EITHER][unanimously to issue 1 Class A Share][OR] [to issue 1 Class B] Share to the New Party and the New Party has paid the [\$1] to the Company.
- B. The Company and the Shareholders are parties to a Shareholders' Agreement dated [\*] relating to the establishment, structure and management of the Company.
- C. By the terms of the Shareholders' Agreement, the New Party must enter into a deed in the form of this Deed before it is registered as a holder of any Share.

### Agreed terms

#### 1 Definitions and interpretation

---

##### 1.1 Shareholders' Agreement definitions to apply

Subject to clause 1.2, terms defined in the Shareholders' Agreement have the same meaning when used in this Deed.

##### 1.2 Definitions

The following definitions apply unless the context requires otherwise.

<b>Term</b>	<b>Definition</b>
Effective Date	means the date on which the New Party is registered as a member of the Company in respect of the New Share.
New Share	means the [Class A] [Class B] Share referred to in Recital A.
Shareholders' Agreement	means the agreement referred to in Recital B.

### 1.3 Interpretation

The interpretive provisions in the Shareholders' Agreement apply in the interpretation of this Deed.

### 1.4 Role of Company

The Company enters into this Deed on its own behalf and on behalf of and for the benefit of all existing Shareholders.

## 2 New Party agrees to be bound

The New Party covenants and agrees as from the Effective Date to be bound by the Shareholders' Agreement so that from the Effective Date the New Party will be deemed to be a party to the Shareholders' Agreement and to be the holder of the New Share.

## 3 Address of New Party for Notices

For the purposes of the Shareholders' Agreement, the address of the New Party to which all Notices must be delivered (until substituted in accordance with the Shareholders' Agreement) is:

To:

Attention:

Address:

Facsimile no:

## 4 Costs and stamp duty

Each party shall bear its own costs arising out of the negotiation, preparation and execution of this Deed. All stamp duty (including fines, penalties and interest) which may be payable on or in connection with this Deed, any instrument executed under this Deed, and in respect of a transaction evidenced by this Deed shall be borne by the Company. The Company shall indemnify the other parties to this Deed on demand against any liability for that stamp duty.

## 5 Governing law

This Deed is governed by the laws of Queensland. The parties submit to the non-exclusive jurisdiction of courts exercising jurisdiction there.

## 6 Counterparts

This Deed may be executed in any number of counterparts. All counterparts taken together will be taken to constitute one agreement.

## Executed

EXECUTED and delivered as a deed in Brisbane.



## Schedule 3

Share transfer deed of accession

---

### Share transfer deed of accession

Dated

---

### Parties

Company      Mackay Regional Housing Company Limited ACN 138 877 942  
of [#insert address]

Transferor    [#name of party] [#insert ACN if applicable]  
of [#insert address]

New Party    [#name of party] [#insert ACN if applicable]  
of [#insert address]

### Background

- A      The Transferor is currently the holder of 1 Class A Share in the capital of the Company.
- B      The Transferor and the Company are parties to a Shareholders' Agreement dated [\*] relating to the establishment, structure and management of the Company.
- C      The Transferor has agreed to sell and transfer to the New Party and the New Party has agreed to purchase and take a transfer of the Sale Share and to assume the liabilities of the Transferor in respect of the Sale Share.
- D      By the terms of the Shareholders' Agreement, the New Party must enter into a deed in the form of this Deed before it is registered as a holder of any Share.
- E      The Transferor wishes to be released from all of its obligations under the Shareholders' Agreement in respect of the Sale Share as from the Effective Date.

### Agreed terms

#### 1 Definitions and interpretation

---

##### 1.1 Shareholders' Agreement definitions to apply

Subject to clause 1.2, terms defined in the Shareholders' Agreement have the same meaning when used in this Deed.

## 1.2 Definitions

The following definitions apply unless the context requires otherwise.

Term	Definition
Effective Date	means the date on which the New Party is registered as a member of the Company in respect of the Sale Share.
Shareholders' Agreement	means the agreement referred to in Recital B.
Sale Share	means the fully paid Class A Share of \$1.00 to be transferred by the Transferor to the New Party.

## 1.3 Interpretation

The interpretive provisions in the Shareholders' Agreement apply in the interpretation of this Deed.

## 1.4 Role of Company

The Company enters into this Deed on its own behalf and on behalf of and for the benefit of all existing Shareholders (other than the Transferor).

## 2 New Party agrees to be bound

The New Party covenants and agrees as from the Effective Date to be bound by the Shareholders' Agreement so that from the Effective Date the New Party will be deemed to be a party to the Shareholders' Agreement and to be a holder of a Share.

## 3 Transferor released

With effect on and from the Effective Date, the Transferor is released and discharged to the extent specified in the Shareholders' Agreement.

## 4 Address of New Party for notices

For the purposes of the Shareholders' Agreement, the address of the New Party to which all Notices must be delivered (until substituted in accordance with the Shareholders' Agreement) is:

To:

Attention:

Address:

Facsimile no:

## 5 Costs and stamp duty

Each party shall bear its own costs arising out of the negotiation, preparation and execution of this Deed. All stamp duty (including fines, penalties and interest) which may be payable on or in connection with this Deed, any instrument executed under this Deed, and in respect of a transaction evidenced by this Deed shall be borne by the Company. The Company shall indemnify the other parties to this Deed on demand against any liability for that stamp duty.

## 6 Governing law

---

This Deed is governed by the laws of Queensland. The parties submit to the non-exclusive jurisdiction of courts exercising jurisdiction there.

## 7 Counterparts

---

This Deed may be executed in any number of counterparts. All counterparts taken together will be taken to constitute one agreement.

## Execution

EXECUTED and delivered as a deed in Brisbane.

## Schedule 4

Administrative Service Agreement

---

Administrative Service Agreement follows

Execution

EXECUTED as an agreement in Queensland.

Signed by  
Mackay Regional Council for Social Development  
ABN 53 009 931 408 on     /     /21     by its duly  
authorised officer in the presence of:

\_\_\_\_\_  
Signature of Authorised Officer

\_\_\_\_\_  
Signature of witness

\_\_\_\_\_  
Full name of Authorised Officer

\_\_\_\_\_  
Name of witness

\_\_\_\_\_  
Office held

Signed by  
BlueCHP Limited ABN 78 128 582 383 on     /     /21     by its duly authorised officer in the  
presence of:

\_\_\_\_\_  
Signature of Authorised Officer

\_\_\_\_\_  
Signature of witness

\_\_\_\_\_  
Full name of Authorised Officer

\_\_\_\_\_  
Name of witness

\_\_\_\_\_  
Office held

Signed by  
Mackay Regional Council ABN 56 240 712 069  
on     /     /21     by its duly authorised officer in  
the presence of:

\_\_\_\_\_  
Signature of Authorised Officer

\_\_\_\_\_  
Signature of witness

\_\_\_\_\_  
Full name of Authorised Officer

\_\_\_\_\_  
Name of witness

\_\_\_\_\_  
Office held

#### **11.1.4. MACKAY REGIONAL HOUSING COMPANY LIMITED - TRANSFER OF COUNCIL PROPERTIES FOR HOUSING PURPOSES**

**Author** Executive Officer (David McKendry)  
**Responsible Officer** Chief Executive Officer (Scott Owen)  
**File Reference** Customer - Mackay Regional Housing Company Limited/Connect Housing Group  
Subject - Affordable Housing/Mackay Housing Company  
Properties – 8 Peoples Street Finch Hatton, 22 Dawson Street Sarina,  
7 Macarthur Street Mackay, 11 Kate Street Mackay, 13-19 Holmes Drive, 13-15  
Saunders Street Walkerston, 34, 36 & 38 Bucas Drive Bucasia, 72 Alice Street  
Mirani, 52 Blackmur Street Marian

**Attachments** Property site plans

#### **Purpose**

To recommend to Council the transfer to the Mackay Regional Housing Company Limited of a range of community housing funded properties in furtherance of the growth of affordable housing in the Mackay region.

Also, to confirm support as a shareholder for the constitutional changes of the Mackay Regional Housing Company Limited Constitution and Shareholders Agreement.

#### **Related Parties**

- Mackay Regional Housing Company Limited – (also incorporating Connect Housing Limited) (Housing Company)
- Department of Housing and Public Works (State)
- Blue CHP Limited (Blue CHP)
- Nanyima Aged Care Inc (Nanyima)
- Mackay Regional Council for Social Development Ltd (Greater Whitsunday Communities - GWC)

#### **Corporate Plan Linkage**

##### Live and Visit

*Enhance Liveability* – We have a range of housing and social infrastructure options that supports a great quality of life and wellbeing in our community.

#### **Background/Discussion**

Mackay Regional Council (Council) was the catalyst for auspicing the establishment of the Mackay Regional Housing Company Limited (Housing Company) in 2009, on the back of moves from State and Federal Governments with a desire to deal with single large housing providers (ie Brisbane Housing Company) for provision and management of housing as well as funding.

Council at the time managed a range of public housing units, known then as “Pensioner Cottages” due to incumbents, with the view that this ‘stock’ would be transferred to the new Housing Company. Whilst this type of housing was considered to be Social Housing, there was a desire to see the amount of Affordable Housing increased in Mackay, and that the Housing Company with support was the right model to achieve this (backed by the asset base available from the Social Housing stock). The Affordable Housing sector in particular was targeted due to increasing house/rental prices at the time which drove the affordability aspect for the general community (including as example key roles such as Police/Nurses/Teachers, seen as critical to Mackay).

At its meeting of 20 May 2009 Council resolved –

***THAT Council resolve to nominate for Class C Shareholding of the forming Mackay Housing Company Limited.***

***FURTHER THAT Council endorse the nomination of Cr George Christensen for consideration by Shareholders for a position as a Director of the Mackay Housing Company Limited.***

Further, at its meeting of 27 May 2009 Council resolved –

***THAT Council resolves that in its opinion, Mackay Regional Housing Company Limited, in addressing housing and housing affordability needs in the area of Mackay Regional Council, will provide a benefit to the community and the area of Council.***

***FURTHER THAT Council, given the identified benefits of Mackay Regional Housing Company Limited to the area, resolves to assist the Company and in doing so recognises the Company, and the help given by Council to the Company, as engaging in, and helping, an enterprise under the provisions of the Local Government Act 1993.***

***ALSO THAT Council resolves to –***

***a) Nominate for Class C Shareholding of Mackay Regional Housing Company Limited (with the Mayor being given delegated power to execute the associated documentation, including the Constitution and Shareholders Agreement for the Company); and***

***b) Endorse the nomination of Cr George Christensen for consideration by Shareholders for a position as a Director of the Mackay Regional Housing Company Limited; and***

***c) Record within a register of enterprises the required details of Council's exercise of an enterprise power, and in particular, engaging with, and helping, Mackay Regional Housing Company Limited.***

Following these, assistance including legal advice was given by Council in auspicing the establishment of the Housing Company. Council's involvement in establishment, and shareholder activities, sees the Housing Company deemed as a Beneficial Enterprise of Council and noted within Council's Annual Reports.

The existing Social Housing stock (90 units) were in the name of Council, and each involved an element of State funding. The normal arrangement being that Council provided the land, the State provided the funding for the buildings thereon, and under arrangement the 'equity' from the State's interest transferred to Council at the rate of 2% per year (ie fully transferred after 50 years). In effect this saw the buildings available for the funded purpose for a period of 50 years until the claim by the State for the initial funding was fully exhausted.

The timing and amounts for each site differed greatly, given they were done ad hoc over many years including across then different Council's (ie Sarina Shire Council, Mirani Shire Council, and Mackay City Council), and all have since had the State interest protected by registration of Mortgages restricting disposal.

A listing of the ninety (90) properties is as below –

- Finch Hatton – 8 Peoples Street – 3 units
- Sarina – 22 Dawson Street – 2 units
- Mackay – 7 MacArthur Street – 30 units
- Mackay – 11 Kate Street – 4 units
- Beaconsfield – 13 - 19 Holmes Drive – 16 units

- Walkerston – 13 - 15 Saunders Street – 3 units
- Bucasia – 34 - 38 Bucas Drive – 8 units
- Marian – 52 Blackmur Street – 10 units
- Mirani – 72 Alice Street – 14 units (noting that these units are not on Council owned land, rather under lease from Nanyima)

Given the status of each site none were unencumbered, and each had a tie back to the State. Therefore, whilst there was a formal agreement in place between Council and the Company that the Company would fully take over the management of the properties (including collection of rent, appointment of tenants, and all maintenance), they remain the property of Council due to land ownership.

Council representatives commenced from 2009 through to current date lobbying and requests to the State for the transfer of their equity share. This on the basis that the real value of the stock to the Company was the ability to leverage/mortgage to underpin other developments and grow the housing stock available for Mackay (including expending into Affordable Housing). The journey to date has been long and involved a number of changes of Departmental staff as well as State governments. However, agreement was reached with the State for them to recognise the existing equity split with Council (ie 2% transfer to date), as well as continue such a practice with the Company, meaning over time 100% equity transfer.

However, the process is quite complicated and needed formal offer from the State. There were also some different arrangements with the Mirani site where the land isn't owned by Council but rather owned by and leased from Nanyima, making the standard deal more complicated.

The Company is a Not for Profit entity registered with the Australian Charities and Not-for-profits Commission (Charity Programs listed for Long Term Housing Provider, and Social Housing) and as such Council holds legislative exemption from the standard asset disposal processes such as auction/tender by virtue of section 236(1)(b)(ii) of the *Local Government Regulation 2012*, extract -

### **236 Exceptions for valuable non-current asset contracts**

**(1) Subject to subsections (2) to (4), a local government may dispose of a valuable non-current asset other than by tender or auction if—**

- (b) the valuable non-current asset is disposed of to—  
(ii) a community organisation; or**

There is further requirement for Council to formally resolve to apply the exemption.

Under previously repealed legislation, *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*, there was a restriction on the level of contribution able to be made to a Beneficial Enterprise without Ministerial consent (at that time 10% of a Council's own source of revenue), however this legislation and provision no longer exists.

To enable these transactions to occur, Council is required to enter into a Funded Property Transfer Deed, as a tripartite agreement along with the Company and the State. As well, execution of the various land transfer documents.

The dwellings at Mirani are constructed on land owned by Nanyima, and are currently under lease for the land. The arrangement also involves Nanyima agreeing to enter into a similar tripartite agreement and new lease with the State and the Company (with Council surrendering all interest). Whilst this aspect has been long drawn out and complex, recent advice from Nanyima is that they intend to enter into the agreements presented by the State. However, the associated properties themselves are not part of consideration for these agreements in this report, however the recognised building assets are.



### Consultation and Communication

- Department of Housing and Public Works
- Department of Local Government, Racing and Multicultural Affairs – Verbal advice on existence of previous legislation
- Nanyima Aged Care Inc
- Parker Law – Kelly Parker from Parker Law was previously a Director of the Company and considered best placed to provide legal advice on the arrangements with both the Company changes, and contracts with the State.
- Council Briefing – 3 June 2020
- All Council Departments (in particular the areas of Assets, Finance, Property, Planning and Legal)
- Existing Company Shareholders have been consulted by the Housing Company over a number of years, and have provided in-principle support for changes (subject to formal approval at a General Meeting)
- A copy of the Draft Funded Property Transfer Deed (Council/Housing Company/State) has been provided to Councillors for information

### Resource Implications

The properties are currently recognised on Council's asset register at the values recorded below:

	Asset Cost	Accumulated Depreciation	Written Down Value
	As at 30 June 2022		
Land	4,147,616	-	4,147,616
Buildings	14,467,948	8,129,163	6,338,785
<b>Total</b>	<b>18,615,564</b>	<b>8,129,163</b>	<b>10,486,400</b>

Depreciation expense associated with these assets was \$368,297 for the year ended 30 June 2022.

The impact of any asset transfer will be as below –

- Asset value (asset cost) – reduction of approximately \$18,615,564
- Depreciation – reduction in annual operating expenditure of approximately \$368,297

Regarding other costs, the agreements are conditional upon the Company securing Stamp Duty exemptions for the transfers, and GST has been reviewed and not applicable as a cost to Council.

Once transferred all internal resources currently dedicated to overseeing the management of the existing units (including completing annual returns), will no longer be required to dedicate time. Although these are not significant, they are of note.

### Risk Management Implications

The proposal includes the transfer of a large monetary asset amount from under Council control, therefore the risk automatically increases.

Currently the Housing Company set-up is wholly Mackay based, with Council as a Shareholder and having appointed two (2) Directors. Proposed changes to integrate Blue CHP into the Housing Company are the subject of a separate Council report, however given the proposed changes the below comments related to the set-up post any integration -

Controls in place regarding major decisions are considered sufficient to protect the local presence and investments. In particular the Company sought legal advice on the specific items of –

- Ensure that the future management costs will be calculated in a fair and equitable manner
- Ensure that the local Directors will be required to approve major decisions and variations
- Ensure that the local assets and equity will not be utilised outside the Greater Whitsunday Region area without specific approval including locally appointed Directors

Noting the proposal for significant Mackay assets to be contributed to the Housing Company, and the Shareholder and Director numbers showing control by Blue CHP, significant work has been undertaken to ensure that any critical decisions require full majority approval, meaning Mackay based approval. For example, asset disposal of more than 10% needs 75% majority approval. Given that Blue CHP are making a major investment by becoming involved with the Company it was seen as reasonable that they held day to day control by virtue of Director numbers etc, however again the key decision of concern regarding assets has been controlled by requiring large majority (ie 75%) approval.

Council, by virtue of remaining as a Shareholder and the ability to appoint Directors, retains an interest in the entity (including ability to have major input into large decisions), but as with all other like arrangements an element of risk.

Under the Funded property Transfer Deed, should the transaction (conditioned by the granting of Stamp Duty exemption) not be undertaken, Council has an obligation to find another registered housing provider. This is due to Mackay Regional Council not being a registered housing provider despite owning housing stock. This is seen as a risk, but one able to be mitigated. Firstly, from all indications and advice the exemption will be granted. Further, the Housing Company has plans in place for funding should this not eventuate.

## **Conclusion**

In conclusion this would appear to be close to the end of a very long journey started over a decade ago to see a well-resourced Housing Company in Mackay able to leverage off assets and grow housing for local benefit. Doing so has seen the need to partner with a Tier 1 provider, and complete what has been a complex arrangement requiring State approval for the transfer of current stock assets.

Whilst foregoing a significant land asset value, it should be noted that such land was encumbered by the funding arrangements for a period of fifty (50) years anyway, plus the assets thereon (despite not being able to be sold) having a significant amount of annual depreciation which following disposal will no longer be required.

The associated Funded Property Transfer Deed has been reviewed by multiple parties, and identified risks for future operations considered. Whilst there are some minor aspects to adjust re funding dates etc, the Deed is close to finalised.

It is recommended that Council approves the arrangements that will see the transfer of title for the associated properties, subject to the execution of the final Funded Property Transfer Deed by all parties.

## **Officer's Recommendation**

THAT Council resolves that in this case regarding dealing with the Mackay Regional Housing Company Limited, being that an exemption applies under Section 236 (1) (b) (ii) of the *Local Government Regulation 2012*, that a local government may dispose of a valuable non-current asset other than by tender or auction if – the valuable non-current is disposed of to a community organisation

FURTHER THAT Council resolves to approve Council entering into the Funded Property Transfer Deed between the State of Queensland, Mackay Regional Council, and Mackay Regional Housing Company Limited, and the Chief Executive Officer is authorised to oversee finalisation of the Deed and execute same when finalised

FURTHER THAT subject to execution of the Funded Property Transfer Deed, that the below mentioned properties be transferred to the Mackay Regional Housing Company Limited at no cost –

- a) 13-19 Holmes Drive, Beaconsfield - Lot 56 on SP 103999
- b) 34 Bucas Drive, Bucasia - Lot 4 on RP 742224
- c) 36 Bucas Drive, Bucasia - Lot 3 on RP 742224
- d) 38 Bucas Drive, Bucasia - Lot 2 on RP 742224
- e) Units 1-12, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- f) Units 13-18, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- g) Units 19-22, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- h) Units 23-24, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- i) Units 25-30, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- j) 8 Peoples Street, Finch Hatton - Lot 2 on RP 707531 and Lot 1 on RP 709286
- k) 22 Dawson Street, Sarina - Lot 28 on RP 721371
- l) 13-15 Saunders Street, Walkerston - Lots 10 & 11 on CP W19035
- m) 52 Blackmur Street, Marian - Lot 3 on SP 244667
- n) Units 1-4, 11 Kate Street, East Mackay - Lot 1-4 on GTP 70410

#### **Council Resolution ORD-2023-155**

**THAT Council resolves that in this case regarding dealing with the Mackay Regional Housing Company Limited, being that an exemption applies under Section 236 (1) (b) (ii) of the *Local Government Regulation 2012*, that a local government may dispose of a valuable non-current asset other than by tender or auction if – the valuable non-current is disposed of to a community organisation**

**FURTHER THAT Council resolves to approve Council entering into the Funded Property Transfer Deed between the State of Queensland, Mackay Regional Council, and Mackay Regional Housing Company Limited, and the Chief Executive Officer is authorised to oversee finalisation of the Deed and execute same when finalised**

**FURTHER THAT subject to execution of the Funded Property Transfer Deed, that the below mentioned properties be transferred to the Mackay Regional Housing Company Limited at no cost –**

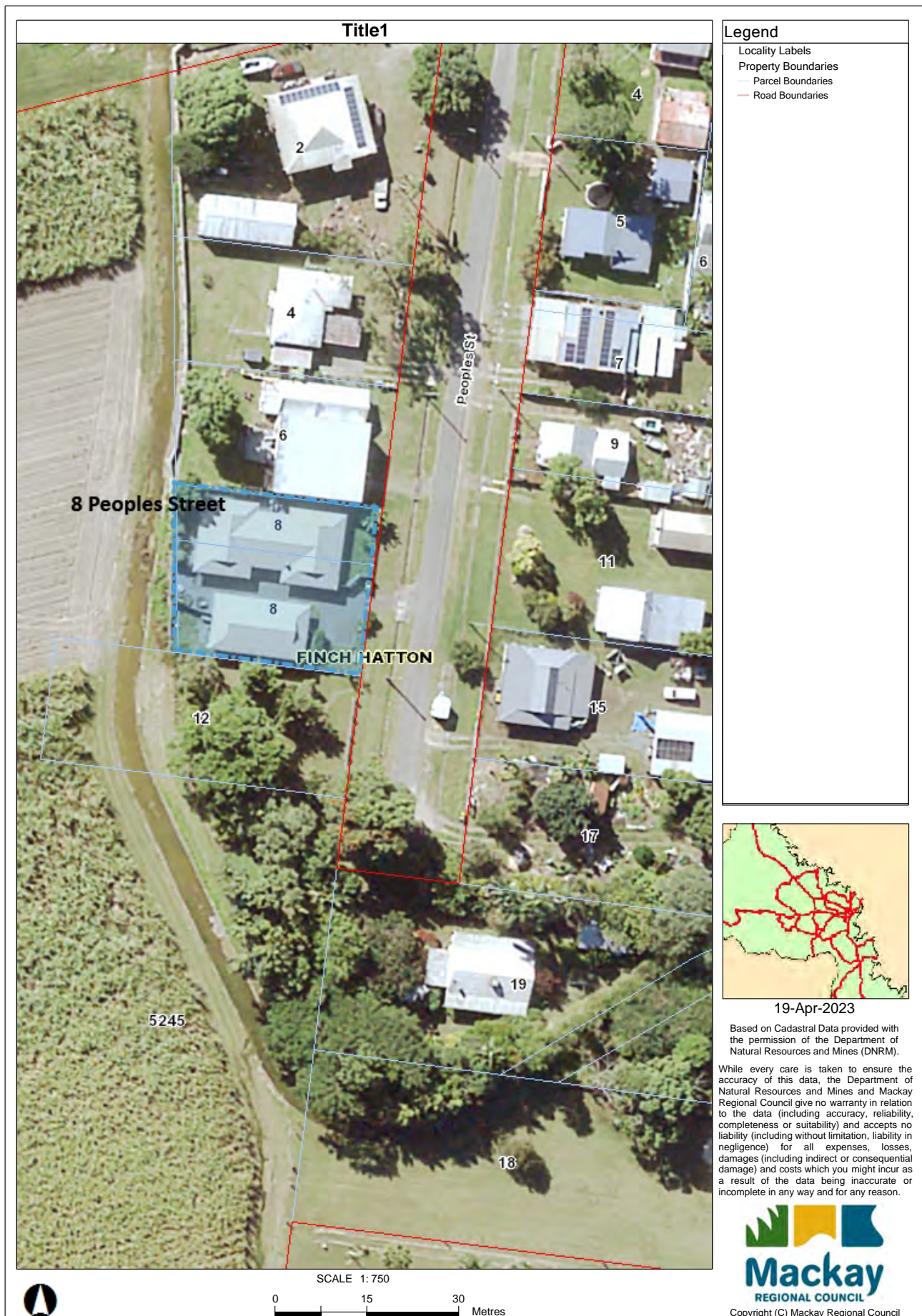
- a) 13-19 Holmes Drive, Beaconsfield - Lot 56 on SP 103999
- b) 34 Bucas Drive, Bucasia - Lot 4 on RP 742224
- c) 36 Bucas Drive, Bucasia - Lot 3 on RP 742224
- d) 38 Bucas Drive, Bucasia - Lot 2 on RP 742224
- e) Units 1-12, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- f) Units 13-18, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852

- g) Units 19-22, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- h) Units 23-24, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- i) Units 25-30, 7 Macarthur Street, South Mackay - Lots 23 - 27 on RP 712593, Lot 2 on RP 716237 and Lot 2 on RP 726852
- j) 8 Peoples Street, Finch Hatton - Lot 2 on RP 707531 and Lot 1 on RP 709286
- k) 22 Dawson Street, Sarina - Lot 28 on RP 721371
- l) 13-15 Saunders Street, Walkerston - Lots 10 & 11 on CP W19035
- m) 52 Blackmur Street, Marian - Lot 3 on SP 244667
- n) Units 1-4, 11 Kate Street, East Mackay - Lot 1-4 on GTP 70410

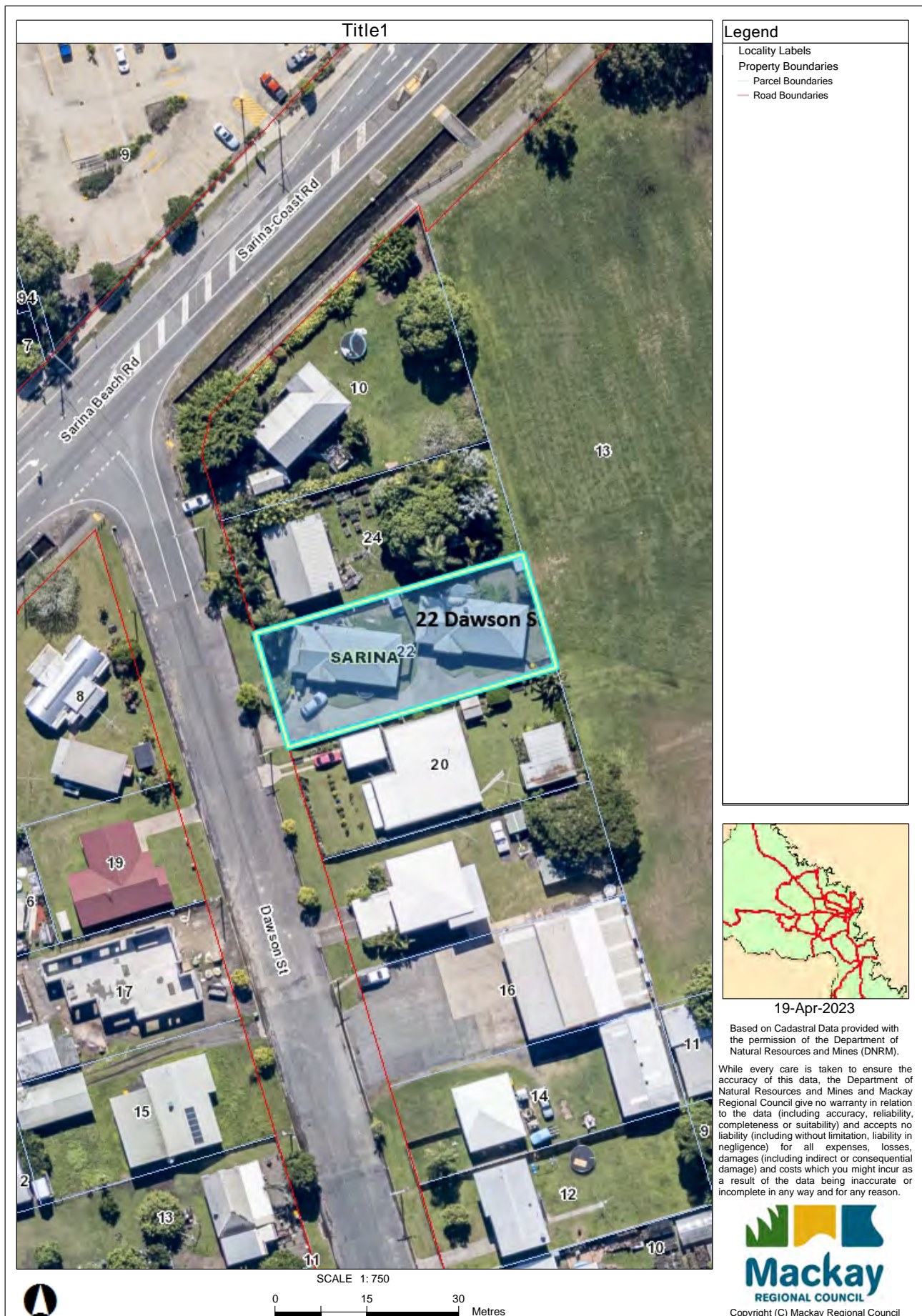
Moved Cr May

Seconded Cr Mann

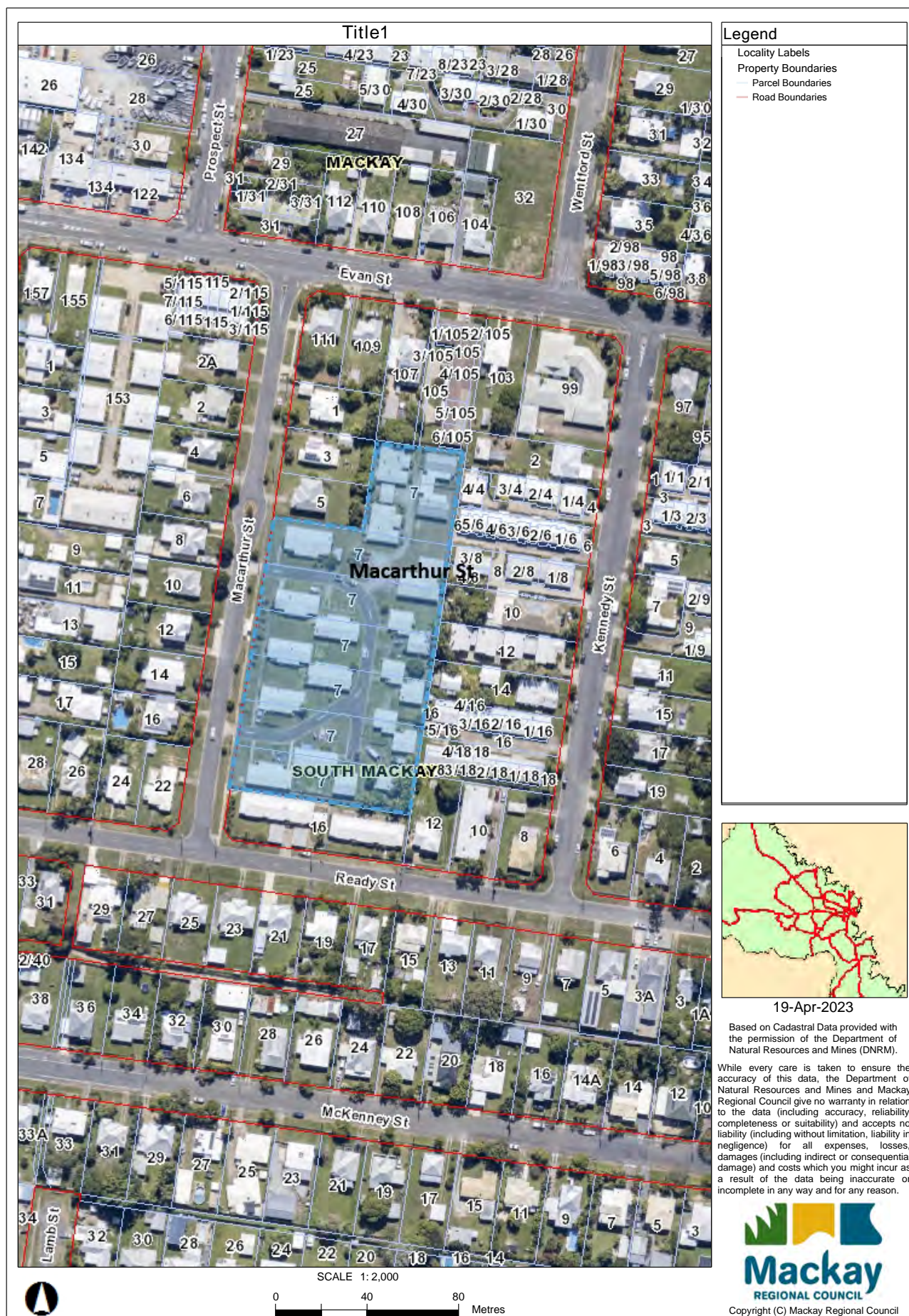
**CARRIED UNANIMOUSLY**







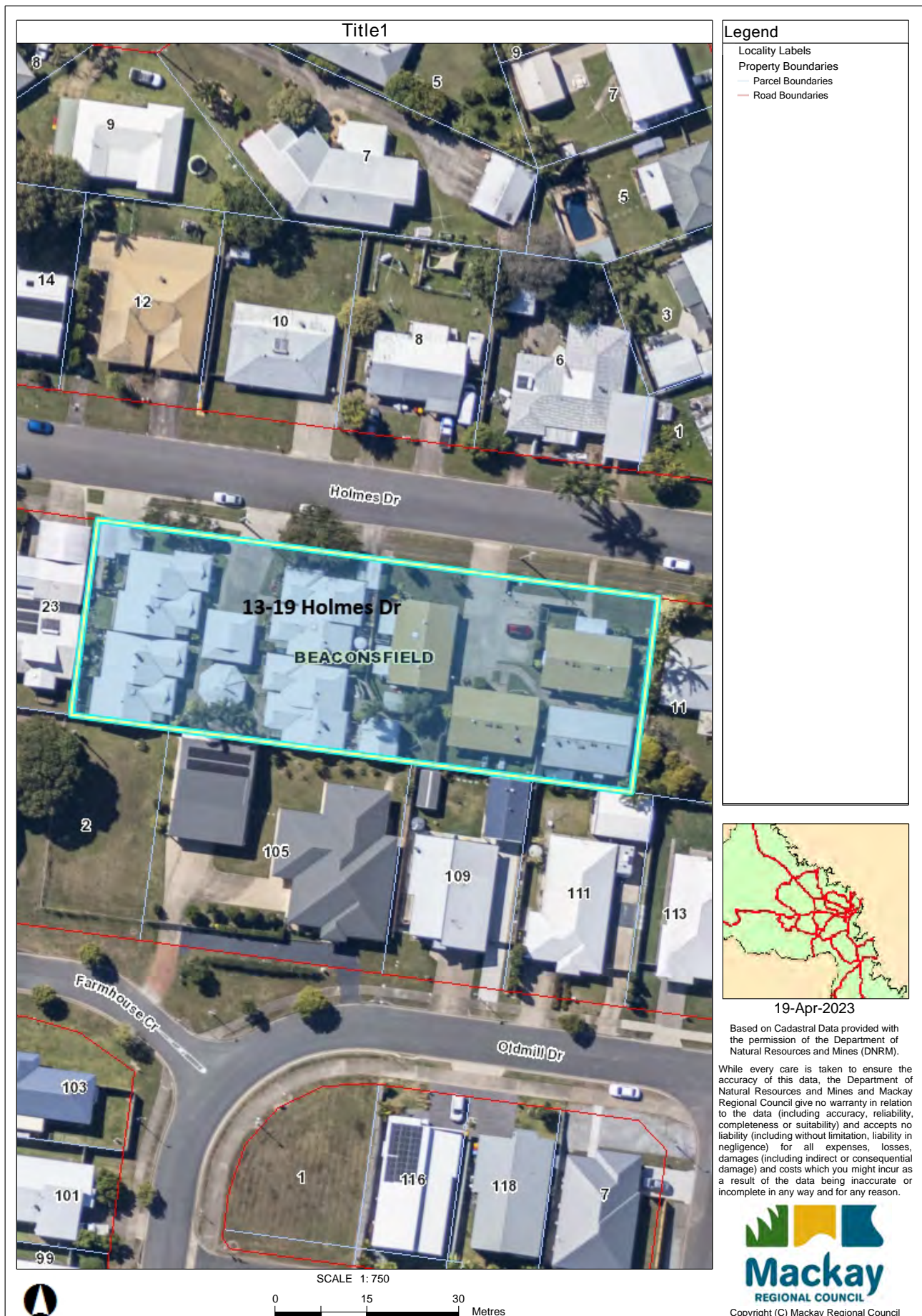




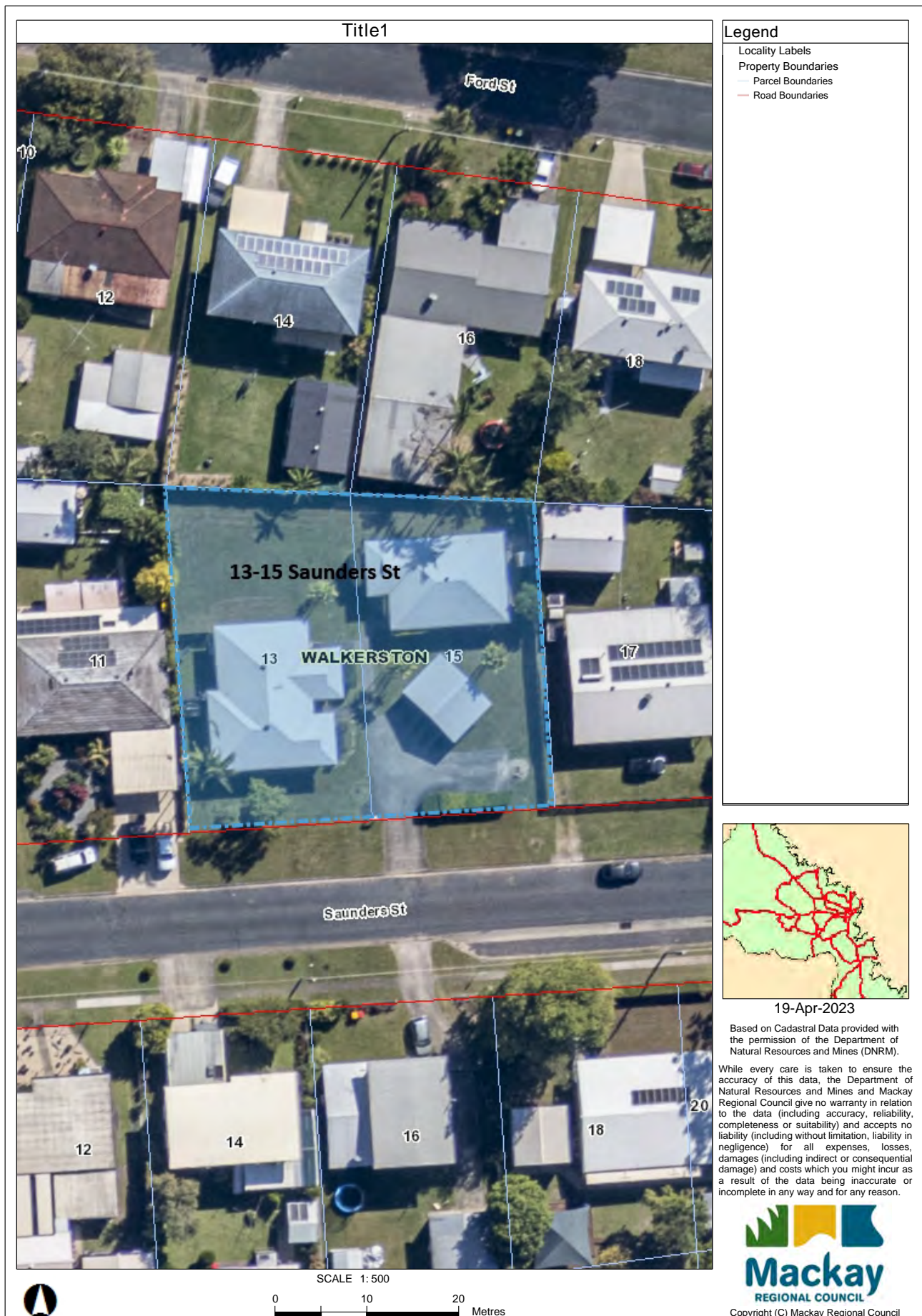




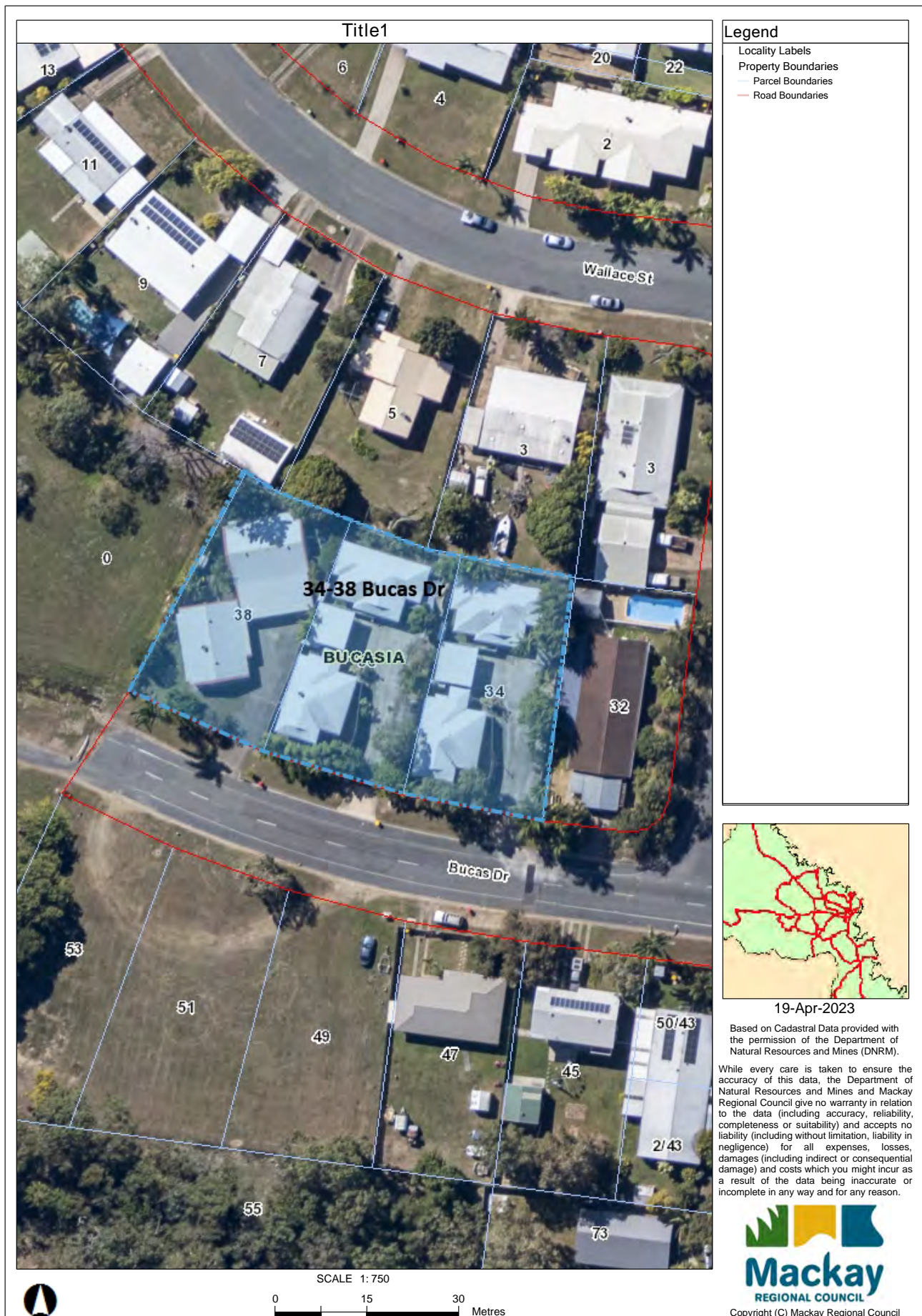




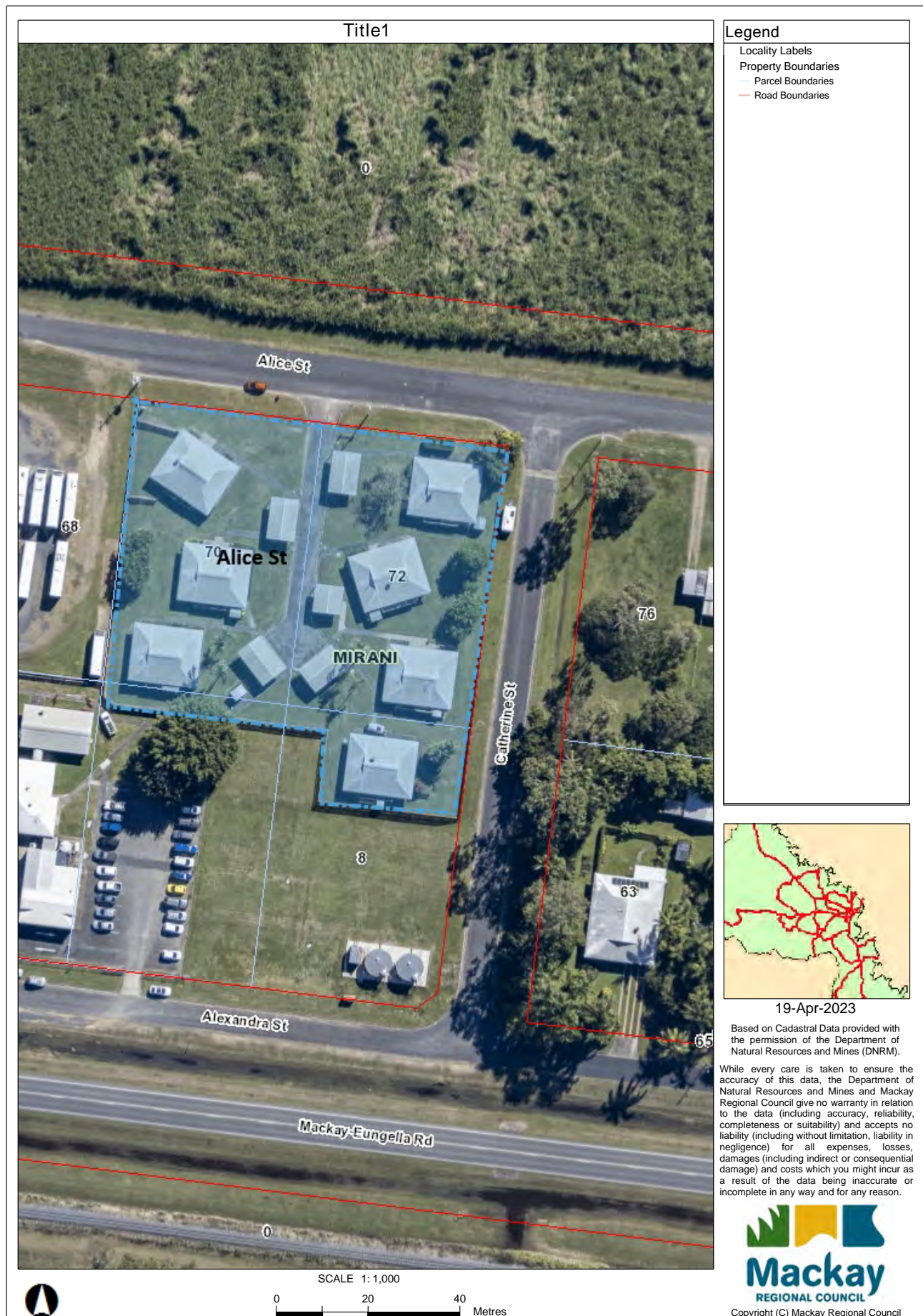




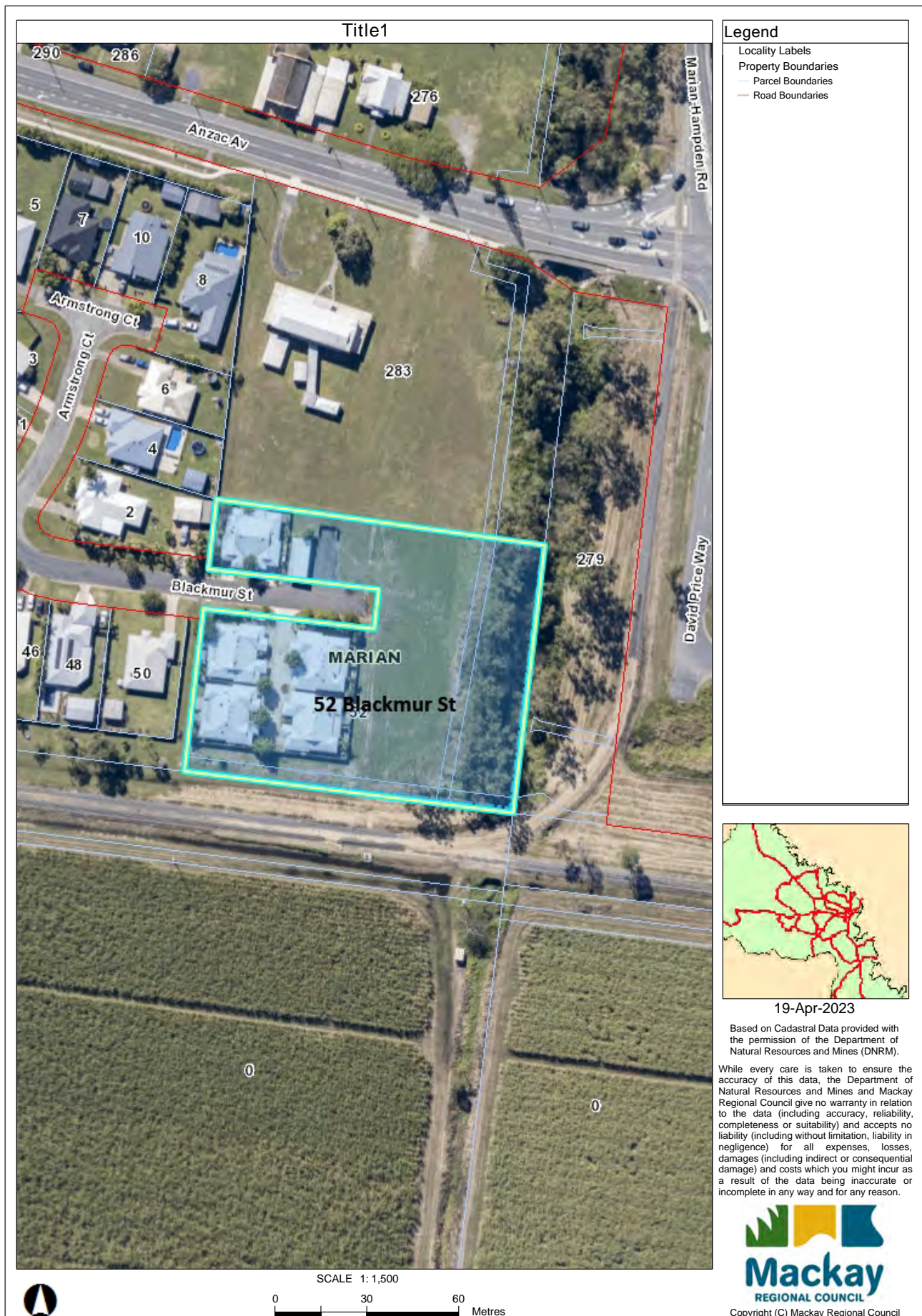












### **11.1.5. MACKAY REGIONAL HOUSING COMPANY LIMITED - TRANSFER OF COUNCIL PROPERTIES FOR HOUSING PURPOSES - QLD HOUSING INVESTMENT GROWTH INITIATIVE**

<b>Author</b>	Executive Officer (David McKendry)
<b>Responsible Officer</b>	Chief Executive Officer (Scott Owen)
<b>File Reference</b>	Customer - Mackay Regional Housing Company Limited/Connect Housing Group Subject - Affordable Housing/Mackay Housing Company Properties – 1 Coles Road, Andergrove 84, 86 and 88 Bedford Road, Andergrove 49, 51, and 53 Bucas Drive, Bucasia
<b>Attachments</b>	1. Coles- Bedford Rd Site Plan [11.1.5.1 - 1 page] 2. 49-51 Bucas Dr Site Plan [11.1.5.2 - 1 page]

#### **Purpose**

To recommend the transfer to the Mackay Regional Housing Company Limited of seven (7) Council owned land parcels to secure Queensland Housing Investment Growth Initiative (QHIGI) funding for construction of housing for the benefit of the Mackay community.

#### **Related Parties**

- Mackay Regional Housing Company Limited – (also incorporating Connect Housing Limited) (Housing Company)
- Blue CHP Limited (Blue CHP)

#### **Corporate Plan Linkage**

##### Live and Visit

*Enhance Liveability* – We have a range of housing and social infrastructure options that supports a great quality of life and wellbeing in our community.

#### **Background/Discussion**

Mackay Regional Council (Council) was the catalyst for auspicing the establishment of the Mackay Regional Housing Company Limited (Housing Company) in 2009, on the back of moves from State and Federal Governments with a desire to deal with single large housing providers (ie Brisbane Housing Company) for provision and management of housing as well as funding.

Council at the time managed a range of public housing units, known then as “Pensioner Cottages” due to incumbents, with the view that this ‘stock’ would be transferred to the new Housing Company. Whilst this type of housing was considered to be Social Housing, there was a desire to see the amount of Affordable Housing increased in Mackay, and that the Housing Company with support was the right model to achieve this (backed by the asset base available from the Social Housing stock). The Affordable Housing sector in particular was targeted due to increasing house/rental prices at the time which drove the affordability aspect for the general community (including as example key roles such as Police/Nurses/Teachers, seen as critical to Mackay).

Council’s involvement in establishment, and shareholder activities, sees the Housing Company deemed as a Beneficial Enterprise of Council and noted within Council’s Annual Reports.

The Company is a Not-for-Profit entity registered with the Australian Charities and Not-for-profits Commission (Charity Programs listed for Long Term Housing Provider, and Social Housing) and as such Council holds legislative exemption from the standard asset disposal processes such as auction/tender by virtue of section 236(1)(b)(ii) of the *Local Government Regulation 2012*, extract -

### **236 Exceptions for valuable non-current asset contracts**

**(1) Subject to subsections (2) to (4), a local government may dispose of a valuable non-current asset other than by tender or auction if—**

- (b) the valuable non-current asset is disposed of to—  
(ii) a community organisation; or**

There is further requirement for Council to formally resolve to apply the exemption.

Under previously repealed legislation, *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*, there was a restriction on the level of contribution able to be made to a Beneficial Enterprise without Ministerial consent (at that time 10% of a Council's own source of revenue), however this legislation and provision no longer exists and there are no other like controls or conditions.

Blue CHP, in consultation with and on behalf of the Housing Company, registered a submission for funding consideration under the Queensland Governments Queensland Housing Investment Growth Initiative. The proposals covered a range of option sites, however advice has been received that two (2) sites have been selected from the process to proceed to Capital Funding Agreements (essentially approval of the funding).

The sites were for Andergrove (1 Coles Road, and 84, 86, and 88 Bedford Road), as well as Bucasia (49, 51, 53 Bucas Drive)

The land parcels are currently owned by Council. Under this model the funding would be similar to previous funding provided to Council for housing, being contribution of land by Council and contribution of building funding by the State.

A summary of the proposals for each site include –

#### **Andergrove**

- Proposed dwellings - 13

#### **Bucasia**

- Proposed dwellings - 6

### **Common provisions**

- The application was submitted on the condition and expectation that the integration of Blue CHP and the Housing Company would proceed
- Capital Funding Agreement between the Housing Company and the State
- The project will provide 100% social housing in 1 and 2 bedroom product that is flexible to apply across the majority of social housing register of need in the region.
- All stock will be a minimum Gold Standard as required by the Liveable Housing Design Guidelines, and built to highly durable standards to ensure reduced operational and maintenance costs (and where Gold standard not possible Silver Standard will be met).

- The exact building costs will be dictated by final building design, and tender pricing, however is expected to be within proposed funding amounts with contingency amounts allowed.

In response to the applications for funding assistance under the Queensland Housing Investment Growth Initiative, the Department of Communities, Housing and Digital Economy response was –

**QHIGI00122 Proposal 3 – 1 Coles Road, Andergrove and 84, 86 and 88 Bedford Road, Andergrove** has been assessed to be suitable for progression to the next stage of the process as a Priority Project for 2022-23, subject to necessary departmental approvals, including financial approval, and resolution of the matters as detailed below, to the State's satisfaction:

- Progression of this proposal is contingent upon the transfer of the site from Mackay Regional Council to BlueCHP Limited.
- Contractual conditions that align with the State's requirements.

**QHIGI00122 Proposal 4 – 49 and 51 Bucas Drive, Bucasia, Mackay** has been assessed to be suitable for progression to the next stage of the process as a Priority Project for 2022-23, subject to necessary departmental approvals, including financial approval, and resolution of the matters as detailed below, to the State's satisfaction:

- Cost negotiations for the per unit costings.
- Contractual conditions that align with the State's requirements.

Therefore, essentially accepted from initial application to progress to the next stage as a Priority Project.

The integration of Blue CHP with the Housing Company is a separate matter, and one that is progressing. In the interim, Blue CHP continue to take the lead on the project develop.

At this stage proposals are concept only. Sites will require all necessary planning and building approvals as part of further design and development, with associated costs included in proposals.

Council previously formally considered the contribution of some of these land parcels to the Housing Company at its meeting of 1 August 2012 at which time it was resolved –

### **16.3 TRANSFER OF LAND TO MACKAY REGIONAL HOUSING COMPANY**

**THAT Council approve the transfer of ownership of Lots 1, 2, 3 & 12 on SP235542 for nil consideration to the Mackay Regional Housing Company for Affordable Housing purposes subject to Council's CEO receiving confirmation that an Affordable Housing project will be developed on the property within an acceptable time period.**

**Moved Cr Perkins**

**Seconded Cr Jones**

**CARRIED**

Also, a Council Briefing on 3 June 2020 listed the potential for the Bucas Drive land parcels, subject to funding.

Whilst work has been undertaken on potential site options since that time, funding has never been available to see development come to fruition. The selection of these sites for progression as Priority Projects is promising for funding.



## Consultation and Communication

- Mackay Regional Housing Company Limited
- Blue CHP Limited
- Council Briefing – 3 June 2020
- All Council Departments (in particular the areas of Assets, Finance, Property, Planning and Legal)

## Resource Implications

The properties are currently recognised on Council's Asset listing.

1 Coles Road (Lot 12 on SP201880) -	\$196,192.50
84 Bedford Road (Lot 3 on SP235542) -	\$21,210.00
86 Bedford Road (Lot 2 on SP235542) -	\$21,210.00
88 Bedford Road (Lot 1 on SP235542) -	\$21,210.00
49 Bucas Drive (Lot 6 on RP742224) -	\$127,260.00
51 Bucas Drive (Lot 7 on RP742224) -	\$174,982.50
53 Bucas Drive (Lot 8 on RP742224) -	\$190,890.00

The impact of any asset transfer will be as below –

- Asset value – Reduction by \$752,955
- Annual Depreciation cost – Nil (no depreciation associated with land assets)

All associated costs with the transfers to be accepted by the Housing Company (noting the expectation of an exemption from Stamp Duty).

The proposed building projects will be fully covered by either the Queensland Housing Investment Growth Initiative funding, or financing by the Housing Company.

## Risk Management Implications

The major risk for Council is that the land is transferred, and not utilised, therefore remaining vacant, not achieving the desired outcomes, and no longer in Council ownership.

Therefore, similar to the decision by Council in 2012, it is proposed that any transfer is conditional upon confirmation that the projects will proceed (specifically confirmation of the signing of the Capital Funding Agreements by the State confirming the funding approval, confirmation of funding contribution approval by the Housing Company for their component, and planning approvals given).

## Conclusion

In conclusion, noting the current housing crisis, the opportunity to secure funding and provision of up to 19 dwellings is a significant project for the Mackay community.

The concept of Council providing land, and external funding provided for construction, is a well-tested model for Council and the State given similar projects over many years.

This situation however will see the projects owned and delivered through the Mackay Regional Housing Company, a company established by Council for the very purpose of growth of housing provision to the community.

### **Officer's Recommendation**

THAT Council resolves that in this case regarding dealing with the Mackay Regional Housing Company Limited, being that an exemption applies under Section 236 (1) (b) (ii) of the *Local Government Regulation 2012*, that a local government may dispose of a valuable non-current asset other than by tender or auction if – the valuable non-current is disposed of to a community organisation

FURTHER THAT for the provision of housing projects for the benefit of the Mackay community, that the below mentioned properties be transferred to the Mackay Regional Housing Company Limited at no cost –

- a) 1 Coles Road (Lot 12 on SP201880)
- b) 84 Bedford Road (Lot 3 on SP235542)
- c) 86 Bedford Road (Lot 2 on SP235542)
- d) 88 Bedford Road (Lot 1 on SP235542)
- e) 49 Bucas Drive (Lot 6 on RP742224)
- f) 51 Bucas Drive (Lot 7 on RP742224)
- g) 53 Bucas Drive (Lot 8 on RP742224)

ALSO THAT the transfers are conditional upon the below items to the satisfaction of the Chief Executive officer who is authorised to oversee and execute the associated transfer documents –

- a) Confirmation of the execution of the Capital Funding Agreements for the projects formalising the funding
- b) Confirmation of funding approval as required by the Mackay Regional Housing Company Limited
- c) Planning approvals confirmed for the projects

### **Council Resolution ORD-2023-156**

**THAT Council resolves that in this case regarding dealing with the Mackay Regional Housing Company Limited, being that an exemption applies under Section 236 (1) (b) (ii) of the *Local Government Regulation 2012*, that a local government may dispose of a valuable non-current asset other than by tender or auction if – the valuable non-current is disposed of to a community organisation**

**FURTHER THAT for the provision of housing projects for the benefit of the Mackay community, that the below mentioned properties be transferred to the Mackay Regional Housing Company Limited at no cost –**

- a) 1 Coles Road (Lot 12 on SP201880)**
- b) 84 Bedford Road (Lot 3 on SP235542)**
- c) 86 Bedford Road (Lot 2 on SP235542)**
- d) 88 Bedford Road (Lot 1 on SP235542)**
- e) 49 Bucas Drive (Lot 6 on RP742224)**
- f) 51 Bucas Drive (Lot 7 on RP742224)**
- g) 53 Bucas Drive (Lot 8 on RP742224)**

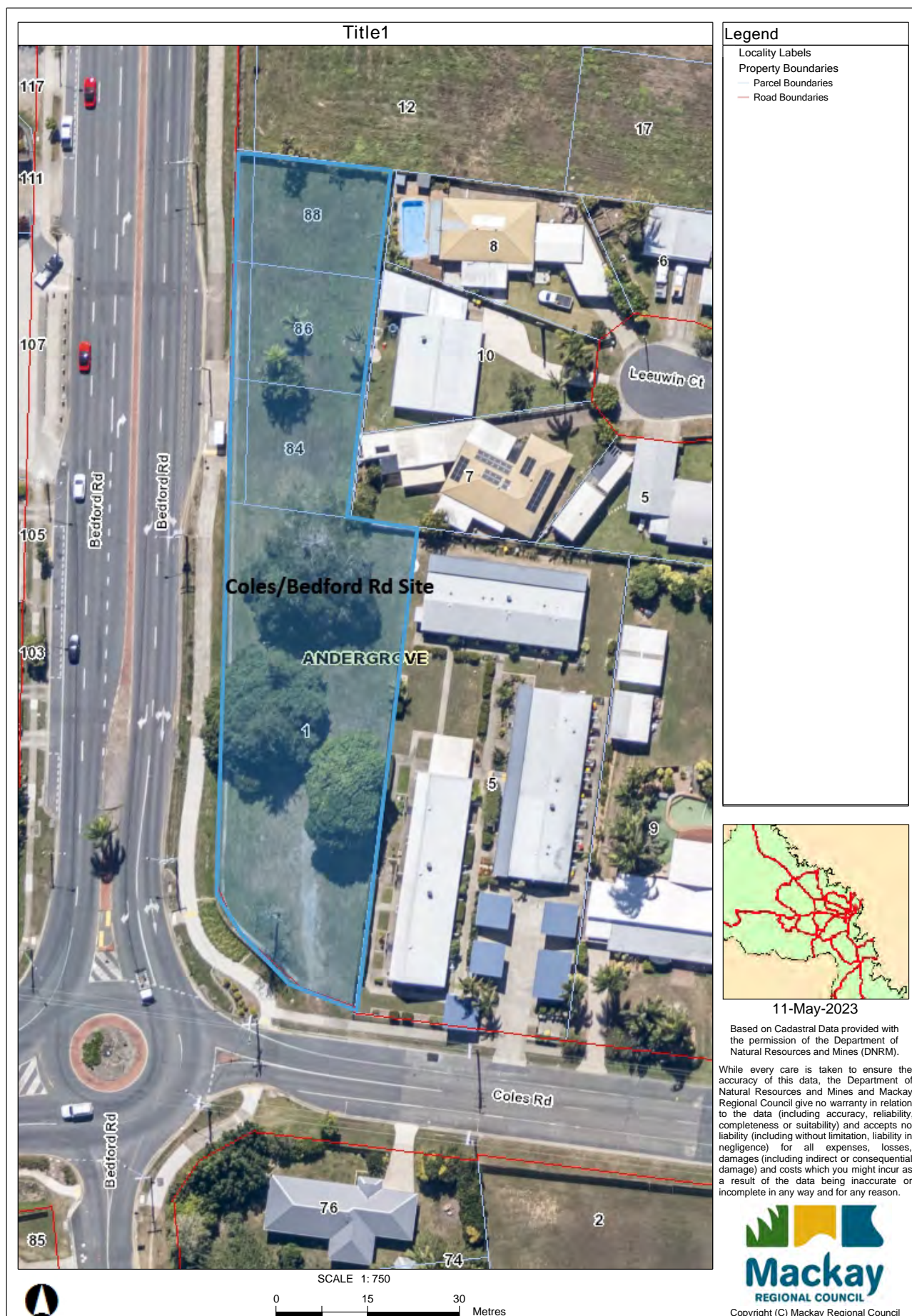
**ALSO THAT the transfers are conditional upon the below items to the satisfaction of the Chief Executive officer who is authorised to oversee and execute the associated transfer documents –**

- a) Confirmation of the execution of the Capital Funding Agreements for the projects formalising the funding
- b) Confirmation of funding approval as required by the Mackay Regional Housing Company Limited
- c) Planning approvals confirmed for the projects

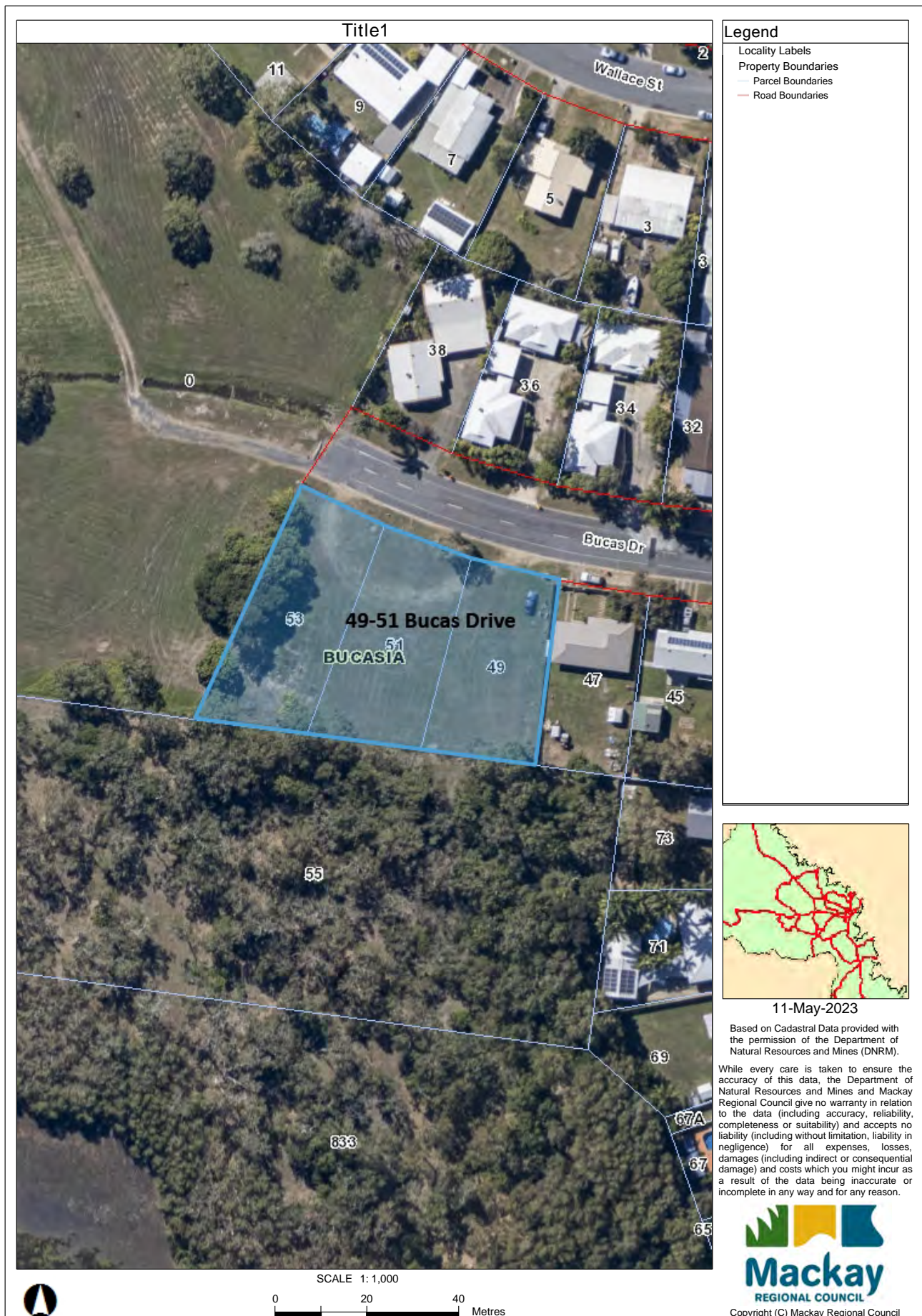
Moved Cr May

Seconded Cr Mann

**CARRIED UNANIMOUSLY**







### **11.1.6. OPERATIONAL PLAN 2022 2023 3RD QUARTER REPORT**

<b>Author</b>	Co-ordinator, Performance & Risk (Sarah Shuttlewood)
<b>Responsible Officer</b>	Executive Officer (David McKendry)
<b>File Reference</b>	2022-2023 Operational plan Q3 Reporting

#### **Attachments**

1. OperationalPlanQuarterlyReport Q3 2223 DOCASSEMBLER120623 [11.1.6.1 - 21 pages]

#### **Purpose**

To advise the Mayor and Councillors of progress made during the Third Quarter (1 January to 31 March 2023) toward delivering actions in the Operational Plan 2022/2023.

#### **Related Parties**

N/A

#### **Corporate Plan Linkage**

#### Financial Strength

*Ethical Decision-Making and Good Governance* - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

*Resilient and Agile Economy* - Our long-term vision guides our planning for present and future needs, understanding the future implications of decisions made today.

#### Operational Excellence

*Customer/Community Focus* - Improving community wellbeing is a primary goal of our services to the Mackay region. This encompasses residents, businesses, visitors and investors. Council believes all members of the community play a crucial role in supporting the vision and strategic outcomes and we encourage community engagement.

#### **Background/Discussion**

Section 174 Local Government Regulation 2012 requires that a written assessment of the local government's progress towards implementing the annual operational plan is presented at meetings of the local government held at regular intervals of not more than three months.

The Operational Plan Quarterly Report – Third Quarter details Mackay Regional Council's (MRC) performance in delivering actions detailed in the annual Operational Plan 2022-2023, as at 31 March, 2023.

Performance against targets is reported as 'on target', 'ahead of target', 'below target' or 'not required this quarter'.

At the Third Quarter, a total of 25 actions are on target, 11 are below target and 7 are tracking ahead of target. Pages 8 - 10 of the report include a list of the goals and key performance indicators that are below target and an explanatory comment regarding variance from the forecast quarterly target.

The largely positive progress this quarter provides confidence that the Corporate Objectives of the current Corporate Plan are on track to be achieved as planned.

This quarter we also see a return of the key achievements section, with it now being prepared in the context of the pillars of the Corporate Plan 2022 – 2027.

### **Consultation and Communication**

Inputs to the Operational Plan quarterly report are gathered from Directors and Program Managers, drawing on insights provided against KPIs in the relevant Program Plans.

Following Adoption by Council, the Operational Plan quarterly report is made available to the community via Council's website.

The report is available to all staff through MRC's intranet with dedication communication to the Management Team that is encouraged for sharing and discussing with teams.

### **Resource Implications**

Nil

### **Risk Management Implications**

The risks associated with achieving objectives are identified and monitored through Council's Enterprise Risk Management Framework.

### **Conclusion**

The largely positive progress this quarter of Operational Plan items, provides confidence that the Corporate Objectives of the current Corporate Plan are on track to be achieved as planned.

### **Officer's Recommendation**

THAT Council receive the Operational Plan Quarterly report for the Third Quarter of 2022-2023, in accordance with Section 174 of the *Local Government Regulation 2012*.

### **Council Resolution ORD-2023-157**

**THAT Council receive the Operational Plan Quarterly report for the Third Quarter of 2022-2023, in accordance with Section 174 of the *Local Government Regulation 2012*.**

**Moved Cr Englert**

**Seconded Cr May**

**CARRIED UNANIMOUSLY**



OPERATIONAL PLAN **QUARTERLY REPORT**  
THIRD QUARTER 2022-2023





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● On target

▲ Ahead of target

● Below target

● Not required this quarter

# INTRODUCTION

Our Corporate Plan 2022-2027 sets our strategic direction over the five-year period through five pillars (shown in Figure 1), that will be the focus of council and delivered by numerous key strategies, policies and initiatives.

The Operational Plan 2022-2023 outlines how we will progress implementation of our Corporate Plan 2022-2027 during the financial year.

Specifically, the Operational Plan 2022-2023 details programs, projects and services that we will deliver in 2022-2023 to achieve our vision. Each action has a lead council program and an evaluation measure that we will use to monitor and report on our performance.

We are required to report on implementation of the Operational Plan on a quarterly basis, in accordance with s.174(3) *Local Government Regulation 2012*. Performance against quarterly targets are reported as 'on target', 'below target' or 'complete'. Actions that will be progressed in a later quarter are reported as 'report not required this quarter' and have a zero target in the reporting period.

This report is for the third quarter ending March 31, 2023 and is presented to the ordinary meeting of council on June 21, 2023.



Figure 1: Mackay Regional Council Corporate Plan 2022-2027 Pillars

● On target    ▲ Ahead of target    ● Below target    ● Not required this quarter



## MESSAGE FROM THE CEO

It is with pleasure that I present the 3<sup>rd</sup> Quarter Operational Plan report for 2022/23. This report summarises progress of initiatives to date, and in a revised format that highlights key achievements as they align with the pillars of the Corporate Plan 2022 – 2027.

The report also provides insight into the progress MRC is making in delivering on identified goals and key performance indicators, (KPIs). The pages that follow share with you how MRC is progressing identified goals and key performance indicators.

Where the report lists actions that are considered to be below target at the 3<sup>rd</sup> Quarter, supporting commentary is provided. Some of these have been identified for carrying over into the new Financial Year.

For the most part, we are working favourably toward achieving our corporate objectives through the positive progress being made against the majority of Operational Plan KPIs.

**Scott Owen**  
**CEO**

CEO HIGHLIGHTS



INVEST AND WORK

- Community and stakeholder engagement was undertaken to inform the development of the Mackay Region Recreational Vehicle Strategy.
- The first round of the Make Your Place Mackay Waterfront activation grant resulted in the approval of nine locally delivered place making projects for the community.
- Draft Northern Beaches Transport Model completed (MRITS).



LIVE AND VISIT

- Pioneer Valley Mountain Bike Trails project work has commenced on-site at the Finch Hatton Trail Head, with contracts awarded for Trail head, Pump Track, and Trails. Community consultation underway including for signage and wayfinding
- River Wharves opened to the public as one of the key Council projects within the PDA, and also saw the hosting of its first networking event for the Mackay Regional Chamber of Commerce
- Northern Beaches Community Hub saw work commence on site for the initial stages involving the new road, and site works and drainage
- New memorial Pool contractor in place and receiving excellent community feedback

● On target    ▲ Ahead of target    ● Below target    ● Not required this quarter



COMMUNITY AND ENVIRONMENT

- January’s severe weather event saw Emergency Management test a number of disaster management plans and flood warning infrastructure, and also saw Council’s Unsealed Maintenance Crews work hard to re-establish access/connection for residents affected including restoring access via Okuloo crossing at Netherdale.
- Drafting of the Regional Shoreline Erosion Management Plan (SEMP) scope was completed.
- 28 Young Mayors nominations received from across the region
- Industry consultation completed on review of Council’s Facilitating Development in the Mackay Region Policy, prior to adoption of amended policy
- The Mackay Region Events & Conference Connect function was held on 16 March with over 130 attendees
- Hosted the Australian Water Association (AWA) Queensland Industry Breakfast on 22 February (livestreamed from Brisbane).
- Hosted the quarterly Local Authority Waste Management Advisory



OPERATIONAL EXCELLENCE

- Media campaign developed as a new initiative in recruitment of staff in key areas
- A new Graduate Program was launched by Council, as well as the annual apprentice and trainee intake completed
- The Whitsunday Isaac Mackay (WIM) Water Alliance met at the Resource Centre of Excellence (RCOE) on 24 February for their Annual Forum.
- Streamlined Council meeting processes, moving to monthly meetings, and formalising Public Participation processes



FINANCIAL STRENGTH

- Disaster Recovery Funding Arrangements/Queensland Reconstruction Authority (DRFA/QRA) future claims are still being assessed and the claim will largely be associated with re-sheeting/gravel loss as well as some rural road culverts which had been impacted by the rain event.
- Council’s local spend average to date for the financial year is approx. 70%, noting also tenders awarded to local businesses for the key projects Pioneer River Levee, Sarina Northern Drainage, and CBD Footpaths

● On target    ▲ Ahead of target    ● Below target    ● Not required this quarter

## SHARED KEY PERFORMANCE INDICATORS

Organisational Priorities	Key Performance Indicators	Responsibility	Target %	Q3 Actual %	Status	Commentary
Our People, Our Culture	Staff engagement score greater than 55%	All	55%	43%	●	Staff engagement is conducted annually. Results will be available in the second quarter of 2023 – 2024. Improvements and initiatives focused on improving the next engagement score continue as per the second quarter.
Our People, Our Culture	Improvement on the Lost Time Injury (LTI) Frequency Rate	All	100%	100%	●	LTI Frequency Rate at end of June 2022 was 8.8. For March Quarter is at 8.7.
Our People, Our Culture	Improvement on the Total Recordable Injury Frequency Rate (TRIFR)	All	100%	0%	●	TRIFR for June 2022 was 36.8. Currently 42.8 for the March Quarter.
Our Customer, Our Community	90% of customer satisfaction surveys meet or exceed corporate standards	All	0%	50%	●	After considering all MRC survey formats, it has been agreed that a Community Attitude Survey will be rolled out in the fourth quarter. Monitoring community satisfaction on a more routine basis through a community dashboard or similar will be explored in 23/24.
Our Service Delivery	Expenditure of Operational budgets are managed to within +/- 5%	All	100%	100%	●	Variance of 0.8%
Our Service Delivery	95% of all Operational Plan targets are met	All	100%	75%	●	33 out of 44 Operational Plan KPIs have been met (75%). Commentary that provides insight into those Operational Plan KPIs below target is provided on the pages to follow.

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## ACTIONS BELOW TARGET

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 04	Our Service Delivery	CCS Community Identity	Venue of choice for major events	Attract two major events	MECC and Events	Delivery and/or support of 2 major events in the Mackay Region (3000 - 5000+ attendance)	50%	25%	●	Major touring to regional venues remains slow. Work is being undertaken to work towards events in 2024 and 25.
OP 08	Our Customer, Our Community	CCS Working Together	Plan for 2032 Olympics legacy outcomes	Host four Mayor's 2032 Olympics Taskforce meetings	Community Lifestyle	100%	75%	50%	●	Operating model being finalised before regular meetings can occur.
OP 17	Our Customer, Our Community	CCS Community Identity	Develop Mackay Region Heritage roadmap	Develop Heritage roadmap for all existing Museum sites	Community Lifestyle	100%	50%	25%	●	Project rolled over into 23/24 due to project scope increasing and collection rationalisation project yet to be completed.
OP 22	Our Customer, Our Community	ECI Strategic and Sustainable Infrastructure Planning	Waste Management and Resource Recovery Strategy developed	The Waste Management and Resource Recovery Strategy adopted	Waste Services	Waste Management and Resource Recovery Strategy developed	60%	50%	●	Development progressing, however drafting workshop due in April. Working a revised timeline to enable community engagement to occur in the last quarter of 22/23.
OP 25	Our Customer, Our Community	ECI Strategic and Sustainable Infrastructure Planning	Update and develop Water and Sewerage Strategic Plan	Water and Sewerage Strategy Scheme Plans adopted	Water and Sewerage Infrastructure Planning	100%	100%	75%	●	Sewerage Strategy has been delayed as noted below.  The sewer model has been updated for MGAM and EP/flow data. Model is currently being validated in terms of asset build, and new assets are being updated. Noting the delays incurred in this portion of work, the strategy will continue into Q1 and 2 of 23/24.

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## ACTIONS BELOW TARGET

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 30	Our Customer, Our Community	CCS Working Together	Volunteering opportunities available in Animal Management Centre	Opportunities for volunteers at Animal Management Centre	Health and Regulatory	Development of volunteer program for the Animal Management Centre	25%	0%	●	The scope of this KPI is being re-evaluated and will carry over as an initiative for 23/24.
OP 31	Our Service Delivery	ECI Optimised Asset Management	Updated Strategic Asset Management Plan (SAMP) and review and update of Asset Management Plans (AMP)	Approval of updated SAMP and updated AMP	Asset Management	Receive ELT sign off for updated SAMP and completed AMPs	50%	30%	●	A number of AMPs are undergoing review or rewrite using either the NAMS.AU template or a Digital AMP approach.  SAMP progress is limited due to resourcing constraints - proposing to outsource this work with scope under development.
OP 33	Our Service Delivery	CW Effective Delivery	Deliver and track progress of capital works program each month	90% delivery of capital works against budget	Capital Works	90%	64%	61%	●	Actual \$70.4M based on budget of \$117M prior to MBR adjustment. Ongoing staff vacancies, weather delays, and contractor delays, have resulted in lower than planned actuals. Action - Increased focus on forecasting and contractor management to improve delivery of budget.
OP 35	Our Service Delivery	DS Region of Choice Delivered with Genuine Partnerships	To prescribe contemporary reasonable and relevant development approval conditions	Review and implement standard conditions package	Development Planning and Engineering	100%	100%	0%	●	Delays caused by compliance check and time taken to review stakeholder feedback. The fourth quarter will instead see this action complete, with Standard Conditions set to go live 26 June 2023.

● On target ▲ Ahead of target ● Below target ● Not required this quarter



## ACTIONS BELOW TARGET

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 38	Our Service Delivery	OS & OMCEO Effective Governance and Frameworks	Establish Information Communication Technology (ICT) Strategy and supporting governance practice, with in place governance board	Adoption of the ICT Strategy and formation of governance board	Information Services	Establish Information Communication Technology (ICT) Strategy and supporting governance practice, with in place governance board.	100%	50%	●	ICT Steering Committee in place with first meeting to be conducted 12th April 2023. Terms of Reference reviewed with no comments from ELT 7th March 2023.
OP 44	Our People, Our Culture	OS & OMCEO Employer of Choice	Develop an attraction and retention plan	Attraction and retention plan developed by March 31, 2023	People and Culture	Attraction and retention plan developed by 31 Mar 2023	100%	50%	●	Minor retention solutions are being implemented but no major solutions Reset to FY23-24

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## OUR PERFORMANCE STATUS OF OPERATIONAL PLAN ACTIONS

### INVEST AND WORK

We will attract investment, create educational opportunities, develop partnerships that drive growth and increase connectivity and digital access in the region.

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 01	Our Customer, Our Community	OS & OMCEO Financial Strength	Matching of council projects with appropriate funding opportunities	\$30M of external funding received	Executive Office	\$30M external funding received	60%	45%	●	
OP 02	Our Customer, Our Community	DS Region of Choice Delivered with Genuine Partnerships	Deliver identified actions in the Economic Development Strategy 2020-2025	Deliver four funded projects from the Economic Development Strategy 2020-2025	Economic Development and Tourism	Deliver four funded projects from the Economic Development EVENTS Strategy 2020-2025	75%	75%	●	
OP 03	Our Customer, Our Community	DS Region of Choice Delivered with Genuine Partnerships	Educate business community on Mackay City and Waterfront (MC&W) progress and opportunities through periodic partnership briefings	Undertake two public business briefings with key partners (e.g. Chamber of Commerce, Mackay Tourism)	Mackay City and Waterfront	2 business briefings completed	100%	100%	●	
OP 04	Our Service Delivery	CCS Community Identity	Venue of choice for major events	Attract two major events	MECC and Events	Delivery and/or support of 2 major events in the Mackay Region (3000 - 5000+ attendance)	50%	25%	●	Major touring to regional venues remains slow. Work is being undertaken to work towards events in 2024 and 25.

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## INVEST AND WORK

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 05	Our Service Delivery	CCS Community Identity	Build and launch new Invest Mackay website	Invest Mackay website is live and active	Corporate Communications and Marketing	Website live and active	75%	75%	●	
OP 06	Our Customer, Our Community	CCS Community Identity	Build on and deliver a Discover Mackay marketing campaign	Deliver a successful and creative Discover Mackay campaign with success measures reported	Corporate Communications and Marketing	Discover Mackay campaign delivered with an evaluation report and metrics provided	50%	50%	●	
OP 07	Our Customer, Our Community	OS & OMCEO Customer Focus	Explore options to reach a larger business audience, in particular smaller businesses and First Nations businesses	Develop a small business and First Nations business engagement plan	Procurement and Plant	Develop an engagement plan	80%	80%	●	

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## OUR PERFORMANCE STATUS OF OPERATIONAL PLAN ACTIONS

### LIVE AND VISIT

Council is committed to improving the lifestyle of Mackay region residents by delivering infrastructure, services, travel options and accessibility improvements. We will advocate for greater access to public transport and increase the number of walkable and cyclable neighbourhoods, creating an inclusive region for people of all ages, abilities and backgrounds.

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 08	Our Customer, Our Community	CCS Working Together	Plan for 2032 Olympics legacy outcomes	Host four Mayor's 2032 Olympics Taskforce meetings	Community Lifestyle	100%	75%	50%	●	Awaiting further direction from Mayor regarding taskforce
OP 09	Our Customer, Our Community	DS Come, Stay, Play	Develop the Pioneer Valley Mountain Bike Trail destination marketing and brand guide	Deliver completed Pioneer Valley Mountain Bike Trail destination marketing and brand guide	Economic Development and Tourism	Deliver completed Pioneer Valley Mountain Bike Trail destination marketing and brand guide.	20%	20%	●	
OP 10	Our Customer, Our Community	DS Come, Stay, Play	Implement the Invest Mackay Events and Conference Attraction Program	Deliver funding and support for 25 events and five conferences with an economic output of \$20M	Economic Development and Tourism	Deliver funding and support for 25 Events and five Conferences with an Economic Output of \$20M	70%	99%	▲	
OP 11	Our Customer, Our Community	DS Places and Spaces	Establish the city centre as a key precinct within the Mackay Waterfront, not a competing precinct	Issue bimonthly MC&W community updates via newsletter and active social media engagement	Mackay City and Waterfront	6 newsletters issued via email	75%	75%	●	

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## LIVE AND VISIT

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 12	Our Customer, Our Community	DS Places and Spaces	Implement Place Plan activations and initiatives	One placemaking activation implemented per quarter	Mackay City and Waterfront	4 placemaking activations completed	75%	100%	▲	
OP 13	Our Customer, Our Community	CCS Community Growth	Development of local stage product	Introduce the home grown Harvest Program (performing arts product)	MECC and Events	Harvest program delivered	75%	100%	▲	
OP 14	Our Customer, Our Community	CCS Community Growth	Increased patronage at MECC and Stadium	MECC annual target 68,250. Stadium annual target 10,000	MECC and Events	68250 MECC attendance 10,000 Stadium Attendance	75%	100%	▲	
OP 15	Our Customer, Our Community	ECI Strategic and Sustainable Infrastructure Planning	Establish regional Transport and Drainage Working Group	Working Group established	Transport, Drainage and Infrastructure Planning	100%	100%	100%	●	
OP 16	Our Customer, Our Community	DS Places and Spaces	Implement priority actions from the Mackay Region Integrated Transport Strategy for the Northern Beaches and incorporate Movement and Place principles to the Planning Scheme Policy	Northern Beaches Area Transport Plan and Road Network model completed	Strategic Planning	100%	75%	75%	●	

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## OUR PERFORMANCE STATUS OF OPERATIONAL PLAN ACTIONS

### COMMUNITY AND ENVIRONMENT

We are committed to creating a safe, connected and resilient community, with a focus on protecting and enhancing the Mackay region's natural environment.

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 17	Our Customer, Our Community	CCS Community Identity	Develop Mackay Region Heritage roadmap	Develop Heritage roadmap for all existing Museum sites	Community Lifestyle	100%	50%	25%	●	Project rolled over into 23/24 due to project scope increasing and collection rationalisation project yet to be completed.
OP 18	Our Customer, Our Community	CCS Safety and Wellbeing	Promote disaster preparedness through community education to build empowerment, knowledge and resilience	Deliver disaster awareness and preparedness education program	Emergency Management	100%	75%	75%	●	
OP 19	Our Customer, Our Community	CCS Safety and Wellbeing	Established partnerships across the Local Disaster Management Group ensure a collaborative multi-agency response to disaster activations	Develop and manage one internal disaster management exercise	Emergency Management	100%	75%	100%	▲	
OP 20	Our Customer, Our Community	CCS Safety and Wellbeing	To encourage more food businesses to opt into EatSafe Mackay	35% of food businesses have opted into EatSafe Mackay	Health and Regulatory	35% of food businesses have opted into EatSafe Mackay	50%	50%	●	
OP 21	Our Customer, Our Community	CCS Community Growth	Grow MECC Youth Ambassador Program	Increase Youth Ambassador's by 10%	MECC and Events	11 Youth Ambassadors in 2023 Program	100%	100%	●	

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## COMMUNITY AND ENVIRONMENT

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 22	Our Customer, Our Community	ECI Strategic and Sustainable Infrastructure Planning	Waste Management and Resource Recovery Strategy developed	The Waste Management and Resource Recovery Strategy adopted	Waste Services	Waste Management and Resource Recovery Strategy developed	60%	50%	●	Development progressing, however drafting workshop due in April. Working a revised timeline to enable community engagement to occur in the last quarter of 22/23.
OP 23	Our Customer, Our Community	DS Sustainable Planning and Decision Making	Develop strategies and plans to manage, preserve, and enhance the Mackay region's Natural Areas	Local Coastal Plans – Review Framework and develop/review one plan	Parks and Environment	100%	50%	50%	●	
OP 24	Our Customer, Our Community	DS Sustainable Planning and Decision Making	Develop strategies and plans to manage, preserve, and enhance the Mackay region's Natural Areas	Commence the development of a Shoreline Erosion Management Plan (SEMP). Target 50% complete	Parks and Environment	50%	25%	25%	●	
OP 25	Our Customer, Our Community	ECI Strategic and Sustainable Infrastructure Planning	Update and develop Water and Sewerage Strategic Plan	Water and Sewerage Strategy Scheme Plans adopted	Water and Sewerage Infrastructure Planning	100%	100%	75%	●	Sewerage Strategy has been delayed as noted below. The sewer model has been updated for MGAM and EP/ flow data. Model is currently being validated in terms of asset build, and new assets are being updated. Noting the delays incurred in this portion of work, the strategy will continue into Q1 and 2 of 23/24.
OP 26	Our Customer, Our Community	ECI Regional Focus	Regional Waste Plan developed	Regional Waste Plan adopted	Waste Services	Regional Waste Plan developed	75%	75%	●	

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## COMMUNITY AND ENVIRONMENT

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 27	Our Customer, Our Community	DS Sustainable Planning and Decision Making	Progress flood and coastal hazard policy, studies, plans and guidelines	Commence the development of the Coastal Hazard Adaptation Study	Strategic Planning	90%	50%	50%	●	
OP 28	Our Customer, Our Community	DS Sustainable Planning and Decision Making	Progress implementation of the Environmental Sustainability Strategy	Completed Energy and Carbon Management Plan	Strategic Planning	100%	60%	60%	●	
OP 29	Our Customer, Our Community	CCS Community Growth	Implement priority actions from Community Development Roadmap	Implement Community Development Roadmap year one activities	Community Lifestyle	100%	75%	75%	●	
OP 30	Our Customer, Our Community	CCS Working Together	Volunteering opportunities available in Animal Management Centre	Opportunities for volunteers at Animal Management Centre	Health and Regulatory	Development of volunteer program for the Animal Management Centre	25%	0%	●	The scope of this KPI is being re-evaluated and will carry over as an initiative for 23/24.

● On target ▲ Ahead of target ● Below target ● Not required this quarter



## OUR PERFORMANCE STATUS OF OPERATIONAL PLAN ACTIONS

### FINANCIAL STRENGTH

We will maintain the financial sustainability of council through good governance and efficient financial management practices. Council is committed to ensuring transparency and education to the community around the provision of council services and facilities.

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 31	Our Service Delivery	ECI Optimised Asset Management	Updated Strategic Asset Management Plan (SAMP) and review and update of Asset Management Plans (AMP)	Approval of updated SAMP and updated AMP	Asset Management	Receive ELT sign off for updated SAMP and completed AMPs	50%	30%	●	A number of AMPs are undergoing review or rewrite using either the NAMS.AU template or a Digital AMP approach.  SAMP progress is limited due to resourcing constraints - proposing to outsource this work with scope under development.
OP 32	Our Service Delivery	OS & OMCEO Financial Strength	Three-year fleet capital budget with a connected AMP	Implement revised Fleet Capital Plan with a connected AMP	Procurement and Plant	Complete Fleet Asset Management plan	75%	80%	▲	
OP 33	Our Service Delivery	CW Effective Delivery	Deliver and track progress of capital works program each month	90% delivery of capital works against budget	Capital Works	90%	64%	61%	●	Actual \$70.4M based on budget of \$117M prior to MBR adjustment. Ongoing staff vacancies, weather delays, and contractor delays, have resulted in lower than planned actuals. Action - Increased focus on forecasting and contractor management to improve delivery of budget.

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## OUR PERFORMANCE STATUS OF OPERATIONAL PLAN ACTIONS

### OPERATIONAL EXCELLENCE

We are a community-focussed, values-led council, underpinned by robust decision making, strategic leadership and being responsive to the needs of the community.

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 34	Our Customer, Our Community	OS & OMCEO Effective Governance and Frameworks	Implement the recommendations from the external review of Council's Enterprise Risk Management (ERM) Framework	ERM Framework finalised and communicated	Executive Office	ERM framework finalised and communicated	75%	75%	●	
OP 35	Our Service Delivery	DS Region of Choice Delivered with Genuine Partnerships	To prescribe contemporary reasonable and relevant development approval conditions	Review and implement standard conditions package	Development Planning and Engineering	100%	100%	0%	●	Additional stakeholders identified, (legal advice), to be engaged during the third quarter, extending time required to deliver. The fourth quarter will instead see this action complete, with Standard Conditions set to go live 26 June 2023.
OP 36	Our Service Delivery	OS & OMCEO Effective Governance and Frameworks	Review insured items against risk assessment for possible cost savings	Insured items reviewed where appropriate against agreed risk assessment tool	Executive Office	Insured items reviewed against agreed risk assessment tool.	75%	75%	●	
OP 37	Our Service Delivery	OS & OMCEO Effective Governance and Frameworks	Improve maturity of cyber security protection	Further improve our cyber security maturity to nationally recognised standards	Information Services	Actions completed to attain level 2 Australian Signals Directorate (ASD) Essential 8 maturity for Cyber Security.	50%	50%	●	

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## OPERATIONAL EXCELLENCE

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 38	Our Service Delivery	OS & OMCEO Effective Governance and Frameworks	Establish Information Communication Technology (ICT) Strategy and supporting governance practice, with in place governance board	Adoption of the ICT Strategy and formation of governance board	Information Services	Establish Information Communication Technology (ICT) Strategy and supporting governance practice, with in place governance board.	100%	50%	●	ICT Steering Committee in place with first meeting to be conducted 12th April 2023. Terms of Reference reviewed with no comments from ELT 7th March 2023.
OP 39	Our People, Our Culture	OS & OMCEO Employer of Choice	Recommendations rising from the 'HR Services Review' are communicated and implemented	Implement recommendations from 'HR Services Review' within timeframe identified in review	People and Culture	All HRSE actions for FY22-23 are completed	75%	75%	●	
OP 40	Our Service Delivery	OS & OMCEO Customer Focus	Improved accessibility and functionality of online services	Increased proportion of community that access online services	Shared Services	Concierge Officers to increase awareness of online services and provide point in time education	75%	75%	●	
OP 41	Our Service Delivery	OS & OMCEO Customer Focus	Improve accessibility and functionality of online services	Scope and understand customer requirements to inform channel migration strategy by June 2023	Shared Services	Gather customer requirements through Concierge Officers and other front facing interactions	75%	75%	●	

● On target ▲ Ahead of target ● Below target ● Not required this quarter

## OPERATIONAL EXCELLENCE

Ref.	Organisational Priorities	Directorate Plan Priorities	Goal	Key Performance Indicators	Responsibility	Annual target	Q3 Target %	Q3 Actual %	Status	Commentary
OP 42	Our Service Delivery	CW Processes	Commence Implementation Project for the Capital review, including Enterprise Project Management Framework actions	75% of agreed actions commenced	Capital Works	75%	50%	55%	▲	
OP 43	Our People, Our Culture	OS & OMCEO Employer of Choice	Develop strategic plan for staff accommodation	Strategic plan for staff accommodation developed with recommendations	Property Services	Complete sessions with PC and develop staff model for future proofing office against future work load.	75%	75%	●	
OP 44	Our People, Our Culture	OS & OMCEO Employer of Choice	Develop an attraction and retention plan	Attraction and retention plan developed by March 31, 2023	People and Culture	Attraction and retention plan developed by 31 Mar 2023	100%	50%	●	Minor retention solutions are being implemented but no major solutions Reset to FY23-24

● On target ▲ Ahead of target ● Below target ● Not required this quarter

### **11.1.7. OPERATIONAL PLAN 2023-2024**

<b>Author</b>	Co-ordinator, Performance & Risk (Sarah Shuttlewood)
<b>Responsible Officer</b>	Executive Officer (David McKendry)
<b>File Reference</b>	2023-2024 Operational Plan Build

#### **Attachments**

1. Operational Plan 23-24 PROOF 3 Loaded to Doc Assemblerto Adopt [11.1.7.1 - 24 pages]

#### **Purpose**

The purpose of the report is to present to Council for adoption the Operational Plan 2023-2024.

#### **Related Parties**

N/A

#### **Corporate Plan Linkage**

##### Financial Strength

*Ethical Decision-Making and Good Governance* - We are committed to keeping our community informed about our activities and performance and employing robust governance policies and procedures to ensure legislative compliance and organisational integrity.

*Resilient and Agile Economy* - Our long-term vision guides our planning for present and future needs, understanding the future implications of decisions made today.

##### Operational Excellence

*Customer/Community Focus* - Improving community wellbeing is a primary goal of our services to the Mackay region. This encompasses residents, businesses, visitors and investors. Council believes all members of the community play a crucial role in supporting the vision and strategic outcomes and we encourage community engagement.

#### **Background/Discussion**

Sections 174 and 175 *Local Government Regulation 2012* mandate that a local government prepare and adopt an operational plan that states how it will implement its 5-year corporate plan during the year. The operational plan must be consistent with the annual budget, set out how operational risk will be managed and include an annual performance plan for each commercial business unit.

The Operational Plan 2023-2024 includes actions against Corporate Plan priorities and strategies. Each action includes a responsible program and an evaluation measure to assess performance.

The Operational Plan 2023-2024 is informed by goals and key performance indicators identified in each Programs' annual Program Plan. Program Plans are developed to support the implementation of priorities , cascading from the Organisational Strategy and Corporate Plan.

#### **Consultation and Communication**

The Operational Plan 2023-2024 was developed through an extensive engagement process with the Chief Executive Officer, Directors, Program Managers and Coordinators.

The process commenced in January 2023 with the review and update of the Organisational Strategy 2023-2028 by the Chief Executive Officer, Executive and Senior Leadership Team.

Following the launch of the Organisational Strategy 2023-2028, facilitated sessions for each of the 30 Programs was complete. In these sessions, drafting of 2023-2024 Program Plans commenced, with a focus on developing meaningful and achievable KPIs that have since informed the Operational Plan 2023-2024.

Once received by the Mayor and Councillors, the plan will be published on the MRC website, making it accessible to the community.

Internally, the Operational Plan 2023-2024 will be communicated to staff through Directors, Program Managers and the Intranet.

### **Resource Implications**

There are no resource implications directly related to preparation of the operational plan.

Program Managers have been consulted to confirm that all actions are funded in the proposed 2023-2024 Operational Plan.

### **Risk Management Implications**

The operational plan minimises risk to Council by ensuring risks to achieving objectives are identified, assessed and monitored.

### **Conclusion**

It is recommended that the Operational Plan 2023-2024 be adopted as tabled.

### **Officer's Recommendation**

That Council adopts the Operational Plan 2023-2024 in accordance with S174 of the *Local Government Regulation 2012*.

### **Council Resolution ORD-2023-158**

**That Council adopts the Operational Plan 2023-2024 in accordance with S174 of the *Local Government Regulation 2012*.**

**Moved Cr Englert**

**Seconded Cr May**

**CARRIED UNANIMOUSLY**

# OPERATIONAL PLAN 2023-2024



# ACKNOWLEDGEMENT OF COUNTRY

Mackay Regional Council respects the traditional custodians of the lands that make up our region, the Yuwi and Widi people.  
We also acknowledge all other Aboriginal and Torres Strait Islander people who call our region home.

OUR VISION  
OUR VALUES







MACKAY REGIONAL COUNCIL

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MESSAGE FROM  
THE MAYOR

The elected council is proud to endorse this Operational Plan for 2023-2024.

Councillors helped set the blueprint for our region for the next five years with the Mackay Regional Council's Corporate Plan 2022-2027. That plan sets out our strategic vision for our community "To become the best region (in Australia) for liveability and livelihood".

The Corporate Plan delivers a new Purpose and Vision, but for it all to work, we need to apply key

actions and deliverables for the council Leadership Team and staff. That is where the Operational Plan takes over.

This plan sets out clearly the working plans for the business and for the deliverables of council. It is the methodology to ensure that the adopted five-year Corporate Plan is not just a wish list. To that end, the KPI's will be reported on publicly throughout the next 12 months.

There is no doubt that we are living in challenging

times and council, like most organisations, is struggling with rising prices, skills shortages, and supply-chain delays. But we are blessed with an innovative and passionate workforce, who love delivering for the community they live in.

We will be the best region for liveability and livelihood. This plan will help us get there operationally.

**Mayor Greg Williamson**  
**Mackay Regional Council**



MESSAGE FROM  
THE CEO

When talking to members of our council team, there are always two key things that stand out to me the most – the love that we have for our region, and the pride that we share in being able to contribute to the community in which we live.

This document contains the key actions that we will undertake during the next 12 months to ensure that we are on track to achieve our five-year Corporate Plan outcomes, and to deliver on council's Purpose and Vision.

Our purpose as a council is to create opportunity to thrive. This encompasses all staff, our community, our businesses and investors, and all people who have occasion to visit our beautiful region.

It represents the simple, but powerful notion, that the Mackay region is a place where everyone can achieve whatever it is they want to in this life. Our most fundamental reason for being is to help create the foundations for this.

Our vision builds on this idea and sets us the goal of becoming Australia's best region for liveability and livelihood. This is a long-term goal and one that we will keep moving towards during the span of current and future Corporate and Operational Plans.

For this Operational Plan, each of the five pillars of our Corporate Plan are represented. They include the outward-facing pillars of:

- Live and Visit
- Invest and Work
- Community and Environment

And the internal-facing pillars of:

- Financial Strength
- Operational Excellence

The Operational Plan also includes a range of short-term key performance indicators, which indicate how we will measure success, and these span across council. We will publicly report on the outcomes we achieve, and I look forward to keeping you informed as we deliver on this plan.

**Scott Owen**  
**CEO**



Figure 1: Mackay Regional Council Corporate Plan 2022-2027 Pillars

The Operational Plan 2023-2024 outlines how we will progress implementation of our Corporate Plan 2022-2027 during the financial year.

Our Corporate Plan 2022-2027 sets our strategic direction over the five-year period with five pillars (shown in Figure 1), supported by a range of strategies.

The Operational Plan details programs, projects and services that we will delivery in 2023-2024 to achieve our vision. Each action has a lead council program and an evaluation measure that we will use to monitor and report on our performance.

Preparation of an operational plan is a required under s. 174(1) *Local Government Regulation 2012*. An annual operational plan for a local government must be consistent with its annual budget, include an annual performance plan for each commercial business unit, state how the local government will progress implementation of the five-year corporate plan during the period of the annual operational plan.

Our Operational Plan 2022-2023 is consistent with our Budget 2023-2024 which allocates funding for projects, programs and services that will be delivered during the financial year.

INTRODUCTION

CORPORATE PERFORMANCE, PLANNING AND REPORTING FRAMEWORK

Our Corporate Performance, Planning and Reporting Framework (Figure 2) cascades from our five-year Corporate Plan.

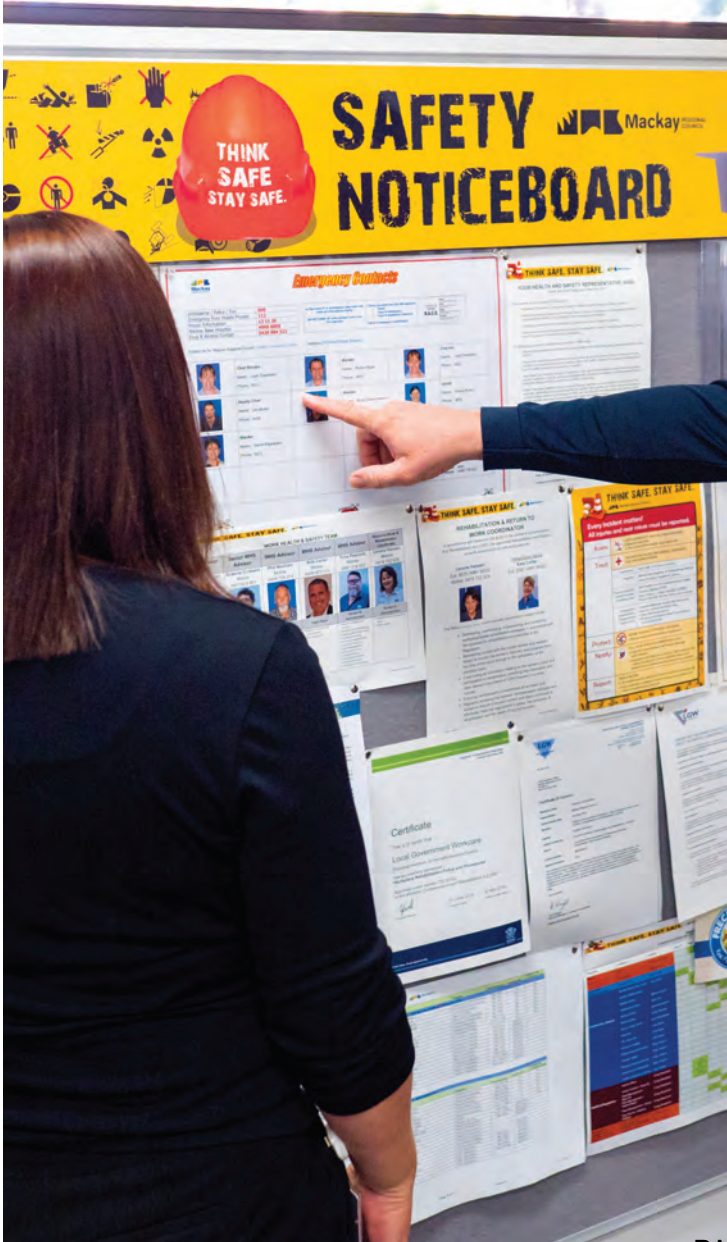
Delivery of Corporate Plan objectives is supported through the Organisational Strategy and the goals and key performance indicators visible in the Operational Plan.

The Organisational Strategy has three key focus areas:

- OUR PEOPLE, OUR CULTURE
- OUR CUSTOMER, OUR COMMUNITY
- OUR SERVICE DELIVERY



Figure 2: Corporate Performance Planning and Reporting Framework







We will review our progress in completing the actions contained in the Operational Plan 2023-2024, on a quarterly basis. The outcome of this review will be documented in a quarterly Operational Plan report, which will include a status report on each action.

This report meets the requirements of s.174(3) *Local Government Regulation 2012*, which requires that a written assessment of progress towards implementing the operational plan is presented at a council meeting held at regular intervals of not more than three months.

The *Local Government Regulation 2012* requires that the Operational Plan states how the local government will manage operational risk.

Mackay Regional Council acknowledges the importance of risk management as it ensures identified risks in achieving corporate objectives are known and appropriately managed. Council's approach to risk management is based on the Australian/New Zealand Standard ISO 31000:2018 Risk Management – Principles and Guidelines.

Our Enterprise Risk Management Framework guides the identification, assessment and management of risk across the organisation.

We undertake an annual risk review process, where strategic and operational risks are formally reviewed and assessed, and control actions are reviewed and risk treatments identified.

On a quarterly basis we actively seek input on progress of completing identified risk treatment plans. This process ensures council's strategic and operational risks are being managed and also allows for the identification and escalation of any new risks.

Strategic and Operational risk reports are presented to our Executive Leadership Team (ELT) and the Audit Committee and made available organisation wide.

MONITORING AND  
REVIEWING  
RISK  
MANAGEMENT

OUR CORPORATE  
STRUCTURE



Figure 3: Mackay Regional Council corporate structure

Mackay Regional Council's structure includes directorates through which it delivers its programs, projects and services. Each council directorate includes programs which are responsible for delivering actions in the annual operational plan.



The annual Operational Plan for a local government must include an annual performance plan for each commercial business unit (in accordance with s. 175(1)© *Local Government Regulation 2012*).

We have two commercial business units, Waste Services and Water Services. Each has an annual performance plan, that satisfies the legislative requirements, presenting the business objectives and targets that guide performance over the next financial year.

The Waste Services and Water Services Annual Performance Plans are published on our website at [mackay.qld.gov.au](http://mackay.qld.gov.au) or are available by contacting us on 1300 MACKAY (622 529)

We update the performance plans for our commercial business units annually and they are adopted by council at its Special Budget Meeting.

COMMERCIAL  
BUSINESS UNITS

COUNCIL  
DIRECTORATES

OFFICE OF THE MAYOR AND CEO

 **29**  
EMPLOYEES

 **\$11M**  
OPERATING BUDGET

DEPARTMENT OVERVIEW:

The Office of the Mayor and CEO provides executive and administrative support to the Mayor, Councillors and the CEO. Strategic organisational planning and governance ensuring council meets its legislative responsibilities are also a key focus.

CAPITAL WORKS

 **97**  
EMPLOYEES

 **\$1.7M**  
OPERATING BUDGET

DEPARTMENT OVERVIEW:

The Capital Works directorate is responsible for delivering council's capital budget through its major projects, contract services and field services teams.

COMMUNITY AND CLIENT SERVICES

 **251**  
EMPLOYEES

 **\$17M**  
OPERATING BUDGET

DEPARTMENT OVERVIEW:

This directorate has an outward focus, supporting the community through work with community groups, building resilience through emergency and disaster preparedness and delivering events for residents and visitors to enjoy.



DEVELOPMENT SERVICES



212  
EMPLOYEES



\$28M  
OPERATING BUDGET

DEPARTMENT OVERVIEW:

Development services oversees planning and development processes for our region, from strategic planning to planning assessment. Economic development and environmental sustainability are also a focus for this directorate.

ENGINEERING AND COMMERCIAL INFRASTRUCTURE



325  
EMPLOYEES



\$65M  
OPERATING BUDGET

DEPARTMENT OVERVIEW:

This directorates focusses on the maintenance of key community infrastructure specifically, the region's roads and water network. Council's commercial business units for water and waste also operate from within this directorate.

ORGANISATIONAL SERVICES



234  
EMPLOYEES



\$34M  
OPERATING BUDGET

DEPARTMENT OVERVIEW:

Organisational services provide corporate support and advice in the areas of financial management, information communication technology, human resource management and customer service. This directorate also handles the management of council buildings and facilities.

HOW TO  
READ THIS PLAN

The body of this operational plan is set out so that each of the goals and KPIs can be easily identified against:

- The pillars of the Corporate Plan
- Key Result Areas identified in the Organisational Strategy

Representation of this as per Figure 4 below.

**Plan Acronyms** (these are all directorates of council)

- CCS: Community Client Services
- CW: Capital Works
- DS: Development Services
- ECI: Engineering and Commercial Infrastructure
- OMCEO: Office of the Mayor and CEO
- OS: Organisational Services

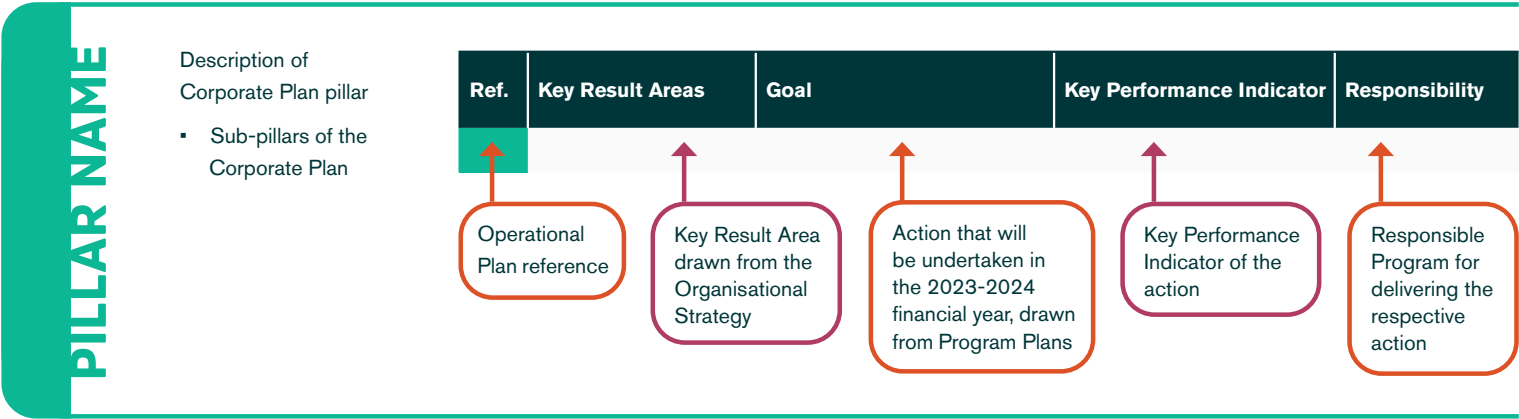


Figure 4: How to read this plan

We will attract investment, create educational opportunities, develop partnerships that drive growth and increase connectivity and digital access in the region.

- Diversified economy
- Industries, jobs and growth
- Region of choice
- Skills, training and education
- Technologically advanced region

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 01	Our Customer, Our Community	Build on and deliver a Discover Mackay marketing campaign	Discover Mackay campaign delivered	Corporate Communications and Marketing
OP 02	Our Customer, Our Community	Deliver identified actions in the Economic Development Strategy 2020-2025	Deliver four funded projects from the Economic Development Strategy 2020-2025	Economic Development and Tourism
OP 03	Our Customer, Our Community	Educate business community on Mackay City and Waterfront progress and opportunities through periodic partnership briefings	Undertake four public business briefings with key partners (e.g. Chamber of Commerce, Mackay Tourism)	Mackay City and Waterfront
OP 04	Our Customer, Our Community	Scheduled work orders for parks and public open spaces are completed within timeframes	80% of scheduled work orders are completed within set timeframes	Parks and Environment
OP 05	Our Customer, Our Community	Matching of council projects with appropriate funding opportunities	\$30M of external funding received	Executive Office
OP 06	Our Customer, Our Community	Explore options to reach a larger business audience, smaller businesses and local business	First Nations business engagement plan implemented in conjunction with council's RAP	Procurement and Plant

## INVEST AND WORK

LIVE AND VISIT

Council is committed to improving the lifestyle of Mackay region residents by delivering infrastructure, services, travel options and accessibility improvements. We will advocate for greater access to public transport and increase the number of walkable and cyclable neighbourhoods, creating an inclusive region for people of all ages, abilities and backgrounds.

- Live, visit and play
- Eco-tourism adventure and leisure
- Enhance liveability
- Places and spaces
- Community participation and active lifestyles

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 07	Our Customer, Our Community	Increase awareness of doing business with council for all local businesses	Finalise and implement the working/doing business with MRC engagement plan - Face to face session/question and answer	Procurement and Plant
OP 08	Our Customer, Our Community	Increased patronage at MECC and Stadium, MECC to 90,000 Stadium Mackay to 15,000	Increase attendance to pre-COVID levels across the program	MECC and Events
OP 09	Our Customer, Our Community	Development of local stage product	Continuation of Harvest program via consultation with Arts Organisations with increased linking to First Nations artists in the Mackay region	MECC and Events
OP 10	Our Customer, Our Community	Strategic growth of council Festivals in region	Mackay Festival of Arts Strategic Plan submitted to ELT for approval and council for endorsement by end of Q1	MECC and Events
OP 11	Our Customer, Our Community	Support Mackay Isaac Tourism and Tourism and Events Queensland to implement the Mackay Isaac Destination Tourism Plan	Mackay Isaac Tourism annual partnership funding acquitted	Economic Development and Tourism

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 12	Our Customer, Our Community	Implement the Pioneer Valley Mountain Bike Trail destination marketing and brand guide	Deliver short-term funded actions from the Pioneer Valley Mountain Bike Trail destination marketing and brand guide	Economic Development and Tourism
OP 13	Our Customer, Our Community	Implement the Invest Mackay Events and Conference Attraction Program	Deliver funding and support for 20 events and conferences with an Economic Output of \$20M	Economic Development and Tourism
OP 14	Our Customer, Our Community	Establish the city centre as a key precinct within the Mackay Waterfront, not a competing precinct	Deliver 10 City Heart Fridays with local business partners	Mackay City and Waterfront
OP 15	Our Customer, Our Community	Commence preparation of Mackay City and Waterfront car parking strategy	Data collection and scoping of car parking strategy undertaken	Mackay City and Waterfront
OP 16	Our Customer, Our Community	Implement Place Plan activations and initiatives	One placemaking activation implemented per quarter	Mackay City and Waterfront
OP 17	Our Customer, Our Community	Ensure sustainable urban growth planning and land use management	Complete update to Growth Allocation Model (MGAM)	Strategic Planning



## COMMUNITY AND ENVIRONMENT

We are committed to creating a safe, connected and resilient community, with a focus on protecting and enhancing the Mackay region's natural environment.

- Safe, healthy and engaged region
- Arts, culture and heritage
- Sustainable practices
- Integrated social services
- First Nations people

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 18	Our Customer, Our Community	Progress 10-year review of the planning scheme	Progress Planning Scheme 10-year review program	Strategic Planning
OP 19	Our Customer, Our Community	Understand Museum offerings	Museum Strategy developed	Community Lifestyle
OP 20	Our Customer, Our Community	Build Connecting Mackay active panel member numbers	Connecting Mackay Panel members grow 10% annually	Corporate Communications and Marketing
OP 21	Our Customer, Our Community	Promote disaster preparedness through community education to build empowerment, knowledge and resilience	Develop and implement culturally and linguistic diverse community messaging mechanisms	Corporate Communications and Marketing
OP 22	Our Customer, Our Community	Ensure an effective collaborative multi-agency response to disaster activations	One disaster management exercise is undertaken annually	Emergency Management
OP 23	Our Customer, Our Community	To encourage more food businesses to opt into EatSafe Mackay	35% of food businesses have opted into EatSafe Mackay	Health and Regulatory Services

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 24	Our Customer, Our Community	Maintain parks and high profile public open space areas in line with adopted service standards and to protect public safety	80% customer requests actioned within specified timeframes	Parks and Environment
OP 25	Our Customer, Our Community	Progress flood and coastal hazard policy, studies, plans and guidelines	Adopt the Coastal Hazard Adaptation Study	Strategic Planning
OP 26	Our Customer, Our Community	Progress flood and coastal hazard policy, studies, plans and guidelines	Commence the Upper Pioneer Valley Flood Risk Study	Strategic Planning
OP 27	Our Customer, Our Community	Implementation of Waste Management and Resource Recovery Strategy	Annual report on progress of implementation of the Waste Management and Resource Recovery Strategy recommendations complete	Waste Services
OP 28	Our Customer, Our Community	Land Management strategy	Draft Land management strategy complete	Property Services
OP 29	Our Customer, Our Community	Use of a consistent Asset Management Plan (AMP) template for all asset classes and confidence of the data outputs is high	AMPs for all asset classes are complete by June 2024	Asset Management



## FINANCIAL STRENGTH

We will maintain the financial sustainability of council through good governance and efficient financial management practices. Council is committed to ensuring transparency and education to the community around the provision of council services and facilities.

- Affordable living
- Ethical decision-making and good governance
- Resilient and agile economy
- Optimised asset management
- Planned capital forecasting

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 30	Our Customer, Our Community	Convert all Network AMPs to Digital Asset Management Plans (DAMPs)	Network AMPs converted to digital AMPs	Water and Sewerage Infrastructure Planning
OP 31	Our Customer, Our Community	Prepare DAMP for treatment assets	Regional Treatment Plants added to DAMP	Water and Sewerage Infrastructure Planning
OP 32	Our Customer, Our Community	Commit to reconciliation within our program	Community Lifestyle actions as identified within the RAP are initiated completed as identified	Community Lifestyle
OP 33	Our Customer, Our Community	Develop a new Marketing and Communications strategy, including a digital medial strategy	Digital media strategy is implemented throughout the organisation	Corporate Communications and Marketing
OP 34	Our Customer, Our Community	Refresh of the Emergency Liaison Officer Program	Emergency Liaison Officer Program is in line with Council's Volunteer Management Strategy	Emergency Management
OP 35	Our Customer, Our Community	Action customer requests within service level timeframes	Action 85% of requests within service level timeframes	Health and Regulatory Services
OP 36	Our Customer, Our Community	Carry out routine inspections of licensed activities	60% of routine inspections completed	Health and Regulatory Services





OPERATIONAL EXCELLENCE

We are a community-focussed, values-led council, underpinned by robust decision making, strategic leadership and being responsive to the needs of the community.

- Customer/community focus
- Our people and culture
- Process and systems

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 37	Our Customer, Our Community	Strengthen working relationships with key stakeholders	Levels of service with internal stakeholders implemented and monitored	Asset Management
OP 38	Our Customer, Our Community	Strengthen working relationships with key stakeholders	Levels of service with external stakeholders defined	Asset Management
OP 39	Our Customer, Our Community	Enterprise Risk Management Framework matured in line with the Queensland Audit Office maturity model	Updated Enterprise Risk Management Framework launched	Executive Office
OP 40	Our Customer, Our Community	Enterprise Risk Management Framework matured in line with the Queensland Audit Office maturity model	Operational Risk format within the context of the updated Enterprise Risk Management Framework approved	Executive Office
OP 41	Our Customer, Our Community	Identify (Internal Audit Plan) and conduct audit reviews to provide assurance and add value to council	Complete audit as per IA Plan 90%	Executive Office

Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 42	Our Customer, Our Community	Review of Corporate Plan in response to outcomes of council election	Corporate Plan review process with new council prepared for new council by end of the third quarter 2023-2024	Executive Office
OP 43	Our Customer, Our Community	Implement the three year Safety Strategy	90% of year two Safety Strategy WHS actions finalised	Executive Office
OP 44	Our Customer, Our Community	Strategic alignment of councillors to appropriate focus areas within the community	Strategic framework developed pre-2024 election, that supports alignment of councillors with appropriate areas of focus related to external/community entities/committees involvement.	Executive Office
OP 45	Our Customer, Our Community	Disciplinary Framework Design	Disciplinary Framework reset by December 31, 2023	People and Culture
OP 46	Our Customer, Our Community	Investigate Business Management System - Building management system	Business Management System procured	Property Services



Ref.	Key Result Areas	Goal	Key Performance Indicators	Responsibility
OP 47	Our Customer, Our Community	Staff accommodation strategy - how we best utilise our working space	Consultant's recommendations tabled with ELT	Property Services
OP 48	Our Customer, Our Community	Improve accessibility and functionality of online services	Scope and understand customer requirements to inform channel migration strategy by June 2024	Shared Services
OP 49	Our People, Our Culture	Develop the council criteria for an Employer of Choice framework	Employer of Choice framework is developed by November 30, 2023	People and Culture
OP 50	Our People, Our Culture	Develop and enable the council Employee Value Proposition	The council Employee Value Proposition is defined by March 31, 2024	People and Culture
OP 51	Our Service Delivery	Scope and plan community consultation/ engagement requirements on Rates and Fees and Charges	Rates notice insert developed to inform rate payers of what their rates are spent on by August 2023	Financial Services





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**Mackay** REGIONAL COUNCIL

## 11.2. DEVELOPMENT SERVICES

### **11.2.1. SARINA BEACH LOCAL COASTAL PLAN**

<b>Author</b>	Senior Environmental Planner (Mark Ryan)
<b>Responsible Officer</b>	Director Development Services (Aletta Nugent)
<b>File Number</b>	Sarina Beach Local Coastal Plan
<b>Attachments</b>	<ol style="list-style-type: none"><li>1. Sarina Beach Local Coastal Plan 2023 [11.2.1.1 - 81 pages]</li><li>2. Sarina Beach Local Coastal Plan - Summary and Highlights [11.2.1.2 - 12 pages]</li><li>3. Community Engagement Report - Sarina Beach Local Coastal Plan [11.2.1.3 - 53 pages]</li></ol>

#### **Purpose**

To seek Council's endorsement of the Sarina Beach Local Coastal Plan.

#### **Related Parties**

- Sarina Beach Progress Association (SBPA)
- Sarina Beach Motel
- Sarina Landcare Catchment Management Association (SLCMA)

#### **Corporate Plan Linkage**

##### Community and Environment

*Sustainable Practices* - We are responsible and active custodians of our natural environment, with future targets and commitments aimed at driving us towards a cleaner, greener, and more sustainable region. Climate change will continue to be a consideration in forward planning and we will continue to implement sustainability initiatives in council operations.

##### Financial Strength

*Resilient and Agile Economy* - Our long-term vision guides our planning for present and future needs, understanding the future implications of decisions made today.

##### Live and Visit

*Live, Visit and Play* - We have a diverse mix of accessible spaces to live, visit and play.

*Places and Spaces* - We provide well planned and designed places, facilities and infrastructure that meet the needs of our residents and visitors.

#### **Background/Discussion**

The former Beach Plan for Sarina Beach was developed by the Sarina Shire Council in 2008 to assist with coastal management and rehabilitation works. Mackay Regional Council undertook to update this plan by developing a Local Coastal Plan (LCP) for Sarina Beach. The LCP describes the environmental and social values of the coastal unit, as well as the key threats and management issues. Key management measures include weed management, formalising a new beach access, revegetation to assist with dune stabilisation, investigating recreational opportunities and addressing illegal vehicle access to Sarina Beach and Johnsons Beach.

A copy of the LCP that is recommended for endorsement is included in Attachment 1, with the Summary and Highlights document in Attachment 2.

### **Consultation and Communication**

The community was consulted to obtain feedback on the draft LCP. The results of this engagement is summarised in the Community Engagement Report (September 2022) shown in Attachment 3. Where appropriate, feedback was considered and incorporated into the final LCP document.

Council was briefed on the draft LCP on 25 May 2022 and 30 November 2022.

### **Resource Implications**

Once the LCP is adopted, the management measures outlined in the plan will be incorporated into Parks & Environment Program operations, influencing the Program's operational budget and staffing requirements. The need for additional budget will be minimised through a scheduled work program utilising internal staff and existing levels of service.

### **Risk Management Implications**

Significant community consultation has been undertaken as part of this project, contributing to public understanding and ownership of the LCP.

### **Conclusion**

The Sarina Beach LCP has been finalised and is recommended for Council endorsement. The endorsed Plan will be uploaded to Mackay Regional Council's website and recommended activities will be incorporated into the operational activities of the Parks & Environment Program.

### **Officer's Recommendation**

THAT Council endorses the Sarina Beach Local Coastal Plan.

Cr Bella advised that he would like to move a procedural motion to lie this motion on the table.

### **PROCEDURAL MOTION**

**THAT the motion be laid on the table.**

**Moved Cr Bella**

**Seconded Cr Bonaventura**

**CARRIED**

Mayor Williamson and Cr May recorded their vote against the Motion.





**Acknowledgements:** This project is supported by Reef Catchments and Mackay Regional Council through Mackay Regional Council's *Natural Environment Levy*. Local Coastal Plans are based on Mackay Regional Council's *Coastal Management Guidelines* (MRC 2012). Technical geomorphic assessment of the *Sarina Beach Local Coastal Plan* area was provided by Alluvium.

**Disclaimer:** All maps within the *Sarina Beach Local Coastal Plan* © Reef Catchments. While every care is taken to ensure the accuracy of the maps included in this document, Reef Catchments make no representation or warranties about their accuracy, reliability, completeness or suitability for any particular purpose and disclaims all responsibility and all liability for all expenses, losses, damages which are incurred as a result of this product being inaccurate.

**Cover image:** Sarina Beach 2021. Image provided by Reef Catchments.

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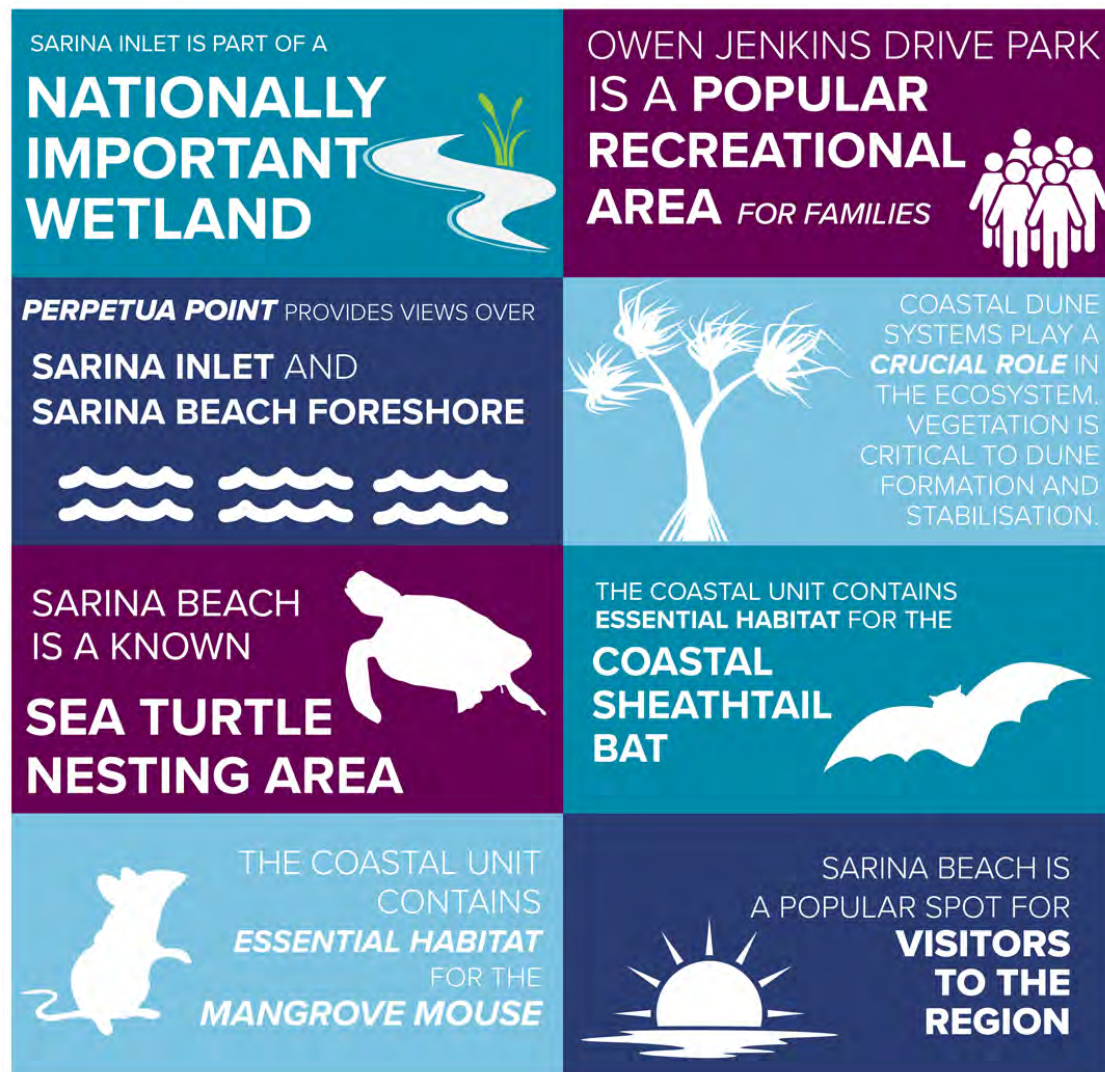
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Infographic 1.



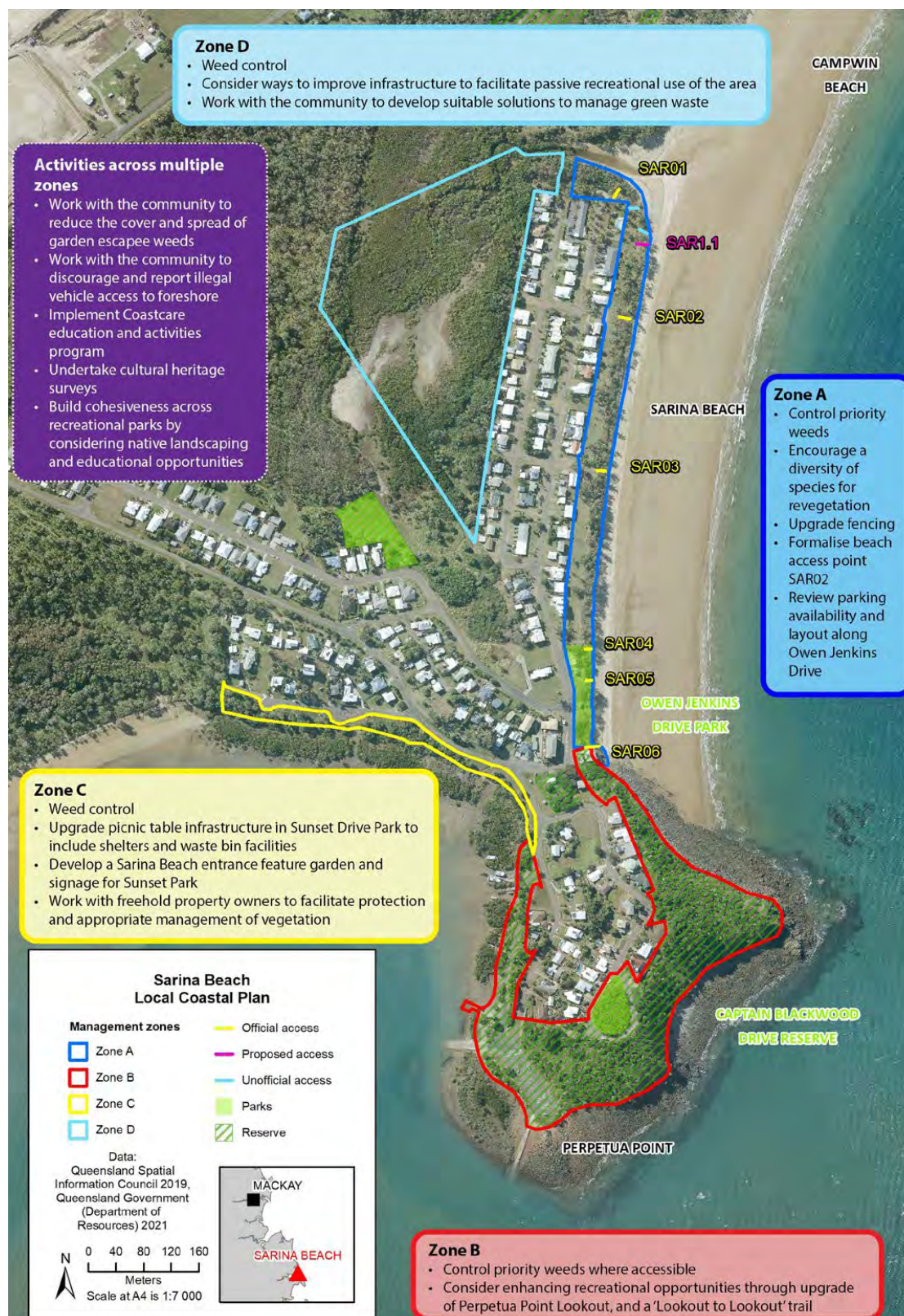


Figure 1: Visual summary of recommendations.

# 1 Executive Summary

Sarina Beach is a small, coastal residential settlement and recreational hotspot located approximately 40km south of Mackay. Mackay Regional Council (MRC) (hereafter referred to as council) manages its coastal land at Sarina Beach through an integrated program of planning, on-ground works, monitoring and community engagement. As part of this program, *Coastal Management Guidelines* (MRC 2012) have been developed to provide a framework for management decisions and activities for coastal land under council's jurisdiction. Individual Local Coastal Plans, such as this plan for Sarina Beach, provide site-specific recommendations for individual coastal units.

The *Sarina Beach Local Coastal Plan* describes the environmental and social values of the coastal unit, as well as the key threats and management issues. Sarina Beach is a small town with a residential population of approximately 661 people. The coastal unit extends from a small creek north of the Sarina Beach Motel, around the headland of Perpetua Point and inland to the edge of Johnsons Beach. Sarina Beach itself lies in the northern extent of the coastal unit, north of Perpetua Point. This stretch of sandy beach experiences a large tidal range, exposing rock pools and reef habitats at low tides. The foreshore around Perpetua Point to Johnsons Beach is rocky and, in places, fringed with mangroves. Other remnant vegetation throughout the coastal unit includes Eucalypt woodlands. The vegetation, tidal flats, rocky headland and creek areas provide habitat for a range of native species including the vulnerable mangrove mouse (*Xeromys myoides*) and near-threatened coastal-sheathail bat (*Taphozous australis*). The sandy beach provides nesting habitat for marine turtles.

Key pressures within the coastal unit include climate change, sea level rise, the presence of non-native vegetation and impacts to the dune system which serves as a buffer between residential settlements and the beach itself. Recommendations to manage these threats include weed control, revegetation and protection of the dunes through fencing and access management (Figure 1).

The social values of the coastal unit are described and opportunities to improve recreational facilities and values have been identified, including upgrading existing infrastructure and enhancing existing recreational areas through the provision of facilities and interpretive signage. The MRC will aim to address recommendations on a prioritised basis as resources become available.

Community engagement is recognised as a critical part of the success of on-ground works, and opportunities for the community to learn about coastal ecosystems and get involved in management activities at Sarina Beach will be provided through the Coastcare program.

MRC have reviewed the recommendations put forward in this *Local Coastal Plan* (listed in section 7 of the document) and have developed a prioritised list of actions (Table 3). These will help protect and improve the condition of assets in the coastal unit, ensuring that best-practice management principles are implemented, and on-ground activities are prioritised and undertaken in a coordinated and strategic way. This plan will help attract additional funding to the region (including from State and Federal sources) to protect coastal resources and improve recreational opportunities for our community.

## Key recommendations include:

- Weed control across all zones targeting major weeds including Singapore daisy, lantana, prickly pear, Chinese violet, mother-of-millions, purple joyweed, devil's horsewhip, periwinkle, mother-in-law tongue, painted spurge, and coral creeper.
- Formalise an additional beach access point between SAR01 and SAR02 and extend post and rail fencing from Owen Jenkins Park and esplanade area to the northern end of Zone A to define tenure, designate access points and maintain dune stability against erosion
- Revegetation to assist dune stabilisation and enhance native vegetation cover, diversity and connectivity along the coastal corridor.
- Investigate additional recreational opportunities such as upgrades to lookout facilities at Perpetua Point, design and installation of additional interpretive signage, and development of a welcome feature and directional signage within the road reserve on Sunset Drive.
- Work with neighboring Freehold property owners and local residents to reduce illegal vehicle access to Sarina Beach and Johnsons Beach.





## 2 Introduction

Council has a major role to play in the management of public coastal lands. Council is responsible for the public land along the coast including Esplanade, Reserves and areas zoned as Open Space. The *Coastal Protection and Management Act 1995* and associated *Queensland Coastal Plan* (DEHP 2013a) underpin coastal management in Queensland. These documents, along with multiple other pieces of State and Federal legislation and council's own Local Laws and *Coastal Management Guidelines* (MRC 2012), direct the management of these public coastal areas (Figure 2).

The *Coastal Management Guidelines* recognise that the coast is characterised by a diverse range of natural features including: sandy beaches, rocky headlands, rainforest, woodland, grassland, extensive intertidal flats and substantial areas of coastal wetland. The Mackay coastline is a dynamic and forever changing landscape, shaped and formed by a range of factors including wave action, changing tides, predominant winds and human influences. Mackay also has a large tidal range that exceeds six metres (EPA 2004).

The Mackay region is prone to severe storm events and tropical cyclones that impact coastal areas causing localised erosion. After a storm some areas recover quickly. However, if there is not enough time for adequate recovery before another storm event or if the coastline is a predominantly eroding coast, the impacts of erosion can accumulate, altering the shape of the coastline over time.

Management options to improve the resilience of coastal areas to future storm events are available. Maintaining a sufficient buffer of vegetated dune or other coastal ecosystems, such as mangrove, acts to bind and retain sediment in coastal areas. The *Mackay Coast Study* (EPA 2004) describes the need to protect coastal areas not only for their importance as assets to tourism and recreation, *but also as the maintenance of wide sandy beaches and well-vegetated dune systems provides a natural barrier to storm wave energy and protects inland areas against extreme water levels* (EPA 2004 p.4). Effective coastal management can therefore be viewed as a risk mitigation strategy.

Within the region, development has occurred in some areas that are prone to erosion (EPA 2004). Some areas are already seeing changes in their local coastlines. With future predicted increases in sea level rise and more extreme weather events including cyclones, there is an increasing need to forecast the impact on coastal areas and plan effective, achievable action for protection of coastal values, including:

- The safety and longevity of communities - this includes property, infrastructure and services required for healthy communities.
- Meeting of recreational needs - locals and visitors utilise coastal areas for activities that add to their health and fitness, provide relaxation and offer opportunities to enjoy nature.
- Continuity of economic services - fisheries and tourism rely heavily on healthy and attractive coastal areas.
- Environmental values – the provision of ecosystem services relies upon healthy coastal vegetation communities and natural environmental processes. Marine turtles and shorebirds require sandy beaches and healthy dune systems for nesting and feeding and many other native flora and fauna require coastal areas for habitat and food.

Adaptation options for coastal areas need to be well considered to ensure the region is best placed for the future. Maladaptation can occur when proper planning and best science are not incorporated into decision-making processes.

Council manages coastal areas through an integrated program of planning (i.e. Local Coastal Plans (formerly Beach Plans) and the Regional Planning Scheme), on-ground works, monitoring and community engagement known as the Coasts and Communities Program (Figure 3). Council initially sponsored, with the assistance of State and Federal funding, the Mackay Coasts and Communities Program, building also on studies undertaken by the former Sarina Shire Council pre-amalgamation as part of the Sarina Coastal Sustainable





Landscape Project. In addition to setting a vision for the future of the Mackay coast, this program embedded the principle of engaging local communities in coastal management activities (Figure 3). The program's approach was to identify and support site-specific actions to protect and rehabilitate coastal vegetation, provide recreational assets such as beach access; deliver local education and promote community participation in coastal management. The instrument used to document agreed activities and against which success of the program has been measured were Local Coastal Plans. While this initial program has now ceased, the approach established by the program has continued.

Visit council's [Coastal Management](#) page for more information on the program.

Historically, a strong emphasis has been on the protection, conservation, rehabilitation and management of the coastal unit and its biological diversity. Actions implemented over past years in line with the Sarina Beach Beach Plan (Sarina Shire Council *et al.* 2008) include:

- Weed control, removal of juvenile coconuts and revegetation along the esplanade with native species

- Installation and alignment of coastal fencing along the esplanade of Sarina Beach
- Establishing and/or improving beach access and turtle nesting signage

The Local Coastal Plan balances environmental protection with access to and recreational use of the beach. The LCP aims to:

- Protect and enhance the social and environmental values of the coastal unit.
- Guide management recommendations and actions across the 10-year lifespan of the plan.
- Provide a clear indication of management priorities and appropriate timeframes for commencing on ground works.
- Provide the foundation for monitoring and assessing priority action outcomes.

Council is committed to ensuring that communities are well informed throughout the process of Local Coastal Plan development.

## 2 STATUTORY OBLIGATIONS

There are a range of statutes at Regional, State and Federal level that are relevant to, and may guide the management of natural resources and recreation within the Mackay area. These are shown in Figure 3.



Figure 2: Regulatory framework.

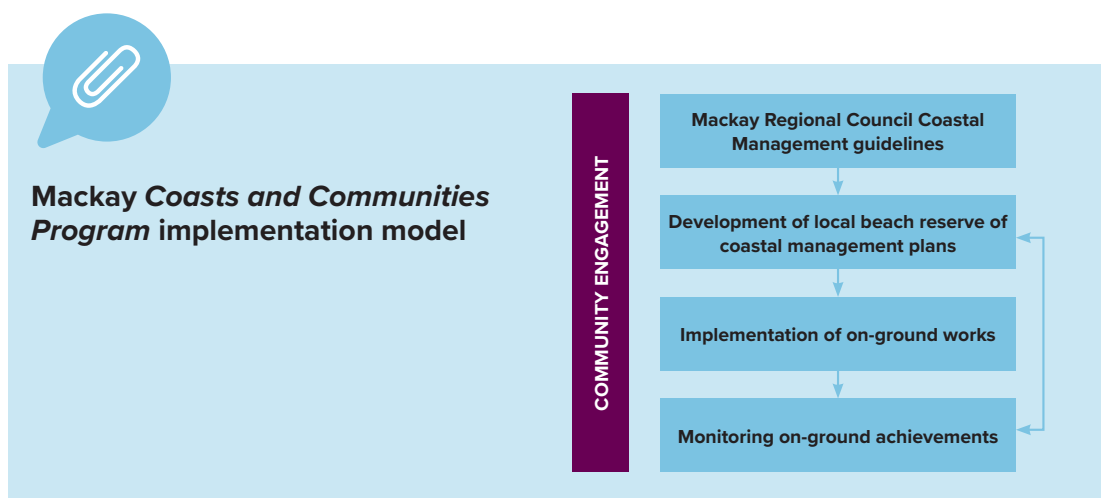


Figure 3: Mackay Coasts and Communities program Implementation Plan.

### 3 Coastal Unit Description

Sarina Beach is located approximately 40km south-east of Mackay and is approximately a 40 minute drive from the Mackay City Centre. Sarina Beach is situated on the northern headland of the Sarina inlet between Coral Point Reef in the north and Perpetua Point in the south. The coastal unit is characterised by sandy beaches interspersed with rocky headlands and mangrove inlets. Sarina Beach shares approximately 2km of beach with Campwin Beach, with the two separated at low tide by Leeper Reef and adjoining rock flats. The coastal waters southward of Perpetua Point are part of the Sarina Inlet - Ince Bay Aggregation, which is a nationally important wetland characterised largely by mangrove and salt flat estuarine habitats.

The extent of the coastal unit stretches from the road reserve parcel behind Poole St where it borders a small, unnamed creek north of access point SAR01, southward along Sarina Beach, wrapping inland around Perpetua Point to include the rocky foreshore adjoining Ferries Terrace (Figure 4). The Sarina Beach hinterland consists of wetlands and tree-covered slopes. The Sarina Beach coastal unit is distinctive with respect to its tourist accommodation and infrastructure, and a community who are driven to enhance economic opportunities through tourism to the area. Facilities in the Sarina Beach area include a store and petrol station, motels, caravan park, boat ramps and a surf lifesaving club.

Sarina Beach can be described as a low-density residential township (Figure 5). Much of the land within the Sarina Beach area is Freehold (Figure 6) and zoned for Rural or Township land-use (Figure 5), but the coastal strip encompassing the road reserve parcel behind Poole St, extending along the foreshore over Owen Jenkins Drive Park, Captain Blackwood Drive Reserve and the road reserve on Sunset Drive is council-owned Reserve tenure or Open Space land. This land, as well as the coastal vegetation along Ferries Terrace and the parcels of land dedicated for Sport and Recreation or Community

Facilities, are the council-managed area relevant to this *Local Coastal Plan*.

The coastal unit is divided into four management zones based on common management values and issues. Zone A covers the coastal strip along Owen Jenkins Drive and incorporates Owen Jenkins Drive Park. Zone B incorporates all of the Reserve tenure land around Captain Blackwood Drive Reserve, the steep vegetated hills and rocky headland of Perpetua Point, the road and parking area servicing the boat ramps and the parcel of land zoned as Community Facilities, which is currently a surf lifesaving club. Zone C incorporates the other parcel of land zoned as Community Facilities, the road reserve on Sunset Drive and the coastal vegetation along Ferries Terrace (Figure 7). Zone D incorporates the road reserve parcel behind Poole Street.

Approximately 12.7ha of remnant coastal vegetation occurs within the coastal unit and includes Eucalypt woodlands and mangrove ecosystems. Threats to these vegetation communities include non-native vegetation and encroachment of non-natives from neighboring Freehold land, inappropriate pedestrian and vehicle access, and coastal development.

The Sarina Beach foreshore has been relatively stable since the 1960s, with episodic erosion and deposition periods influenced by weather events such as storms and cyclones. There is little sediment supply into the Sarina Beach area, so it is important to retain the sand currently present within the system to prevent shoreline recession. Protecting and enhancing coastal vegetation, particularly along the sandy foredune in Zone A, is critical to retaining this sand in the system.

The coastal unit contains a number of recreational opportunities. Owen Jenkins Drive Park in Zone A is utilised regularly by residents and visitors to the Sarina Beach area, and contains several shelters, picnic tables, barbeques,

a playground, toilets and other facilities. Plans have been approved to upgrade the shelters and barbeque facilities as well as install paths to facilitate all ability access to the park. The Reserve in Zone B, Captain Blackwood Drive Reserve, offers additional recreational opportunity in terms of the lookout area. There is significant opportunity to develop this lookout area into a regional asset and tourism destination, potentially in alignment with the Regional Self-Drive Lookout Trail. The road reserve on Sunset Drive in Zone C offers two

unshaded picnic benches in a mown landscape. While largely unsuitable for additional recreational infrastructure, as the entrance point to Sarina Beach, this area has the potential to host a welcome feature such as signage and landscaping. Zone D is largely mangrove and tidal flat communities, and is mostly inaccessible to the public. There is local interest in utilising this area to offer additional passive, nature-based recreational opportunities.







**Figure 4:** *Extent of Sarina Beach coastal unit.*



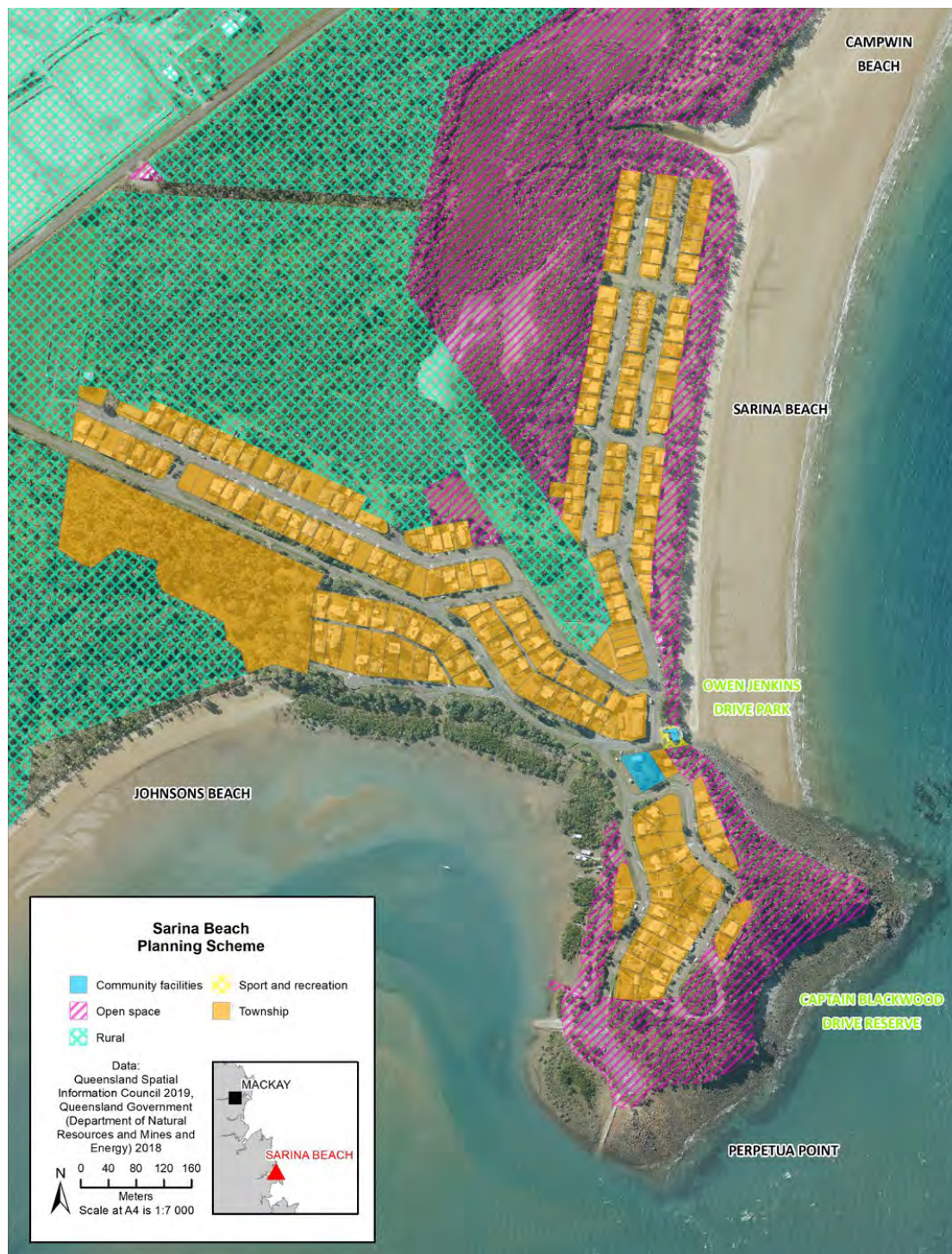


Figure 5: Planning scheme zonation at Sarina Beach.





Figure 6: Land tenure at Sarina Beach.



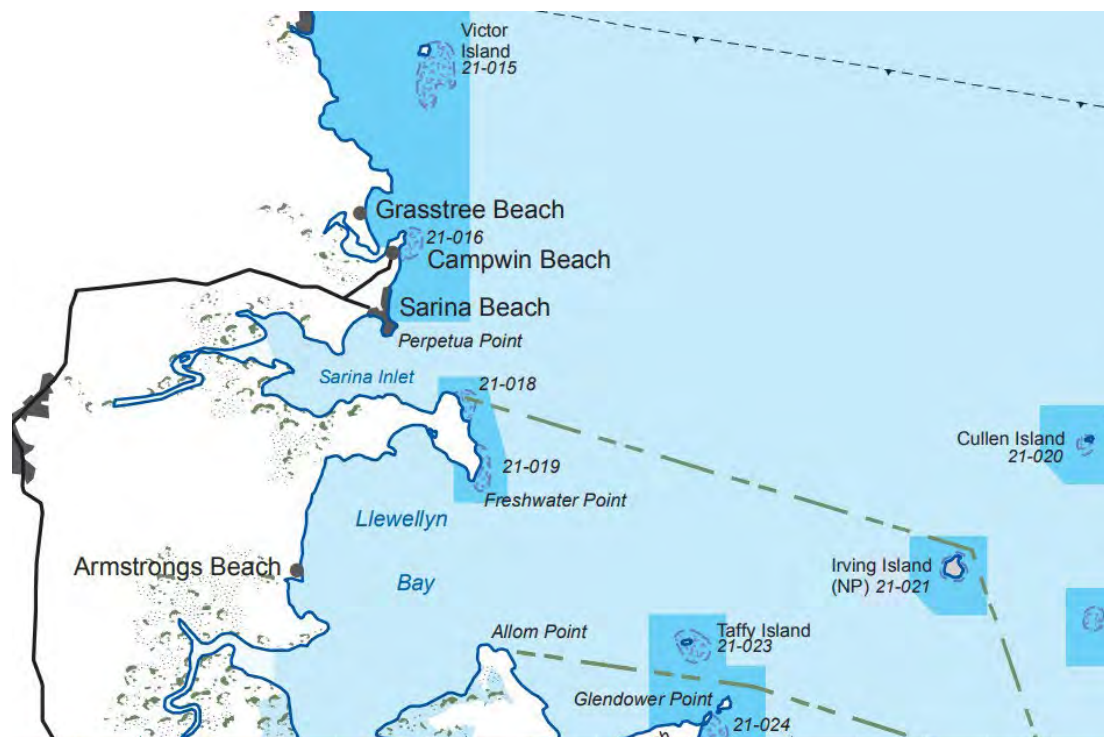


Figure 7: Coastal management zones at Sarina Beach.



The Mackay region is inshore from the Great Barrier Reef and activities must comply with the regulatory zoning conditions introduced by the Great Barrier Reef Marine Park Association (GBRMPA) in 2004. Marine Park zoning is an important component of managing marine areas (GBRMPA 2011). The area offshore from Sarina Beach and north to Campwin and Grasstree Beach is within a Habitat Protection Zone (Blue Zone) (Figure 8). Habitat Protection Zones prohibit certain activities, such as trawling, to protect sensitive habitats in the Marine Park. Other high-impact activities, including tourism operations, shipping and harvest fishing for specific species require a permit, however low-impact, recreational activities including boating, crabbing and line fishing do not require a permit.

For additional details regarding zoning restrictions, visit the GBRMPA [website: www.gbrmpa.gov.au](http://www.gbrmpa.gov.au)



**Figure 8:** Great Barrier Reef Marine Park Area Zoning - Excerpt from Zoning Map 10 (GBRMPA 2011) indicating the zoning around Sarina Beach. Zones A of the coastal unit is within a Habitat Protection Zone (Blue Zone).

## 4 Environmental Values and Management Issues

Sarina Beach coastline maintains vegetated and non-vegetated patches, reflecting dynamic changes to vegetation resulting from impacts such as clearing for residential development (Figure 9). The ecological communities surrounding Sarina Beach coastal unit sustain important wildlife populations of Regional, State and National Significance. Corridors of remnant vegetation provide important stepping-stones to allow native species to cross the landscape. In addition, the ecosystems are important in maintaining natural processes and providing ecosystem services to the local community and region. Carbon storage, water filtration, climate regulation, stabilisation of the shoreline, nutrient cycling and scenic and recreational values constitute just a few examples of the ecosystem services these areas provide to the local community.

This section outlines the distribution and significance of coastal vegetation and wildlife in the Sarina Beach area and its environmental values. The major threats and management issues relevant to the environmental values will be discussed, including dune systems and erosion processes.

### 4.1 VEGETATION

The vegetation component of this plan considers three important facets that define the integrity and condition of vegetation in the coastal unit.

**Remnant vegetation** is the historical vegetative cover of an area and is captured within official Regional Ecosystem mapping. It includes both woody and non-woody vegetation and is dominated by species characteristic of the vegetation's undisturbed canopy. Remnant vegetation is distinguished by the dominant canopy having greater than 70% of the height and greater than 50% of the cover relative to the undisturbed height and cover of that stratum (Queensland Government 2016).

**Vegetation zonation** is the sequence of different vegetation communities or zones that occur along a coastline. The zones reflect changes in the nutrient and moisture content of dune soils, which increase in a landward direction, and changes in the degree of exposure to strong winds, salt spray and sandblast, which decrease in a landward direction (DEHP 2015). When vegetation communities are heavily disturbed, for example by weed encroachment or mowing, vegetation zonation is inhibited.

**Non-native vegetation** is discussed in terms of the weed species that are present and may require management.

#### 4.1.1 Remnant vegetation

Remnant vegetation is mapped at a scale of 1:100,000 by the Queensland Government for legislative and management purposes (Queensland Government 2016). Regional Ecosystems (RE) are vegetation communities in a bioregion that are consistently associated with a particular combination

of geology, landform and soil. The Regional Ecosystem Description Database describes each RE and lists both the biodiversity status and the Vegetation Management Class of each (Table 1). The biodiversity status is determined based on an assessment of the amount of a RE remaining (as a percentage of its historic range) and its condition and this is used to determine the Vegetation Management Class, under the *Vegetation Management Act 1999* (DEHP 2013b). A regional ecosystem is listed as Endangered, Of concern or No concern at Present/Least concern based on these factors. It is important to note that RE mapping provides no indication of the current condition of this vegetation at the local scale.

The importance of coastal vegetation includes, but is not limited to:

- Providing a significant refuge and source of food for local and migratory fauna species.
- Providing a seed bank for future generations of vegetation, thereby protecting the natural biodiversity of the area.
- Facilitating dune growth by colonising and trapping windblown sand and preventing its escape from the beach system.

In coastal areas, vegetation can be scorched by high temperatures and salt, as well as abraded by windblown sand. Species that can withstand these effects benefit from onshore winds by intercepting wind-borne nutrients from the sea. These nutrients are deposited on the leaves of coastal plants and washed into the sand by the first showers of rain, thereby introducing nutrients to the system and allowing less hardy species to colonise the coastal area (Gold Coast City Council 2007).

In Queensland, approximately 80% of people live on the coast (DEHP 2013a). As a result, remnant coastal vegetation is often fragmented and subject to high levels of disturbance (Caton and Harvey 2010). Coastal development characteristically results in a loss of coastal vegetation, as it often facilitates disturbance throughout the coastal zone through mowing and/or clearing areas of vegetation for recreation. Remnant coastal vegetation however, remains a critical part of the landscape, providing important ecosystem services, habitat corridors, and recreational values.

General principles for the conservation of remnant vegetation include:

- Controlling weeds to allow native species to regenerate.
- Discouraging the dumping of garden and general waste.
- Replanting areas adjoining remnant vegetation patches with native species, to build a buffer between the core vegetation and adjacent land uses.

- Controlling activities such as four-wheel driving, foot and vehicle traffic (Nordstrom *et al.* 2000).

Within the coastal unit there is 12.07ha of remnant vegetation, most of which is located throughout Zones B, C and D. While the foredune along the length of Sarina Beach in Zone A is mostly well vegetated, the vegetation is highly altered from its natural state. Here, coastal vegetation exists as a thin strip along a steep and narrow dune system or as mature trees within Owen Jenkins Drive Park. Therefore a large proportion of the remaining vegetation is not considered remnant vegetation. Native species identified within Zone A included coastal she-oak (*Casuarina equisetifolia*), goat's foot (*Ipomoea pes-caprae*) native hibiscus (*Hibiscus tiliaceus*), birds beak grass (*Thuarea involuta*), pandanus (*Pandanus sp.*), octopus bush (*Argusia argentea*), beach spinifex (*Spinifex sericeus*) and coastal lollybush (*Clerodendrum inerme*).

Eucalyptus woodlands (RE 8.12.22) comprise a large part of the remnant vegetation within the coastal unit, extending throughout Zone B within Reserve tenure land around Perpetua Point. This area is steep and difficult to access, so active management of this vegetation by council is very difficult. The vegetation is largely undisturbed, though some weeds are noted throughout the zone including leucaena (*Leucaena leucocephala*). Notably, RE 8.12.22 is habitat for the endangered cycad species *Cycas ophiolitica*. Dry eucalyptus woodland vegetation communities, such as RE 8.12.22, are recommended for burning in the Clark Connors Range Fire Management Guidelines (Reef Catchments, 2009) approximately every 3-6 years (Appendix 1). However, site specific risks should be taken into account when considering burn regimes for the area, including nearby private property and at Perpetua Point, the steep slope and wind factor. Management of bushfire risk around the coastal unit, particularly with regard to the dry eucalypt patches, is important to reduce threats to human life, built assets and the vegetation community itself. Bushfires in this type of vegetation regularly cause loss of mature, hollow-bearing Eucalypts which support glider and owl populations. In 2018 a bush fire threat resulted in the Queensland Fire and Emergency Service (QFES) issue an emergency alert for residents to evacuate their homes, causing ongoing concerns around fire risk. It is recommended that council engage with fire brigades and Queensland Fire Emergency Services to assess fire risk and work together to develop a fire management plan for the Sarina Beach area.

Remnant patches of eucalyptus woodlands meet mangroves (RE 8.1.1 and 8.1.2) along the edge of Zone C. Generally, the closed canopy woodland area within Zone C is in good condition and is currently managed by the Mackay Regional Council in partnership with Sarina Catchment Landcare Management Association (SCLMA). Further west, the canopy becomes more open and the presence of non-native species is higher. Major threats to the vegetation in Zone C include inappropriate motorbike, quadbike and four-wheel drive access and the spread of non-native plant species.

Zone D is an intertidal, saltpan area where mangrove and samphire forblands (RE 8.1.1 and 8.1.2) are present. Given the saline environment, weed encroachment into these ecosystems is unusual. However, threats from illegal dumping

of green waste and inappropriate vehicle access exist. There is a build up of woody debris within Zone D which has likely accumulated through high tides, flooding and illegal dumping of green waste. It is recommended that council reduce the green waste in this zone to reduce the fire risk to nearby residential areas and protect the adjoining mangroves. These mangrove estuarine wetlands serve as important detention areas and settling ponds which help improve water quality, nutrient and sediment loads entering the World Heritage Area, and provide good passage for fish migrations. They are also very important habitats for roosting shorebirds, as well as nurseries for reef fish species (Fukuda *et al.* 2007). Zone D also contains a small, unmapped patch of RE 8.2.2, microphyll vine forest on coastal dunes. This ecosystem is considered Of Concern at a state scale and Endangered at a national scale. It is also one of the Regional Ecosystems that comprise the critically endangered Threatened Ecological Community known as littoral rainforest and coastal vine thickets of eastern Australia, listed in the EPBC Act (1999). Key threats to this community include inappropriate fire regimes, weed invasion, and the impacts of coastal development.

Regional Ecosystems found on council-managed land are further described in Appendix 2.

Opportunities exist to protect and enhance the native vegetation throughout the coastal unit via weed control, revegetation and facilitation of natural regeneration. Vegetation rehabilitation will enhance the complexity of vegetation zonation, increase the environmental value of the area, improve dune stability, act as a buffer against wind, salt and extreme weather events and reduce impacts of artificial lighting on turtle hatchlings. Additional native vegetation will also provide habitat for local fauna. In areas where the native vegetation remains largely intact, the approach to be taken will be one of assisted natural regeneration. By controlling weeds and limiting disturbance, natural recruitment of dunal species will occur. Supplementary planting may be undertaken in these areas to enhance vegetation complexity and to replace removed weed species. In areas where natural recruitment is not occurring or where vegetation has been cleared, revegetation should be used as a technique to restore and enhance native vegetation.

All revegetation activities should consider the guiding principles documented in Appendix 3.

The community of Sarina Beach is interested in promoting the diversity of native species throughout the foredune within Zone A, and there are opportunities to involve the local community in the design and implementation of revegetation throughout this area. A species list of view-sensitive trees and shrubs could be used to inform revegetation along Owen Jenkins Drive Park to facilitate viewing of the ocean from the picnic areas. This would be beneficial for those who are unable to access the beach via the official beach stair access points. In 2008-2009, council undertook 2.2ha of revegetation within Zone A, with 2200 native species planted. Earlier pictures of the area (from the 1970s) show the foredune and park area as almost completely denuded of vegetation, so the establishment of native species such as coastal hibiscus, coastal she-oaks and pandanus is considered evidence of the success of this revegetation program and native recruitment. Revegetation should continue

throughout Zone A, supported by fencing to control pedestrian traffic and manage disturbance to the dune system. It is recommended that the community is involved in the planning of this revegetation to increase stewardship and ownership, and to reduce conflict. Where vegetation is preventing pedestrian access in the park area it should be trimmed in line with the fence. Branches that are not interfering with access can be retained if they are not considered a hazard.

Cross tenure collaboration between council and private landholders, is essential for preserving and enhancing the remaining native vegetation. Council should work with landholders to ensure the appropriate management of large adjacent blocks of Freehold land containing remnant vegetation, such as the Johnsons Beach area and the area west of Poole Street. In both areas threats to vegetation extend

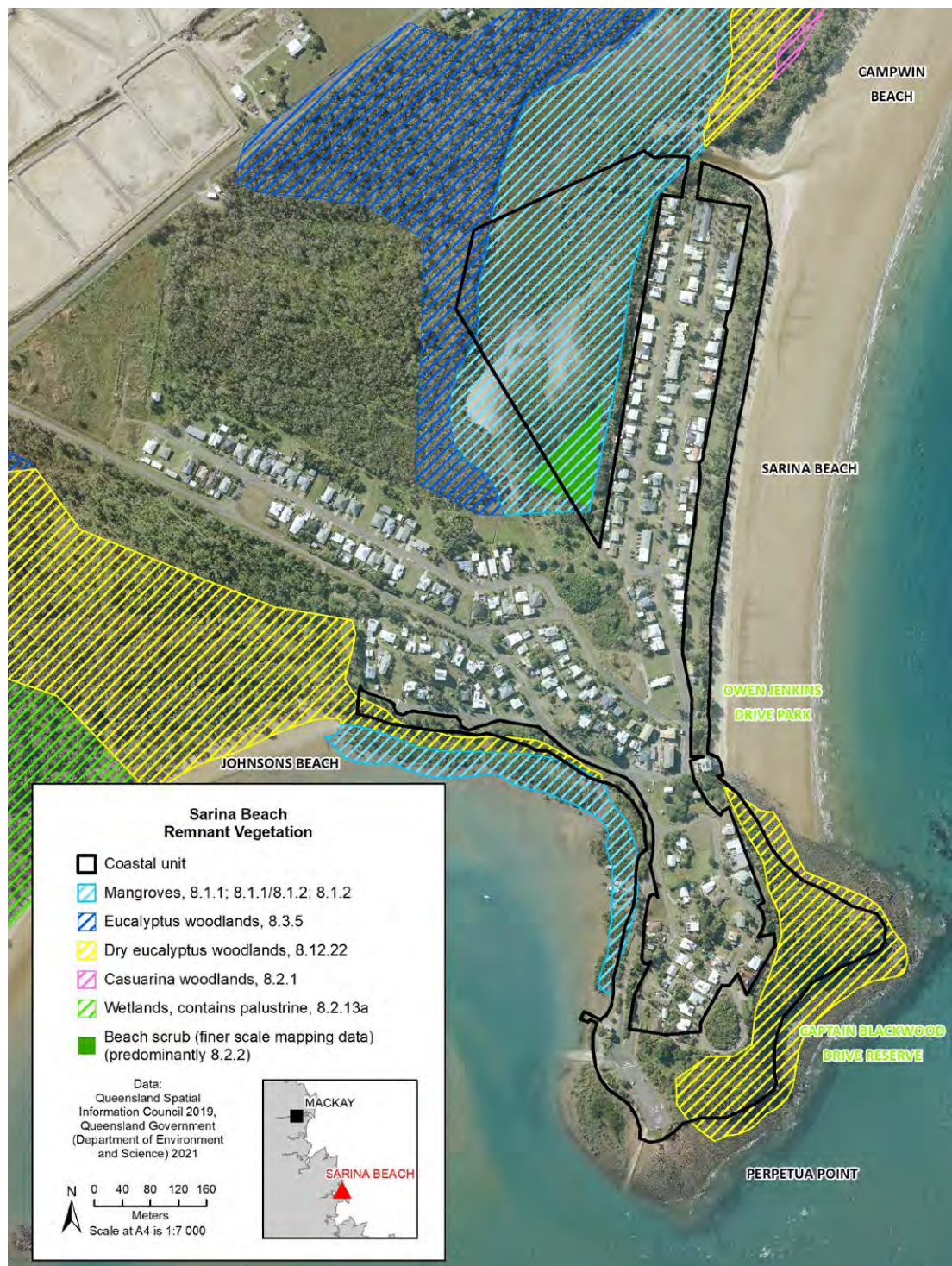
from the Freehold properties through remnant REs on council-managed land, particularly with regards to fire, weeds and inappropriate vehicle access.

All revegetation activities should be guided by the coastal revegetation principles documented in Appendix 3 and consider appropriate species from the list provided in Appendix 4. The species selected for revegetation at any particular location will ultimately depend on current and pre-clearing regional ecosystem mapping and site-specific conditions such as aspect, topography, existing vegetation, soil condition and the availability of appropriate plants. Local experts should be consulted for specific advice regarding unique vegetation communities, where appropriate.

**Table 1: Regional Ecosystem (RE) communities of the Sarina Beach coastal unit.**

Regional Ecosystem (RE)	Short description (Environmental Protection Agency 2005)	Approximate area (ha) on Reserve, Esplanade, State Land tenure	Vegetation Management Act status	Biodiversity status	EBPC Act status
8.1.1	Mangrove closed forest of marine clay plains and estuaries.	7.3ha	Least concern	No concern at present	n/a
8.1.2	Samphire open forland to isolated clumps of forbs on salt pans and plains adjacent to mangroves (estuarine wetland).		Least concern	Of concern	n/a
8.12.22	<i>Eucalyptus drepanophylla</i> and/or <i>Corymbia clarksoniana</i> +/- <i>C. erythrophloia</i> +/- <i>E. platyphylla</i> +/- <i>E. exserta</i> +/- <i>C. trachyphloia</i> woodland on hills and ranges at low to moderate altitudes in drier areas.	3.76ha	Least concern	No concern at present	n/a
8.2.2	Microphyll vine forest on coastal dunes.	0.6ha	Of concern	Endangered	Critically endangered
8.3.5	<i>Eucalyptus platyphylla</i> and/or <i>Lophostemon suaveolens</i> and/or <i>Corymbia clarksoniana</i> woodland on alluvial plains.	0.38ha	Of concern	Endangered	n/a





**Figure 9:** Remnant vegetation communities of the Sarina Beach coastal unit.

4.1.2 Vegetation Zonation

A key feature of dune vegetation is the sequence of different vegetation communities that occur with increasing distance landward. Typically, this involves a gradual transition from bare sand, to ground cover, to open forests or woodlands (DEHP 2015). Zonation processes are those which facilitate this progression and are discussed in this *Local Coastal Plan* as recruitment and colonisation. Natural zonation refers to what is effectively a normally behaving ecosystem, where recruitment and colonisation can occur unhindered over natural gradients (Figure 10).

Within Zone A, the dune system is noted to be relatively short and steep with vegetation zonation processes occurring over a compressed area (Figure 11). Mown parkland and esplanade behind the dune has resulted in a narrow strip of coastal vegetation (Figure 12). At the southern end of Zone A, within Owen Jenkins Drive Park, it is noted that the fence is located very close to the dune edge. It is recommended that this fencing is offset landward by one to two meters to increase the vegetation buffer along the foredune while maintaining sufficient open parkland area for recreational purposes. Throughout Zone A there is little evidence of recruitment of native tree and shrub species, with very few juveniles being observed over the past five years. The northern edge of Zone A, in front of Sarina Beach Motel, is noted as having particularly sparse vegetation (Figure 13). This area is recommended for more dense revegetation efforts and post and rail fencing will be extended from Owen Jenkins Park and Esplanade areas to the northern end of the length of Zone A to define tenure, designate access points to the beach and protect / maintain the dune stability against erosion.

Weed control and rehabilitation activities should be implemented to improve the dune structure and the condition along the length of the beach. Revegetating the dune system in this way will also enhance connectivity of vegetation, increase the aesthetic value of the area, provide shade and privacy for residences neighbouring publicly reserved areas. Weed control and infill planting would also assist vegetation establishment, and in doing so restore natural zonation, increase diversity, reduce wind speeds, increase natural shade and provide habitat for local fauna.

Certain vegetation species have become dominant along the foreshore. To improve species diversity in the coastal unit, effective revegetation management practices (trimming, cutting and pruning) will be implemented to encourage natural recruitment and address the community’s concerns about restricting access and view.

Within Zone B, natural zonation processes are occurring, with the major exception being areas that were cleared for the development of parking areas and roads within the Reserve tenure.

Within Zone C, the road reserve on Sunset Drive has little native vegetation present and is almost completely mown (Figure 14). The remainder of Zone C supports a relatively intact zonation of native species, with mangrove systems dominating the foreshore, transitioning to *Eucalyptus* woodlands.

The vegetation in Zone D, behind Poole Street, is in relatively good condition. The saline environment restricts growth of non-native species, and with no access through the majority of this parcel, the vegetation is mostly undisturbed.

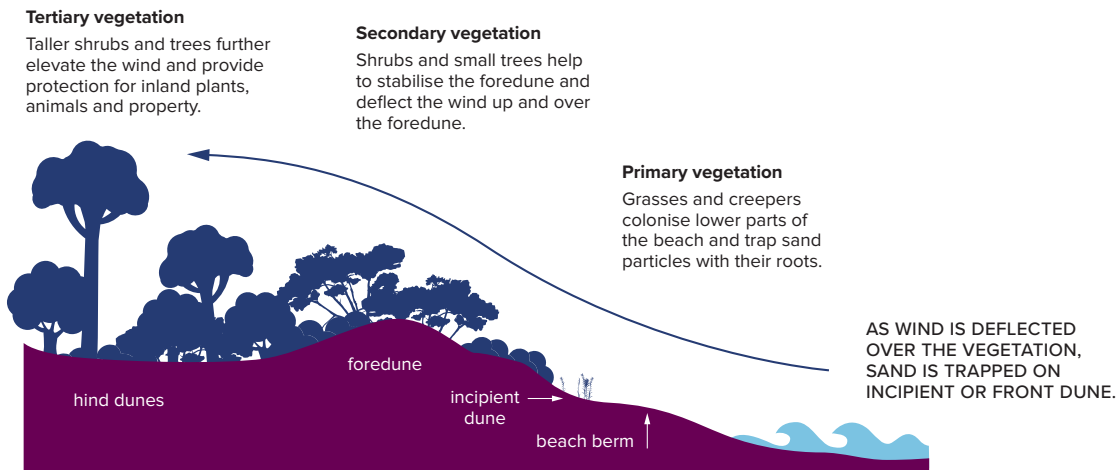


Figure 10: Role of dune vegetation.





**Figure 11:** Groundcovers on the incipient foredune transitioning to a thin strip of native trees on the foredune.



**Figure 12:** Mown parkland in Owen Jenkins Drive Park.





**Figure 13:** Sparse vegetation in front of Sarina Beach Motel.



**Figure 14:** Mown road reserve on Sunset Drive.



### 4.1.3 Non-native vegetation

The presence of non-native vegetation can be detrimental to the function of the dunal environment. Non-native vegetation can displace native dunal vegetation due to its ability to grow aggressively, smother native dunal species and compete for available nutrients. We often refer to plants that have adverse impacts on the environment as weeds or invasive plants. In some cases, weeds such as Guinea grass (*Megathyrsus maximus*) and lantana (*Lantana camara*) can also increase fuel loading and fire intensity, these are considered transformative weeds.

It is important to note that while not all weeds require immediate removal due to low impacts on native species, under the *Biosecurity Act 2014* (DAFF 2014), council and the local community have a general biosecurity obligation to take reasonable and practicable steps to minimise the risks associated with invasive plants and animals on land under their control. This legislation came into force on the 1st July 2016 and changes the classifications of weed species from what has been referred to in earlier Beach Plans. Subsequently, weeds are now discussed in the terms outlined below.

- **Prohibited** matter are plants, animals, diseases or viruses listed within the *Biosecurity Act 2014*. These are not found in Queensland but would have a significant adverse impact on our health, way of life, the economy or the environment if they entered the state. If one of these species is detected it must be reported within 24 hours to 13 25 23 and all reasonable steps must be undertaken to minimise their risks.
- **Restricted** matter are plants, animals, diseases or viruses listed within the *Biosecurity Act 2014*. These are found in Queensland and have a significant adverse impact on our health, way of life, the economy or the environment. It is desirable to manage them and prevent their spread, thereby protecting un-impacted parts of the State. There are seven categories of restricted matter, four of which relate to weeds. Different categories describe the action that must be taken with respect to the weed. Several restriction categories may apply to some weeds. Restricted weeds recorded at Sarina Beach include lantana, Singapore daisy (*Sphagneticola trilobata*), mother-of-millions (*Bryophyllum sp.*) and prickly pear (*Opuntia sp.*). These species are considered Category 3 restricted weeds within the *Biosecurity Act 2014*, with some prickly pear species also considered Category 2, 4 and 5.
- **Environmental weeds** are described as those that can cause major transformations to natural ecosystem function. These species are capable of outcompeting native vegetation and, in some cases, have the potential to increase fuel loads in ecosystems. Environmental weeds within Sarina Beach include painted spurge (*Euphorbia cyathophora*), pink periwinkle (*Catharanthus roseus*), siratro (*Macroptilium atropurpureum*), Cobbler's peg (*Bidens pilosa*), Purple Joy Weed (*Alternanthera brasiliana*), Coral creeper (*Barleria repens*), Chinese violet (*Asystasia gangetica*), Agave (*Agave attenuata*), Mock orange (*Murraya paniculata exotica*), Leucaena (*Leucaena leucocephala*), Balsam Pear (*Momordica charantia*),

Eastern cassia (*Senna pendula*) and Seaforth burr (*Cenchrus echinatus*).

- **Nuisance weeds** are problematic on a local scale and should be managed on a case-by-case basis. A multitude of herbaceous weeds and garden escapees result from the close proximity of coastal reserves to residential settlements and include mother-in-law's tongue (*Sansevieria trifasciata*), Gazania (*Gazania rigens*) and Devils horsewhip (*Achyranthes aspera*).

Non-native vegetation, including the weeds described, is a key threat to remnant vegetation throughout the Sarina Beach coastal unit. Throughout Zone A, the most prevalent non-native species is Singapore daisy, a Category 3 restricted species. It is a groundcover that spreads rapidly and outcompetes native species, especially in lawns, irrigated areas and around drains. Singapore daisy has established over significant areas of the foredune within Zone A, and is excluding native groundcover species. It is recommended that this species is considered a priority for staged removal and replacement with native groundcover species. Other restricted weeds found at Sarina Beach, but in lower densities, include mother-of-millions (*Bryophyllum sp.*) and prickly pear (*Opuntia sp.*). Council should continue to remove these weeds as they are detected, to prevent their widespread establishment throughout the foreshore.

A wide range of environmental weeds and nuisance garden escapee weeds exist throughout Zone A. Seaforth burr (*Cenchrus echinatus*), siratro (*Macroptilium atropurpureum*), mother-in-law's tongue (*Sansevieria trifasciata*) (Figure 15), Chinese violet (*Asystasia gangetica*) (Figure 16), painted spurge (*Euphorbia cyathophora*), coral creeper (*Barleria repens*) (Figure 17), Eastern cassia (*Senna pendula*), balsam pear (*Momordica charantia*) and devil's whip (*Achyranthes aspera*) are noted as present in the area. Chinese violet and coral creeper have also established widely throughout the management zone, covering a large geographical area. Prioritisation for control is to focus on weeds classified as prohibited and restricted under the *Biosecurity Act 2014*. Council should take a multi-pronged approach to managing garden escapee weeds. The direct control of the weeds throughout the foreshore should be paired with a community education campaign. It is recommended that council talks directly with landholders with esplanade frontage about the widespread establishment of garden escapee weeds, supply residents with the 'Are Your Garden Plants Going Bush?' brochure and 'Grow Me Instead' brochure to offer non-weedy alternatives. This may also provide the opportunity to promote council's free plant giveaway programs. The Mackay Natural Environment Centre's nursery trailer could be utilised to provide opportunities for locals to receive their free plants offered as part of the native plant program. This compliments other community planting initiatives operated by groups such as Sarina Catchment Landcare Management Association and Reef Catchment. Dumping of lawn clippings onto the foredune is also identified as a key vector of spread for non-native grasses and groundcover species.

Within Zone B, throughout Captain Blackwood Drive Reserve, leucaena has been noted as an environmental weed, but the steep terrain makes access difficult and means that

management options are limited. Around the boat ramp and along the edge of the access road to the boat ramp, Singapore daisy exists in dense mats, extending into Zone C. The area would benefit from targeted weed control while promoting natural regeneration of native plant species.

Along the Sarina Inlet Trail within Zone C, native vegetation is currently being actively managed by Mackay Regional Council. However, throughout the mown lawn area in the road reserve on Sunset Drive, Singapore daisy is well-established. Additionally, where the vegetation thins and the canopy is more open along Ferries Terrace, weeds are more prevalent. Key species for targeting in Zone C include Singapore daisy, Guinea grass, lantana, siratro and mother-in-law's tongue. Along the Sarina Inlet Trail, mock orange (*Murraya paniculata* exotica) and cobbler's peg are noted as environmental weed species for control. It is also recommended that council engage with the adjoining landholder/s along Johnsons Beach to educate and facilitate the control of weeds throughout the remnant vegetation in this area, to prevent reintroduction or spread from the Freehold land into council-managed areas.

Zone D, as a saline environment, has few weeds present. Along the edge of the vegetation which adjoins the residential properties on Poole Street there is a narrow band outside of tidal influence. This narrow band hosts an abundance of weeds including painted spurge, Seaforth burr, cobbler's peg and grassy weeds such as Guinea grass. The weeds increase the fire risk of this area. It is recommended that council controls weeds in this band of vegetation, phasing in the planting of native ground cover species to reduce maintenance over time.

Coconut palms (*Cocos nucifera*) are a non-native that is also established throughout the coastal zone. These palms are a

source of green waste (fronds) throughout the coastal unit. Council recognises that some community members may value coconuts for their aesthetic appeal, and at Sarina Beach the coconuts hold cultural value as the inspiration for the annual Sarina Beach Coconut Festival. The removal of adult coconuts from recreational and open space areas is beyond the scope of this plan. However, juvenile coconuts that occur within areas managed for environmental purposes will be removed in accordance with the coastal weed control principles (Appendix 5). Removal will be undertaken in a staged manner. Coconuts can be a significant risk to pedestrians, increase fire risk and intensity through the accumulation of vegetative waste and smother native vegetation, preventing regeneration. It is a common misconception that coconut trees assist foredune stability, however their root system is very shallow and is easily undermined by high waves as shown in Figure 18.

It is recommended that weed management continues throughout the coastal unit and this, together with revegetation activities to replace removed weed species, will prevent future weed reoccurrence and assist the re-establishment of native vegetation. Opportunities for local community members to get involved in coastal management activities will be provided through the Coastcare program.

The removal of non-native species from the coastal unit will improve the condition of native vegetation, enhancing habitat quality and its resilience to natural disturbance whilst also reducing the risk of fire. Using appropriate weed control techniques in a progressive manner as time and resources permit, as per Appendix 5, will assist the rehabilitation of coastal vegetation communities. A list of weed species common to the Mackay region can be found in Appendix 6.



**Figure 15:** Mother-in-laws tongue (*Sansevieria trifasciata*) on the foredune in Zone A.





**Figure 16:** Chinese violet (*Asystasia gangetica*) on the foredune in Zone A.



**Figures 17:** Coral creeper (*Barleria repens*) on the foredune in Zone A.





**Figure 18:** Coconut palms do little to stabilise dune sediment from erosion. It is evident from these pictures taken at McEwens Beach that the confined root-ball is stabilising only a very limited area of dune. More extensive and far-reaching root systems, such as those from coastal she-oaks, would stabilise a larger area of dune.

## 4.2 WILDLIFE

All sandy beaches in the Mackay region provide potential habitat for marine turtle nesting and turtles are commonly sighted in Sarina Bay. Green turtles (*Chelonia mydas*) and flatback turtles (*Natator depressus*) are the most common species to utilise beaches around Mackay for nesting. Both species are listed as vulnerable in State (*Nature Conservation Act 1992*) and Federal (*Environment Protection and Biodiversity Conservation (EPBC) Act 1999*) legislation. Given their status, a *Recovery Plan for Marine Turtles in Australia* has been in place

since 2003 (DEE 2017) and provides an overview of threats and recovery actions required for these species. Key threats to turtles and their reproductive success are identified as the following:

- Light and noise pollution from nearby houses disorients hatchlings during their movement to the ocean.
- The presence of foxes (*Vulpes vulpes*), feral pigs (*Sus scrofa*), dogs and other domestic pets in the area, particularly those not on leashes, pose a number of threats including mortality of hatchlings from predation, exposing

of clutches from digging and injury to turtles while laying eggs.

- Distribution and type of vegetation (i.e. root system), including excessive shading, or lack thereof, plays an influential role determining the sex of the hatchling.
- Unofficial tracks through the dune system, where tracks appear brighter than surrounding areas due to light reflection, can disorientate both hatchlings and adults.
- Beach vehicle access, as turtles are not able to penetrate the compacted sand or navigate wheel ruts.

It is recommended that council continue to work with local groups to protect turtle nesting habitat through managing unofficial access, beach vehicle access including motorbikes and educating residents about lighting issues.

Essential Habitat mapping identifies sites and locations considered to contain important habitat for flora and fauna species of conservation significance. It is only mapped over either remnant or regrowth vegetation and is based on either confirmed sightings, records of breeding, known suitable habitat or resources occurring at a location, or habitat that forms part of a potentially important corridor (DEHP 2014).

Essential Habitat for the mangrove or water mouse (*Xeromys myoides*), which is listed as Vulnerable under the Queensland Government's Nature Conservation Act 1992, includes the area inland from Sarina Beach and remnant vegetation behind Poole Street (Figure 19). This species is a small native rodent recorded from coastal saltmarsh, samphire shrublands, saline reed beds and grasslands, mangroves and coastal freshwater wetlands. Other names for this species include the false water rat and yirrko. Mature animals appear to utilise taller communities dominated by yellow mangrove (*Ceriops tagal*) and orange mangrove (*Bruguiera spp.*), however juveniles are sometimes located in low forests of yellow mangrove. The quantity and quality of storm water entering the catchment will be of relevance to the health of the mangrove mouse population. The mangroves themselves provide habitat for fish and turtles as well as larger vertebrates such as crocodiles (*Crocodylus porosus*). Mangroves are particularly important to Northern Queensland because they provide habitat for juvenile coral reef fish which are important to the economy and serve as intermediate nurseries which increases the survivorship of many species of these young fish (Mumby *et al.* 2004).

The coastal unit also contains Essential Habitat for the coastal sheathtail bat (*Taphozous australis*) (Hourigan 2011). These bats are known to live in highly-specialised habitats such as beach scrub, mangroves, *Melaleuca* swamps and coastal heathlands. Any threat to these vegetation communities constitutes a threat to the coastal bat, which is classed as Near Threatened under the Nature Conservation Act 1992. Coastal sheathtail bats are suspected to be easily disturbed when at roost and could be negatively impacted by noise. There is currently no

widespread decline documented for the species, however disturbance due to high rates of human visitation at roost sites can have negative impacts on the species and may cause low breeding success or roosts to be abandoned. Coastal sheathtail bats are believed to forage within a short distance of the coast. This species is distributed in a thin band along the north-east Queensland coast from Shoalwater Bay to Cape York Peninsula. Its distribution throughout its range is believed to be uneven, due to its reliance on suitable coastal roost sites. The loss of foraging habitat as a consequence of coastal development, combined with roost disturbance (with increasing human access to the coast) may pose a threat to this species.

The Australian Government's INFFER analysis shows that the Mackay region, including Sarina Beach, is likely or known koala habitat. This is supported by koala sightings within the community throughout zones B, C and D. Koalas are listed as threatened under the Queensland Government's Nature Conservation Act 1992. The Regional Ecosystems represented by these coastal units include important food plants for koalas as follows; *Eucalyptus sp.*, *Corymbia sp.*, *Lophostemon sp.* and *Melaleuca sp.* Koala presence is likely to be transient as they move through the area particularly during breeding season.

From the southern tip of the coastal unit stretching southward is the Sarina Bay – Ince Bay Aggregation, a wetland listed in the Directory of Important Wetlands in Australia (Figure 20). The site is part of a low coastal plain with adjacent small islets, inshore coral reef, extensive shallow water, subtidal and intertidal mudflats and associated marine waters from Sarina Inlet to Cape Palmerston (DES 2021). This wetland aggregate features mostly estuarine wetlands such as mangroves and salt flats, and is home to 270 species of animals including birds, mammals, reptiles and fishes. Seagrass grows within the intertidal area and large populations of dugong are recorded in the area.

Currently, the major threats to wildlife along the coastal unit include loss of habitat through development, erosion, weed incursion, infrastructure, feral and domestic animals and artificial lighting. Opportunities exist to protect native wildlife by improving habitat through weed control and assisted regeneration of coastal vegetation, and increased compliance monitoring for on-leash dog-walking areas, especially during roosting season for migratory shorebirds, notably the critically endangered Eastern Curlew (*Numenius madagascariensis*). Holding community days to remove marine debris from the beach will further enhance the habitat values of the beach.

Signage throughout the coastal unit serves to protect the wildlife values of the area, including off-leash dog area signage, and signage explaining that the area is turtle nesting habitat (Figure 21). It is recommended that council continue to maintain this signage, to continue to inform the general public about what they can do to protect significant species and ecosystems.



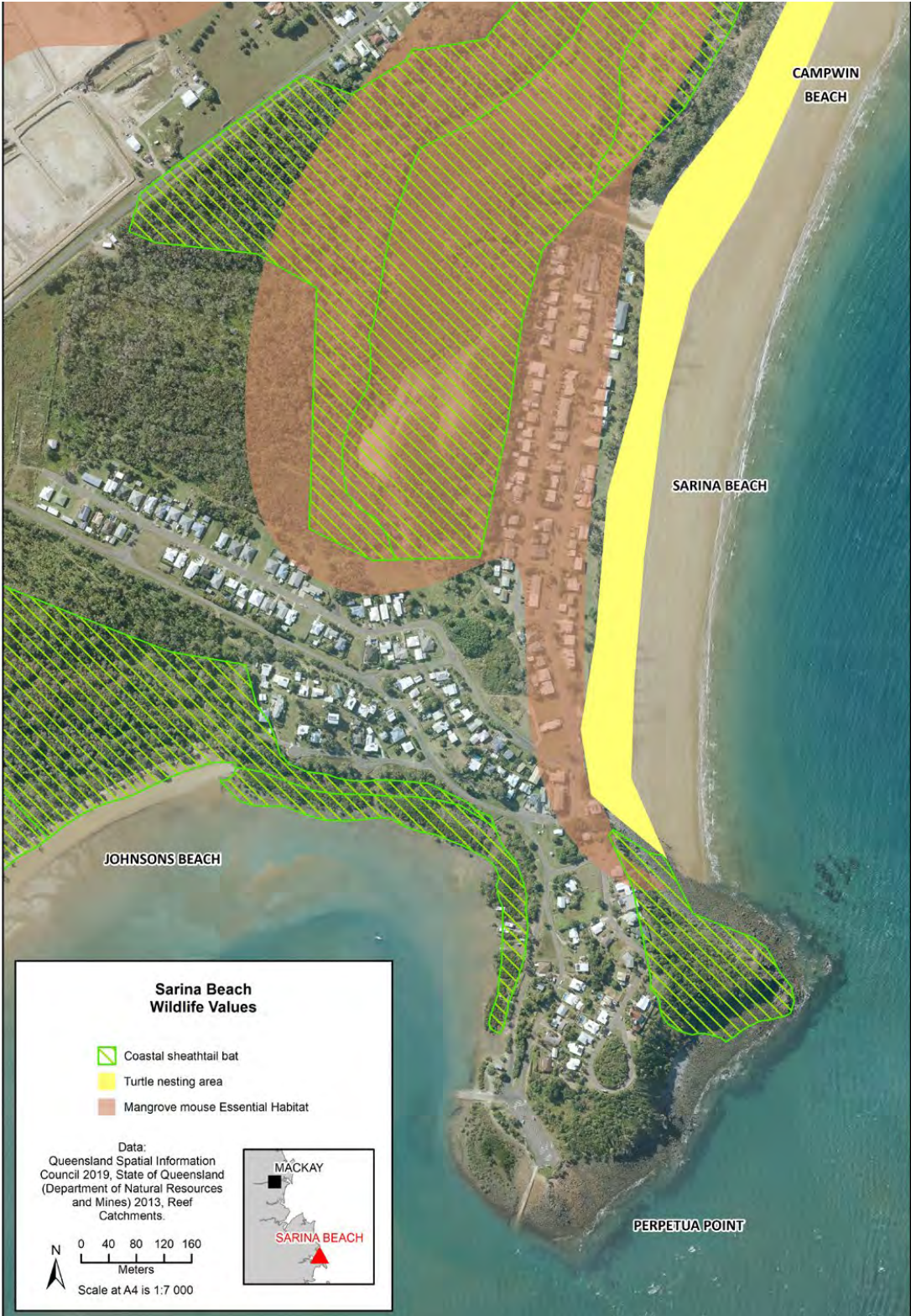


Figure 19: Sarina Beach wildlife values.



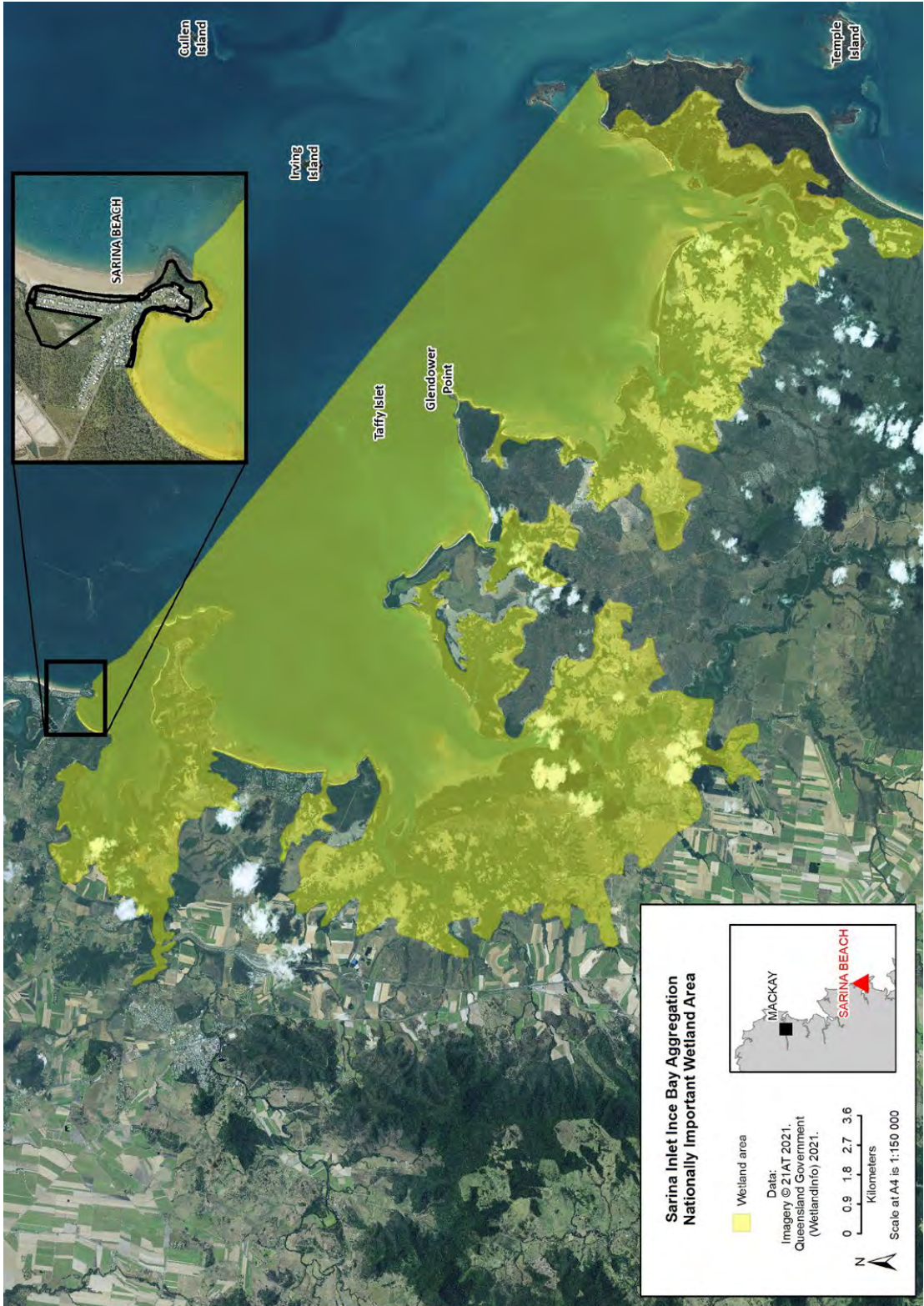


Figure 20: Sarina Bay – Ince Bay Aggregation Nationally Important Wetland area.



Figures 21: Interpretive signage to raise awareness of turtle nesting season and how to minimise human impacts to turtle nesting.

## 4.3 EROSION

### 4.3.1 Coastal processes and erosion

Sarina Beach foreshore and a large portion of the broader Mackay region beaches maintain sand dunes in the coastal unit. Coastal dune systems play a crucial role in facilitating coastal ecosystem processes and in the protection of property in the coastal unit (DERM 2011a). As part of the broader sand movement process, healthy dune systems act to dissipate the kinetic energy of waves, which may otherwise propel into adjacent infrastructure and property. The sand and dunes create friction when waves pass over them, slowing the waves down and dissipating their energy. Healthy coastal dunes help protect coastal infrastructure during intense wind, storm and cyclone events (Figure 22). The dunes also act to replenish the foreshore with sand after major sand-loss events.

However, human-induced changes have altered coastal areas and therefore dune formation. For example, the loss of coastal vegetation for open space and coastal development reduces the capacity of beaches to catch and trap wind-borne (aeolian) sand grains. Once the protective capacity of the dune system is weakened in this way, coastal erosion can take place, leading to significant damage to landforms and infrastructure via coastal recession.

The community may have a negative association with erosion and coastal recession, though in many cases it is a natural phenomenon. There are constant interactions between coastal landforms and the ocean, and this creates a dynamic and ever-changing environment. Sandy coastlines migrate landward and seaward in response to natural phases of sand erosion (loss) and accretion (gain). Sand movements can form dunes onshore, sand bars offshore, or instigate beach erosion. All of these movements are governed by wind, waves and tidal activity over varying time scales.

Over short time scales there are natural beach fluctuations in response to intense weather activity. For example, during a storm, strong waves carve away sand from the beach and dunes, resulting in escarpments onshore and sand bars offshore. Gradually, sometimes over many years, the sand that was lost offshore is pushed back onshore by gentler high tides (Figure 22). This process is natural and, in many cases, cannot be stopped.

However, long term erosion or accretion is driven by fundamental changes in the dynamics of sand deposition and removal from a beach system. This is an on-going problem and preventing beach recession would often require continual nourishing. This is illustrated in (Figure 22), where too much sand from coastal dunes is lost seaward to allow the dune to be restored to its original state.

Challenges to dune health are often unavoidable in developed areas. However, intervention and management can help to protect the coastal landforms.

Dunes should be protected where possible by maintaining and enhancing native vegetation. Ground cover, shrub and tree species stabilise dunes with their root systems and catch wind-borne sand sediments to replenish the dunes and foreshore. The loss of this vegetation can lead to accelerated rates of erosion of the dunes. The natural build-up of sand in frontal dunes needs to be encouraged as a reservoir for sand during periods of wind and wave erosion. Plant communities provide vegetative cover, which stabilises the dune and thus make the system resilient to pressures such as sea level rise, storms, and floods. Supporting vegetation as a surface cover increases dune stability but also biodiversity and ecological function of the dune system (DEHP 2013a). Coastal vegetation is also important in protecting infrastructure and houses, as it slows wind speeds and reduces the amount of salt and sand transported inland.



Damage to dunal vegetation in the Mackay region often occurs through pedestrian and vehicle traffic, and acts of vandalism. Intentional removal of coastal dune vegetation, as well as inappropriate pedestrian and vehicle access, displaces sand and where it continuously occurs, can lead to localised eroded areas. Clearly established pathways to the foreshore can help to mitigate the threat of people and vehicles destroying dunal vegetation by directing activity to a small number of well-maintained pathways. To prevent the degradation of dune systems and for public safety, it is important for users to stay on designated tracks. A range of consultation and education opportunities should be provided to the local community to mitigate damage to dunal vegetation.

Another major threat to the natural function of dunes is hard infrastructure (e.g. seawalls). Often these structures are built in the attempt to protect property from shoreline recession. Seawalls and other hard structures reflect wave energy onto other areas, rather than gradually dissipate the energy like dunes do. This leads to scouring around the edges and in front of seawalls and accelerates the loss of sand on the surrounding beach.

Ensuring that erosion prone areas remain free of hard infrastructure and well covered by native vegetation allows natural processes to occur unhindered. This provides the best opportunity for managing shoreline erosion and retaining environmental values (EPA 2004). Where infrastructure is installed, such as seawalls, the amount of sand that is lost seaward is much greater than the natural amount, thereby accelerating erosion and beach recession.

Council’s policy for managing coastal erosion is outlined in their *Coastal Erosion Protection Works – Contribution and Costs Recovery Policy* (MRC 2018a). The purpose of this policy is to guide when it may be appropriate for council to deliver coastal erosion protection works, and how the costs will be shared in such situations.

This section describes the geomorphology and processes shaping the Sarina Beach coastal area, the threats and management considerations, as identified in the geomorphic review of the Sarina Beach coastal unit undertaken by Alluvium (Alluvium, 2021).

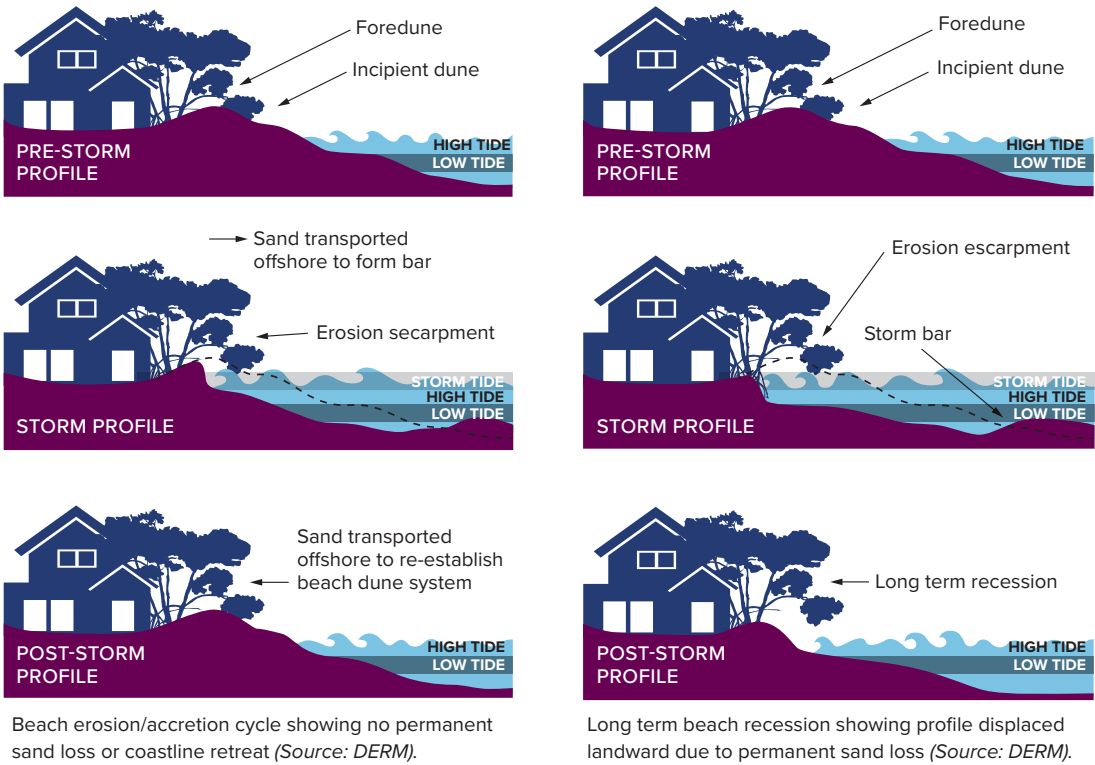


Figure 22: Beach erosion processes.

4.3.2 Landscape context

Sarina Beach is situated approximately 40km south of Mackay and 11km northeast of Sarina. The focus area of Section 4.3 incorporates the coastal unit as well as Johnsons Beach (Figure 23), which is relevant to local coastal processes that impact Sarina Beach and is therefore included for context. However, Johnsons Beach is not within the scope of this *Local Coastal Plan* and no recommendations are made for this area.

Sarina Beach is a moderately exposed east-facing intertidal beach, and it is separated from Campwin Beach to the north

by a small creek. Prevailing low energy conditions due to the protection offered by the Great Barrier Reef means that coastal hazards are mostly associated with tropical cyclones. Immediately southwest of the coastal unit, Johnsons Beach is bordered by Perpetua Point and Point Salisbury within the Sarina Inlet. Sarina Inlet is a dynamic zone characterised by extensive tidal flats and influenced by inflows from the Plane Creek system, as well as coastal processes (wind, wave and sediment dynamics). The inlet is bound by Perpetua Point to the north and Freshwater Point to the south.



Figure 23: Sarina Beach study site.

Sarina Beach occupies approximately 800m on the southern end of a 2km sandy shoreline extending from south of Coral Point to Perpetua Point. Residential development is established along the majority of the shoreline, with a setback from the beach in order of 20–30m and about 5m of dunal vegetation at most locations. This setback facilitates an adequate buffer zone for well-established coastal vegetation (remnant and sections of revegetation works completed by council), which assists with the building and storing of sand in the upper beach. The Surf Lifesaving Club is located at the southern end of the beach and a rock wall is present directly in front to provide protection, however, it is informal and concrete debris has

been scattered along the rock wall (Figure 24). There is also a buried rock wall at the northern end of Zone A, in front of the Sarina Beach Motel.

The undeveloped shoreline of Johnsons Beach is strongly influenced by a large tidal range across extensive tidal flats in the sheltered bay. The beach is approximately 1km long and consists of a narrow, low energy high tide beach fronted by tidal flats up to 300m wide and the deep tidal channel of the inlet. The northern end of the beach grades into extensive mangrove ecosystems until the more exposed rocky shores of the peninsula are reached at Perpetua Point



**Figure 24:** Sarina Beach Surf Lifesaving Club and seawall in front.

### 4.3.3 Topography and geology

LiDAR (Figure 25) shows the topography of the Sarina Beach region. Sarina Beach is characterised by wide tidal flats backed by a frontal dune system. The tidal flats are significant, with a relatively flat gradient extending out to about 200-300m offshore. The elevation of the tidal flats typically slopes from approximately mean sea level to mean low water level, seaward. The dune system along Sarina Beach is typically approximately 8m AHD with a low gradient slope and a concave-downward profile. From behind the dune, the topography levels at 8m AHD across the residential development, then it slopes down to the low-lying areas with typical elevations of 3.5 to 4m AHD.

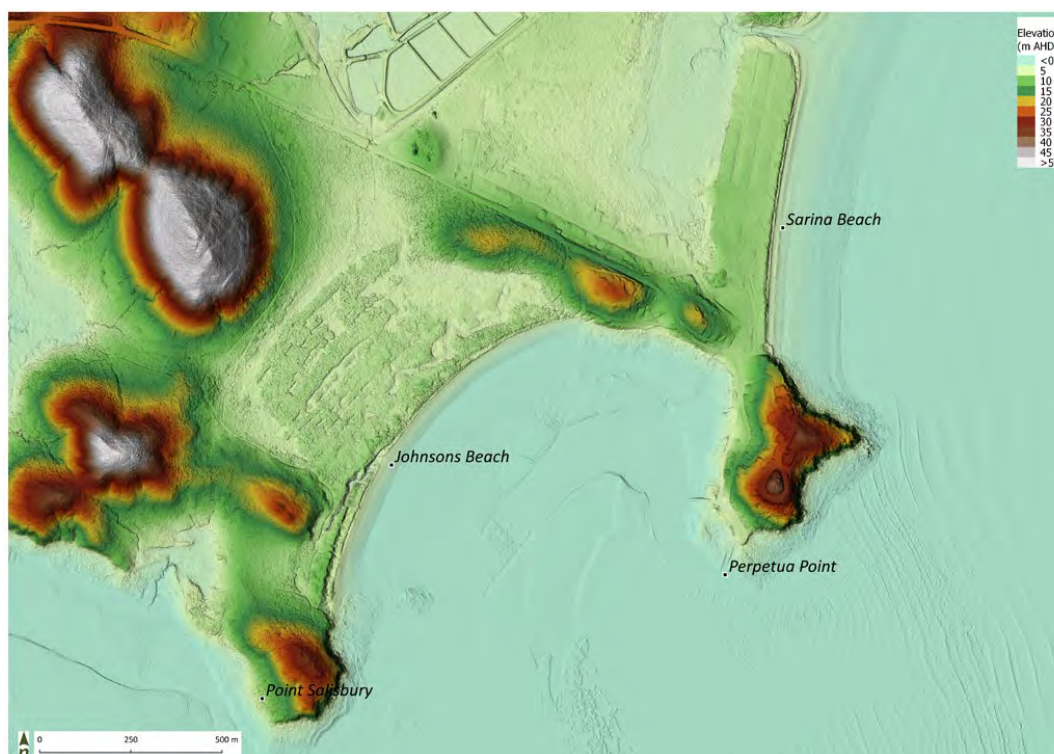
The topography around Johnsons Beach shows a distinct tidal channel and very flat gradient tidal flats extending to the channel. Towards the southern end of Johnsons Beach, a small back-barrier creek system drains across the tidal flats.

The dune along Johnsons Beach is slightly lower than Sarina Beach, having a typical height of 7m AHD. The topography behind the dunes remains consistent as the dune height for approximately 400m.

The Mackay region has an extensive outcrop of bedrock along the coast. The deposition of sediments during the Holocene has resulted in the formation of the present coastline (EPA 2004). Sarina Beach is comprised mainly of fine to coarse-grained quartzose to shelly sand and some gravel. The Perpetua Point headland is composed of Campwyn volcanic formation and quartz monzodiorite to granodiorite from the Early Cretaceous period. The geology at Johnsons Beach is mostly sand, mud and gravels and backed with fine to coarse-grained quartzose to shelly sand and some gravel from the central beach to the southern end.

The coastal geology for the Sarina region is summarised in Table 2 and presented in Figure 26.





**Figure 25:** Sarina Beach and surrounds – elevation (LiDAR) data (m AHD).

#### 4.3.4 Sediment transport pathways

Sediment transport is predominantly in a northerly direction and is influenced by trade winds, waves and flooding tides. However, sediment transport rates are generally low and with limited amount of sand moving south at the low intertidal rocks in front of Sarina Beach and Campwin Beach, as well as at the lee of Freshwater Point headland, as illustrated in Figure 27. Sediments leaving the Sarina Inlet system would be transported northward by prevailing south-easterly waves and tides.

Johnsons Beach is protected from direct wave attack by Freshwater Point, which extends 4km to the east and the entrance tidal shoals of Sarina Inlet. Complex interactions of creek inflows, waves and tides in this part of Sarina Inlet influence local variations in longitudinal and cross-shore sediment transport along Johnsons Beach. The form of the beach is strongly influenced by the tides, with each flood and ebb tide driving observable changes in the shoreline morphology. The flood tide currents are typically stronger than the corresponding ebb tide currents, influencing the southerly movement of sediment along Johnsons Beach.

#### 4.3.5 Sediment supply and trajectory

The main historical sediment sources to the Sarina Beach and Johnsons Beach shoreline include the very limited supply from longshore sediment transport from the south, as well as sediment delivered from Sarina Inlet. Sediment supply from

Sarina Inlet has substantially reduced due to infrequent rainfall events in recent years. However, the sediment compartment within the whole Sarina region appears to be somewhat confined with little internal interaction (Short 2020).

The net long term trajectory of sediment supply to the region is uncertain. A review of the trajectory of sediment supply to Sarina Beach and Johnsons Beach could be incorporated into a regional study on long-term sediment supply for the broader Mackay coastline. Council is currently proposing to undertake a region-wide Shoreline Erosion Management Plan, which will provide the opportunity to assess long-term sediment supply trajectory.

#### 4.3.6 Shoreline changes

Sarina Beach is one of two east-facing beaches bounded by Coral Point to the north and Perpetua Point to the south. Since the establishment of residential properties in the late 1960s, the overall shoreline has been relatively stable with little recession and accretion over the last 31 years (1988 to 2019) (Figure 28). The comparative shoreline positions and net shoreline movement have been presented in Figure 28. Sarina Beach and Johnsons Beach have been maintaining a stable net shoreline position in the last 31 years, with accretion and recession rates ranging between -1 to +1 m/year at most locations.

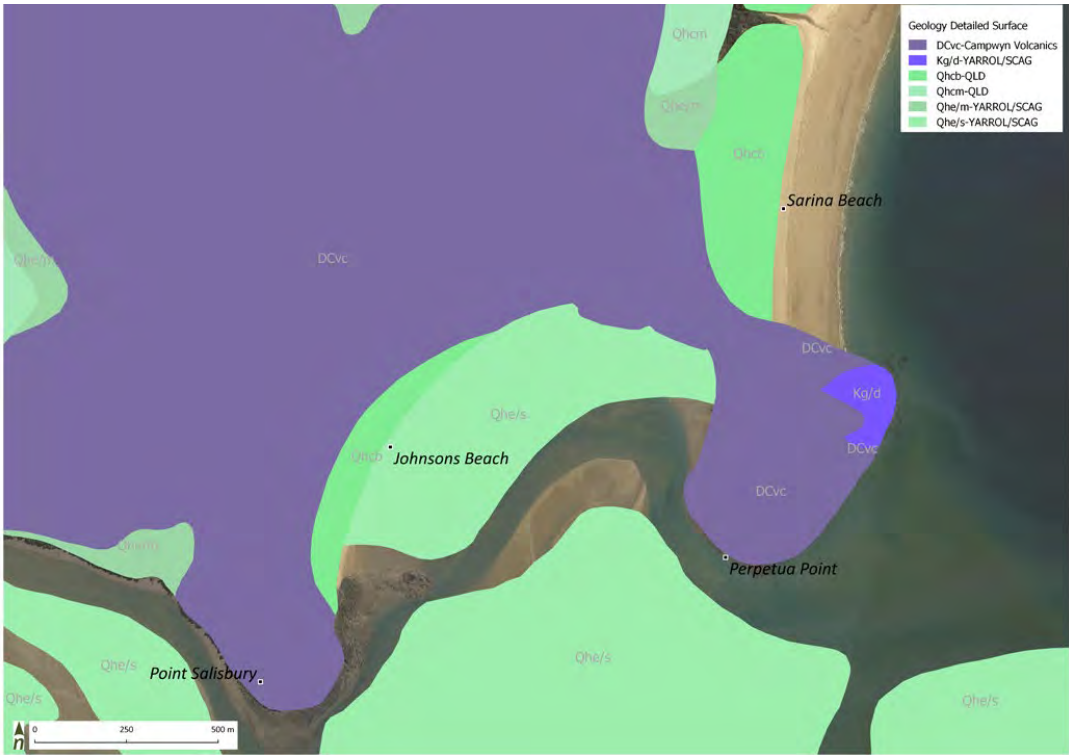


Figure 26: Sarina Beach and surrounds – geology map (reproduced from GeoResGlobe (Queensland Government)).

Table 2: Formation name for geology map (Figure 26).  
Formation name

DCvc	Campwyn volcanics - Sandstone, siltstone, mudstone (locally with radiolarians), pebbly sandstone, breccia, mafic hyaloclastite, rhyolitic ignimbrite; minor conglomerate, lapilli tuff, limestone.
Kg/d	Mainly dark pink, pinkish grey or greenish pink, medium-grained, equigranular, leucocratic biotite quartz monzodiorite to granodiorite (locally granophyric) in south (Early Cretaceous).
Qhcb	Holocene Moderately well-sorted, fine to coarse-grained quartzose to shelley sand and some gravel: beach ridges and cheniers.
Qhcm	Mud and sandy mud; mangrove swamps; estuarine deposits.
Qhe/m	Mud, sandy mud, muddy sand and minor gravel: estuarine channels and banks, supratidal flats and coastal grasslands.
Qhe/s	Sand, muddy sand, mud and minor gravel; estuarine channels and intertidal sand banks and flats.



Figure 27: Sarina Beach indicative transport and distribution pathways.





**Figure 28:** Historical shoreline movement (1988 to 2019). Source: DEA Coastlines by Geoscience Australia.

Historical photos (Figure 29) show a much wider grassed reserve area with very little native dunal vegetation along Sarina Beach several decades ago. It can be observed from Figure 30 that there was no vegetation in the incipient dune zone, which is vital to the stability and growth of the entire

dune system. Council undertook the Sarina Coastal Sustainable Landscapes Project in 2008 (MRC 2008), including vegetation planting, fencing and dune enhancement, which assisted in stabilising the dune system along the beach.



**Figure 29:** Historical photos of the Sarina Beach foreshore: across from Sand Piper Motel in 1973 (left), in front of Kirkwood Grove (right). (Provided by local residents).





**Figure 30:** Historical photos of the Sarina Beach taken in 1974 (left) and 1980 (right) showing an absence of an incipient dune system. (Provided by local residents).



**Figure 31:** Historical aerial imagery from 2005, 2009, 2013, 2017 and 2021.

Historical aerial imagery (Figure 31) indicates that the middle of the beach receded slightly after the construction of the seawall in front of the Surf Lifesaving Club. It receded again in 2013, likely caused by Tropical Cyclone (TC) Oswald. The vegetation buffer width fluctuated along the foreshore, but the dune system is visually more established after the revegetation effort

in 2008. Overall, the Sarina Coastal Sustainable Landscapes Project is considered successful in stabilising and maintaining the sand dune system along Sarina Beach.

Beach erosion was anecdotally reported during TC Joy in 1990, and the beach demonstrated the ability to rebuild and recover. Approximately 15 years of measured beach survey

data are available from the Coastal Observation Programme Engineering (COPE) program at Sarina Beach. A COPE pole was installed on Sarina Beach from August 1976 (no recordings until April 1981) to 1996 (DSITI 2015). Figure 32 presents historical photographs showing the sand level at the reference COPE pole and the distance to the vegetation line.



**Figure 32:** Sand level at the reference COPE pole and distance to vegetation line, looking north – (a) August 1983, (b) January 1988, (c) March 1994, and (d) August 2021.



The episodic erosion indicated in the historical photographs (Figure 32) show that Sarina Beach is susceptible to erosion from storm events but appears to have the capacity to rebuild in intervening periods. The presence of a well-vegetated dune system along the length of Sarina Beach between the coast and the road/residential zone provides a critical buffer during significant storm events to reduce the magnitude of erosion, protect private property, and as a source of sand to re-nourish the beach. This is particularly important if major storm events

occur in close succession (before the natural rebuilding of the beach has occurred). Classical features of a prograding system can be observed in the beach profile, including the development of the incipient foredune, established foredunes, and erosion scarps from previous storm events.

Figure 33 shows the Surf Lifesaving Club, south of Sarina Beach, covered in seafoam generated from storm surge combined with the high tide during TC Debbie in 2017.



**Figure 33:** Surf Lifesaving Club at present-day (left). Surf Lifesaving Club covered in seafoam during TC Debbie in 2017 (right) (photo by Trinity Turner).



**Figure 34:** Looking south towards Johnsons Beach and Sarina Inlet.

The southeast-facing Johnsons Beach is sheltered by Freshwater Point and Perpetua Point and is therefore not exposed to the prevailing south-easterly wind and wave conditions. Tidal currents ebb and flood through the narrow inlet, moving marine sand from the beach into the inlet to form a deep tidal channel and shallow sandy tidal delta. The sheltered embayment provides a suitable environment for mangrove communities to establish, especially in areas where fine sediments accumulate and become inundated by seawater during daily tidal cycles.

No major change in shoreline position is observable over the last 31 years (1988 to 2019) at Johnsons Beach. Historical

imagery indicates that the mangrove area on the northern end of Johnsons Beach has shown a slight recession, likely linked to the localised change in sediment distribution within the inlet. Mangrove areas tend to fluctuate along the coast, and it is consistent with the dynamic nature of this section of the coastline. Where established, mangroves provide additional protection for the shoreline from wave energy.

Disturbance, including beach driving and informal access tracks, have been observed along Johnsons Beach (Figure 35). The informal access tracks cutting across the dune have resulted in vegetation damage and localised beach erosion.



**Figure 35:** Tyre tracks on Johnsons Beach (top). Informal access track through the dunes and localised erosion scarps (bottom).

Sarina Beach and Johnsons Beach are vulnerable to sea level rise, which will inundate the low-gradient tidal flat and cause tide-related ecosystems to shift landward. The deeper water across the flats and on the more exposed sections will also increase breaker waves, shoreline recessions, and sediment transport. The large tidal range, occasional storms, and tropical cyclones are major factors determining long-term beach and backshore morphology. Seasonal and cyclic change is expected.

#### 4.3.7 Coastal hazard areas

Coastal hazards include erosion, storm tide inundation, and long-term (permanent) tidal inundation in low-lying areas due to sea level rise. The State Government define Erosion Prone Areas (EPA) for the Queensland Coastline. The EPA represents coastal land that may be impacted between now and 2100 by default and open coast erosion, as well as permanent inundation due to sea level rise (0.8m by 2100). Areas prone to temporary exposure to storm tide inundation are characterised by medium (>1m depth) to high (< 1m depth) hazards.

A substantial extent of Sarina Beach and Johnsons Beach shoreline and settlement is situated within the EPA (Figure 36). The default and open coast components of the EPA are likely to be the dominant component of the EPA affecting residential shorelines at Sarina Beach. The EPA does not represent a predicted loss of coastal land, however, it does indicate that these areas will be increasingly prone to erosion and inundation, and where planning will be required to mitigate coastal hazard impacts. This has implications for longer-term strategic planning associated with coastal hazard adaptation. Any works completed to address erosion management over the next few decades should be in the context of longer-term coastal hazard adaptation and seek to achieve multiple strategic outcomes.

The low-lying areas of Sarina Beach and Johnsons Beach are likely to be prone to storm tide inundation by 2100 (Figure 36). Storm tide inundation is the temporary inundation of land due to storm surge associated with extreme events (e.g. cyclones). Any future erosion protection works for the shoreline should consider ways to mitigate storm tide hazards (e.g. increasing dune height with beach nourishment).





**Figure 36:** Queensland State Government Erosion Prone Area – Department of Environment and Science – shaded areas indicate land that may be prone to coastal erosion process by 2100. Coastal erosion processes include default and open coast erosion and increased tidal area (permanent inundation) due to 0.8m of sea level rise (left). Areas prone to storm tide inundation by 2100 (right).