



**SOUTH BURNETT**  
**REGIONAL COUNCIL**

# **AGENDA**

## **Budget Committee Meeting Friday, 17 June 2022**

**I hereby give notice that a Meeting of the Budget Committee will be held on:**

**Date: Friday, 17 June 2022**

**Time: 9.00am**

**Location: Warren Truss Chamber  
45 Glendon Street  
Kingaroy**

**Mark Pitt PSM  
Chief Executive Officer**

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

## Order Of Business

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- 1 OPENING**
- 2 LEAVE OF ABSENCE / APOLOGIES**
- 3 RECOGNITION OF TRADITIONAL OWNERS**
- 4 DECLARATION OF INTEREST**

**5 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**5.1 MINUTES OF THE BUDGET COMMITTEE MEETING HELD ON 10 JUNE 2022**

**File Number: 17-06-2022**

**Author: Coordinator Executive Services**

**Authoriser: General Manager Finance and Corporate**

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**OFFICER'S RECOMMENDATION**

That the Minutes of the Budget Committee Meeting held on 10 June 2022 be received.

**ATTACHMENTS**

- 1. Minutes of the Budget Committee Meeting held on 10 June 2022**



**SOUTH BURNETT**  
**REGIONAL COUNCIL**

# **MINUTES**

**Budget Committee Meeting**  
**Friday, 10 June 2022**

**Order Of Business**

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<b>3</b>	<b>Acknowledgement of Traditional Owners</b> .....	<b>4</b>
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**MINUTES OF SOUTH BURNETT REGIONAL COUNCIL  
BUDGET COMMITTEE MEETING  
HELD AT THE WARREN TRUSS CHAMBER, 45 GLENDON STREET, KINGAROY  
ON FRIDAY, 10 JUNE 2022 AT 9.14AM**

**PRESENT:****Councillors:**

Cr Jane Erkens, Cr Danita Potter, Cr Kirstie Schumacher, Cr Kathy Duff, Cr Scott Henschen

**Council Officers:**

Mark Pitt (Chief Executive Officer), Tim Low (Acting General Manager Infrastructure), Susan Jarvis (General Manager Finance & Corporate), Leanne Petersen (Manager Property), Kerri Anderson (Manager Finance), Maxine Campbell (Strategic Asset Management Accountant), Rebecca Humphrey (Manager People & Culture), Lynelle Paterson (Coordinator Executive Services)

**1 OPENING**

The meeting opened at 9.14am

**2 LEAVE OF ABSENCE / APOLOGIES****APOLOGY**

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**COMMITTEE RESOLUTION 2022/82**

Moved: Cr Scott Henschen

Seconded: Cr Danita Potter

That the apology received from Cr Otto and Cr Jones be accepted and leave of absence granted.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**

The CEO requested a nomination from the floor to chair the meeting.  
Cr Henschen nominated to chair the meeting.

**MOTION**

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**COMMITTEE RESOLUTION 2022/83**

Moved: Cr Kirstie Schumacher

Seconded: Cr Danita Potter

That Cr Henschen chair the meeting.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**



### **3 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS**

Cr Duff acknowledged the traditional custodians of the land on which the meeting took place.

### **4 DECLARATION OF INTEREST**

Nil

### **5 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

#### **5.1 MINUTES OF THE BUDGET COMMITTEE MEETING HELD ON 3 JUNE 2022**

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##### **COMMITTEE RESOLUTION 2022/84**

Moved: Cr Kathy Duff

Seconded: Cr Danita Potter

That the Minutes of the Budget Committee Meeting held on 3 June 2022 be received.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**

### **6 BUSINESS**

#### **6.1 COMPREHENSIVE OPERATIONAL INCOME STATEMENT 2022/23**

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##### **COMMITTEE RESOLUTION 2022/85**

Moved: Cr Danita Potter

Seconded: Cr Kathy Duff

That the Committee recommends to Council:

That the comprehensive operational income statement for 2022/2023 be endorsed and be presented for adoption at the Council meeting on the 8<sup>th</sup> of July 2022.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**

#### **6.2 ADOPTION OF THE SOUTH BURNETT REGIONAL COUNCIL DEBT POLICY 2022/2023 - STATUTORY010**

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##### **COMMITTEE RESOLUTION 2022/86**

Moved: Cr Danita Potter

Seconded: Cr Kirstie Schumacher

That the Committee recommends to Council:

That the amended version of the South Burnett Regional Council Debt Policy 2022/2023 – Statutory010 be adopted as presented.

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In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**

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### 6.3 SETTING OF DISCOUNT ON RATES FOR 22/23 YEAR

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#### COMMITTEE RESOLUTION 2022/87

Moved: Cr Kirstie Schumacher

Seconded: Cr Kathy Duff

That the Committee recommend to Council:

That pursuant to Section 130 of the *Local Government Regulation 2012*, the differential general rates, wastewater utility charges, water access charges, refuse collection charges made and levied shall be subject to an early payment discount of 10% if paid within the discount period of thirty (30) days of the date of issue of the rate notice provided that:

1. all of the aforementioned rates and charges are paid within thirty (30) days of the date of issue of the rate notice;
2. all other rates and charges appearing on the rate notice (that are not subject to discount) are paid within thirty (30) days of the date of issue of the rate notice; and
3. all other overdue rates and charges relating to the rateable assessment are paid within thirty (30) days of the date of issue of the rate notice.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**

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#### 6.3.1 QUESTION ON NOTICE - HARDSHIP POLICY

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Question on Notice from Cr Potter:

Is it possible to put a copy of the hardship policy with our rate notices or mention it on the bottom of the rate notices?

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#### 6.3.2 QUESTION ON NOTICE - DISCOUNT ON RATES

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Question on Notice from Cr Schumacher:

With the 30 days of issue of the rate notice – Is the 30 days a statutory time frame or is it an option to change the number of days eg 40 days

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#### 6.3.3 MEDIA RELEASE - HARDSHIP POLICY

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#### RESOLVED 2022/88

Media Release in relation to the Hardship Policy being mentioned on the rate notices.

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**7 CONFIDENTIAL SECTION**

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**COMMITTEE RESOLUTION 2022/89**

Moved: Cr Kathy Duff  
Seconded: Cr Danita Potter

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 254J of the *Local Government Regulation 2012*:

**7.1 Salary Component Operational Budget**

This matter is considered to be confidential under Section 254J - c of the Local Government Regulation, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with the local government's budget.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen  
Against: Nil

**CARRIED 5/0**

**Attendance:**

At 10:22am Maxine Campbell left the meeting.  
At 10:23am Maxine Campbell returned to the meeting.

**ADJOURN MORNING TEA**

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**COMMITTEE RESOLUTION 2022/90**

Moved: Cr Kirstie Schumacher  
Seconded: Cr Danita Potter

That the meeting adjourn for morning tea.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen  
Against: Nil

**CARRIED 5/0**

**RESUME MEETING**

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**COMMITTEE RESOLUTION 2022/91**

Moved: Cr Danita Potter  
Seconded: Cr Kirstie Schumacher

That the meeting resume at 11.26am

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen  
Against: Nil

**CARRIED 5/0**

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**COMMITTEE RESOLUTION 2022/92**

Moved: Cr Kirstie Schumacher

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Seconded: Cr Kathy Duff

That Council moves out of Closed Council into Open Council.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**

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## 7.1 SALARY COMPONENT OPERATIONAL BUDGET

### COMMITTEE RESOLUTION 2022/93

Moved: Cr Kirstie Schumacher

Seconded: Cr Kathy Duff

That the matter lay on the table until the next Budget Committee Meeting.

In Favour: Crs Jane Erkens, Danita Potter, Kirstie Schumacher, Kathy Duff and Scott Henschen

Against: Nil

**CARRIED 5/0**

## 8 CLOSURE OF MEETING

The Meeting closed at 11:57am.

The minutes of this meeting were confirmed at the Budget Committee Meeting held on 17 June 2022.

.....  
CHAIRPERSON

**6 BUSINESS****6.1 NOTICE OF MOTION - NORTH STREET KINGAROY KERB AND CHANNELLING****File Number: 17/06/2022**

I, Councillor Brett Otto, give notice that at the Budget Committee Meeting to be held on 17 June 2022, I intend to move the following motion:

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**MOTION**

That the Committee recommends to Council:

That Council commits to completion of kerb and channelling on North Street Kingaroy (section of approx. 70 metres) in front of the Kingaroy Kindergarten and nominate a notional amount in the 2022/2023 capital budget of \$25,000 to complete such.

**RATIONALE**

The kindergarten services 60 families.

The property becomes unsafe at the entry point and on the Kindy grounds due to water pooling from overland flow onto the Kindy grounds.

North Street is the only remaining section of this estate not to have kerb and channelling.

**CORPORATE PLAN EC2**

IN1 Continue to provide sound asset management strategies to maintain and improve Council's road network, bridges, drainage and street lighting.

I commend this Notice of Motion to the committee.

**ATTACHMENTS**

Nil

**6.2 FINAL DRAFT CAPITAL BUDGET 2022/2023****File Number:** 17/06/2022**Author:** Coordinator Executive Services**Authoriser:** Chief Executive Officer**PRECIS**

Final Draft Capital Budget 2022/2023

**SUMMARY**Final Draft Capital Budget 2022/2023 presented to Council for information.

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**OFFICER'S RECOMMENDATION**

That the Committee recommends to Council:

That the Final Draft Capital Budget 2022/2023 be endorsed and be presented for adoption at the Council meeting on the 8<sup>th</sup> of July 2022.**BACKGROUND**

Council has been presented with the proposed capital budgets from all asset classes over recent months during budget workshops and budget meetings. Based on discussions surrounding these, the full 22/23 draft capital program and the cash reconciliation based on the capex program have been sent to Councillors (via email).

That the Final Draft Capital Budget 2022/2023 be received for use in the budget to be presented for adoption by Council on the 8<sup>th</sup> of July 2022.

**ATTACHMENTS****Nil**

**6.3 DOG REGISTRATION FEES AND CHARGES 2022/2023****File Number:** 17-06-2022**Author:** Acting Manager Environment & Waste**Authoriser:** General Manager Liveability**PRECIS**

This report presents to Council options for providing equity across the South Burnett region with respect to the application of dog registrations fees.

**SUMMARY**

Current dog registration fees are inequitably applied across the Region. Dog owners living in “non-defined” areas receive significant financial advantage compared to those living in “defined” areas.

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**OFFICER’S RECOMMENDATION**

That the Committee recommend to Council: -

**FINANCIAL AND RESOURCE IMPLICATIONS**

Please refer to the Report section, where budget implications are addressed in detail.

**LINK TO CORPORATE/OPERATIONAL PLAN**

OR5 Continue to give priority to ongoing financial sustainability and prudent budget management.

OR9 Develop a continuous improvement, customer focused culture led by the senior management team and underpinned by an effective performance setting, monitoring, and evaluation system.

OR14 Continue to implement regional equity / consistency in Council’s rating system.

**COMMUNICATION/CONSULTATION (INTERNAL/EXTERNAL)**

Internal communication only.

It is proposed to develop a Communication Plan to manage communication with external stakeholders, upon Council endorsing the 2022/2023 Schedule of Fees and Charges.

**LEGAL IMPLICATIONS (STATUTORY BASIS, LEGAL RISKS)**

A financial incentive to encourage desexing is mandatory as per the *Animals Management (Cats & Dogs) Act 2008*.

**POLICY/LOCAL LAW DELEGATION IMPLICATIONS**

Council’s Rate Statement and/or Fees and Charges Schedule may require amendment to define a “concessional card holder”.

**ASSET MANAGEMENT IMPLICATIONS**

Nil.

**REPORT**

Current Fees and Charges and estimated revenue are as follows –

Animal Class	Registration Fee	Current # Dogs	Annual Revenue
Non-defined - entire	\$28	213	\$5,964
Non-defined - desexed	\$10	261	\$2,610
Defined - entire	\$170	134	\$22,780
Defined - entire & chipped	\$131	479	\$62,749
Defined - desexed	\$66	139	\$9,174
Defined - desexed & chipped	\$33	2121	\$69,993
Defined - pension (desexed & chipped)	\$16.50	699	\$11,533.50
Declared menacing	\$170	8	\$1,360
Declared dangerous	\$170	9	\$1,530
Working dogs	\$9	3	\$27
Dog Breeders Show & Kennels	\$285	0	\$0
Defined Puppy	\$10.00	32	\$320
Assistance	\$0	2	\$0
Non-defined - desexed & chipped	\$10	1298	\$12,980
Non-defined - Entire & chipped	\$28	441	\$12,348
Non-defined - puppy	\$10	17	\$170
Non-defined - Pension, desexed & chipped	\$10	26	\$260
	TOTAL	5882	\$213,799

The fees relating to the registration of dogs kept within the “non-defined” area are significantly less expensive than those for dogs kept within “defined” areas. It is understood that the term “defined” refers to the “designated town area” maps provided by Schedule 13 of the Schedule 13 of *Subordinate Local Law No. 2 (Animal Management) 2011*.

It should be noted that:

- Significant resources are deployed for animal management in peri-urban areas, i.e., rural residential areas abutting urban properties. The owners of dogs in rural residential areas are subject to the “non-defined” (cheaper) registration fees.
- A financial incentive to encourage desexing is mandatory by the *Animals Management (Cats & Dogs) Act 2008*.
- Current fees provide “discount” to all pensioners.
- Working dogs attract a \$0 registration fee, and only a tag fee of \$9 subject to assessment of a working dog application, however there is little community awareness about this offer.
- There is no incentive for new dogs to be registered with SBRC, other than a discounted “puppy” fee.

To address the above, alternate options will be provided to Council for consideration at the budget committee meeting.

Alternate options provide for:

- Equity of the cost of registration, regardless of where a dog is kept in the region.
- An incentive for dog owners to register their “new”, or never registered, dogs for free. This is expected to significantly increase renewal income in following years.



- Discount fee for concessional card holders, including pensioners, that own a desexed dog and “discount” for keeping an entire dog. This ensures that those in genuine need of financial assistance, receive it (and not just those receiving a pension).
- The combination of “menacing” and “dangerous” dogs to “regulated” dog as per the terminology used by the *Animals Management (Cats & Dogs) Act 2008*.
- Explanation of SBRC’s reciprocal registration position.
- Simplicity and ease of interpretation.
- An increase of revenue of approximately \$50,000.

Assumptions for the purposes of calculation include:

- All puppies are assumed to be entire, and not subject to a concessional fee.
- 50% of dogs owned by concession card holders are desexed.

To ensure that the community is forewarned of the above changes, a Communication Plan should be developed and implemented. It is likely that some dog owners would not be pleased with the proposed changes, e.g., dog owners residing in “non-defined” areas; however, it is considered that overwhelming majority would financially benefit.

## **ATTACHMENTS**

**Nil**

**6.4 WASTE COLLECTION SERVICES CONTRACT - RECYCLING EXTENSION****File Number:** 17-06-2022**Author:** Acting Manager Environment & Waste**Authoriser:** General Manager Liveability**PRECIS**

Waste Collection Services Contract - Recycling Extension.

**SUMMARY**

The current Waste Collection Services Contract (SBRC 13/14-02A) was extended to expire on 1 July 2024.

This extension will allow adequate time for Council to undertake market sounding and the tendering process to ensure finalisation of contract documents and the rollout of new wheelie bins (if applicable), the provision of plant and the commencement of the service.

This report provides costings and discussion for Council's consideration.

**OFFICER'S RECOMMENDATION**

That the Committee recommend to Council;

That Council:-

1. Resolve the introduction of a domestic comingled recycling collection service from 2 January 2023 to divert recyclable materials from landfill as mentioned under the section "Proposed Kerbside Recycling" section.
2. Amend the Waste Collection Services Contract (SBRC 13/14-02A) contract with JJ Richards to include a fortnightly comingled recycling collection service.
3. Develop a stakeholder engagement and communication plan for the introduction of a new comingled recycling service.

**FINANCIAL AND RESOURCE IMPLICATIONS**

The annual cost to rateable properties for the provision of a domestic kerbside recycling service will range from \$66.64 (option – 2) to \$93.69 (option – 1) per annum (Year 1) and includes any cost saving gained by Council by avoiding the disposal of recyclables to the Council landfill. The collection charge under each option provides the highest financial contribution to the overall total per rateable property.

Option – 1: Recycling collected by JJ Richards transported to their Toowoomba recycling storage facility before bulk hauling to Visy in Brisbane

Option – 2: Recycling collected by JJ Richards and transported to Cherbourg Aboriginal Shire Council for further processing.

**LINK TO CORPORATE/OPERATIONAL PLAN**

EN3 Continue to provide and investigate options to improve waste reduction, landfill management and recycling.

**COMMUNICATION/CONSULTATION (INTERNAL/EXTERNAL)**

Internal communication only.

**LEGAL IMPLICATIONS (STATUTORY BASIS, LEGAL RISKS)**

There is risk of increased levy payments if SBRC do not recycle in accordance with *Waste Reduction and Recycling Act 2011 (the Act)*.

The *Waste Reduction and Recycling Act 2011* contains a suite of measures to reduce waste generation and landfill disposal and encourage recycling. The legislation establishes a new framework to modernise waste management and resource recovery practices in Queensland.

Queensland's Waste Management and Resource Recovery Strategy underpinned by a waste disposal levy, provides the strategic framework for Queensland to become a zero-waste society, where waste is avoided, reused and recycled to the greatest possible extent.

**POLICY/LOCAL LAW DELEGATION IMPLICATIONS**

Waste Management and Resource Recovery Strategy (Waste Strategy) of the Queensland Government.

**ASSET MANAGEMENT IMPLICATIONS**

Nil

**REPORT****COMMITTEE RESOLUTION**

Council resolution 25 January 2022, 2022/377:

That Council.

1. Exercise the Extension B option of the current Waste Collection Services Contract (SBRC 13/14-02A) to extend the current waste collection service contract's expiry date to 1 July 2024 following legal advice as to the addition of recycling.
2. Consideration be given in budget deliberations for the preparation, design and delivery of a new Waste and Recycling Collection Services Contract.
3. A workshop be held by 31 March 2022 to identifying proposed waste and recycling options for consideration and initiate the preparation of New Waste and Recycling Collection Contract.
4. That Council develop and implement a community engagement strategy in regard to kerbside recycling and waste opportunities to be conducted in parallel with the 2022/23 budget deliberation process to inform Council budget discussions.
5. South Burnett Regional Council explore and identify partnership opportunities with Cherbourg Aboriginal Shire Council for collaboration of recycling opportunities and recyclable waste.

**Existing Contract**

Council has extended the current Waste Collection Services Contract (SBRC 13/14-02A) with its contractor JJ Richards and Sons Pty. Ltd, trading as JJ's Waste & Recycling (the Contractor), with the initial term of this contract due to expire in July 2024.

The current waste collection contract provides for one (1) 240 litre bin general waste collection per property.

**Proposed Kerbside Recycling**

Council is considering the introduction of a kerbside recycling service from 2 January 2023 that will be delivered as follows:

- Providing a 240L mobile bin to residents, serviced fortnightly
- JJ Richards will be responsible for:
  - Supply and distribution of the recycling bin at the commencement of the contract

- Bin repair and maintenance throughout the term of the contract
- Bin ownership will revert to the Council at the end of the contract term
- Recycling service will be provided to all rateable properties that receive a kerbside service within the Defined Service Area (residential as well as commercial)

The existing contract with JJ's was extended by Council until 29 June 2024 and the rates provided by JJ's would be current until the expiry, adjusted for rise and fall.

To assist Council, ascertain the potential cost of a recycling service, modelling has been completed by Resource Innovations (Attached) on a number of cost scenarios and rates provided by the incumbent contractor, J.J. Richards Pty Ltd (JJ's).

### **Disposal options**

The options include:

- 1) Option 1 – collect and transfer recycling to JJ's waste transfer station located in Toowoomba for the subsequent bulk transfer to Visy Recycling in Brisbane for processing.
- 2) Option 2 – collect and direct haul the recycling to the Cherbourg Material Recovery Facility (MRF) for processing. The assumptions underpinning the financial analysis of each option and the financial outcome are discussed in further detail below.

The annual cost to rateable properties for the provision of a domestic kerbside recycling service will range from \$66.64 to \$93.69 per rateable property per annum (Year 1) and includes any cost saving gained by Council by avoiding the disposal of recyclables to the Council landfill. The collection charge under each option provides the highest financial contribution to the overall total per rateable property.

Option 2 is the most financially viable option with a total cost of recyclables of \$66.64/property/annum. However, the key risk for this option is Cherbourg MRF agreeing to a gate fee consistent with \$140/tonne that was used in modelling and delivering a reliable and consistent acceptance of recyclables. As a result, Option 2 is an indicative rate and should only be agreed to following the implementation of an agreed processing charge with Cherbourg Aboriginal Shire Council.

Reasons for caution with Cherbourg:

- The material recovery facility only accepts the 10c eligible bottles and cans collected through the containers for change scheme
- It is not operational for accepting the co-mingled recycling collected from the yellow lid recycling bins at present
- There are no contracts in existence for sale of the segregated recycling materials which are not part of the containers for change scheme (such as cardboards, milk bottles etc.)

### **Conclusion**

The domestic waste industry is a rapidly changing space and with time there may be greater certainty in domestic markets. Funding opportunities will arise in the future and by including recyclables in the kerbside collection Council will be better prepared to submit applications where there is potential to reduce our overall waste footprint and improve recycling of materials.

The introduction of a fortnightly domestic kerbside recycling service will divert approximately 2,989 tonnes of recyclables in Year 1 of the contract. This will enable Council to prolong the operational life of landfills in the South Burnett.

As such, it is considered that extending the current Waste Collection Services Contract and provide a kerbside recycling service from January 2023 will not only allow the community to easily engage in recycling but also, they be more informed on where collected recyclable materials may be sent for reprocessing.

By amending the contract to include recyclables there is the potential to preclude 33% of the current kerbside waste going to landfill and thus increase the life and capacity of existing landfills.

Therefore, it is recommended that Council resolve to include the costs in the 2022/23 budget and rate assessments from 2023 for current serviced properties in the South Burnett to include the cost of providing a fortnightly kerbside recycling (240l bin) collection service.

**ATTACHMENTS**

**Nil**

## 6.5 APPLYING FOR BONDS FOR THE RELOCATION OF HOMES

**File Number:** 17-06-2022

**Author:** Acting Manager Environment & Waste

**Authoriser:** General Manager Liveability

### PRECIS

This report the current *Demolish, Remove or Relocate Buildings Policy* and several options as to how the Policy can be implemented to allow for improved flexibility in assessment.

### SUMMARY

The *Demolish, Remove or Relocate Buildings Policy* identifies which applications and approvals are required to relocate a Class 1 structure (i.e., a dwelling) from one allotment to another. It also states that a bond applies.

This report provides three (3) options for Council's consideration, as to how the Policy can be implemented. These being -

- 1) Apply as calculated, (currently \$40,400)
- 2) 25% discount to bond for 12 months.
- 3) 50% discount to bond for 12 months.

Options 2 and 3 have been provided in response to the housing availability and affordability concerns currently impacting our community. The pros and cons for each option are explored.

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### OFFICER'S RECOMMENDATION

That the Committee recommend to Council:

That Council provides a 50% reduction on Removal Building security bonds for a 12-month period.

### FINANCIAL AND RESOURCE IMPLICATIONS

Bonds are held in Trust until such time the applicant requests the funds to be released. The applicant has the option to progressively draw from the bond, as works are completed, or to apply once works are fully complete for total reimbursement.

The waiving of a bond will significantly reduce the resources required to manage the trust. However, it is likely that the staff hours needed to administer and enforce the conditions of approval would outweigh this saving. However, it is considered that the removal of a financial incentive to complete works would likely result with an increase in non-compliance.

### LINK TO CORPORATE/OPERATIONAL PLAN

GR8 Support and advocate for appropriate growth and development with responsive planning schemes, processes, customer service and other initiatives.

### COMMUNICATION/CONSULTATION (INTERNAL/EXTERNAL)

Internal communication only.

A Communication Plan will be developed to manage communication with external stakeholders.

**LEGAL IMPLICATIONS (STATUTORY BASIS, LEGAL RISKS)**

The *Local Government Act 2009* prescribes several principles which Local Governments are to abide by to ensure accountability, effectiveness, efficiency, and sustainability.

The principles include, but aren't limited to:

- Transparent and effective processes,
- Delivery of effective services, and
- Good governance.

The endorsement of a Policy to supplement *Demolish, Remove or Relocate Buildings Policy* is needed to satisfy the above principles.

Council act as a concurrent agency under the *Planning Act 2016* and the *Planning Regulation 2017*. The *Planning Regulation 2017*, Schedule 9, Division 2, Table 1 (Amenity and aesthetic impact of particular building work) states that Council must assess the relocation of a home against the following criteria –

“Whether the building or structure will impact on the amenity or aesthetics of the locality, including, for example, whether the building or structure complies with a matter stated in a local instrument that regulates impacts on amenity or aesthetics”.

**POLICY/LOCAL LAW DELEGATION IMPLICATIONS**

The *Demolish, Remove or Relocate Buildings Policy* identifies which applications and approvals are needed to relocate a home from one allotment to another. However, this Policy has a broader scope and does not explore the principles used to calculate the bond amount.

**ASSET MANAGEMENT IMPLICATIONS**

Nil

**REPORT****FINANCIAL AND RESOURCE IMPLICATIONS**

Bonds are held in Trust until such time the applicant requests the funds to be released. The applicant has the option to progressively draw from the bond, as works are completed, or to apply once works are fully complete for total reimbursement.

The waiving of a bond will significantly reduce the resources required to manage the trust. However, it is likely that the staff hours needed to administer and enforce the conditions of approval would outweigh this saving. However, it is considered that the removal of a financial incentive to complete works would likely result with an increase in non-compliance.

**LINK TO CORPORATE/OPERATIONAL PLAN**

GR8 Support and advocate for appropriate growth and development with responsive planning schemes, processes, customer service and other initiatives.

**COMMUNICATION/CONSULTATION (INTERNAL/EXTERNAL)**

Internal communication only.

A Communication Plan will be developed to manage communication with external stakeholders.

## LEGAL IMPLICATIONS (STATUTORY BASIS, LEGAL RISKS)

The *Local Government Act 2009* prescribes several principles which Local Governments are to abide by to ensure accountability, effectiveness, efficiency, and sustainability.

The principles include, but aren't limited to:

- Transparent and effective processes,
- Delivery of effective services, and
- Good governance.

The endorsement of a Policy to supplement *Demolish, Remove or Relocate Buildings Policy* is needed to satisfy the above principles.

Council act as a concurrent agency under the *Planning Act 2016* and the *Planning Regulation 2017*. The *Planning Regulation 2017*, Schedule 9, Division 2, Table 1 (Amenity and aesthetic impact of particular building work) states that Council must assess the relocation of a home against the following criteria –

“Whether the building or structure will impact on the amenity or aesthetics of the locality, including, for example, whether the building or structure complies with a matter stated in a local instrument that regulates impacts on amenity or aesthetics”.

## POLICY/LOCAL LAW DELEGATION IMPLICATIONS

The *Demolish, Remove or Relocate Buildings Policy* identifies which applications and approvals are needed to relocate a home from one allotment to another. However, this Policy has a broader scope and does not explore the principles used to calculate the bond amount.

## ASSET MANAGEMENT IMPLICATIONS

Nil

## REPORT

### Background Information

Between the period of 1 January 2014 to 24 April 2022, ninety (90) applications were received by Council for the relocation of a dwelling from one allotment to another. Of these applications, the associated building approvals, 23 were issued by Private Certifiers on 23 and 67 were issued by Council.

During this time only one (1) bond has been utilised by Council to conduct works not completed by the applicant.

It has been suggested that there may be no need for a bond, noting the high level of compliance. However, it is considered that the presence of a bond is providing the financial incentive for compliance and maintaining a good standard of amenity or aesthetics.

It is noted that the South Burnett community is feeling the impact of the State-wide housing crisis. Here at the South Burnett, not only are we challenged with housing affordability, but also housing availability. In effort to address this, the reduction and waiver of bonds are explored as Options (below).

However, in absence of a bond Council has no choice but to pursue enforcement action should non-compliance be encountered. This action ultimately leads to court action, to seek an Order of the Court for Council to “enter to perform works”. This is an arduous process for both Council and the applicant, understanding the applicant would likely be in financial hardship.

The current *Demolish, Remove or Relocate Buildings Policy* outlines the applications and approvals required for the relocation of a home from one allotment to another.



## Outcomes of Benchmarking Exercise

A benchmarking exercise has been completed, identifying the bond amounts conditioned by various Councils. Results are provided in Table 1.

**Table 1. Bond values - benchmarking exercise**

Council	Bond Amount Conditioned
South Burnett Regional Council	\$40,000 minimum
North Burnett Regional Council	\$12,000 to \$15,000
Toowoomba Regional Council	\$15,000 to \$40,000
Fraser Coast Regional Council	Up to \$40,000
Bundaberg City Council	TBC
Gympie Regional Council	"Gympie Regional Council does not charge a Surety Bond"
Noosa City Council	Min \$35,000
Sunshine Coast Regional Council	\$50,000+
Scenic Rim Regional Council	"Determined on application"
Somerset Regional Council	\$Nil
Moreton Bay Regional Council	\$50980 minimum
Logan City Council	\$20,000
Ipswich City Council	\$87,000
Gladstone City Council	\$35,000

## Proposed Practice

### Option 1

Pros	Cons
<ul style="list-style-type: none"> <li>- Should non-compliance result, adequate bond is held in trust for works to be completed by Council without cost to the ratepayer or requiring enforcement action.</li> <li>- The amenity and aesthetics of the community are not negatively impacted.</li> </ul>	<ul style="list-style-type: none"> <li>- The bond amount may not be affordable for potential applicants.</li> </ul>

### Option 2

Pros	Cons
<ul style="list-style-type: none"> <li>- Relocation of a home would be seen as an affordable housing solution.</li> </ul>	<ul style="list-style-type: none"> <li>- It is likely that some applicants would enter the process of relocating a home, not being able to afford the works required to comply with conditions of approval.</li> <li>- Council and the applicant would enter a lengthy legal process, which would place strain &amp; concern onto the applicant during a period of financial hardship.</li> </ul>

	- The amenity and aesthetic of the community would be negatively impacted until such time works were completed by Council, resulting from a Court Order.
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### Option 3

Pros	Cons
<ul style="list-style-type: none"> <li>- Relocation of a home would be seen as an affordable housing solution to those financially prepared to enter the market.</li> <li>- Although the bond held by Council would not cover the cost of all works required, it still provides financial incentive for the works to be completed by the applicant.</li> </ul>	<ul style="list-style-type: none"> <li>- There is risk that non-compliance may be encountered, leading to amenity and aesthetic impacts until such time works are completed by Council. <i>Note: When non-compliance is encountered, often an applicant stops "mid-project" due to unavailability of funds.</i></li> </ul>

### Recommendation

That Council adopt Option 3, with a 50% reduction in bond being provided over the next 12 months, in recognition of the housing hardship being experienced by our community. Following 12 months this reduction will be reviewed and amended if required.

### **Conclusion**

Implementing a temporary, 12-month 50% reduction in bond will assist our community in their response to the current housing crisis whilst still providing a financial incentive for works to be completed and therefore, protecting the amenity and aesthetics of the area.

### **Further Recommendations**

In addition to the above, the review process highlighted the need to complete the below works:

- 1) Implement a Communication Plan including, but not limited to, providing a Fact Sheet, circulating a Media Release, and updating Council's website.

### **ATTACHMENTS**

1. **Demolish, Remove or Relocate Buildings Policy - Strategic 024**



**POLICY CATEGORY - NUMBER:** Strategic024  
**POLICY OWNER:** Planning & Land Management

**ECM ID:** 2550286  
**ADOPTED:** 15 December 2021

## Demolish, Remove or Relocate Buildings Policy

**NOTE:** Council regularly reviews and updates its policies. The latest controlled version can be obtained from the Policy Register on Council's intranet or by contacting Council's Corporate Services Branch. **A hard copy of this electronic document is considered uncontrolled when printed.**

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### 1. POLICY STATEMENT

Removal or demolition of a building or structure requires building approval in accordance with the *Building Act 1975*. The approval process requires both amenity and aesthetics consideration assessment and removal building security bond amount assessment by way of a Referral Agency Assessment Application to South Burnett Regional Council ('Council').

### 2. SCOPE

This policy implements actions that will expedite the approval process and provide best practice solutions for clients, removalists and builders. This policy applies to Council representatives.

### 3. GENERAL INFORMATION

To ensure compliance with the *Building Regulation 2021* and the Queensland Development Code and ensure that an appropriate fee structure exists for the type and value of building work being undertaken.

Removal or demolition of a building or structure does not require an amenity and aesthetics assessment, if the building is a Class 2 to 9 (e.g., commercial building).

All applications will require an asbestos report from a licenced asbestos assessor and a pest inspection report. Council will require confirmation from a suitably licensed contractor that asbestos based products have been removed and disposed of at a regulated waste facility prior to moving a building within the Region or moving a building to the Region.

Lead-based paint is most likely to be found on window frames, doors, skirting boards, kitchen and bathroom cupboards, exterior walls, gutters, metal surfaces and facias on homes or structures built before 1970, or even interior walls. If paint is in good condition, there may be no need to remove it unless major renovation and comprehensive removal is planned. However, lead-based paint should be removed from areas that are likely to be chewed or licked by children, knocked or subject to friction. The removal of lead-based paint must be undertaken in a safe manner to control the risk to health and safety. Council issued building approvals are conditioned to meet the relevant Work Health and Safety Queensland (WHSQ) requirements.

Performance criteria P7 of the Queensland Development Code NMP1.6, specifies that certainty is to be provided for the timely reinstatement or upgrading of any removal structure. The acceptable solution is that payment of any security bonds required by the receiving council is made prior to the development approval for building work, including removal, is given. In some cases, permits are also required from the Department of Transport, and other service authorities.

### 3.1. Remove or demolish building from site

To remove or demolish a building, there are several application processes to consider.

#### 3.1.1. Stage 1 – Referral to Council

Under schedule 9, Table 7 of the *Planning Regulation 2017*, Council is required to act as a 'referral agency' where a building is being removed or demolished. Council needs to make an assessment of the building to determine whether a security bond will be held until the work is completed and if town planning or plumbing approvals are required.

There are some properties within the South Burnett Region which are identified as being a State Heritage Place or a Local Heritage Place. Minor building work on a Local Heritage Place is subject to the requirements of the Local Heritage Place Code of the South Burnett Regional Council Planning Scheme. A Code Assessable planning application will be triggered when these requirements cannot be met or where the work does not meet the definition of minor building work. Where a planning application is needed, it is recommended the applicant/s seek specialist consultant advice as specialist reports will be required to support the case that demolition is justifiable. This may include a report from a structural engineer if the applicant/s are suggesting the building is structurally unsound.

Properties identified as a State Heritage Place will require a permit from the State and do not require assessment against the South Burnett Regional Council Planning Scheme.

When removing or demolishing a building that has plumbing and drainage connected, it is important that the drains are sealed properly. In accordance with the *Plumbing and Drainage Act 2018*:

- Capping of sewer or water at the building will require a Form 4 Notifiable Work to be lodged with the Queensland Building and Construction Commission by a licenced plumber.
- Disconnection of the building drainage at the sewer connection point requires an application to Council.
- Buildings or structures connected to an onsite sewerage system to be demolished or removed require a plumbing application to be lodged with Council.

A licenced plumber must complete the work and can assist in determining the best place to seal the drains on the site.

#### Security Bond

A bond is payable to Council as security at the site will be cleared of all debris and services disconnected by suitably qualified or licensed persons. If the structure/s contains asbestos materials these are to be disposed of in accordance with regulatory requirements. (Note: This bond can be paid in cash, Bank Cheque, or Eftpos). The bond is retained in Council's Trust Account and will be returned to the payee upon satisfactory inspection of the property after the site is cleared.

The amount of bond held will be in accordance with Council's schedule of fees as amended.

#### 3.1.2. Stage 2 – Application for Building Work

Building approval is required to demolish or remove a building. The application may be lodged with Council or with a Private Certifier but must be made on the approved forms and accompanied with the relevant fee.

No building work can commence until approval is obtained, and all work for this stage is to be completed within 12-months of approval.

### 3.2. Relocation of a building on a site

Rebuilding or re-establishing a building on a site, which has been removed from another site or placing a demountable building or donga on a site will also trigger several different application processes.

Depending on the planned use of the building for, e.g., residential or commercial, there may be planning requirements under the South Burnett Regional Council Planning Scheme.

#### 3.2.1. Stage 1 – Concurrence Agency Referral

Council (the Concurrence Agency) must be advised in writing of an intention to relocate a building within or into the Region. A report from a registered Professional Engineer of Queensland, outlining

the structural adequacy of the building for habitable purposes, must be sought prior to making the application.

For all buildings relocated from any site within the South Burnett Region, a relocation permit is required prior to the works commencing.

#### **Security Bond**

The application is assessed for amenity and aesthetics, and the security bond amount is determined by Council's Building Certifier but no less than in Council's schedule of fees as amended. The bond is to ensure that any building work required to comply with current regulations is completed within the currency period of the application. (Note: This bond can be paid in cash, Bank Cheque, Eftpos or Unconditional Bank Guarantee.) The bond is retained in Council's Trust Account and will be returned to the payee upon satisfactory completion of the building.

#### **3.2.2. Stage 2 – Application for Building Work**

The second stage is application for building work - relocation, restumping and alterations and additions required to make the building compliant with current building legislation. A building application along with the relevant fee, is to be submitted showing the details of the dwelling in its proposed location. This application can be submitted concurrently with the stage 1 application but will not be approved until the security bond is received. The details required for submission of this application are those applicable to any new dwelling.

All work for this stage is to be completed within 12-months of the building being located at the new site, including additional works such as verandas, carports and the like.

Where this 12-month time period is likely to be exceeded for additional works, consideration should be given to lodgement of a further application. Payment of fees is required for any additional building work e.g., verandas, carports or the like, regardless of when the application is lodged.

#### **4. DEFINITIONS**

**Council representatives** means all Councillors and Council employees including permanent, casual and temporary employees, apprentices, trainees; contractors, volunteers, and work experience students.

**Removal Building** means

- The removal and/or demolition of a building or structure, whether for rebuilding at another site or not.
- The rebuilding of a building or structure relocated from another site.
- Relocating and rebuilding of a building within the same property.

Removal buildings include, but are not limited to, established existing houses, buildings, manufactured transportable homes, demountable buildings and dongas, sheds, commercial buildings, houses in holding yards.

**Minor Building Work** means building work that increase the gross floor area of the building by no more than the lesser of the following:

- 50m<sup>2</sup>;
- An area equal to 5% of the gross floor area of the building.

#### **5. LEGISLATIVE REFERENCE**

*Building Act 1975 (Qld)*

*Building Regulation 2021 (Qld)*

*Planning Regulation 2017 (Qld)*

*Plumbing and Drainage Act 2018 (Qld)*

*National Construction Code Building Code of Australia 2016*

Other applicable codes in the Queensland Development Code

#### **6. RELATED DOCUMENTS**

South Burnett Regional Council Employee Code of Conduct – Statutory011

South Burnett Regional Council Planning Scheme 2017

**7. NEXT REVIEW**

As prescribed by legislation or December 2023

**8. VERSION CONTROL**

Version	Revision Description	Adopted Date	ECM Reference
1	Development of policy	21 November 2018	2550286
2	Review of policy	22 September 2021	2550286
3	Legislative change to policy	15 December 2021	2550286

  
Mark Pitt PSM  
**CHIEF EXECUTIVE OFFICER**

Date: 15 December 2021

**7 CONFIDENTIAL SECTION**

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**OFFICER'S RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 254J of the *Local Government Regulation 2012*:

**7.1 Salary Component Operational Budget**

This matter is considered to be confidential under Section 254J - c of the Local Government Regulation, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with the local government's budget.

**8 CLOSURE OF MEETING**