



MINUTES

CORPORATE SERVICES AND FINANCE COMMITTEE MEETING

8 November 2016

6.00pm

City of Albany Council Chambers

**CITY OF ALBANY
COMMUNITY STRATEGIC PLAN (ALBANY 2023)**

VISION

Western Australia's most sought after and unique regional city to live, work and visit.

VALUES

All Councillors, Staff and Volunteers at the City of Albany will be...

Focused: on community outcomes

This means we will listen and pay attention to our community. We will consult widely and set clear direction for action. We will do what we say we will do to ensure that if it's good for Albany, we get it done.

United: by working and learning together

This means we will work as a team, sharing knowledge and skills. We will build strong relationships internally and externally through effective communication. We will support people to help them reach their full potential by encouraging loyalty, trust, innovation and high performance.

Accountable: for our actions

This means we will act professionally using resources responsibly; (people, skills and physical assets as well as money). We will be fair and consistent when allocating these resources and look for opportunities to work jointly with other directorates and with our partners. We will commit to a culture of continuous improvement.

Proud: of our people and our community

This means we will earn respect and build trust between ourselves, and the residents of Albany through the honesty of what we say and do and in what we achieve together. We will be transparent in our decision making and committed to serving the diverse needs of the community while recognising we can't be all things to all people.

TERMS OF REFERENCE

(1) Function:

The Corporate Services and Finance Committee will monitor and comment on the financial health and strategies of Council and will be responsible for the delivery of the following Civic Leadership Objectives contained in the City of Albany Strategic Plan:

- (a) To establish and maintain sound governance structures;
- (b) To provide strong, accountable leadership supported by a skilled and professional workforce;
- (c) To engage effectively with our community.

(2) It will achieve this by:

- (a) Monitoring and commenting on the financial health and strategies of Council;
- (b) Developing policies and strategies;
- (c) Establishing ways to measure progress;
- (d) Receiving progress reports;
- (e) Considering officer advice;
- (f) Debating topical issues;
- (g) Providing advice on effective ways to engage and report progress to the Community; and
- (h) Making recommendations to Council.

(3) Chairperson: *Councillor Stocks*

(4) Membership: *Mayor Wellington, Councillor Goode, Councillor Stocks, Councillor Mulcahy, Councillor Hollingworth, Councillor Shanhan, Councillor Hammond, Councillor Terry, Councillor Dowling, Councillor Price, Councillor Smith, Councillor Moir, Councillor Sutton*

(5) Meeting Schedule: 2ND Tuesday of the Month

(6) Meeting Location: Council Chambers

(7) Executive Officer: Executive Director Corporate Services

(8) Delegated Authority: None

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1. DECLARATION OF OPENING

The Chair declared the meeting open at [6:00:37 PM](#)

2. PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS

“Heavenly Father, we thank you for the peace and beauty of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”

“We would like to acknowledge the Noongar people who are the Traditional Custodians of the Land.

We would also like to pay respect to Elders both past and present”.

3. RECORD OF APOLOGIES AND LEAVE OF ABSENCE

Councillors:

Member	A Goode JP (Deputy Chair)
Member	P Terry
Member	J Shanhun
Member	R Hammond
Member	J Price
Member	N Mulcahy
Member	C Dowling
Member	A Moir
Member	B Hollingworth
Member	R Sutton
Member	S Smith

Staff:

Chief Executive Officer	A Sharpe
Executive Director Corporate Services	M Cole
Manager Finance	D Olde
Executive Director Works & Services	M Thomson
Executive Manager Community Services	A Cousins

Meeting Secretary	H Bell
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Apologies:

Member	G Stocks (Chair) Apology
Mayor	D Wellington (Apology)

4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest
Councillor Terry	CSF282	Impartiality. The nature of the interest being that Councillor Terry is a Social (non-voting) member of the Princess Royal Sailing Club. Councillor Terry remained in the Chamber and participated in the discussion and vote for this item.
Councillor Sutton	CSF282	Impartiality. The nature of the interest being that Councillor Sutton is a life member of the North Albany Football Club. Councillor Sutton remained in the Chamber and participated in the discussion and vote for this item.
Councillor Mulcahy	CSF276	Impartiality. The nature of the interest being that Councillor Mulcahy is a foundation member of the Sharks Football Club. Councillor Mulcahy remained in the Chamber and participated in the discussion and vote for this item.

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE Nil.

6. PUBLIC QUESTION TIME Nil.

7. PETITIONS AND DEPUTATIONS Nil.

8. CONFIRMATION OF MINUTES

RESOLUTION

**MOVED COUNCILLOR TERRY
SECONDED COUNCILLOR DOWLING**

THAT the minutes of the Corporate Services and Finance Meeting held on 11 October 2016, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

CARRIED 11-0

9. PRESENTATIONS

City of Albany Carbon Reduction Strategy – Hamish Fell

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS Nil.

**CSF276: PROPOSED NEW COMMUNITY LICENCE AGREEMENT –
CENTENNIAL STADIUM INC. FOR THE FOOTBALL STADIUM –
CENTENNIAL PARK SPORTING PRECINCT**

Land Description : Crown Reserve 405, Lot 1359 on Deposited Plan 185302, the subject of Certificate of Title Volume LR3009 Folio 774

Proponent : Centennial Stadium Inc.

Owner : Crown

Attachments : Licence Plan

Report Prepared by : Team Leader Property and Leasing (T Catherall)

Responsible Officer : Executive Director Corporate Services (M Cole)

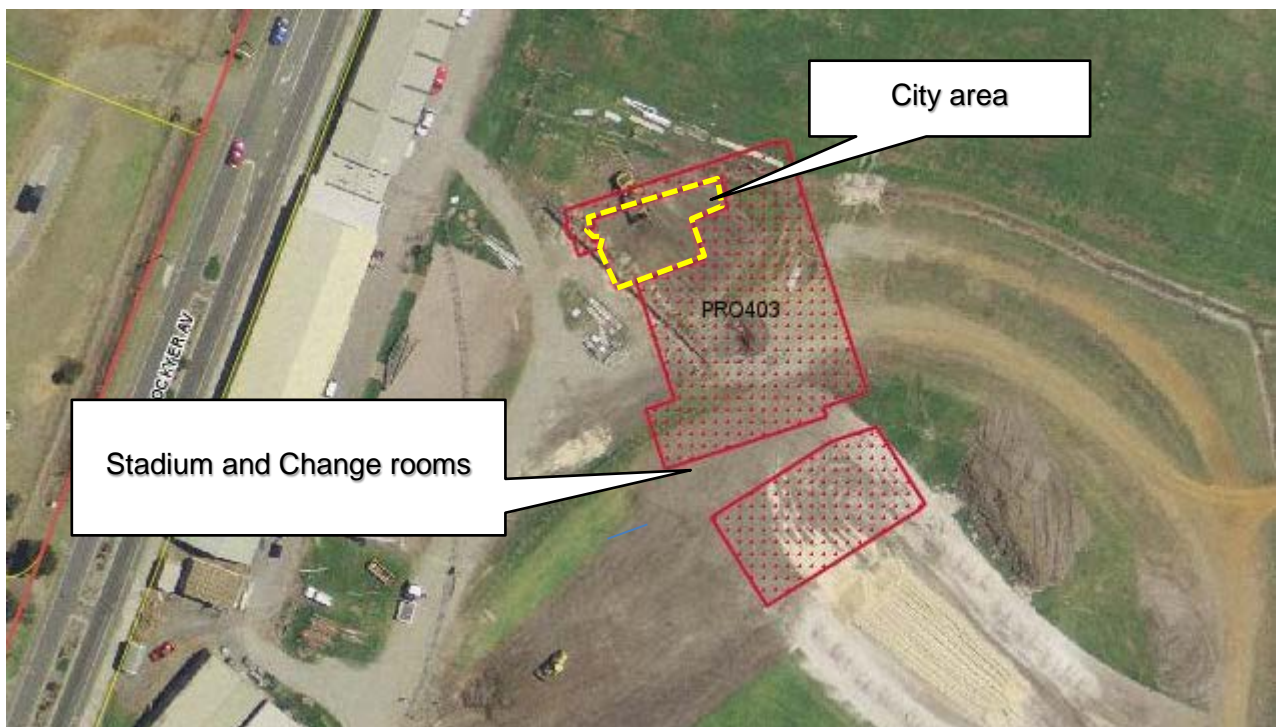
Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014-2018:
 - a. **Key Theme:** Civic Leadership
 - b. **Strategic Objective:** 5.1 To establish and maintain sound business and governance structures.
 - c. **Strategy:** 5.1.2 Develop informed and transparent decision making processes that meet our legal obligations

Maps and Diagrams:



In Brief:

- Council is requested to consider a new licence over the Football Stadium buildings in the Centennial Park Sporting Precinct to Centennial Stadium Inc. with both Royals Football and Sporting Club Inc & Albany Football and Sporting Club Inc (known as Sharks) as Guarantors.
- The licence terms being five years with an option for two further five year terms.
- It is recommended that Council approve the new licence.

RECOMMENDATION

CSF276: COMMITTEE RECOMMENDATION

**MOVED COUNCILLOR PRICE
SECONDED COUNCILLOR HOLLINGWORTH**

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 11-0

CSF276: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

- (1) APPROVE a community licence over portion of Reserve 405, Centennial Park to Centennial Stadium Inc. with Royals Football and Sporting Club Inc & Albany Football and Sporting Club Inc as Guarantors, subject to:
 - a) Licence purpose being Sporting Association activities in accordance with the Association incorporations objectives.
 - b) Licence area being 2099.1m² (Stadium 1495.4m² and Change rooms 603.7m²).
 - c) Licence term being five years with an option for two further five year terms.
 - d) Licence commencement dates being as soon as practicable following completion of construction of the stadium.
 - e) Licence fee being equivalent to the minimum rate as set by Council each year, currently \$968 plus GST.
 - f) Licence special condition to document that the clubs agree to comply with the Centennial Park Sporting Precinct Management Framework and the City of Albany Sporting Precincts Grounds User Guide.
 - g) Legal costs associated with the preparation, execution and completion of the Deed of Licence are to be payable by the clubs.
 - h) Pursuant to Section 18 of the *Lands Administration Act 1997*, the Minister for Lands consent being obtained.
 - i) Licence being consistent with Council Policy – Property Management (Leases and Licences).
- (2) APPROVE a self-supporting loan to Centennial Stadium Inc. for furniture and equipment up to an amount of \$140,000.

BACKGROUND

2. Council at its meeting on 25 February 2014 adopted the Centennial Park Sporting Precinct Master Plan and Concept Designs. Since this date the Football Stadium in the Eastern Precinct and the Soccer/Cricket Pavilion in the Western Precinct have been approved and progressed.
3. In November 2015, the City commenced earthworks for the stadium and playing field site.
4. At Special Council Meeting on 28 January 2016, Council awarded the tender to Smith Constructions to construct the Football Stadium in the Eastern Precinct. The site was handed over to Smith Constructions in March 2016.
5. The practical completion date for the stadium is currently being reviewed due to weather. It is anticipated this will be sometime between December 2016 and mid-February 2017.
6. The new stadium is located on portion of Crown Reserve 405. The reserve is under Management Order H597356 to the City of Albany with the power to lease, sub-lease or licence for the purpose of 'Recreation and Showground' for any term not exceeding 21 years subject to the consent of the Minister for Lands.
7. The licence area consists of stadium (1495.4m²) and change rooms (603.7m²) areas, with the City retaining a 251.4m² portion of the building comprising meeting rooms and foyer for its own use.

Royals Football and Sporting Club (Royals)

8. The Royals 10 year lease agreement with the City over portion of freehold Lot 305, adjoining Reserve 405 expired in December 2013 and Royals have continued to occupy the property on holding over arrangements.
9. Royals lease end of term clause provides they must remove all fixtures and fittings and make good the building. The City has waived the make good requirement given the Albany Agricultural Society will be taking over the building and future planned internal works.

Albany Football and Sporting Club Inc (Sharks)

10. Sharks currently occupy space at the North Albany Football and Sporting Club building.

Albany Agricultural Society Inc (AAS)

11. The AAS licence for buildings on Centennial Park (the location for the stadium, playing fields and car parking) expired 31 December 2010 and AAS had continued to occupy the property on holding arrangements.
12. In November 2014 the City issued a termination notice to AAS and their occupation of the site terminated in November 2015.
13. After extensive negotiations with AAS a Deed of Agreement between the City and AAS was executed in December 2015 that provided for AAS future tenure within the Centennial Park Sporting Precinct, while securing the City's future tenure of the Hanrahan Landfill Facility.

14. The Deed allowed the City to commence demolition of AAS buildings in order to start the stadium building works.
15. The City proposes to amend the Deed as below, subject to Council approval, to reflect negotiations with AAS:
 - a. Variation to the Centennial Park Precinct Lease area from 1.048ha along Symers Street and Cockburn Road to 1.091ha along Cockburn Road, subject to survey. This variation will minimise the costs associated with the earthworks required for the construction of the AAS three sheds.
 - b. Variation to minimise AAS priority use rights over the Central and Eastern Precinct (grounds and facilities) during the show period.

The above variations will be subject to a further item to Council.

DISCUSSION

16. A Football Stadium working group was established, consisting of representatives from the City, Royals and Sharks. The working group has been actively engaged in the development of the stadium and the negotiation of club tenure terms and conditions over the facility.
17. Royals and Sharks have established a joint club incorporated entity, Centennial Stadium Inc. to manage their co-location of the stadium.
18. It has been agreed, subject to Council and Minister for Lands consent, that a non-exclusive community licence agreement between the City and Centennial Stadium Inc. is the best approach to formalise tenure arrangements for the stadium.
19. Key provisions of the community licence will be:
 - a. Term being five years with an option for two further five year terms.
 - b. Licensee will contribute an amount equal to 50% to the fitout, furniture and equipment for the stadium.
 - c. Licensee may purchase the furniture and equipment from the City at 50% of the written down value at the time.
 - d. Licensee will contribute to a maintenance fund, administered by the City, for planned and programmed maintenance, annual services and renewal of furniture and equipment.
 - e. Licensee will be responsible for cleaning, preventative maintenance, consumables, utilities and outgoings.
 - f. A Sponsorship Committee consisting of City and both club representatives will consider naming rights of the stadium to a sponsor and provide a recommendation to Council for approval of a sponsor. The Licensee will receive a 40% share of any cash profits (less expenses) to be offset against annual maintenance fund contributions and licence fees. No cash will be paid to the Licensee.
 - g. Occasional hire of the stadium for community purposes by the Licensees is permitted. All fees from hiring will be kept by the Licensee.

- h. City may request priority use of the stadium for major events of regional or economic benefit to the City by giving 26 week's notice, on a cost recovery basis of utilities and other consumables.
 - i. AAS have rights to use the stadium for the Annual Show each year on a cost recovery basis of utilities and other consumables. This reflects AAS rights in the December 2015 Deed of Agreement with the City.
 - j. Licensee will enter into a sub-licence with Southern Districts Junior Football Association Inc. (SDJFA) for use of an office in the stadium.
 - k. Licensee agrees to comply with the Centennial Park Sporting Precinct Management Framework and the City of Albany Sporting Precincts Grounds User Guide.
20. Other than as set out above, standard terms will apply as applicable to a City of Albany community licence.

GOVERNMENT & PUBLIC CONSULTATION

21. The Department of Lands will be consulted, as it is a requirement of Section 18 of the *Land Administration Act 1997* that the Minister for Land's consent is obtained.
22. Section 3.58 of the *Local Government Act 1995* outlines the requirements for the disposal of property, including leased/licensed land and buildings. The Act requires the following:
- a. A local government must give local public notice of the proposed lease/licence inviting submissions from the public, for a period of two weeks.
 - b. Any submissions are to be considered by Council and their decision with regard to those submissions, to be recorded in the minutes.
 - c. A local government can then proceed with the lease/licence.
23. Section 30 of the *Local Government (Functions & General) Regulations 1996* defines the dispositions to which the advertising requirements of Section 3.58 of the Act do not apply. Section 30 (2) (b) (i & ii) states that Section 3.58 of the Act is exempt if:
- (b) The land is disposed of to a body, whether incorporated or not –
 - (i) the object of which are charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and
 - (ii) the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;
24. The sporting clubs are exempt from the advertising requirements of Section 3.58 of the *Local Government Act 1995*.

STATUTORY IMPLICATIONS

25. Section 18 of the *Land Administration Act 1997* states that a person shall not assign, sell, transfer or otherwise deal with interests on Crown land or create or grant an interest in Crown land without the prior approval in writing of the Minister for Lands.
26. As this is Crown land, under Management Order held by the City, the Minister's consent will be sought.

27. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including leased/licensed land and buildings including advertising requirements.

POLICY IMPLICATIONS

- 28. Council adopted a revised Property Management (Leases and Licences) Policy in July 2015.
- 29. The Policy aims to ensure that all requests for leases and licences will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.
- 30. The recommendation is consistent with Council Policy Property Management (Leases and Licences).

RISK IDENTIFICATION & MITIGATION

- 31. The risk identification and categorisation relies on the City’s Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation: new licence not approved.	Unlikely	Major	Medium	Seek to negotiate terms to Council satisfaction.
Community: new licence not approved – Royals remain in current building allocated to AAS	Unlikely	Moderate	Medium	Seek to negotiate terms to Council satisfaction.
Financial: new licence not approved – no rental income	Unlikely	Low	Low	Seek to negotiate terms to Council satisfaction.

FINANCIAL IMPLICATIONS

- 32. All costs associated with the development, execution and completion of the licence documentation will be met by the clubs, limited to \$600.00 + GST.
- 33. The new licence rental will be the equivalent of minimum rate as set by Council each year, currently \$968.00 plus GST.
- 34. It is proposed to set up a maintenance fund for the stadium to ensure good asset management and a high level of building maintenance into the future. It is recognised that this is a new model for building maintenance. However it has been recommended as the best option for this precinct to ensure the community buildings are well kept.
- 35. The City and club will contribute annually into the fund for planned and programmed maintenance, annual services and renewal of furniture and equipment.
- 36. It has been agreed that this cost sharing will require that the City will contribute two thirds and the club one third of the required annual maintenance contribution. The clubs contribution is \$17,800 per annum. This amount will be reviewed annually and adjusted against actual costs with the adjustment being no greater than 10% of the preceding annual contribution amount.
- 37. Should this option be supported by Council it is noted that the City would be responsible for any difference between the required annual contribution and the negotiated amount.
- 38. It is proposed the annual maintenance fund contribution will be waived in the first year for the clubs.

39. The clubs have requested Council's approval of a self-supporting loan up to the amount of \$140,000. The final amount will be determined following the outcome of a number of grant applications.

LEGAL IMPLICATIONS

40. The Deed of Licence with enforceable conditions will be prepared by City's lawyers, at the licensee's expense.

ENVIRONMENTAL CONSIDERATIONS

41. There are no environmental considerations related to this report.

ALTERNATE OPTIONS

42. Given the existing commitments made with Royals and Sharks it is not considered that there is an alternate option. The proposed licence will formalise the intention for stadium use.
43. Both clubs require use of clubrooms in close proximity to the fields associated with its sport. If the stadium is not the preferred location for their clubrooms this may impact on the future intentions for the recreational use of the Centennial Park Sporting Precinct.

SUMMARY CONCLUSION

44. The stadium is scheduled to reach practical completion sometime between December 2016 and mid-February 2017.
45. Royals and Sharks have established an incorporated entity, Centennial Stadium Inc., to manage co-location of the stadium as Licensee.
46. It is proposed to set up a maintenance fund for the stadium to ensure good asset management and a high level of maintenance into the future. The City and Centennial Stadium Inc. will contribute annually into the fund for planned and programmed maintenance, annual services and renewal of furniture and equipment.
47. The City will retain a 251.4m² portion of the building comprising meeting room and foyer for its own use.
48. The proposed licence sets out the terms and conditions under which Centennial Stadium Inc. will occupy and use the buildings. Other than the specials conditions that apply to the stadium building this agreement is generally consistent with the City's standard community licence.
49. To satisfy the City's agreed commitments to the Centennial Stadium Inc., it is recommended the new licence be approved.

Consulted References	:	<ul style="list-style-type: none"> • Council Policy – Property Management (Leases and Licences) • <i>Local Government Act 1995</i> • <i>Land Administration Act 1997</i>
File Number (Name of Ward)	:	PRO403 , A92318 (Frederickstown Ward)
Previous Reference	:	OCM 25/02/2014 Item CS008 SCM 28/01/2016 Item SCM013

CSF277: FINANCIAL ACTIVITY STATEMENT – SEPTEMBER 2016

Proponent : City of Albany
Report Prepared by : Manager Finance (D Olde)
Responsible Officer : Executive Director Corporate Services (M Cole)

Responsible Officer's Signature:



RECOMMENDATION

CSF277: COMMITTEE RECOMMENDATION

**MOVED COUNCILLOR MULCAHY
SECONDED COUNCILLOR SMITH**

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 11-0

CSF277: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Financial Activity Statement for the period ending 30 September 2016

BACKGROUND

1. The Statement of Financial Activity for the period ending 30 September 2016 has been prepared and is attached.
2. In addition to the statutory requirement to provide Council with a Statement of Financial Activity, the City provides Council with a monthly investment summary to ensure the performance of the investment portfolio is in accordance with anticipated returns and complies with the Investment of Surplus Funds Policy.

DISCUSSION

3. In accordance with section 34(1) of the *Local Government (Financial Management) Regulations 1996*, the City of Albany is required to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure of the local authority.
4. The requirement for local governments to produce a Statement of Financial Activity was gazetted in March 2005 to provide elected members with a greater insight in relation to the ongoing financial performance of the local government.
5. Additionally, each year a local government is to adopt a percentage or value to be used in Statements of Financial Activity for reporting material variances. Variations in excess of \$50,000 are reported to Council.
6. These financial statements are still subject to further yearend adjustments and have not been audited by the appointed auditor.

"Please note that rounding errors may occur when whole numbers are used, as they are in the reports that follow. The 'errors' may be \$1 or \$2 when adding sets of numbers. This does not mean that the underlying figures are incorrect."

STATUTORY IMPLICATIONS

7. Section 34 of the *Local Government (Financial Management) Regulations 1996* provides:
- I. A local government is to prepare each month a statement of financial activity reporting on the source and application of funds, as set out in the annual budget under regulation 22 (1)(d), for that month in the following detail –
 - a. annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
 - b. budget estimates to the end of the month to which the statement relates;
 - c. actual amounts of expenditure, revenue and income to the end of the month to which the statement relate
 - d. material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - e. the net current assets at the end of the month to which the statement relates.
 - II. Each statement of financial activity is to be accompanied by documents containing –
 - a. an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - b. an explanation of each of the material variances referred to in sub regulation (1)(d); and
 - c. such other supporting information as is considered relevant by the local government.
 - III. The information in a statement of financial activity may be shown –
 - a. according to nature and type classification;
 - b. by program; or
 - c. by business unit.
 - IV. A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be –
 - a. presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
 - b. recorded in the minutes of the meeting at which it is presented.

POLICY IMPLICATIONS

- 8. The City’s 2016/17 Annual Budget provides a set of parameters that guides the City’s financial practices.
- 9. The Investment of Surplus Funds Policy stipulates that the status and performance of the investment portfolio is to be reported monthly to Council.


FINANCIAL IMPLICATIONS

- 10. Expenditure for the period ending 30 September 2016 has been incurred in accordance with the 2016/17 proposed budget parameters.
- 11. Details of any budget variation in excess of \$50,000 (year to date) follow. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

File Number (Name of Ward)	FM.FIR.2 - All Wards
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CSF278: LIST OF ACCOUNTS FOR PAYMENT – OCTOBER 2016

Proponent : City of Albany
Attachments : List of Accounts for Payment
Report Prepared by : Senior Accounting Officer (P Martin)
Responsible Officer : Executive Director Corporate Services (M Cole)

Responsible Officer's Signature:	
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RECOMMENDATION

CSF278: COMMITTEE RECOMMENDATION

**MOVED COUNCILLOR SUTTON
SECONDED COUNCILLOR SMITH**

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 11-0

CSF278: RESPONSIBLE OFFICER RECOMMENDATION

That Council received the list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 15 October 2016 totalling \$5,185,936.79.

BACKGROUND

- Council has delegated to the Chief Executive Officer the exercise of its power to make payments from the City's municipal and trust funds. In accordance with Regulation 13 of the *Local Government (Financial Management) Regulations 1996*, a list of accounts paid by the Chief Executive Officer is to be provided to Council.

DISCUSSION

- The table below summarises the payments drawn from the municipal fund for the period ending 15 October 2016. Please refer to the Attachment to this report.

Municipal Fund	
Trust	\$0.00
Credit Cards	\$31,369.06
Payroll	\$1,774,000.78
Cheques	\$58,767.48
Electronic Funds Transfer	\$3,321,772.47
TOTAL	<u>\$5,185,936.79</u>

3. As at 15 October 2016, the total outstanding creditors, stands at \$696,424.17 and made up as follows:

Current	\$323,698.05
30 Days	\$328,674.29
60 Days	\$44,498.63
90 Days	-\$446.80

TOTAL **\$696,424.17**

Cancelled cheques – Nil.

STATUTORY IMPLICATIONS

4. Regulation 12(1)(a) of the *Local Government (Financial Management) Regulations 1996*, provides that payment may only be made from the municipal fund or a trust fund if the Local Government has delegated this function to the Chief Executive Officer or alternatively authorises payment in advance.
5. The Chief Executive Officer has delegated authority to make payments from the municipal and trust fund.
6. Regulation 13 of the *Local Government (Financial Management) Regulations 1996* provides that if the function of authorising payments is delegated to the Chief Executive Officer, then a list of payments must be presented to Council and recorded in the minutes.

POLICY IMPLICATIONS

7. Expenditure for the period to 15 October 2016 has been incurred in accordance with the 2016/2017 budget parameters.

FINANCIAL IMPLICATIONS

8. Expenditure for the period to 15 October 2016 has been incurred in accordance with the 2016/2017 budget parameters.

SUMMARY CONCLUSION

9. That list of accounts have been authorised for payment under delegated authority.
10. It is requested that any questions on specific payments are submitted to the Executive Director Corporate Services by 4pm of the day prior to the scheduled meeting time. All answers to submitted questions will be provided at the Committee meeting. This allows a detailed response to be given to the Committee in a timely manner.

File Number (Name of Ward)	:	FM.FIR.2 - All Wards
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CSF279: DELEGATED AUTHORITY REPORTS

Proponent : City of Albany
Attachments : Executed Document and Common Seal Report
Report Prepared by : Personal Assistant to the ED Corporate Services (H Bell)
Responsible Officer : Chief Executive Officer (A Sharpe)

Responsible Officer's Signature:



RECOMMENDATION

CSF279: COMMITTEE RECOMMENDATION

**MOVED COUNCILLOR DOWLING
SECONDED COUNCILLOR SMITH**

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 11-0

CSF279: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Delegated Authority Reports 16 September 2016 to 15 October 2016.

CSF280: COUNCIL STANDING COMMITTEES

Proponent / Owner : City of Albany
Attachments :

- Reviewed Council Policy: Governance & Meeting Framework
- Strategic Workshop Briefing Note – 20/09/2016
- Strategic Workshop Presentation – September 2016

Report Prepared By : Manager Governance & Risk (S Jamieson)
Responsible Officer: : Executive Director Corporate Services (M Cole)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:** 5. Civic Leadership.
 - b. **Strategic Objectives:**
 - 5.1. To establish and maintain sound business and governance structures.
 - 5.3. To engage effectively with our community.
 - c. **Strategy:**
 - 5.1.2 Develop informed and transparent decision making processes that meet our legal obligations.
 - 5.3.2 Improve community engagement processes and platforms

In Brief:

- Approve consolidating current committees to form two standing council committees as agreed in principle at the Elected Member Strategic Workshop held on 20 September 2016.
- Review and approve the fully reviewed governance and meeting framework (which details the terms of reference for the committees).

RECOMMENDATION

CSF280: COMMITTEE RECOMMENDATION

**MOVED COUNCILLOR PRICE
SECONDED COUNCILLOR HOLLINGWORTH**

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 11-0

CSF280: RESPONSIBLE OFFICER RECOMMENDATION

THAT:

- (1) The following council standing committees be DISSOLVED:
 - Community Service Committee.
 - Corporate Services & Finance Committee;
 - Economic Development Committee;
 - Planning & Development Services Committee; and
 - Works & Services Committee.
- (2) The following committees be ESTABLISHED and their respective Terms of Reference ADOPTED:
 - Commercial, Community & Corporate Services (CCCS) Committee; and
 - Development & Infrastructure Services (DIS) Committee.
- (3) That all elected members are appointed to the listed committees.
- (4) The Meeting and Governance Framework policy position be ADOPTED.
- (5) The above items being 1-4 take effect for the new committee system as at the 1 February 2017

BACKGROUND

2. On 20 September 2016, an elected member strategic workshop was held to review the current standing council committee structure (see attached briefing and presentation).
3. Three options were considered:
 - a. Option 1: No change. Current committee system stay in place.
 - b. Option 2: Consolidate committees to form two standing council committees.
 - c. Option 3: Consolidate to form one standing council committee.
4. Option 2 was selected unanimously as the preferred option, as it facilitates a break in the monthly meeting cycle and provides better councillor availability to attend other representational activities (i.e. civic duties, community workshops, strategic briefings etc.).

DISCUSSION

5. The Standing council committees will continue to report to Council, and remain subject to the requirements of the *Local Government Act 1995* (the Act).
6. It is proposed:

Committee Membership

- a. Open to all elected members who wish to nominate.
- b. The number of committee members will determine the quorum (50% plus 1).

Appointment of Committee Chair and Deputy Chair

- c. The Chair and Deputy Chair will be appointed at the first committee meeting.

Standing Committee Terms of Reference

- d. The purpose each committee will be to:
 - (i) Develop policies and strategies;
 - (ii) Establish ways to measure progress;
 - (iii) Receive progress reports;
 - (iv) Consider officer advice;
 - (v) Debate topical issues;
 - (vi) Provide advice on effective ways to engage and report progress to the Community; and
 - (vii) Make recommendations to Council.

7. The two standing committees have been named and functions allocated as follows:

Committee One: <i>Commercial, Community & Corporate Services (CCCS) Committee</i>	Committee Two: <i>Development & Infrastructure Services (DIS) Committee</i>
<p>Commercial Services:</p> <ul style="list-style-type: none"> Economic Development (for example: tourism, regional alliance) Facilities (for example: Airport, National Anzac Centre, Albany Entertainment Centre) Recreation Services (for example: club development) <p>Community Services:</p> <ul style="list-style-type: none"> Arts & Culture Community Engagement & Capacity Building (welfare advocacy, youth, aged, multicultural, access & inclusion) Community Infrastructure Planning Facilities (for example: Library, Vancouver Arts Centre) <p>Corporate Services:</p> <ul style="list-style-type: none"> Councillor Support Customer Service Finance (budget & investment reporting, Business Planning) Governance, Risk & Insurance Human Resource Management Information Technology Strategic Development (integrated planning & reporting) 	<p>Works & Services:</p> <ul style="list-style-type: none"> Asset Management (City buildings, sporting fields) Capital Works (Road & Pathway Networks) Major Projects Parks (Natural & Developed Reserve Management) <p>Development Services:</p> <ul style="list-style-type: none"> Building Control City Centre & Precinct Development (Waterfront, Middleton Beach) Community Safety (rangers, bushfire brigades, emergency management) Environmental Health Statutory Planning Strategic Planning

GOVERNMENT & PUBLIC CONSULTATION

8. Legislation and Department of Local Government Guidelines were consulted, including the local government sector, in particular the Cities of Joondalup (*Governance Framework*) and Rockingham (*Committee Structure*).

STATUTORY IMPLICATIONS

9. Appointment to Committees is by Absolute Majority (s5.10 of the Act).

POLICY IMPLICATIONS

10. The current Governance & Meeting Framework will be rescinded and replaced.

RISK IDENTIFICATION & MITIGATION

11. The risk identification and categorisation relies on the City's Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<p>Business Operation, <i>Risk: There is a risk that the proposed committee structure and/or framework is not approved.</i></p> <p><i>Opportunity: Better internal and external stakeholder engagement.</i></p>	<i>Unlikely</i>	<i>Moderate</i>	<i>Medium</i>	<i>Continue to use the current committee structure and framework.</i>

FINANCIAL IMPLICATIONS

12. An appropriate budget line exists for the cost of administering Council Committees.
13. The reduction in standing committees from 4 to 2 will reduce employee staffing costs, catering and travel expenses.

LEGAL IMPLICATIONS

14. There are no legal implications related to this item except for compliance with specific provisions of the *Local Government Act 1995*, including subdivision 2 – Committees and their meetings.

ENVIRONMENTAL CONSIDERATIONS

15. There are no direct environmental considerations related to this item; however an efficient meeting schedule will reduce wasted resources (time, travel, and office consumables).

ALTERNATE OPTIONS

16. No other alternate option are presented.
17. Elected members can reserve the right not to nominate to Committees until a later date.

CONCLUSION

18. That the responsible officer's recommendation be adopted.

Consulted References	:	<i>Local Government Act 1995</i>
File Number (Name of Ward)	:	(All Wards) – CM.STD.7 – Policy Register
Previous Reference	:	<ul style="list-style-type: none"> • OCM 27/10/2015 - Resolution CSF202 • Elected Member Strategic Briefing - 20/9/2016

CSF281: GRAFFITI VANDALISM ACT 2016

Land Description : (All Wards) – City of Albany Municipality
Proponent / Owner : City of Albany
Attachments :

- Form 4 and Form 6 GV Act
- Reviewed Graffiti Management Policy

Report Prepared By : Manager Governance & Risk (S Jamieson)
Responsible Officers: : Executive Manager Community Services (A Cousins)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:**
 - 4. A Sense of Community.
 - 5. Civic Leadership.
 - b. **Strategic Objectives:**
 - 4.1.2 Promote and develop an authentic sense of community.
 - 5.2 To provide strong, accountable leadership supported by a skilled and professional workforce
 - c. **Strategy:**
 - 5.2.1 Provider positive leadership that delivers community outcomes.

In Brief:

- Existing powers in regards to graffiti are no longer enforceable under the in the *Local Government Act 1995*.
- Current delegation needs to be amended and a new delegation and forms adopted.

RECOMMENDATION

CSF281: COMMITTEE RECOMMENDATION

**MOVED COUNCILLOR HAMMOND
SECONDED COUNCILLOR PRICE**

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 11-0

CSF281: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY

THAT:

1. Delegation 2016:026 – Activities on Private and Public Land be AMENDED to remove reference to graffiti.
2. Delegation 2016: 049 - Graffiti Vandalism Act 2016
 - Function: Remove Graffiti
 - Delegated Power:
 1. *Issue notices in writing requiring persons to ensure that graffiti is obliterated under the Graffiti Vandalism Act 2016; and*
 2. *Enter properties under warrant to remove graffiti.*
 - Condition of Delegation: *That a “Warrant to Enter” is to only be executed with the authority of the Chief Executive Officer.*
 - Legislative Reference: *Graffiti Vandalism Act 2016.*
 - Reporting Requirement: *Report to file.*
3. Council ADOPTS:
 - (a) Form 4 (as shown at attachment 1) for the purpose of ‘Objections’ under the *Graffiti Vandalism Act 2016*; and
 - (b) Form 6 (as shown at attachment 2) for the purposes of ‘Warrant to Enter’ under the *Graffiti Vandalism Act 2016*.
4. Council ADOPTS the reviewed Graffiti Management Policy.

be ADOPTED.

BACKGROUND

2. The *Graffiti Vandalism Act 2016* is a consolidated Act enabling police, public transit officers and the local government sector to deal with graffiti offences. The relevant powers of these agencies has been transferred from various Acts (including the *Local Government Act 1995* into the *Graffiti Vandalism Act 2016* (the ‘GV Act’) to create stand-alone legislation. The GV Act came into force on the 7 October 2016.
3. The GV Act:
 - a. creates a new offence of damaging property by graffiti and allows for the costs of cleaning graffiti to be awarded against the offender;
 - b. allows local government to issues notices requiring the removal of graffiti and to enter properties under warrant to remove graffiti themselves; and
 - c. provides those persons issued with a notice (“affected persons”) the right to seek review of that decision with the State Administrative Tribunal or to object to the notice.
4. The provisions of the *Local Government Act 1995* that the City currently utilise to manage graffiti removal will be repealed and transferred into the new Act.

DISCUSSION

5. To enable Officers to continue to address the issue of graffiti Council is requested to:
 - a. adopt the relevant forms required to administer the Act;
 - b. delegate its powers under the Act to the CEO; and
 - c. acknowledge that an internal review of the current Council policy position “Council Policy – Graffiti Management” was undertaken with changes presented for critique and review.

GOVERNMENT & PUBLIC CONSULTATION

6. Report is in response to Department of Local Government and Communities Circular 34-16, *Graffiti Vandalism Act 2016*.

STATUTORY IMPLICATIONS

7. The existing Form 4 in Schedule 1 to the *Local Government (Functions and General) Regulations 1996* (the Regulations) can be used provided the head of power, being section 22 of the GV Act, is included at the top and the form is approved by a council resolution.
8. Therefore, a council decision is necessary to adopt Forms 4 and 6 as the approved forms for use under the GV Act.

POLICY IMPLICATIONS

Delegation:

9. Delegation 2016:026 – Activities on Private and Public Land will be amended accordingly, which currently states, in part:

“Delegated Power: Schedule 3.1 - Powers under notices to owners or occupiers of land

1. Issue notices in writing requiring the person to do anything, but not limited to, the following:...h. Obliterate graffiti that is visible from a public place and that has been applied without the consent of the owner or occupier;....

Condition: The authorised persons must document how they formed the opinion that the things to be performed are necessary to protect and/or enhance the health, safety or amenity of the persons or property in the district or to remove a nuisance.”

Council Policy – Graffiti Management:

10. There is no requirement to change the Council's current Graffiti Management Policy position as a result of the legislative changes other than to update the reference to the GV Act.
11. However, the policy position was fully reviewed and updated (see document version control on attached policy).
12. Policy statement extract from reviewed policy:

“The City of Albany views that it is a crime to deface another person’s property without their permission.

Unless the City identifies an asset as exempt from this for community purpose, the City will endeavour to clean, remove or cover all graffiti on buildings, fences and structures that are within or constitute boundaries of all reserves under the care and control of the City, including but not exclusively parks, reserves, public access ways and road reserves.”

RISK IDENTIFICATION & MITIGATION

13. The risk identification and categorisation relies on the City's Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Business Operation: Risk: None approval of the forms will not allow the City to issue notices requiring the removal of graffiti and to enter properties to remove graffiti.	Likely	Moderate	High	If the proposed recommendation is not approved, staff will continue with current graffiti removal practices, however will not be able to issue notices "requiring" graffiti to be removed, or enter property to remove graffiti.
Opportunity: Update current policy positions and procedures to reflect the GV Act.				

FINANCIAL IMPLICATIONS

14. There are no direct financial implications related to this report.

LEGAL IMPLICATIONS

15. Refer to background section of report.

ENVIRONMENTAL CONSIDERATIONS

16. There are no direct environmental considerations related to this item, however in a strategic context the Community requested a graffiti control target of 70 percent (*see paragraph 1 of this report*).

ALTERNATE OPTIONS

17. No alternate options have been considered.

CONCLUSION

18. That to the Responsible Officer's Recommendation be adopted.

Consulted References	:	<ul style="list-style-type: none"> • Local Government Act 1995 • Graffiti Vandalism Act 2016 • Delegations Register 2016
File Number (Name of Ward)	:	CM.STD.7 (All Wards)
Previous Reference	:	OCM 17/11/2009 Report Item 15.2.4.

CSF282: PROPOSED RATING SUBSIDY POLICY – SPORTING & COMMUNITY GROUPS & RATING SUBSIDY 2016/17

Business Entity Name : City of Albany
Attachments :

- List of current subsidy recipients
- Draft Council Policy: Rating Subsidy – Sporting and Community Organisations
- Local Government Sector Policy Examples

Report Prepared By : Manager Finance (D. Olde)
Responsible Officers: : Executive Director Corporate Services (M. Cole)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:** 5. Civic Leadership.
 - b. **Strategic Objectives:** 5.1. To establish and maintain sound business and governance structures.
 - c. **Strategy:** Nil

In Brief:

- Consider adoption of the Rating Subsidy – Sporting and Community Organisations policy position.

RECOMMENDATION

CSF282: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR HAMMOND
SECONDED: COUNCILLOR SHANHUN

THAT CSF282: Proposed Rating Subsidy Policy-Sporting and Community Groups & Rating Subsidy 2016-17 be deferred for consideration at the February 2017 committee meeting.

CARRIED 9-2

Record of Vote

Against the Motion: Councillors Price and Smith

CSF282: AMENDMENT BY COUNCILLOR PRICE

THAT the Responsible Office Recommendation be AMENDED to read as follows:

1. The Rating Subsidy - Sporting and Community Organisations Policy be adopted.
2. The policy is amended to specify a capped rating subsidy, limited to \$3000 per applicant, commencing in the 2017/2018 budget.
3. That Point 6. 'Special Exemptions' be amended to read "Council reserves the right to consider each application request for a rate subsidy on a case-by-case basis and may require additional conditions."
4. The rating subsidy to sporting and community organisations for 2016/2017 listed in the report be endorsed.
5. The policy document and rating subsidy percentage be reviewed each 4 years, with the next review due being conducted prior to the 2021/2022 budget deliberations.

THIS MOTION WAS NOT MOVED OR SECONDED AND THEREFORE LAPSED

Reasons for Amendment from Councillor Price:

There is no obligation for the City to provide rating subsidies to sporting and community groups. By applying a (capped) maximum rating subsidy amount of \$3000 per applicant, an extra \$ 98,640.17 in rate revenue is generated, based on the 2016/17 Rating Subsidy tabled amounts. This may increase annually depending on Rental Valuations. These funds can be redirected back into the community for other projects and services to be determined by Council.

The capped limit will provide equity by specifying a maximum limit available to ALL applicants, thus distributing the subsidy evenly. This will allow organisations to plan around their financial obligations as households, landholders and businesses are annually obliged to.

The current rating subsidies provided by Council are generous and unevenly distributed among recipients, resulting in an indiscriminate system and significant amounts of revenue not being realised by the City.

Please note a proposed capped limit of \$5000 per applicant would yield \$ 61,895.84 in rate revenue for the City, based on the 2016/17 Rating Subsidy tabled amounts.

CSF282: AMENDMENT BY COUNCILLOR TERRY

THAT Paragraph 8 of The Rating Subsidy - Sporting and Community Organisations Policy be amended to read:

"Properties wholly or partly used for a commercial purpose with the revenue and surplus being retained by a third party, and/or residential purpose, will not receive a rating subsidy to the extent of the proportion of the property being used for that commercial purpose."

THIS MOTION WAS NOT MOVED OR SECONDED SO THEREFORE LAPSED

CSF282: RESPONSIBLE OFFICER RECOMMENDATION

THAT:

- (1) The Rating Subsidy – Sporting and Community Organisations Policy be ADOPTED.

- (2) The Rating Subsidy to sporting and community organisations for 2016/2017 listed in the report be ENDORSED.

BACKGROUND

2. For a number of years, the City has offered a subsidy on rates for a select group of sporting and community organisations.
3. No legislative requirement exists requiring any subsidy to be offered, unlike the exemption claimed by charitable organisations.

DISCUSSION

Proposed Policy Position:

4. No policy or formal program currently exists for the allocation of rating subsidies.
5. A program has existed for a number of years giving rating subsidies to community and sporting groups. The origins of this program are unclear. In the past, this subsidy has been part of various community financial assistance programs. Regardless of the precise nature of any program, a rating subsidy has been given to various organisations since 1999.
6. A draft Council policy position has been prepared for Council consideration for the purpose of:
 - a. transparency and accountability; and
 - b. for providing an opportunity to eligible organisations to receive the subsidy.
7. The policy outlines the type of organisations that would be considered eligible to receive a rates subsidy; and the evidence that may be required to make an informed and transparent assessment.
8. No waiver or subsidy will be applied to any other charges, including, but not limited to, electricity, water, waste charges or Emergency Services Levy.
9. To ensure that Council is fully informed on the total cost of the subsidy an estimate of the subsidy and the list of recipients will be presented for noting as part of the budget approval process.
10. This policy will be effective from 1 July 2017.
11. A table of current recipients is listed in the attachments.
12. This list will change in the next 6-12 months due to tenancy changes within the Centennial Park Sporting Precinct. The tenants using shared facilities, being the cricket/soccer pavilion, and the stadium, will operate under a non-exclusive licence model, thereby not be liable to pay rates, regardless of any policy position. Likewise, the changes to the tenancy and lease area for the Albany Agricultural Society will need to be addressed by either policy or specific waiver outside of any policy.
13. All organisations currently receiving a rating subsidy will be requested to submit information as detailed in the policy. This will allow an assessment to be made on the eligibility to receive the subsidy.
14. A desktop review indicates it is unlikely that any organisation currently receiving this rating subsidy would be ruled ineligible under the proposed policy. However, this will need to be verified and confirmed once the supporting evidence has been provided and reviewed by City officers.

15. If an organisation that is currently receiving the subsidy is found to not satisfy the criteria, a phasing in period will apply until no subsidy is allowed. This phasing in will be over a number of years, as detailed in the table below:

Financial Year	Subsidy offered
2017/18	75%
2018/19	50%
2019/20	25%
2020/21	Nil

Table 1

16. By phasing out the subsidy over a number of years, any impacted organisation will have time to adjust budgets and financial impact.
17. A review of a number of other local governments was done to determine if a standard approach is being taken.
18. This review was done by searching for policy documents on various council websites, emailing and phoning other officers. From this research it became evident that no consistent approach has been taken across the sector. If any trend is evident, it would be rural and regional councils tend to waive rates, while metropolitan councils tend to not give any subsidy. However, as can be seen in the following points, exceptions to this do exist.
- The City of Kalgoorlie-Boulder has a Rates Exemption Policy, which includes not-for-profit groups promoting a community or sporting activity.
 - The Shire of Denmark attempted to seek exemption on 29 properties from the Minister. Not all groups received exemption. However the Shire resolved to waiver rates on the non-exempt properties. No information is attached, as this decision spanned a number of council meetings, and information is contained in meeting minutes.
 - The City of Gosnells has a policy on when consideration would be given to waiver rates based on certain criteria for a certain time period.
 - The City of Stirling has a specific policy applying to an “A” Class reserve, on which the Mt Lawley Golf Club is situated. This waives the rates due on this property only.
 - The Shire of Esperance policy COR 004: Building and property leases classifies City owned land and property into a number of different classifications, and the payment of rates for each property. Category (iii) Specific Sports Facilities do not pay rates, as confirmed with a Shire officer.
 - The City of Bunbury has community lease policy. No rating subsidy is offered, regardless of the organisation size or type, on either City owned and managed land, or freehold land.
 - The City of Fremantle has a policy (SC45) dealing with leases to not-for-profit organisations of council owned properties. Discussions with a City of Fremantle officer indicated that as a general rule no rating subsidy is offered, but exceptions are made at the discretion of officers. However, the number of properties impacted is minimal, in the order of 15-20. Discussions with the officer indicated that one other metropolitan council offers no subsidy to any community or sporting group, while a third council is the opposite, waiving almost all fees, charges and rates to almost every community and sporting group.
 - Two other regional councils had no set policy, however, historical practise was for rates to be waived at the discretion of the CEO or Executive. Indications from officers are that most, if not all, groups receive this waiver or subsidy.

19. The policy has suggested three criteria that need to be met to be eligible.
 - a. The purpose of an organisation must be sporting or community focused in nature. This purpose will be stated in the organisations constitution, details of incorporation or similar statement of purpose; and;
 - b. The organisation must be not-for-profit, and;
 - c. The property for which the subsidy is being sought must be used for the sporting or community use for which the organisation exists.
20. Suggestions and comments have been made to examine other criteria:
 - a. A criteria using the provision of alcohol, either the provision to sell to members, and/or to the general public. A search of the Department of Racing, Gaming and Liquor website indicates 11 clubs have a Club licence, 2 have a Club Restricted licence, and 2 organisations have Special Facility – Sports Arena licence. Each individual licensee may have particular conditions on the licence they hold, such as opening hours. In general terms, none of the licences preclude sale to the general public. A Club licence may permit sale of packaged/takeaway alcohol, while a Club Restricted does not. While general restrictions do apply to the service of alcohol to members and guests, much of the detail is determined by the constitution of the club or organisation. The Special Facility – Sports Arena does not permit the sale of packaged/takeaway alcohol. Therefore, to use the service of alcohol to the public is possible, however, could potentially impact every group that has a licence. It should also be noted a club or organisation may also apply for an occasional liquor licence, which are not listed on the Departments website. It is understood that this does happen from time to time.
 - b. A criteria based on the service or activity already being provided within the community. This would be extremely problematic to determine who would receive the subsidy, as, for example, three bowling clubs and three football clubs currently receive a subsidy, and it would be difficult to determine which group would be eligible and which groups would be ineligible.
 - c. A criteria based on the ability to access other revenue. Every group or club has fundraising from a number of sources, such as annual membership fees, event entry fees, facility hire or use fees, sponsorship and fundraising raffles. These funds are used to continue day to day operations, maintenance and repairs to facilities, or possibly saving in a reserve for future capital works. Funding from other sources of revenue simply enable the group or club to reduce the burden on members subscriptions.
21. Consideration has been given within the policy to allow for ancillary activities to be undertaken, and not disqualify eligibility to a subsidy. This allows the operation of a bar facility, canteen, hire out clubrooms, or undertake other fundraising activity, provided that any revenue and surplus is retained by the club.

Rating Subsidy 2016/2017:

22. An informal program has existed for a number of years giving rating subsidies to community and sporting groups. It appears that this program has never been formally endorsed by Council.
23. To give Council, officers and the community transparency and accountability, a table detailing the amount and organisations receiving the subsidy is detailed further on in this item.
24. For the 2016/17, it is proposed that the subsidy continue as it has done in the past.

25. With the construction of a number of sporting facilities currently taking place, two organisations that are currently listed as recipients will be removed from the list next year (2017/18). This is due to clubs operating under a non-exclusive licence for the use of the new facilities, therefore, rates will not be levied. However, as this formal handover has not yet taken place at the time of raising rates, for 2016/17, the subsidy will need to be approved and allocated

GOVERNMENT & PUBLIC CONSULTATION

26. All of the organisations currently receiving the subsidy will be contacted upon policy endorsement. Rates for the 2017/18 year will not be raised until August 2017, and not due until mid to late September 2017. By adopting this policy in late 2016, City officers will have at least six months to contact and work with the various organisations to address the eligibility criteria.

STATUTORY IMPLICATIONS

27. The Local Government Act 1995 does provide for an exemption from rates under certain circumstances, such as land used for a public purpose and land used exclusively for a charitable purpose. However, the Act does not provide a definition of what constitutes a charitable purpose, or for a public purpose.
28. Using case law precedence, each local government has the responsibility to assess and decide on applications from organisations seeking an exemption from paying rates. No application has been found from these organisations requesting exemption, and the case law precedence would indicate that the organisations listed would not be eligible for this exemption.
29. The Act does allow a local government to waive or grant other concessions (**Absolute Majority** required).

POLICY IMPLICATIONS

30. No policy currently exists. Adoption of this policy will ensure transparency and accountability is established.

RISK IDENTIFICATION & MITIGATION

31. The risk identification and categorisation relies on the City's Enterprise Risk & Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Community & Organisational Operations. If policy is not adopted uncertainty amongst community organisations and City officers regarding eligibility and amount of subsidy will remain.	Possible	Minor	Medium	City Officer address any concerns and re-present policy position for consideration and adoption.
Reputation. Adoption of the policy may result in some dissatisfaction within sporting & community groups not currently receiving any subsidy.	Possible	Minor	Medium	Clearly articulate the rationale for the introduction of this policy position to the community.
Community Financial Risk: Non approval of the current subsidy may expose some groups to financial hardship and financial sustainability.	Possible	Major	High	Maintain the status quo, until financial viability assessed.
Opportunity: Improve: The adoption of a Council policy promotes transparency of process.				

FINANCIAL IMPLICATIONS

32. **Policy Implications:** The total value of the subsidy for 2016/17 was in the order of \$210,000. It is anticipated that this amount will change in line with the annual change in rates.
33. A number of these groups lease land from the City, and pay a lease or licence fee for the use of City owned or managed assets. Any lease or licence fee is covered by *Council Policy: Property Management (Leases and Licences)*.
34. No subsidy is offered on other charges, such as ESL or any waste charges.
35. **Current Allocated Subsidy:** The following table details the amount and organisation receiving the subsidy, being 100% of rates due for 2016/17:

2016/17 Rating Subsidy		
Assessment Number	Sporting/Community Group	Subsidy Amount
A133873	ALBANY ATHLETICS GROUP INC	\$ 3 542.79
A179378	ALBANY BOATING & OFFSHORE	\$ 2 643.88
A161280	ALBANY BOWLING CLUB	\$ 5 076.24
A161537	ALBANY BRIDGE CLUB	\$ 3 225.53
A171336	ALBANY CITY KART CLUB INC	\$ 1 164.77
A149179	ALBANY CLUB INC	\$ 7 402.85
A204735	ALBANY ENTERPRISE GROUP INC	\$ 7 369.01
A174427	ALBANY EQUESTRIAN ASSOCIATION INC.	\$ 9 147.81
A136770	ALBANY GOLF CLUB	\$ 21 521.14
A14758	ALBANY HARNESS RACING CLUB INC	\$ 6 186.67
A14780	ALBANY ITALIAN CLUB INC	\$ 2 273.73
A82145	ALBANY KINDERGARTEN	\$ 1 639.20
A156611	ALBANY LIGHT OPERA AND THEATRE COMPANY	\$ 1 996.34
A130471	ALBANY MARITIME FOUNDATION	\$ 5 634.84
A204721	ALBANY MODEL AERO CLUB	\$ 1 692.08
A140446	ALBANY MODEL RAILWAY ASSOC INC	\$ 2 529.66
A79732	ALBANY PLAY GROUP INC	\$ 968.00
A6791	ALBANY RACING CLUB INC	\$ 14 012.54
A64947	ALBANY ROWING CLUB	\$ 1 692.08
A96087	ALBANY SOCCER FEDERATION	\$ 3 331.28
A187399	ALBANY SPEEDWAY CLUB INC	\$ 1 683.40
A97368	ALBANY WOMENS REST HOUSE ASSOCIATION INC	\$ 968.00
A30213	CITY OF ALBANY BAND INC	\$ 1 205.61
A155029	EMU POINT SPORTING CLUB INC	\$ 10 152.48
A124369	GIRL GUIDES WESTERN AUSTRALIA (INC)	\$ 2 009.35
A65539	GREEN RANGE COUNTRY CLUB	\$ 3 217.91
A65999	KING RIVER HORSE & PONY CLUB	\$ 4 357.11
A6037	KING RIVER RECREATIONAL CLUB INC	\$ 3 278.41
A74368	LAWLEY PARK TENNIS CLUB	\$ 5 023.36
A136225	LOWER GREAT SOUTHERN HOCKEY ASSOC	\$ 2 144.71
A227280	LOWER KING COMMUNITY KINDERGARTEN	\$ 968.00
A50479	MERRIFIELD PARK TENNIS CLUB	\$ 1 776.68

A84446	MIDDLETON BEACH BOWLING CLUB	\$	9 306.44
A116479	NORTH ALBANY FOOTBALL & SPORTING CLUB INC	\$	6 080.91
A64820	PRINCESS ROYAL SAILING CLUB	\$	7 667.24
A92223	RAILWAYS FOOTBALL & TIGERS SPORTING	\$	4 494.59
A64799	RIVERVIEW COUNTRY CLUB	\$	3 437.04
A92354	ROYALS FOOTBALL CLUB	\$	4 230.20
A74354	SCOUT ASSOCIATION AUSTRALIA WA BRANCH	\$	2 115.10
A104446	SENIOR CITIZENS CENTRE	\$	9 623.71
A64785	SOUTH COAST COUNTRY MUSIC CLUB INC	\$	1 045.00
A157843	SPECTRUM THEATRE INC	\$	1 732.27
A176287	STIRLING CLUB INC	\$	12 690.60
A185660	TAOIST TAI CHI SOCIETY OF AUSTRALIA (INC)	\$	2 559.69
A162430	THE JAYCEES COMMUNITY FOUNDATION INC	\$	3 629.51
A64866	VINTAGE CAR CLUB (INC)	\$	2 432.37
	TOTAL	\$	210 880.13

ALTERNATE OPTIONS

36. That no rating subsidy policy for sporting and community organisations is adopted.

CONCLUSION

37. That the Responsible Officer's Recommendation be adopted.

Consulted References	:	<ul style="list-style-type: none"> • Local Government Act 1995 • Council Property: Property Management (Leases and Licences)
File Number (Name of Ward)	:	Nil (All wards)
Previous Reference	:	OCM 22/09/2015 Resolution CSF195

12. **NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF COUNCIL**
Nil.
13. **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN** Nil.
14. **REPORTS OF CITY OFFICERS** Nil.
15. **MEETING CLOSED TO THE PUBLIC** Nil.
16. **CLOSURE**

There being no further business the Chair declared the meeting closed at [7:26:57 PM](#)

(Unconfirmed minutes)

Councillor Alison Goode
CHAIR