



MINUTES

COMMUNITY AND CORPORATE SERVICES COMMITTEE

14 November 2017

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.

Community & Corporate Services Committee
Terms of Reference

Functions: The Committee is responsible for the following functions:

Community Services:

The delivery of "*Community Health & Participation Objectives*" contained in the City of Albany Strategic Plan:

- To build resilient and cohesive communities with a strong sense of community spirit.
- To create interesting places, spaces and events that reflect our community's identity, diversity and heritage.
- To develop and support a healthy inclusive and accessible community.

Corporate Services:

Monitoring and commenting on the financial health and strategies of Council.

The delivery of "*Leadership Objectives*" contained in the City of Albany Strategic Plan:

- To establish and maintain sound business and governance structures.
- To provide strong, accountable leadership supported by a skilled & professional workforce.
- To engage effectively with our community.

Economic Development:

Considering and recommending to Council ways to strengthen the local Albany economy.

The delivery of "*Smart, Prosperous and Growing Objectives*" contained in the City of Albany Strategic Plan:

- To strengthen and grow our region's economic base.
- To develop a smart city that supports economic growth.
- To develop and promote Albany as a unique and sought-after visitor location.

Governance:

- Review of Council's policies;
- Supporting Elected Members in their governance role;
- Developing amendments to existing, or new, local laws;
- Consideration of the Council's draft Strategic Plan;
- Consideration of the Council's draft Annual Report;
- Matters pertaining to the conduct of the Council's Annual General Meeting;
- Consideration of the proposed meeting schedule for Council and its Committees;
- Receiving reports from Council representatives on outside bodies, and from other bodies as determined by Council; and
- Considering matters not falling within the terms of reference of any other Council committee.

Service Complaint Internal Review:

- Responsible for reviewing unresolved service complaints, in accordance with the Service Complaints Policy.

It will achieve this by:

- Developing policies and strategies;
- Establishing ways to measure progress;
- Receiving progress reports;
- Considering officer advice;
- Debating topical issues;
- Providing advice on effective ways to engage and report progress to the Community; and
- Making recommendations to Council.

Membership: Open to all elected members

Meeting Schedule: Monthly

Meeting Location: Council Chambers

Directorates: Corporate & Community Services

Executive Officer(s): Executive Director Corporate Services,
Executive Director Community Services

Delegated Authority: None

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| 13. | CLOSURE | 70 |

1. **DECLARATION OF OPENING** The Chief Executive Officer declared the meeting open at 6pm.

The Chief Executive Officer will call for nominations for the position of Chair and Deputy Chair of the Community and Corporate Services Committee.

Councillor Terry was appointed as Chairperson of the Community and Corporate Services Committee. Councillor Doughty was appointed as Deputy Chairperson.

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**

Mayor D Wellington (Deputy Chair)

Councillors:

| | |
|--------|--------------------------|
| Member | P Terry (Chair) |
| Member | J Shanhun |
| Member | S Smith |
| Member | A Goode JP |
| Member | A Moir |
| Member | R Hammond |
| Member | R Sutton |
| Member | B Hollingworth |
| Member | G Stocks |
| Member | R Stephens |
| Member | E Doughty (Deputy Chair) |
| Member | T Sleeman |

Staff:

| | |
|------------------------------------------|-----------|
| Chief Executive Officer | A Sharpe |
| Executive Director Corporate Services | M Cole |
| A/Executive Director Commercial Services | A Cousins |
| Executive Director Works & Services | M Thomson |
| Manager Community Development | R Param |
| Manager Tourism Development Services | M Hammond |
| Manager Communications | N Watson |
| Manager Finance | D Olde |

COMMUNITY AND CORPORATE SERVICES COMMITTEE
MINUTES – 14/11/2017

Meeting Secretary

C Crane

Members of Public

x 6

Apologies:

Nil.

4. DISCLOSURES OF INTEREST

| Name | Committee/Report Item Number | Nature of Interest |
|--------------------|-----------------------------------------|---------------------------|
| Councillor Terry | CCS007 | Impartiality |
| Councillor Stocks | CCS004 | Financial |
| Councillor Sleeman | CCS007 | Impartiality |

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

6. PUBLIC QUESTION TIME

R Ozzane – Vintage Sports Car Club – Perth, Kardinya - CCS006

J Murray – Frances Town Botswana - Racewars CCS009

D Prouse – Greenshield Street, Albany – Nelson Street

7. PETITIONS AND DEPUTATIONS - Nil.

8. CONFIRMATION OF MINUTES

MOTION

MOVED: COUNCILLOR SUTTON

SECONDED: COUNCILLOR SMITH

THAT the minutes of the Commercial, Community and Corporate Services Committee held on 10 October 2017, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

CARRIED 13 – 0

9. PRESENTATIONS – Nil.

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS – Nil.

CCS001: FINANCIAL ACTIVITY STATEMENT – SEPTEMBER 2017

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

RECOMMENDATION

CCS001: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR HOLLINGWORTH
SECONDED: COUNCILLOR GOODE

THAT Council RECEIVE the Financial Activity Statement for the period ending 30 September 2017.

CARRIED 13 - 0

CCS001: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Financial Activity Statement for the period ending 30 September 2017.

BACKGROUND

1. The Statement of Financial Activity for the period ending 30 September 2017 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 \$100,000 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 2017/18 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 2017 has been incurred in accordance with the 2017/18 proposed budget parameters.
11. Details of any budget variation in excess of \$100,000 (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.7 - All Wards |
|-----------------------------------|----------------------|

CCS002: LIST OF ACCOUNTS FOR PAYMENT – OCTOBER 2017

Business Entity Name : City of Albany
Attachments : List of Accounts for Payment
Report Prepared By : Senior Accounting Officer (P Martin)
Responsible Officers: : Executive Director Corporate Services (M Cole)

RECOMMENDATION

CCS002: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR SMITH
SECONDED: COUNCILLOR SUTTON

That Council received the list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 15 October 2017 totalling \$5,757,811.65.

CARRIED 13 - 0

CCS002: 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 2017 totalling \$5,757,811.65.

BACKGROUND

1. 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

2. The table below summarises the payments drawn from the municipal fund for the period ending 15 October 2017. Please refer to the Attachment to this report.

| | |
|---------------------------|-------------------------------|
| Municipal Fund | |
| Trust | \$ 0.00 |
| Credit Cards | \$ 17,556.38 |
| Payroll | \$ 1,257,395.57 |
| Cheques | \$ 39,758.36 |
| Electronic Funds Transfer | \$ 4,443,101.34 |
| TOTAL | <u>\$ 5,757,811.65</u> |

As at 15 October 2017, the total outstanding creditors, stands at \$647,740.88 and made up as follows:-

| | |
|--------------|-----------------------------|
| Current | \$ 427,339.38 |
| 30 Days | \$ 220,578.55 |
| 60 Days | \$ 0.00 |
| 90 Days | -\$ 177.05 |
| TOTAL | <u>\$ 647,740.88</u> |

Cancelled cheques - Nil

STATUTORY IMPLICATIONS

3. 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.
4. The Chief Executive Officer has delegated authority to make payments from the municipal and trust fund.
5. 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

6. Expenditure for the period to 15 October 2017 has been incurred in accordance with the 2017/2018 budget parameters.

FINANCIAL IMPLICATIONS

7. Expenditure for the period to 15 October 2017 has been incurred in accordance with the 2017/2018 budget parameters.

CONCLUSION

8. That list of accounts have been authorised for payment under delegated authority.
9. 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 |
|-----------------------------------|---|----------------------|

CCS003: 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)

RECOMMENDATION

CCS003: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR DOUGHTY

THAT the Delegated Authority Reports 16 September 2017 to 15 October 2017 be RECEIVED.

CARRIED 13 - 0

CCS003: RESPONSIBLE OFFICER RECOMMENDATION

THAT the Delegated Authority Reports 16 September 2017 to 15 October 2017 be RECEIVED.

CCS004: PROPOSED LEASE AND LICENCE – REGIONAL DEVELOPMENT AUSTRALIA GREAT SOUTHERN WA INC. – ALBANY CO-OPERATIVE SOCIETY BUILDING (FORMER)

| | |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------|
| Land Description | : Crown Reserve 42401 Lot 1411 on Diagram 26101 the subject of Certificate of Title Volume LR3123 Folio 712, Albany |
| Proponent | : Regional Development Australia Great Southern WA Inc. |
| Owner | : Crown (City of Albany under Management Order) |
| Report Prepared By | : Team Leader Property and Leasing (T Catherall) |
| Responsible Officer: | : Executive Director Corporate Services (M Cole) |

CONFIDENTIAL REPORT *This Report will be considered behind closed doors in accordance with section 5.23 (2)(e) of the Local Government Act 1995, being a matter that if disclosed, would reveal information that has a commercial value to a person, other than the local government.*

CCS004: COMMITTEE RECOMMENDATION

**MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR HOLLINGWORTH**

That Council:

- 1. APPROVE a new lease and licence to Regional Development Australia Great Southern WA Inc. over the former Albany Co-operative Society building on Lot 1411 Frederick Street, Albany, subject to:**
 - a. Lease permitted use being office space.**
 - b. Licence permitted use being community meeting space.**
 - c. Lease commencing as soon as practicable.**
 - d. Licence commencing as soon as practicable once the ground floor has been vacated by the City's History Collection Library services, anticipated March 2018.**
 - e. Lease area being the first floor including the verandah and ramp, an area approximately 171m².**
 - f. Licence area being the ground floor, an area of approximately 161m².**
 - g. Lease rent being \$15,347 per annum plus GST and outgoings.**
 - h. Rent being reviewed every three years and determined by a market valuation provided by a licensed Valuer with Consumer Price Index applied for intervening years.**
 - i. Lease term being 3 years with an option for a further 3 year term.**
 - j. Special condition being included to provide an early termination of term should the Federal Government cease funding to the RDA program.**
 - k. Development application for works and use being approved.**
 - l. Pursuant to Section 18 of the *Land Administration Act 1997*, Minister for Lands consent being obtained.**
 - m. All costs associated with the ongoing operations of the leased premises being payable by the tenant.**
 - n. All costs associated with the development and finalisation of the lease and licence being met by the tenant.**
 - o. Lease and licence being consistent with Council Policy – Property Management (Leases and Licences).**
- 2. NOTE that following approval, Council APPROVE the allocation of \$70,000 in the capital budget through a budget amendment for the installation works in 2017/2018, with the funds being drawn from the Building Restoration Reserve.**

CARRIED 12 - 0

CCS005: CORPORATE SCORECARD-SEPT QUARTER 2017/18

Proponent / Owner : City of Albany
Report Prepared By : Facilitator-Strategy and Improvement (S Grimmer)
Responsible Officers: : Executive Director Corporate Services (M Cole)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - a. **Key Theme: 1** Leadership
 - b. **Objective: 1.1** To establish and maintain sound business and governance structures
 - c. **Community Priority: 1.1.1** Implement systems and controls that ensure the prudent use of rates and ensure value for money in all aspects of Council operations.

In Brief:

- The city has recently developed a Corporate Scorecard which reports progress against the City's integrated planning framework.
- The corporate scorecard is to be presented quarterly via an OCM item starting from the September quarter for the 2017/18 financial year.

RECOMMENDATION

CCS005: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR HAMMOND
SECONDED: COUNCILLOR STEPHENS

THAT Council RECEIVES the Corporate Scorecard Report for the September 2017 quarter.

CARRIED 13 - 0

CCS005: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVES the Corporate Scorecard Report for the September 2017 quarter.

BACKGROUND

2. The City's "Corporate Scorecard" has been developed to provide a quarterly snapshot on how the City is progressing to achieve the strategic priorities established and approved by Council (CEOs Key Performance Indicators).
3. The City's performance reporting uses a simple traffic light system that indicates progress against performance targets for:
 - a. Service Delivery;
 - b. Finance;
 - c. People (Workforce Development Plan), and
 - d. Asset Management.

DISCUSSION

4. The September 2017 report indicates that the City is successfully meeting its budget and asset management commitments and is making good progress against the deliverables outlined in Business Unit Plans and the CEO's 2017/18 Key Performance Indicators (KPI's) established by Council.
5. The corporate scorecard (which directly follows this report) provides a concise snapshot on how the City of Albany is performing against the integrated planning framework.

GOVERNMENT & PUBLIC CONSULTATION

6. The City researched the approach taken across the Australian Local Government sector.
7. The City's Corporate Scorecard is specific to the City of Albany, but takes into account what is considered best practice from across the sector.

STATUTORY IMPLICATIONS

8. The advisory standard, framework and supporting guidelines stress the importance of measuring progress and outcomes.
9. **Section 5.56(1) and (2) of the *Local Government Act 1995*** requires that each local government is 'to plan for the future', by developing an Integrated, Planning and Reporting (IPR) framework, in accordance with the regulations.
10. Where a local government is reporting, or being reported, as non-compliant with legislative requirements and/or producing financial results below prescribed standards, the Department makes the organisation aware of the fact and provides advice on how to remedy the situation.
11. In these circumstances, officers will engage with elected members, via the Council's Audit & Risk Committee, so the council can be apprised of the situation and, as appropriate, develop strategies to:
 - a. address non-compliance;
 - b. initiate action plan(s) for continuing improvement; and
 - c. identify what council considers might be sound financial health for itself where that might be below sector standards or benchmarks.

RISK IDENTIFICATION & MITIGATION

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

| Risk | Likelihood | Consequence | Risk Analysis | Mitigation |
|-------------------------------------------------------------------------------------------------------|-----------------|-----------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reputation. <i>Delayed implementation or non-progress of commitments (performance).</i> | <i>Unlikely</i> | <i>Moderate</i> | <i>Medium</i> | <i>Active monitoring and reporting allows the City of Albany to take appropriate action in a timely manner.</i> <i>Commitments put on hold to be adequately communicated to all stakeholders.</i> |
| Opportunity: <i>To update our community on how the City is performing against commitments.</i> | | | | |

FINANCIAL IMPLICATIONS

13. While there are no direct financial implications in relation to this item, failure to meet our statutory obligations in regards to Integrated Planning and Reporting (IPR) could affect our ability to attract future State Government funding as detailed in the Statutory Implications section of this report.

CONCLUSION

14. Noting the September 2017 report indicates that the City is successfully meeting its budget and asset management commitments and is making good progress against the deliverables it is recommended that the Responsible Officer's Report be received.

| | | |
|-----------------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consulted References | : | <ul style="list-style-type: none">• <i>Local Government Act 1995</i>•• Western Australian-Integrated Planning and Reporting Framework |
| File Number (Name of Ward) | : | CM.RVW.3 (All Wards) |
| Previous Reference | : | Councillor Strategic Workshop 2017 |

CORPORATE SCORECARD SEPTEMBER 2017

OUR VISION & VALUES



**PERFORMANCE SNAPSHOT
SEPTEMBER 2017**

| Service Delivery (from the Business Unit Plans) | Q1 | Q2 | Q3 | Q4 |
|-------------------------------------------------|-----|----|----|----|
| Total Number of Deliverables | 352 | | | |
| Number Complete | 36 | | | |
| Number On Track | 266 | | | |
| Number Monitor | 42 | | | |
| Number On-hold | 8 | | | |

| Finance (Net Operating Costs v Budget) | Q1 | Q2 | Q3 | Q4 |
|----------------------------------------|----|----|----|----|
| Office of CEO | | | | |
| Community Services | | | | |
| Corporate Services | | | | |
| Development Services | | | | |
| Infrastructure & Environment | | | | |

Status Legend



Within Budget



Within 5% of budget



5% or more
above budget

| People (HR Metrics) | Q1 | Q2 | Q3 | Q4 |
|------------------------------------------------|-------|----|----|----|
| Number of new Recruits | 17 | | | |
| Number of Lost time injuries (LTI's) | 4 | | | |
| Organisational Establishment (Number of FTE's) | 285 | | | |
| Staff Turnover % (for the quarter) | 3.93% | | | |

| Assets (Delivery Against Schedules) | Q1 | Q2 | Q3 | Q4 |
|-------------------------------------|----|----|----|----|
| Strategic projects | | | | |
| Capital works program | | | | |
| Preventive maintenance program | | | | |

Status Legend



On Track



Monitor



On-hold

CHIEF EXECUTIVE OFFICER
KEY PERFORMANCE INDICATORS (KPIs)
SEPTEMBER 2017

| Regional Focus | Required Outcomes | Status | Progress |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------|--------|----------------------------------------------------------------------------------------------------|
| Regional Alliance | Promote the Alliance, growth planning and tourism development. | | Funding allocated in the state budget Amazing South Coast Tourism Development Strategy drafted. |
| | Explore and promote resource sharing arrangements. | | Increased co-operation occurring. Opportunities investigated as they arise. |
| Economic Growth Plan | Lead the City's contribution to develop a regional economic development strategy in consultation with the Alliance. | | Awaiting direction and funding from the state government re growth planning. |
| Tourism | Implement the Destination Marketing Strategy and Tourism Development Strategy as part of the Alliance. | | Strategies developed with implementation on track. |
| | Provide Council and the Alliance with guidance and recommendations on the proposal to form a Local Tourism Organisation (LTO). | | City is awaiting feedback from industry participants. Report going to Council at October 2017 OCM. |
| | Ensure a smooth transition to the new Visitor Servicing Centre and explore a new operating model going forward. | | Construction on track, operating model continues to be developed. |

Status Legend

Complete
 On Track
 Monitor
 On-hold

CEO KPIs – SEPTEMBER 2017 (continued)

| Major Projects | Required Outcomes | Status | Progress |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| External Funding | Continue to lobby and advocate with State Government to ensure that the \$120m of election commitments (attached) are delivered to the community. | | City currently has 70 active funding agreements with 25 signed in the last quarter worth \$6million including \$3m for Centennial Park Stage 2, \$1.6m for Town Hall /Allison Hartman Gardens upgrade, 395k for ANZAC 2018 and 4 scholarships for the professional development of young staff members. |
| | Keep Council and the community informed and seek external funding to advance the Trails Concept Plan. | | Currently with EPBC for environmental assessment prior to progressing of funding applications. |
| Albany Heritage Precinct Upgrade | Work with the National ANZAC Centre Advisory Group to develop and present a Albany Heritage Park Masterplan for consideration and adoption. | | Master planning almost complete with plan to be presented to advisory group by the end of 2017. |
| | Identify opportunities for new project funding sources and report to Council | | Funding opportunities currently being identified based on Masterplan. |
| Centennial Park Upgrade | Progress the Centennial Park development project and advocate for the release of Stage 2 funding (\$6.9M) plus the Environmental Wetlands/Water Catchment project. | | Stage 2 funding agreement finalised. The wetlands project is currently with a consultant to prepare a business case. |
| Town Hall and Alison Hartman Gardens | Oversee community and Council engagement on the concept design and during project delivery. | | Engagement Plan under development and to be rolled out in early 2018. |

Status Legend



Complete



On Track



Monitor



On-hold

CEO KPIs – SEPTEMBER 2017 (continued)

| Governance | Required Outcomes | Status | Progress |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Community Strategic Plan | Ensure adoption by September 2017 and provide ongoing reporting to Council on the agreed outcomes | | IPR suite adopted in September 2017 and aligned with corporate scorecard. |
| | Align the CEO Key Results Areas to the key themes and deliverables within the Community Strategic Plan | | Discussed with Elected Member Focus Group with support to be provided when developing 2018/19 KPI's. |
| Albany Local Planning Strategy (ALPS) | Finalise strategy and present to Council | | To be presented at October 2017 OCM. |
| Committees | Work with Council to review the effectiveness of the Committee structure and processes | | Changes implemented with feedback to be sought from Council in the 1 st quarter of 2018. |
| Elected Member Development | <p>Continue to develop and implement a program involving ongoing training and development sessions including</p> <ul style="list-style-type: none"> • October 2017 election induction program • Working with the Alliance to deliver joint training • Establishment of an Elected Member Focus Group for feedback on elected member development | | <p>Program evolving with input from Elected Member Focus Group.</p> <p>A number of events have been organised for after the Local Government Elections.</p> <p>Joint events organised as appropriate.</p> <p>Focus group established and meeting regularly.</p> |

Status Legend



Complete



On Track



Monitor



On-hold

CEO KPIs – SEPTEMBER 2017 (continued)

| Organisational | Required Outcomes | Status | Progress |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------|------------------------------------------------------------------------------------------------------------------------------|
| Containment of Recurrent Funding | Continue to explore alternative funding mechanisms that benefit the City's current operating budget. | On Track | Service delivery reviews scheduled as part of the business planning /budget build process. |
| | Use the business planning framework to review the overall cost of service delivery. | On Track | |
| | Present to Council on the Organisational Structure and recruitment for vacant ED role. | Complete | Organisational restructure finalised with appointment to be made shortly. |
| Communications Strategy | Develop a Council strategy to improve communication with residents and businesses. | On Track | Workshop with Joel Levin from Aha Consulting scheduled for Feb 2018. |
| Corporate Scorecard | Review and update Business Plans annually for all service delivery teams. | Complete | Business plans adopted as part of the Corporate Business Plan and subject to annual review. |
| | Align Business Plans with the Integrated Planning framework and Annual Budget. | Complete | Business plans form part of the integrated planning framework. |
| | Incorporate the Corporate Scorecard into Council reporting framework. | Complete | Corporate Scorecard presented to Council quarterly from Nov 2017. |
| Organisational Development Program | Continue to implement organisation development and the development of leaders. | On Track | Leadership (AIM) and Supervisor (LGIS) training organised for October 2017 with this year's focus on emotional intelligence. |
| | Conduct an annual staff engagement survey to measure employee satisfaction levels. | On Track | Survey scheduled for Dec each year with results shared with staff in early 2018. |
| Customer Service | Implement and monitor a Customer Service Charter and program that is informed by internal and external stakeholder feedback. | Monitor | EMT to develop a framework and appoint a working group in first quarter of 2018 |

Status Legend



Complete



On Track



Monitor



On-hold

CCS006: ALBANY CAR CLASSIC - SUPPORT

| | |
|------------------------------|---------------------------------------------------------------------------|
| Proponent | : City of Albany |
| Attachment | : Albany Car Classic Event 2017 Budget Acquittal (CONFIDENTIAL) |
| Report Prepared By | : Manager Communications and Events (N Watson) |
| Responsible Officers: | : Acting Executive Director Commercial Services (A Cousins) |

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Theme:** Smart, Prosperous and Growing.
 - **Objective:** To develop and promote Albany as a unique and sought-after visitor location.
 - **Community Priority:** Encourage, support and deliver significant events that promote our region and have a positive economic and social benefit.

In Brief:

- Confirm financial and in-kind support for the annual Albany Car Classic event.

RECOMMENDATION

CCS006: ALTERNATIVE MOTION BY MAYOR WELLINGTON

MOVED: MAYOR WELLINGTON
SECONDED: COUNCILLOR HAMMOND

THAT Council:

- (1) **APPROVE** a fixed annual cash sponsorship amount of \$25,000 to the Vintage Sports Car Club of WA for the purposes of the Albany Car Classic Event.
- (2) **APPROVE** annual in-kind support to a maximum value of \$15,000 to assist with the mobilisation and demobilisation of the Albany Car Classic Event.
- (3) **AUTHORISE** the Chief Executive Officer to enter into a sponsorship agreement with the Vintage Sports Car Club of WA Inc. (VSCCWA) for a period of no more than 5 years, for the above contributions, being:
 - Annual Sponsorship Contribution of \$25,000;
 - Annual In-Kind Support to the value of \$15,000.
- (4) **APPROVE** the TRANSFER of the Albany Classics Reserve balance of \$25,281 to the Vintage Sports Car Club of WA Inc. (VSCCWA) to be made available to the Albany Organising Committee (AOC) for the replacement and maintenance of barriers, and CLOSURE of the Albany Classics Reserve.
- (5) **AUTHORISE** the CEO to include the transfer of the Albany Classics Reserve balance within the sponsorship agreement, as outlined in (3), with the caveat that should the AOC become an incorporated body during the term of the agreement that the VSCCWA will transfer the balance of funds to the AOC.
- (6) **APPROVE** the once-off contribution of \$5,000 to the VSCCWA for the purpose of building a transportable pedestrian footbridge over York Street on the condition of the City of Albany having naming rights to the footbridge.
- (7) **NOTE** that during the period of the sponsorship Contract the City will not make any financial contribution for the replacement and/or maintenance of Course Barriers.

CARRIED 13 - 0

CCS006: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

- (8) APPROVE a fixed annual cash sponsorship amount of \$25,000 to the Vintage Sports Car Club of WA for the purposes of the Albany Car Classic Event.
- (9) APPROVE annual in-kind support to a maximum value of \$15,000 to assist with the mobilisation and demobilisation of the Albany Car Classic Event.
- (10) AUTHORISE the Chief Executive Officer to enter into a sponsorship agreement with the Vintage Sports Car Club of WA Inc. (VSCCWA) for a period of no more than 5 years, for the above contributions, being:
 - Annual Sponsorship Contribution of \$25,000;
 - Annual In-Kind Support to the value of \$15,000.
- (11) APPROVE the TRANSFER of the Albany Classics Reserve balance of \$25,281 to the Vintage Sports Car Club of WA Inc. (VSCCWA) for the replacement and maintenance of barriers, and CLOSURE of the Albany Classics Reserve.
- (12) APPROVE the once-off contribution of \$5,000 to the VSCCWA for the purpose of building a transportable pedestrian footbridge over York Street on the condition of the City of Albany having naming rights to the footbridge.
- (13) NOTE that during the period of the sponsorship Contract the City will not make any financial contribution for the replacement and/or maintenance of Course Barriers.

BACKGROUND

2. The Albany Car Classic is one of Albany's biggest and most iconic annual events and celebrates the rich motor-sport history of Western Australia.
3. The City of Albany has a long track record of providing support for the Albany Car Classic.
4. Traditionally held annually on the WA Day long weekend in June, the Albany Car Classic has a history dating back 81 years to 1936 when the first motor street race was held on the streets of Albany's town centre.
5. The overall event comprises two race days:
 - a. A Hill-Climb Race on Mt Clarence on the Saturday, re-enacting the Australian Hill-Climb Championship held at this location in 1957; and
 - b. The main Albany Car Classic Street Races on the Sunday.
6. According to the funding acquittal provided to the City by the VSCCWA, the 2017 Albany Car Classic involved 400 staff, contractors and volunteers, attracted 200 competitors and about 15,000 spectators.

Governance:

7. Governance of the Albany Car Classic is shared between the Vintage Sports Car Club of WA Inc. and the Albany Organising Committee.
 - a. The Vintage Sports Car Club of WA (VSCCWA) is an incorporated body of motoring enthusiasts who operate under the strict licencing and regulations of CAMS (Confederation of Australian Motor Sport). The VSCCWA manage the car racing component of the Classic event.

- b. The Albany Organising Committee (AOC) is an unincorporated group of dedicated volunteers from Albany who are responsible for track layout, mobilisation and demobilisation, liaising closely with the VSCCWA to ensure compliance with CAMS street racing regulations and delivery of event festival components.

Financial Assistance & Agreements:

8. The City has traditionally provided financial and in-kind support for the Albany Car Classic, in recent years consisting of \$15,000 cash sponsorship and in-kind to a value of about \$15,000.
9. In 2017 officers prepared a one-year Financial Assistance Agreement for the 2017 Albany Car Classic sponsorship, which was signed by the VSCCWA and acquitted.
10. This agreement was prepared to provide transparency and accountability around the City's sponsorship consistent with other City-sponsored events.

Event Administration:

11. The VSCCWA employ an event coordinator. The event coordinator manages the administrative tasks associated with event planning and delivery and organises the festival component of the Albany Car Classic.

City of Albany Municipal Budget Reserves: (Albany Classics Reserve):

12. This reserve was established for the purpose of maintaining the event course (i.e. replacement of damaged concrete safety barriers etc.).
13. Funds are distributed from the City of Albany to the Albany Organising Committee accordingly.
14. The Albany Classics Reserve had a closing balance of **\$25,281** as of June 30, 2017.

DISCUSSION

15. Officers have met with members of the VSCCWA and AOC on multiple occasions over the past 18 months to discuss support, history and governance of the event and improve transparency around the City's sponsorship.

Sponsorship & In-Kind Support:

16. Tourism WA and the Great Southern Development Commission were sponsors of the 2017 Albany Car Classic. The availability of this funding support in the future is unclear.
17. The VSCCWA has requested a longer-term sponsorship agreement up to 5 years from 2018 to provide certainty around the City's support and avoid the need for entering annual agreements.
18. The VSCCWA has also requested City Officers consider assisting with some of the administration and coordination tasks around the event planning and delivery, however the City is not currently resourced to provide this level of support.
19. Members of the AOC have asked Officers if the Albany Classics Reserve can be replenished to ensure adequate funds are available for future barrier replacement and other course maintenance as required.
20. The AOC has also enquired whether the Reserve funds can be drawn upon to assist with funding a transportable footbridge for the York Street crossing, or for fencing.

Albany Classics Reserve Account:

21. The Albany Classics Reserve has not received any contributions from either Council, the VSCCWA or AOC outside interest payments earned since 2008-2009.
22. The opening balance of the Albany Classics Reserve for 2008-2009 financial year was \$15,843.

23. In 2008-2009 the City achieved a total income for the Albany Classic of \$90,542.72, mostly through various grants, sponsorships and gate receipts.
24. Albany Classic costs for the 2008-2009 year amounted to \$57,072.74, leaving a surplus of \$33,470. The City transferred this surplus to the Albany Classics Reserve taking it to a closing balance of \$49,313, which was the last non-interest contribution to this Reserve.
25. Since 2008-2009, there have been a number of drawdowns to the Reserve and its balance is currently \$24,864.
26. Since 2008-2009, the VSCCWA and AOC have been responsible for all grants, sponsorships, gate receipts and costs, however no further surplus payments have been made to the Albany Classics Reserve.
27. According to the VSCCWA's financial acquittal of the 2017 Albany Car Classic, only a small surplus was achieved (See Confidential Attachment).

Event Administration:

28. In 2008-2009 City officers were directly involved with administration of the event as the appointed event coordinator resigned, with responsibility for planning and delivery handed back to the event owners after this year.
29. The VSCCWA employed an event coordinator to manage the ongoing administrative workload which has subsumed some of the surplus costs that the City achieved in 2008-2009.
30. Post 2008-2009, City staff have only been involved in assessing and approving the Albany Car Classic event applications and facilitating in-kind support.

GOVERNMENT & PUBLIC CONSULTATION

31. Consultation with the VSCCWA and AOC are detailed in the discussion section of the report.
32. See statutory implications of report.

STATUTORY IMPLICATIONS

33. **Local Government Act 1995:** section 6.11 Reserve Accounts.

“6.11. Reserve accounts

(1) Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.

(2) Subject to subsection (3), before a local government —

(a) changes the purpose of a reserve account; or*

(b) uses the money in a reserve account for another purpose,*

it must give one month's local public notice of the proposed change of purpose or proposed use.

*** Absolute majority required.**

(3) A local government is not required to give local public notice under subsection (2) —

(a) where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or

(b) in such other circumstances as are prescribed.

(4) A change of purpose of, or use of money in, a reserve account is to be disclosed in the annual financial report for the year in which the change occurs.

(5) Regulations may prescribe the circumstances and the manner in which a local government may set aside money for use for a purpose in a future financial year without the requirement to establish and maintain a reserve account.”

POLICY IMPLICATIONS

34. Sponsorship of the Albany Car Classic has traditionally fallen outside of the City's grants and funding streams in recognition of its long tradition and iconic status within Albany's annual events.

RISK IDENTIFICATION & MITIGATION

35. 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, Reputation & Financial.</p> <p><i>Risk: The event has a national profile and is reliant on grant funding to maintain this standard. Without sufficient funding the future of the event being held to this standard could be jeopardised.</i></p> | Possible | Moderate | Medium | If the proposal for City support is not endorsed, staff will review and address areas of concern. |
| <p>Opportunity: Build on this historic and unique event as an annual visitor attraction.</p> | | | | |

FINANCIAL IMPLICATIONS

36. Set aside \$25,000 cash annually through the Budget process for the term of the Financial Assistance Agreement negotiated by the Chief Executive Officer as authorised.
37. This represents a \$10,000 increase on the sponsorship of \$15,000 budgeted for in 2017-2018, however is consistent with the level of cash sponsorship the City provides to other similar sized events.
38. Increasing the cash sponsorship amount will allow the VSCCWA and AOC to adopt a Budget model that allows the event to remain sustainable without ongoing administrative support from the City of Albany, and will save the City of Albany resource costs assisting with any administrative tasks.
39. Resource and contract costs associated with delivering in-kind support.

LEGAL IMPLICATIONS

40. There are no legal implications related to this report.

ENVIRONMENTAL CONSIDERATIONS

41. The Albany Car Classic generates a high-level of noise however, based on historical feedback, the majority of residents, businesses and the public fully support the event.

ALTERNATE OPTIONS

42. Continue the status-quo support provided by Council over recent years consisting of:
- a. \$15,000 cash sponsorship Budgeted annually;
 - b. In-kind support to a value of \$15,000 to assist event volunteers with mobilisation and de-mobilisation of race course;
 - c. Continuing to hold funds within the Albany Classics Reserve to cover costs of repairs and replacement of course concrete safety barriers.

NOTE: If Council's wish is to continue to hold and manage the Albany Classics Reserve, then a model for contributions to maintain the reserve will need to be considered. This model will also continue to incur resource costs on the City of Albany for providing administrative support to manage the Reserve.

CONCLUSION

- 43. The Albany Car Classic is a popular annual event that has a national profile and attracts visitors to the region but has a challenging governance model.
- 44. Officers are recommending the City adopt a new contribution model for this event that reinforces its role as a sponsor only and removes itself from all administrative involvement.
- 45. The proposal allows the City and event owners, being the VSCCWA and AOC, to move forward with clarity and certainty, if Council wishes to continue to provide support to the event.
- 46. It is not considered the City's responsibility to top-up the Albany Classics Reserve and the City is not resourced to assume administrative responsibility for external events.

| | | |
|-----------------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consulted References | : | <ul style="list-style-type: none"> • <i>Local Government Act 1995</i> • <i>Local Government (Financial Management) Regulations 1996</i> |
| File Number (Name of Ward) | : | Frederickstown Ward |
| Previous Reference | : | Not applicable |

CCS007: REGIONAL EVENTS SPONSORSHIP - 2018

Proponent : City of Albany
Report Prepared By : Manager Communications & Events (N Watson)
Responsible Officer(s) : Executive Manager Community Services (A Cousins)

Declarations of Interest were received by Councillor Terry and Councillor Sleeman of Impartiality.

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Theme:** Smart, Prosperous and Growing.
 - **Objective:** To develop and promote Albany as a unique and sought-after visitor location.
 - **Community Priority:** Encourage, support and deliver significant events that promote our region and have a positive economic and social benefit.

In Brief:

- Review and endorse the proposed Regional Event Sponsorship Assessment Panel recommendations.

RECOMMENDATION

CCS007: COMMITTEE RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR MOIR

That Council ENDORSE the Regional Event Sponsorship Assessment Panel recommendations as outlined in Paragraph 16 – Table 1 of this report.

CARRIED 13 - 0

CCS007: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

That Council ENDORSE the Regional Event Sponsorship Assessment Panel recommendations as outlined in Paragraph 16 – Table 1 of this report.

BACKGROUND

2. The City of Albany's Regional Events Sponsorship program is designed to attract and support the staging of Regional Events that are Regional economic drivers for Albany as a destination.

3. A Regional Special Event is defined as possessing the capability to attract significant numbers of visitors from outside the region and is more than just a local festival; it must possess substantial drawing power.
4. Council allocated \$65,000 in its 2017-2018 Budget for the Regional Events Sponsorship program.
5. Council also allocated \$10,000 in its 2017-2018 Budget for Taste Great Southern run by Denmark Tourism Inc. Denmark Tourism Inc. were invited to apply for funding through the Regional Events Sponsorship program.

DISCUSSION

Program Overview

6. The Regional Events Sponsorship Program 2018 objectives include:
 - a. Generate additional tourism income by increasing visitor expenditure in the Albany region (economic impact);
 - b. Involve and inspire the local community (social benefits);
 - c. Attract media coverage that will help to raise the profile of Albany as a visitor destination (media impact).
7. The Regional Events Sponsorship program is a competitive funding application process. The sponsorship criteria and application processes follow a similar format to the State Government's Regional Events Scheme Program administered by Tourism Western Australia. Applicants are encouraged to also apply for Tourism Western Australia RES funding.
8. Events must be held between 1 January 2018 and 31 December 2018. Applications for Regional Events Sponsorship were open between August 2017 and September 2017.
9. Events that are funded by Council are required to enter into a Contractual Agreement with the City inclusive of post-event acquittals, project reports and milestone payments where relevant.

Assessment

10. Applicants were encouraged to shape their proposed activities to the funding and event sponsorship criteria, and officers gave guidance to applicants who did not meet the eligibility criteria.
11. Applications were evaluated by City Officers using an event assessment tool developed to measure the economic value, visitor numbers and budget sustainability of each application.
12. A Regional Events Sponsorship Assessment panel then reviewed all applications. The assessment panel comprised Mayor Wellington, Councillor Sutton and Councillor Terry.
13. The Assessment Panel scored each event against the application criteria and based on the information supplied within the written applications.
14. A total of thirteen (13) applications for Regional Events Sponsorship were received for funding requests totalling \$213,025 with \$65,000 available for allocation. Noting that:
 - o An additional \$10,000 is allocated in the Budget for Taste Great Southern;

15. The panel recommended supporting seven (7) of the thirteen (13) applications.

Panel Recommendations

16. A summary of applications recommended for funding is outlined in Table 1.

Table 1 - Regional Events Sponsorship – Assessment Panel Recommendations

| | Applicant / Event | Event Type | Panel Comments | Amount Requested | Panel Recommendation |
|---------------|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| 1 | Albany Mountain Bike Club: <i>Southern MTB</i> | <u>Extreme Sports Event:</u> Mountain Bike Festival including unique Urban Down Hill. | Supported subject to provision of documents required through the events approval process | \$23,500 (\$20,000 for Southern MTB and \$3,500 for new value-add event Munda Biddi Epic) | \$20,000 |
| 2. | Denmark Tourism Inc.: <i>Taste Great Southern</i> | <u>Culture Event</u> Regional Festival celebrating local produce with celebrity chefs | Supported subject to provision of documents required through the events approval process and a program plan demonstrating vendors and suppliers secured for the event. | \$20,000 | \$20,000 (\$10,000 RES) (\$10,000 17/18 Budget) |
| 3. | Albany Speedway Club: <i>Australian Super Sedan Title</i> | <u>Motorsport Event</u> National Speedway Event. | Supported subject to provision of documents required through the events approval process and a sponsorship benefits package articulating City naming rights allocation. | \$20,000 | \$10,000 |
| 4. | ArtsSouth WA: <i>Southern Art and Craft Trail</i> | <u>Arts/Culture Event</u> Art and Craft trail across Great Southern. | Supported subject to provision of documents required through the events approval process and a sponsorship benefits package articulating high profile recognition. | \$12,000 | \$10,000 |
| 5. | RV Sport / Friendship Games: Great Southern Invitational | <u>Sporting Event</u> Regional Basketball Carnival | Supported subject to provision of documents required through the events approval process and a sponsorship benefits package. | \$20,000 | \$7,000 |
| 6. | Princess Royal Sailing Club <i>Sail Albany 2018</i> | <u>Sporting Event</u> Easter Sailing Regatta | Supported subject to provision of documents required through the events approval process and a sponsorship benefits package. | \$5,675 | \$5,000 |
| 7. | Sustain: The Australian Food Network: <i>2018 Food for Thought Festival</i> | <u>Culture Event</u> Showcasing food culture and products in the Great Southern. | Supported subject to provision of documents required through the events approval process, and collaborating with Taste Great Southern for future years. | \$20,000 | \$3,000 |
| Totals | | | | \$121,175 | \$75,000 |

17. The Albany Mountain Bike Club has requested in-kind support over and above their cash sponsorship applications. All in-kind requests will be addressed within final Contract Agreements and subject to Council endorsed operational budgets.

GOVERNMENT & PUBLIC CONSULTATION

18. Not applicable.

STATUTORY IMPLICATIONS

19. Nil.

POLICY IMPLICATIONS

20. Approval of Regional Events Sponsorship funding recommendations is required by Council.

RISK IDENTIFICATION & MITIGATION

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

| Risk | Likelihood | Consequence | Risk Analysis | Mitigation |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Reputation: Funding recommendations not endorsed may result in negative feedback from the community and/or applicants.</i> | <i>Unlikely</i> | <i>Minor</i> | <i>Low</i> | <i>A Rigorous application and assessment process has been applied to ensure Council has confidence in assessment panel funding recommendations.</i> |
| <i>Reputation: Negative feedback from applicants declined for funding</i> | <i>Possible</i> | <i>Minor</i> | <i>Medium</i> | <i>Communicate the justification and reasoning to unsuccessful applicants.</i> |

FINANCIAL IMPLICATIONS

22. Management and oversight of funding and event sponsorship is undertaken using existing staff resources within the Commercial Services Team, within existing allocated budgets.

23. Council has allocated \$65,000.00 for Regional Events Sponsorship in 2017-2018.

24. Council has allocated \$10,000.00 for Taste Great Southern in 2017-2018.

LEGAL IMPLICATIONS

25. Nil.

ENVIRONMENTAL CONSIDERATIONS

26. Nil.

ALTERNATE OPTIONS

27. Council could make alternative recommendations for funding including substitute dollar amounts for recommended applicants.

SUMMARY CONCLUSION

28. The process for Regional Event Sponsorship Application Assessment is considered transparent and equitable.

29. It is recommended that the Responsible Officers recommendation be endorsed.

| | | |
|-----------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consulted References | : | <ul style="list-style-type: none"> • <i>Local Government Act 1995</i> • <i>Council adopted budget 2017-2018 Resolution CCCS042</i> |
| File Number (Name of Ward) | : | <i>(All Wards)</i> |
| Previous Reference | : | <i>OCM 13/12/2016 Resolution ED042</i> |

CCS009: RACEWARS ALBANY 2018, 2019, 2020

| | |
|-------------------------------|-------------------------------------------------------------|
| Proponent | : City of Albany |
| Report Prepared By | : Manager Tourism Development Services Acting (M Hammond) |
| Responsible Officer(s) | : Acting Executive Director Commercial Services (A Cousins) |

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Key Theme:** Smart Prosperous and Growing.
 - **Objectives:** To develop and promote Albany as a unique and sought after visitor location.
 - **Community Priorities:** Strengthen our economy by supporting business innovation and diversity;
 - Encourage, support and deliver significant events that promote our region and have a positive economic and social benefit; and
 - Promote the “Amazing South Coast” region as a sought after and iconic tourism destination to increase the number of people visiting and the duration their stay.

In Brief:

- To provide Council with update on negotiation of host destination rights for the Racewars annual event for the years 2018, 2019 and 2020.

RECOMMENDATION

CCS009: COMMITTEE RECOMMENDATION

MOVED: MAYOR WELLINGTON

SECONDED: COUNCILLOR HOLLINGWORTH

THAT Council:

1. **NOTE current status of negotiations and AUTHORISE the Chief Executive Officer to finalise an agreement for host destination rights for the Racewars annual event for the years 2018, 2019 and 2020.**
2. **APPROVE in-kind support to a maximum of \$68,000 over three (3) years for the 2018, 2019 and 2020 Racewars events and that this be presented in the mid-year budget review for adoption with the funds to be drawn from the Airport Reserve.**
3. **NOTE changes to Regional Express Airlines flight schedules that have been planned to facilitate the 2018 Racewars event.**
4. **A further report be submitted to Council at the end of the 2018 event with Council having the ability to consider additional funding support (cash or in-kind) for 2019 and 2020.**

CARRIED 12 - 1

Against the vote: Councillor Goode

CCS009: AMENDED MOTION BY MAYOR WELLINGTON

MOVED: MAYOR WELLINGTON

SECONDED: COUNCILLOR HOLLINGWORTH

THAT Council:

1. NOTE current status of negotiations and AUTHORISE the Chief Executive Officer to finalise an agreement for host destination rights for the Racewars annual event for the years 2018, 2019 and 2020.
2. APPROVE in-kind support to a maximum of \$68,000 over three (3) years for the 2018, 2019 and 2020 Racewars events and that this be presented in the mid-year budget review for adoption with the funds to be drawn from the Airport Reserve.
3. NOTE changes to Regional Express Airlines flight schedules that have been planned to facilitate the 2018 Racewars event.
4. A further report be submitted to Council at the end of the 2018 event with Council having the ability to consider additional funding support (cash or in-kind) for 2019 and 2020.

CARRIED: 12 - 1

Against the vote: Councillor Goode

CCS009: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

1. NOTE current status of negotiations and AUTHORISE the Chief Executive Officer to finalise an agreement for host destination rights for the Racewars annual event for the years 2018, 2019 and 2020.
2. APPROVE in-kind support to a maximum of \$68,000 over three (3) years for the 2018, 2019 and 2020 Racewars events and that this be presented in the mid-year budget review for adoption with the funds to be drawn from the Airport Reserve.
3. NOTE changes to Regional Express Airlines flight schedules that have been planned to facilitate the 2018 Racewars event.

BACKGROUND

2. The City of Albany successfully hosted the Racewars Albany 2017 event over the 4-6 March 2017 long weekend.
3. The City provided event organisers with exclusive use of the Albany Regional Airport for the two days of straight line racing on the 4 and 5 March.
4. 2017 was the inaugural event held in Albany and attracted 230 competitors, 40 event management personnel, and some 5,000 spectators (with 7,000 spectator gate entries

recorded over the two days). Children under 12 were free admission and not included in above figures.

5. A post event survey was conducted by the City and event organisers using Survey Monkey. A total of 407 responses were received representing a strong sample size of competitors and spectators.
6. 68% of competitors and spectators were from outside the Great Southern region (60% from Perth, 6% from other WA and 2% from out of state). This equates to some 3,500 visitors to the region to attend the Racewars Albany event.
7. The event is estimated to have injected approximately \$4.42m of new visitor spend into the local economy over the March long weekend.
8. The City is now presented with the opportunity to continue to host the annual event for the years 2018, 2019 and 2020.
9. The following resolution from the CCCS committee went to the OCM on 26th April 2017 – That Council:
 - a. RECEIVE the City of Albany post event evaluation report for hosting the Racewars Albany 2017 event.
 - b. AUTHORISE the Chief Executive Officer to negotiate the host destination rights for the Racewars annual event for the years 2018, 2019 and 2020 and to present a host bid proposal for council review and approval.
10. Pursuant to the council resolution City officers are currently negotiating with event organisers the host destination rights for 2018 and to secure future hosting rights for years 2019, and 2020.
11. Regional Express (REX) Airlines has agreed to proposed airport closure for the 2018 event and has submitted to Department of Transport (DOT) for approval.
12. The event organiser and owner is The Racewars Group Pty Ltd.
13. Further background on previous event outcomes is available in 'CCS022 Racewars Albany 2017 – Post Event Evaluation Report'.

DISCUSSION

14. The Racewars Group Pty Ltd strongly supports Albany as the host destination for the Racewars 2018, 2019 and 2020 events, subject to the provision of in-kind support that will assist in addressing issues identified during the 2017 event.
15. The bump-in and bump-out process during 2017 was more complex than first thought, requiring a longer airport shut down period. REX Airlines have agreed to a solution to address this, subject to DOT approval. This involves a slightly adjusted flight schedule on the Friday and Monday of the event weekend.
16. Traffic interaction and management on Albany Highway presented a variety issues in 2017, requiring a more focused approach to traffic management for 2018.
17. The unsealed staging lanes and return road that were utilised during the 2017 event were deemed not fit for purpose.
18. The arrival of non-urgent RFDS flights caused substantial delay and confusion, prompting the requirement to improve communication with RFDS and look to defer non-urgent or clinical transfer flights if possible.

19. Racewars 2018 entry sales will be capped at 250 with scope for an additional 50 reserve or invited entrants.
20. There will be a focus on expanding non-motorsport attractions throughout the event including the introduction of an Amazing South Coast showcase marquee profiling retail items from throughout the region.
21. To address lessons learned from 2017, the Racewars Group Pty Ltd have requested the following provision of in-kind support as part of negotiations to secure Albany as the host destination for 2018, 2019 and 2020:
 - a. Construction of an internal utility road at Albany Regional Airport that can also act as a return road and staging lane circuit for the event;
 - b. Delivery of landside traffic management required on Albany Highway;
 - c. Negotiation with REX Airlines and other stakeholders, to agree upon airport closures required during Racewars event periods;
 - d. Provision of a storage facility that can be utilised and accessed by The Racewars Group Pty Ltd over the term of the agreement (3 years);
 - e. Provision, construction and de-construction of the City's semi-permanent marquee during event periods; and
 - f. Provision of marketing support via City of Albany social media channels.
22. In return for the in-kind support proposed, The City of Albany intends to seek a benefits package as part of the agreement, which will include but not be limited to recognition as a major partner in the 2018, 2019 and 2020 Racewars events.
23. The final agreement will be articulated in the form of a written contract which both parties must agree upon and sign.

GOVERNMENT & PUBLIC CONSULTATION

24. The Albany Regional Airport team is currently engaging with airport tenants and users.
25. The Department of Transport has provided advance notice to the Albany Aviation CCG advising that nine (9) flights will be cancelled on the Perth-Albany route in March 2018.

26. The City of Albany, REX and Department of Transport have supported the following flight changes:
- a. FRI 02 MAR 2018
 - o ZL2133 Perth (1800) - Albany (1910) – **Rescheduled**
 - o ZL2134 Albany (1940) - Perth (2050) – **Additional Flight**
 - b. SAT 03 MAR 2018
 - o ZL2112 Albany - Perth – To be cancelled
 - o ZL2113 Perth - Albany – To be cancelled
 - o ZL2114 Albany - Perth – To be cancelled
 - c. SUN 04 MAR 2018
 - o ZL2131 Perth - Albany – To be cancelled
 - o ZL2132 Albany - Perth – To be cancelled
 - o ZL2133 Perth - Albany – To be cancelled
 - d. MON 05 MAR 2018
 - o ZL2112 Albany - Perth – To be cancelled
 - o ZL2113 Perth - Albany – To be cancelled
 - o ZL2114 Albany - Perth – To be cancelled
 - o Normal schedules commence

STATUTORY IMPLICATIONS

27. Not Applicable.

POLICY IMPLICATIONS

28. Not Applicable.

RISK IDENTIFICATION & MITIGATION

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

| Risk | Likelihood | Consequence | Risk Analysis | Mitigation |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------|----------------|------------------------------------------------------------|
| Reputation. <i>If hosting this event does not proceed.</i> | <i>Almost Certain</i> | <i>Major</i> | <i>Extreme</i> | <i>Communicate rationale for not supporting the event.</i> |
| Opportunity: <i>To promote Albany as a unique and sought after visitor location to attend and hold internationally recognised events and meet our Communities priority to encourage, support and deliver significant events that promote our region and have a positive economic and social benefit.</i> | | | | |

Note: A full operational risk management plan will be required from the event organiser as part of the event approval process. The current proposed plan addresses previous lessons learnt (i.e. un-scheduled RFDS flights).

FINANCIAL IMPLICATIONS

30. The following estimated financial implications will exist for the City of Albany subject to providing requested in-kind support outlined in point 18:
- a. Construction of an internal utility road by COA resources will result in an estimated investment of up to \$30,000.00 by the City of Albany into the Albany Regional Airport. The road will add value to ongoing airport operations by providing greater vehicle access to infrastructure and runways at the southern end of the airport. A detailed costing is currently being undertaken by the COA Infrastructure and Environment Team.
 - b. Delivery of land side traffic management currently estimated at up to \$5,000 per event year, to be delivered via existing City of Albany contract.
 - c. Provision, construction and de-construction of the City's semi-permanent marquee during event periods estimated to carry an internal service cost of up to \$6,000 per event year.
31. Based on point 25 the total in-kind investment over three years is estimated conservatively at \$68,000.00 as outlined in the table below.

| Cost Item | Cost Type | Year 1 | Year 2 | Year 3 | Total |
|--------------------|------------------|----------|----------|----------|----------|
| Return Road | Internal Service | \$30,000 | \$2,500 | \$2,500 | \$35,000 |
| Traffic Management | COA Contract | \$5,000 | \$5,000 | \$5,000 | \$15,000 |
| Marquee | Internal Service | \$6,000 | \$6,000 | \$6,000 | \$18,000 |
| | | \$41,000 | \$13,500 | \$13,500 | \$68,000 |

32. These costs are conservative estimates only and currently being refined as part of the negotiation process.
33. Funds are to be drawn from the Airport Reserve.

LEGAL IMPLICATIONS

34. Nil.

ENVIRONMENTAL CONSIDERATIONS

35. Nil.

ALTERNATE OPTIONS

36. Council has two options, being: Support the event or not.

SUMMARY CONCLUSION

37. Racewars 2017 proved to be a successful event and drew high visitation from outside of the region resulting in strong economic outcomes (as per 2017 post event report).
38. Successfully securing the right to hold the event in Albany for the next three years will allow the event to grow and become a marquee experience for Albany and the Amazing South Coast region. Officers will continue to negotiate host rights and present a draft agreement to Council for consideration before finalisation.

| | | |
|-----------------------------------|---|----------------------------------|
| Consulted References | : | Nil. |
| File Number (Name of Ward) | : | All Wards |
| Previous Reference | : | OCM 26/4/2017 Resolution CCOS022 |

CCS010: NATIONAL ANZAC CENTRE – Q1 2017-18 REPORT

| | |
|-------------------------------|-------------------------------------------------------------|
| Proponent | : City of Albany |
| Attachments | : National Anzac Centre – Q1 2017-18 Operational Report |
| Report Prepared By | : Manager Tourism Development Services Acting (M Hammond) |
| Responsible Officer(s) | : Executive Director Commercial Services Acting (A Cousins) |

Councillor Hollingworth left the room at 7.39pm. Returned 7.41

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies
 - **Key Theme:** Smart Prosperous and Growing.
 - **Strategic Objectives:** To strengthen our region's economic base; and
 - To develop and promote Albany as a unique and sought after destination.
 - **Community Priorities:** Strengthen our economy by supporting business innovation and diversity; and
 - Promote the Albany region as a sought after and iconic tourism destination.

In Brief:

- To provide Council with update on Q1 2017-18 performance of the National Anzac Centre.

RECOMMENDATION

CCS010: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR SMITH
SECONDED: COUNCILLOR MOIR

THAT Council RECEIVE the National Anzac Centre operational report for Q1 2017/18.

CARRIED: 13 - 0

CCS010: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the National Anzac Centre operational report for Q1 2017/18.

BACKGROUND

2. The National Anzac Centre is the City of Albany's most significant tourism asset.
3. The National Anzac Centre is a \$10.6 million dollar investment from the Federal and State Government with an additional \$1.5 million invested by Wesfarmers for the construction of the Convoy Walk and Lookout.
4. The City of Albany manages the asset and understands the importance of generating economic outcomes for the region using the National Anzac Centre and the Albany Heritage Park (AHP) assets to encourage both increased visitation and extended stays to the region.

5. Key stakeholders will also receive this quarterly report in an effort to further develop the relationships and as recognition of their significant investment and commitment to the City of Albany.
6. The City established an independent National Anzac Centre Advisory Committee during the 2016/17 financial year to assist in the further development of both the NAC and AHP to ensure the assets continue to evolve and attract both local repeat visitation and visitors from outside the region. The final quarterly meeting for 2016/17 was held on Wednesday 19 July. Minutes are currently being finalised. The first meeting for FY 2017/18 will be held in Albany On November 27.
7. Council has budgeted a subsidy of \$250,000 annually for the operations of the NAC and the AHP and has established a reserve on the understanding that any surplus funds will be reinvested and be used to leverage additional grant funding to improve the asset.
8. This report template is constantly being reviewed to ensure that the Commercial, Community & Corporate Services Committee and the National Anzac Centre Advisory Group receive all relevant information as to its performance.
9. Ongoing feedback from the Community & Corporate Services Committee and the National Anzac Centre Advisory Group is encouraged to ensure the report is meeting expectations.

DISCUSSION

10. Q1 2017/18 saw the National Anzac Centre exceed visitation of 200,000 visitors since opening in November 2014. Total visitation as at end of Q1 2017-18 was 203,131. This equates to an average annual visitation of 69,645 visitors per year.
11. Total visitation in Q1 2017/18 was up by 621 visitors compared to the same period in 2016/17.
12. The National Anzac Centre achieved its best September visitation since opening, with September 2017 visitation being up by 626 visitors compared to the same period in 2016, and up by 667 compared to the same period in 2015.
13. The majority of visitation in Q1 2017/18 originated from intrastate (not including Albany) with 50% from within WA, followed by 14% from NSW, 11% from VIC and 10% from QLD.
14. Of the 4% of international visitors, 37% of these originated from New Zealand, 24% from the United Kingdom, 10% from the USA & Canada and 7% from Singapore.
15. Revenue generated in Q1 2017/18 by the Albany Heritage Park (National Anzac Centre and Forts Store combined) was up by \$2,747 compared to the same period in 2016/17, and up by \$77,222 compared to the same period in 2015/16.
16. As at the end of Q1 2017/18 1,468 local residents were members of the National Anzac Centre League of Local Legends program.
17. Local visitation for Q1 2017/18 was up by 50 visitors compared to the same period in 2016/17.
18. The National Anzac Centre received 147 non-local paying visitors in Q1 2017/18 as a result of the National Anzac Centre League of Local Legends program.
19. Q1 2017/18 saw the National Anzac Centre named #2 museum in Australia by Trip Advisor in ahead of the Melbourne Museum, Canberra's Questacon and Darwin's Museum and Art Gallery of the Northern Territory. The National Gallery of Victoria came in at number one.
20. The National Anzac Centre is a finalist in two categories at the upcoming Western Australian Tourism Awards. Categories include Tourist Attractions and Cultural Tourism.

21. The City of Albany is currently in discussion with a sponsorship consultant regarding an approach to sourcing and securing corporate sponsorship opportunities for the National Anzac Centre.

GOVERNMENT & PUBLIC CONSULTATION

22. Not Applicable.

STATUTORY IMPLICATIONS

23. Not Applicable.

POLICY IMPLICATIONS

24. Not Applicable.

RISK IDENTIFICATION & MITIGATION

25. Nil.

FINANCIAL IMPLICATIONS

26. Refer to financial summary below for the Albany Heritage Park full year budget and YTD position as at September 30, 2017 noting that:

a. Operating expenditure budget includes:

- i. \$55,000.00 allocated to the City reserves team for management of publicly accessible natural/developed reserves located within the boundary of the Albany Heritage Park.
- ii. \$78,000 allocated to the City Operations team for maintenance of all City of Albany built infrastructure and building assets located within the boundary of the Albany Heritage Park.
- iii. \$20,000 allocated to expenses relating to the National Anzac Centre Advisory Group.
- iv. \$25,000 allocated to Major Projects for development of the Albany Heritage Park Master Plan.

| | FY 2017-18 Budget | YTD Budget | YTD Actual | YTD Variance |
|----------------------------|-------------------|--------------|--------------|--------------|
| Operating Expenditure | \$1,828,621.00 | \$390,769.00 | \$313,726.00 | \$77,043.00 |
| Operating Income | \$1,781,000.00 | \$351,360.00 | \$347,858.00 | -\$3,502.00 |
| Net Operating Surplus/Loss | -\$47,621.00 | -\$39,409.00 | \$34,132.00 | \$73,541 |
| Capital Expenditure | \$265,000.00 | \$12,495.00 | \$0.00 | \$12,495.00 |

LEGAL IMPLICATIONS

27. Nil.

ENVIRONMENTAL CONSIDERATIONS

28. Nil.

ALTERNATE OPTIONS

29. The Committee can request further development and refinement of the quarterly reporting tool including both content and frequency of reporting.

SUMMARY CONCLUSION

30. Q1 of 2017/18 has seen positive growth in visitation (comparative to previous years) over what is typically the quietest period of the year. An increase in wholesale driven visitation has enabled greater revenue capture through the retail store resulting in steady growth in revenue for the AHP precinct as a whole. This demonstrates the importance of developing a variety revenue streams geared towards capitalising on the visitation generated by the National Anzac Centre. Q1 results are considered positive as we move into the peak periods of Q2 and Q3.

| | | |
|-----------------------------------|---|-----------|
| Consulted References | : | Nil. |
| File Number (Name of Ward) | : | All Wards |
| Previous Reference | : | Nil. |

CCS011: SPONSORSHIP POLICY & GUIDELINE

| | |
|------------------------------|----------------------------------------------------------------------------------------|
| Proponent / Owner | : City of Albany |
| Attachments | : Proposed Draft Policy Position - Sponsorship Policy & Guideline |
| Report Prepared By | : Manager Governance & Risk (S Jamieson) |
| Responsible Officers: | : Executive Director Corporate Services (M Cole) Chief Executive Officer (A Sharpe) |

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Theme:** Leadership.
 - **Objective:** To establish and maintain sound business and governance structures.
 - **Community Priority:** Provide informed and transparent decision making that is consistent with our strategic direction, meets our legal obligations, reflect the level of associated risk and are adequately explained to community.

In Brief:

- Review and consider the adoption of the proposed Sponsorship Policy & Guideline.

RECOMMENDATION

CCS011: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR GOODE

SECONDED: COUNCILLOR HOLLINGWORTH

THAT Council ADOPT the proposed Sponsorship Policy & Guideline, subject to the following amendment being incorporated into the proposed policy and guideline:

“Ensure sponsorship received by the City support the aims of the City of Albany Public Health Plan, and does not promote:

- ***the excessive consumption of fast food;***
- ***the use of tobacco products;***
- ***gambling; or***
- ***irresponsible drinking. “***

CARRIED: 13 - 0

CCS011: AMENDED RESPONSIBLE OFFICER RECOMMENDATION

MOVED: COUNCILLOR GOODE
SECONDED: COUNCILLOR HOLLINGWORTH

THAT Council ADOPT the proposed Sponsorship Policy & Guideline, subject to the following amendment being incorporated into the proposed policy and guideline:

“Ensure sponsorship received by the City support the aims of the City of Albany Public Health Plan, and does not promote:

- *the excessive consumption of fast food;*
- *the use of tobacco products;*
- *gambling; or*
- *irresponsible drinking. “*

CARRIED: 13 - 0

CCS011: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council ADOPT the proposed Sponsorship Policy & Guideline.

BACKGROUND

2. Government agencies face a number of corruption risks when engaging in sponsorship arrangements.
3. One of the main risks relates to conflicts of interest which could arise for a number of reasons, including differences between the goals of the agency and the sponsor, or the conflicting interests held by an agency staff member involved in the sponsorship.
4. Another risk is that the sponsorship arrangement could affect, or be perceived to affect, the way the agency operates.
5. For example, it could impose conditions that limit, or seem to limit, the agency's ability to discharge its duties fully and impartially.

DISCUSSION

6. In August 2017, based on the recommendation of the Independent Commission Against Corruption (ICAC), a draft policy position and informing guideline was draft by the Governance & Risk Team for internal review.
7. This document has been used as a guide by staff when assessing sponsorship proposals since.

Objective of the policy

8. The objective of the policy is to:
 - a. Establish principles for sponsorship agreements entered into between the City of Albany and other parties. The policy also provides guidelines for how the City will go about seeking sponsorship.
 - b. Sponsorship is the contribution of financial and/or “in kind” support that the City of Albany receives or provides for the purpose of, partnering in the provision of community infrastructure, a service or program, event or activity that may contribute to the economic, social, sporting, environmental or cultural development of the City.

- c. Sponsorships are undertaken or entered into, in order to help achieve business or community objectives.”

Guidelines for Seeking Sponsorship:

9. The guidelines for seeking sponsorship are:
 - a. The public interest may be best served by Council making a particular sponsorship opportunity widely known for example, by calling for expressions of interest or by letters of invitation to submit sponsorship proposals to a number of prospective sponsors. However, it is recognised that in some circumstances this ideal would be impractical and Council’s request for sponsorship could be by invitation to specific potential sponsors.
 - b. A sponsorship proposal should be developed which clearly outlines the nature of the project, why it is being proposed, the benefits to the proposed sponsor and to Council, and the type or value of sponsorship sought.
 - c. Councillors interested in assisting with sponsorship arrangements should work through the relevant Council Directorate and not seek to negotiate sponsorship independently on behalf of the Council.
 - d. It is inappropriate for any Councillors or Council staff members or their relatives or partners to receive personal benefit from sponsorship agreements.

GOVERNMENT & PUBLIC CONSULTATION

10. The proposed policy position was based on recommendations made by the Independent Commission against Corruption (NSW) and the Integrity Coordinating Group (WA) Guidelines.
11. The following case study highlights the importance of being mindful of, and ensuring transparency and proper controls over, activities and ticket use in relation to sponsorship arrangements:

Case Study: Proper governance and transparency is applied to ticket and corporate box use

The Public Sector Commission (PSC) conducted a thematic review into the use of general admission tickets and VIP/corporate box access for events, received by authorities in relation to sponsored or financially supported arrangements with private and not-for-profit organisations.

The review analysed the arrangements reported by 17 authorities in relation to 406 events and 16 000 tickets. In addition, the review assessed the policies, procedures and registers of eight public authorities governing these arrangements. It was noted that 20 per cent of the total ticket use reported was for private use.

Overall, the review found many policy and procedure documents analysed were general in nature and lacked relevance to the subject of sponsored and financially supported arrangements and ticket use. This highlighted the need for authorities to be mindful of — and ensure transparency and proper controls over—activities and ticket use in relation to sponsorship and financial support.

In particular, the PSC recommended that authorities take into account relevant government policies and guidelines, including checklists developed by the PSC when developing policy in relation to sponsorship and financial support. It was also

recommended that events should align to core business, and tickets should be used for a valid and defensible business reason, and be appropriately approved and recorded.

Sponsored travel

12. Sponsored travel refers to transport, accommodation and hospitality for travel, which is funded or partially funded through means other than an authority's funds or an officer's own resources. In the course of performing their public role, an officer or authority may receive offers for sponsored travel to another state or country for an event or another purpose.
13. Sponsored travel is a benefit that can pose a significant risk to the integrity of an authority or an officer's reputation and should therefore be treated cautiously. Sponsored travel should only be approved where the authority and officer can resolve or manage, in a transparent way, any possible conflict of interest or perception of bias issues that arise.
14. An authority can avoid the risks of sponsored travel by paying for the work related travel expenses of its officers.

Gifts, benefits and hospitality Risk and reputation

15. Decisions about sponsored travel need considerable thought, parameters and documented approval processes.
16. To assist in managing sponsored travel authorities should consider:
 - referring offers of sponsored travel to the authority head for approval and ensuring that appropriate independent approvals are in place for any travel or benefits enjoyed by the authority head if they are the person travelling
 - requiring the preparation of a business case that demonstrates benefits to the authority, government or wider community, rather than benefits to an individual officer
 - adhering to any requirements to disclose sponsored travel. This may include obtaining
 - and retaining receipts of flights, accommodation and hospitality.
17. The following case study outlines the importance of an officer and authority maintaining knowledge of, and complying with, the record keeping and disclosure obligations for sponsored travel.

Case study: Acceptance of, and failure to declare, gifts, benefits and hospitality can place the reputation of the authority and the individual at risk

The Corruption and Crime Commission (CCC) conducted an investigation to determine whether an elected member or any other employee of a local government authority had engaged in serious misconduct with respect to the elected member's acceptance and disclosure of gifts and travel contributions.

Elected members and local government employees are governed by rules about receipt and disclosure of gifts and third party contributions to travel, including when it is prohibited to accept them. Local government elected members are required to make annual returns disclosing these activities.

In particular, the CCC's investigation considered the acceptance of a hospitality package, including overseas travel, provided by a third party (aspects of which constituted a prohibited gift under the authority's Code of Conduct). Of further interest was the timing of this elected member's role in voting on a decision related to the third party.

The CCC formed the opinion that the elected member's acceptance of the hospitality package was misconduct, and the deliberate failure to disclose the gifts or travel in the elected member's annual return constituted serious misconduct, though the elected member's actions were not deemed to be corrupt.

Acceptance of a prohibited gift by any local government employee could adversely affect, or could be perceived to adversely affect, the honest or impartial performance of an elected member or employee's functions. The recording of offers and the acceptance of gifts is therefore an important accountability measure.

STATUTORY IMPLICATIONS

18. The adoption of the proposed policy position supports the City's obligation to implement reg 34B of the *Local Government (Administration) Regulations 1996*.
19. Voting Requirement: **Absolute Majority**

POLICY IMPLICATIONS

20. *Local Government Act 1995*, section 2.7(2)(b) Council determines local government policies
21. For the naming of buildings, infrastructure and facilities, compliance with the Policies and Standards for Geographical Naming in Western Australia is required.

RISK IDENTIFICATION & MITIGATION

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

| Risk | Likelihood | Consequence | Risk Analysis | Mitigation |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------|---------------|-----------------------------------------------------------------------------------------|
| <p>Compliance, Reputation & Financial.</p> <p><i>Risk: There is a risk that by not establishing clear guidelines inconsistent sponsorship arrangements may be made.</i></p> | Likely | Moderate | High | If the proposed policy is not endorsed, staff will review and address areas of concern. |
| Opportunity: Consistency and understanding of rules for both councillors and staff that pertain to sponsorship. | | | | |

FINANCIAL IMPLICATIONS

23. No direct financial implications are associated with this report; however it is noted that sponsorships are undertaken or entered into, in order to help achieve business or community objectives.

LEGAL IMPLICATIONS

24. There are no direct legal implications associated with this report.
25. The Regulations referred to in the attached proposed policy are the *Local Government (Rules of Conduct) Regulations 2007*, which apply only to council members.
26. The same rules apply to employees through your local government's Code of Conduct, *Local Government (Administration) Regulations 1996*.

ENVIRONMENTAL CONSIDERATIONS

27. Nil

ALTERNATE OPTIONS

28. The Committee and or Council may choose to either adopt the proposed policy, adopt with modification or refer to back to the Executive for further development.

CONCLUSION

29. It is recommended that the proposed policy position is adopted.

| | | |
|-----------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consulted References | : | <ul style="list-style-type: none"> <i>Local Government Act 1995</i> Independent Commission Against Corruption (NSW) – Sponsorship in the public sector. The Integrity Coordinating Group – Gifts, benefits and hospitality guidelines <i>State Supply Commission (2001) Sponsorship in Government: a handbook to assist public authorities</i> Conflicts of Interest - Scenario 6: Gifts, benefits and hospitality |
| File Number (Name of Ward) | : | All Wards |
| Previous Reference | : | Nil |

**CCS012: C17024 - PANEL OF SUPPLIERS - SUPPLY OF
INFORMATION TECHNOLOGY HARDWARE, SOFTWARE
AND CONSULTANCY SERVICES**

Proponent / Owner : City of Albany
Report Prepared By : Manager IT (A Catterall)
Responsible Officers: : Executive Director Corporate Services (M Cole)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - a. **Key Theme:** Leadership.
 - b. **Objective:** To establish and maintain sound business and governance structures.
 - c. **Community Priority:** Implement systems and controls that ensure the prudent use of rates and ensure value for money in all aspects of Council operations.

In Brief:

- Council approval is sought to accept tendered rates for Contract C17024 – Panel of Suppliers – Supply of Information Technology Hardware, Software and Consultancy Services from date of award for an initial three (3) year period, with two (2) further one (1) year extension options.
- For each item the highest weighted tenderer will be the default contractor with subsequent tenderers (in order) approached when default contractor is unavailable.

RECOMMENDATION

CCS012: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR SUTTON
SECONDED: MAYOR WELLINGTON

THAT Council ACCEPT the tendered rates for Panel of Suppliers – Supply of Information Technology Hardware, Software and Consultancy Services from:

- **KLB Systems;**
- **R-Group International;**
- **Ramped Technology;**
- **Saxxon IT; and**
- **Solutions IT;**

CARRIED: 13 - 0

CCS012: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council ACCEPT the tendered rates for Panel of Suppliers – Supply of Information Technology Hardware, Software and Consultancy Services from:

- KLB Systems;
- R-Group International;
- Ramped Technology;
- Saxxon IT; and
- Solutions IT;

BACKGROUND

2. The current contract for Supply of IT Infrastructure Support and Equipment expired on 16 October 2017.
3. The City of Albany is seeking to re-establish a “Panel of Suppliers” to provide reliable, experienced and knowledgeable contractors to support the IT Team to provide solutions which are “fit for purpose, scalable and cost effective” for the City. The tender is for the supply of hardware, software and associated consultancy services in relation to the IT systems at the City of Albany. It is not expected that tenderers will be able supply all requirements. As such, tenderers were encouraged to tender for the area of their expertise.
4. The Panel will be Council’s preferred suppliers and requests for IT support shall be directed to members of this Panel before all others.
5. The intention is that collectively, the panel of tenderers will satisfy the varied and changing IT requirements for City of Albany.
6. Contractors will be engaged by the following methodology:-
 - a. **For the supply of hardware and software only;** the most cost effective panel supplier will be contacted in the first instance following by the second choice and so on. The IT Team qualify the supplier pricing through internet research and/or comparison quotes from WALGA Panel and ICTS2015 CUA panel suppliers.
 - b. **For the supply of Consultancy** (either with or without hardware or software); the knowledge, experience and reliability of the panel suppliers are taken into account in conjunction with the cost of the services in determining the most appropriate and cost effective panel supplier. The IT Team qualify the supplier pricing through internet research and/or comparison quotes from WALGA Panel and ICTS2015 CUA vendors.
 - c. **For specialist equipment or consultancy services;** there may be IT requirements that the City of Albany determines, cannot be confidently delivered by a panel supplier. In these circumstances, the IT Team may elect to obtain equipment of services through a tender process, or WALGA/CUA Panel.

DISCUSSION

7. A total of 47 tender documents were issued by the City of Albany.
8. Nine (9) completed tender documents were submitted on or before the stipulated closing date and time.
9. The preferred suppliers will be used on an “as and when required” basis with no guarantee of the amount of work required by the City of Albany.
10. The tenders were evaluated using the weighted attributes methodology. This method scores the evaluation criteria and weighs their importance to determine an overall points score for each tender. The criteria are tabled below:

| Criteria | % Weighting |
|----------------------------------------|----------------|
| Cost | 30% |
| Certification, Training and Experience | 20% |
| Vendor Relationships | 10% |
| Experience with Local Government | 20% |
| Technical Training/Knowledge Transfer | 15% |
| Corporate Social Responsibility | 5% |
| Total | 100% |

11. Nine (9) suppliers submitted for the Consultancy Services portion of the Contract and the following table summarises the tenders and overall evaluation scores applicable to each submission:

| Tenderer | Total Evaluation Score |
|---------------------------|---------------------------|
| Ramped Technology | 656.85 |
| KLB Systems | 609.87 |
| Solutions IT | 605.85 |
| R Group International | 586.14 |
| Saxxon IT | 511.47 |
| Tenderer F - Unsuccessful | 483.18 |
| Tenderer G - Unsuccessful | 479.27 |
| Tenderer H - Unsuccessful | 473.12 |
| Tenderer I - Unsuccessful | 459.24 |

12. KLB Systems, R-Group International, Ramped Technology, Saxxon IT and Solutions IT are recommended to be added to the Panel of Suppliers for Consultancy Services as they scored the highest Total Evaluation Scores for this portion of the Contract.

13. Seven (7) suppliers submitted for the Hardware and Software portions of the Contract and the following table summarises the tenders and overall evaluation scores applicable to each submission:

| Tenderer | Total Evaluation Score |
|---------------------------|---------------------------|
| R Group International | 601.79 |
| Solutions IT | 597.06 |
| Ramped Technology | 584.66 |
| Saxxon IT | 560.86 |
| KLB Systems | 521.45 |
| Tenderer E - Unsuccessful | 520.11 |
| Tenderer F - Unsuccessful | 489.08 |

14. KLB Systems, R-Group International, Ramped Technology, Saxxon IT and Solution IT are recommended to be added to the Panel of Suppliers for Hardware and Software Services as they scored the highest Total Evaluation Scores for this portion of the Contract.

GOVERNMENT & PUBLIC CONSULTATION

15. Public Consultation. A request for tenders was published in the West Australian on Wednesday 30 August 2017 and the Albany Weekender on Thursday 31 August 2017.

STATUTORY IMPLICATIONS

16. Regulation 11 of the *Local Government (Functions and General) Regulations 1996* (Regulations) requires Council to publicly tender if the contract is, or is expected to be, more, or worth more than \$150,000.

17. Regulation 18 of the Regulations outlines the requirements relating to choice of tender.

18. Council:

- a. Is required to decide which of the acceptable tenders is the most advantageous to Council.
- b. May also decline to accept any tender.

19. Regulation 19 of the Regulations requires Council to advise each tenderer in writing the result of Council's decision.

POLICY IMPLICATIONS

20. The City of Albany Purchasing Policy and Buy Local (Regional Price Preference) Policy are applicable to this item.

RISK IDENTIFICATION & MITIGATION

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

| Risk | Likelihood | Consequence | Risk Analysis | Mitigation |
|-----------------------------------------------------------------------------------------------|-----------------|---------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Operation & Financial: <i>Non-compliance with contract or business failure.</i> | <i>Unlikely</i> | <i>Medium</i> | <i>Medium</i> | <i>General conditions of contract as outlined in the tender process allow for contract termination on the basis of failure to supply goods and services.</i> |

FINANCIAL IMPLICATIONS

22. The value of this tender is expected to be approximately \$2 million over 5 years, therefore the approval is referred to Council for consideration.

23. The cost per job will be included in the specific budget line item.

LEGAL IMPLICATIONS

24. There are no legal implications related to report.

ENVIRONMENTAL CONSIDERATIONS

25. There are no environmental considerations related to report.

ALTERNATE OPTIONS

26. Council can accept or reject the tenders as submitted.

CONCLUSION

27. Following the tender evaluation process, the submissions from KLB Systems, R-Group International, Ramped Technology, Saxxon IT and Solutions IT are recommended to be added to the Panel of Suppliers - Supply of Information Technology Hardware, Software and Consultancy Services, based on their evaluation scores which took into account their past performance (where applicable).

| | | |
|-----------------------------------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consulted References | : | <ul style="list-style-type: none"> • <i>Local Government Act 1995</i> • <i>Local Government (Functions and General) Regulations 1995</i> • Council Policy – Purchasing • Council Policy – Buy Local (Regional Price Preference) |
| File Number (Name of Ward) | : | C17024 (Across all Wards) |
| Previous Reference | : | Not applicable. |

CCS013: LOT 8075 ALBANY HIGHWAY, DROME – LEASE PROPOSAL

| | | |
|------------------------------|---|-------------------------------------------------------------------------------------------------------------|
| Land Description | : | Lot 8075 Albany Hwy, Drome on deposited plan 160500 comprised in Certificate of Title Volume 3118 Folio 600 |
| Owner | : | City of Albany (Management order or vest crown land) |
| Proponent | : | Blue Planet Developments Ltd (BPD) |
| Attachments | : | Nil |
| Report Prepared By | : | Manager Finance – Duncan Olde |
| Responsible Officers: | : | Executive Director Corporate Services – Michael Cole |

CONFIDENTIAL REPORT

This Report will be considered behind closed doors in accordance with section 5.23 (2)(e) of the Local Government Act 1995, being a matter that if disclosed, would reveal information that has a commercial value to a person, other than the local government.

CCS013: ALTERNATIVE MOTION BY COUNCILLOR GREG STOCKS

**MOVED: COUNCILLOR STOCKS
SECONDED: COUNCILLOR SMITH**

THAT item CS013: LOT 8075 Albany Highway, Drome – Lease Proposal be DEFERRED to allow Council to receive a briefing from City Officers on the proposal received by Blue Planet Developments Ltd and the future opportunities for solar power energy generation in the City of Albany.

CARRIED 13 - 0

11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN – Nil

12. MEETING CLOSED TO THE PUBLIC

The meeting went behind closed doors at 7.51pm

MOTION

MOVED: MAYOR WELLINGTON

SECONDED: COUNCILLOR HOLLINGWORTH

THAT Council MOVE behind closed doors to discuss the items:

- **CCS004 - PROPOSED LEASE AND LICENCE – REGIONAL DEVELOPMENT AUSTRALIA GREAT SOUTHERN WA INC. – ALBANY CO-OPERATIVE SOCIETY BUILDING (FORMER)**
- **CCS013 - LOT 8075 ALBANY HIGHWAY, DROME – LEASE PROPOSAL**

CARRIED 13 - 0

The meeting came from behind closed doors at 8.12pm

MOTION

MOVED: MAYOR WELLINGTON

SECONDED: COUNCILLOR HOLLINGWORTH

THAT Council come out behind closed doors to vote on the following items:

- **CCS004 - PROPOSED LEASE AND LICENCE – REGIONAL DEVELOPMENT AUSTRALIA GREAT SOUTHERN WA INC. – ALBANY CO-OPERATIVE SOCIETY BUILDING (FORMER)**
- **CCS013 - LOT 8075 ALBANY HIGHWAY, DROME – LEASE PROPOSAL**

CARRIED 13 - 0

CCS004 - PROPOSED LEASE AND LICENCE – REGIONAL DEVELOPMENT AUSTRALIA GREAT SOUTHERN WA INC. – ALBANY CO-OPERATIVE SOCIETY BUILDING (FORMER)
CCS013 - LOT 8075 ALBANY HIGHWAY, DROME – LEASE PROPOSAL

13. CLOSURE: The Chair declared the meeting closed at 8.20pm