



AUDIT & FINANCE COMMITTEE

MINUTES

for the meeting held from 6.00pm to 7.00pm on Tuesday 24 January 2012,
in the Margaret Coates Boardroom, City Office, North Road, Albany

(File Ref: FM.MEE.1)

Terms of Reference: *The Committee is established under section 7.1A of the Local Government Act 1995 (the Act) and its Regulations. The Committee does not have any delegated authority from Council.*

1.0 ATTENDANCE

| | |
|---|-----------------------------|
| Mayor | D Wellington (Deputy Chair) |
| Councillors: | |
| R Hammond | Member (Chair) |
| Y Attwell | Member |
| S Bowles | Member |
| V Calleja | Member |
| D Dufty | Member |
| G Gregson | Member |
| C Holden | Member |
| A Hortin | Member |
| G Stocks | Member |
| R Sutton | Member |
| Staff: | |
| Chief Executive Officer | F James |
| Manager Planning Services | S Lenton |
| Acting Executive Director Community Services | L Hill |
| Manager Cultural and Community Development | A Cousins |
| Manager Recreation Services | C Woods |
| Manager, Asset Planning & Major Projects | A McEwan |
| Minute Taker | J Williamson |
| Apologies/Leave of Absence: | |
| Executive Manager Compliance & Community Safety | S Jamieson |

2.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

ITEM 2.0: COMMITTEE RESOLUTION

**MOVED: COUNCILLOR HORTIN
SECONDED: COUNCILLOR WELLINGTON**

The unconfirmed minutes of the Audit Committee meeting held on Tuesday 6 December 2011, as previously distributed, be confirmed as a true and accurate record of proceedings.

CARRIED 11-0

3.0 DISCLOSURE OF INTEREST

[Elected members of Council and staff are asked to use the forms prepared for the purpose, aiding the proceedings of the meeting by notifying the presiding member prior to the conduct of the meeting]

Impartiality: Mayor Wellington and Councillors Holden, Sutton, Hammond and Dufty declared an impartiality interest in Item 4.4, as they are all named as defendants in the State Administrative Tribunal application made by Mr Don Phillips.

The Mayor and Councillors remained in the Boardroom and participated in the discussion and vote on Item 4.4.

4.0 ITEMS FOR DISCUSSION

4.1 Commercial in Confidence. Approach for Commercial Discount Department Store for commercial use of 140 Lockyer Avenue (land part of the Centennial Park Precinct currently zoned "Recreation")

- **Reporting Officer:** Acting Executive Director Planning and Development Services

Simon Lenton gave a presentation on the possible rezoning of 140 Lockyer Avenue from "Recreation" to "Commercial Use", and the process needed to undertake such a rezoning.

Manager Asset Planning and Major Projects, Anthony McEwan gave an overview of opportunities for creating improved City vibrancy, increased public amenity, water harvesting and drainage improvement across this particular site, and its link to the Centennial Park Precinct.

Manager Recreation Services, Cameron Woods gave an overview of the opportunities for infrastructure improvement and improved sporting facilities, including the opportunity for hosting of high level sporting events such as AFL and WAFL games.

ITEM 4.1: COMMITTEE RECOMMENDATION

**MOVED: MAYOR WELLINGTON
SECONDED: COUNCILLOR HAMMOND**

1. **THAT the Committee request the CEO and her delegates to lead community consultation (including undertaking the actions contained in Table 1 in the tabled report at page 6) regarding the support or otherwise of proposed rezoning of Lot 305 Lockyer Avenue, Centennial Park, to allow commercial uses to be developed on the site.**
2. **This 'in principle' support by the Committee shall not in any way be taken as approval by Council for any specific proposal to proceed and shall not fetter Council's discretion into the future to retain the land for recreation, use the land for commercial or other purposes, or approve any specific development proposals for the land.**

CARRIED 11-0

4.2 Albany Town Hall

- **Reporting Officer:** Acting Executive Director Community Services
Linda Hill and Adam Cousins, Manager Cultural and Community Development, provided a report regarding possible options for the future use of the Town Hall.

ITEM 4.2: COMMITTEE RECOMMENDATION 1

**MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR GREGSON**

THAT the Committee AGREE, in the short term, to continue with the current use of the Town Hall under its existing operational model with the addition of select programming in the theatre.

CARRIED 11-0

ITEM 4.2: COMMITTEE RECOMMENDATION 2

MOVED: COUNCILLOR SUTTON

SECONDED: COUNCILLOR BOWLES

THAT the Committee AGREE that further business analysis be conducted on three options in the tabled report.

- **Option 3:** plus visitor information point established at venue – *Recommended for further Business Analysis and Community Consultation*

This option would be as per Option 3 with the additional inclusion of a visitor information point operating on a seven day basis. The visitor information point would provide an abridged service to that of the full Visitor Centre (information only, no reservation service) and allow the front doors of the Town Hall to be open every day. In the instance the venue was under hire customers could also attend programming on offer. A volunteer venue tour service could also be investigated to enhance customer amenity to the building in the instance the venue is not under hire.

Further investigation of the capacity of Visitor Centre resourcing would be required to ascertain if staff could be deployed to the Town Hall operation. However, it is likely that additional resources would be required.

- **Option 5:** Lease of part or whole building to an identified cultural stakeholder or tourism operator – *Recommended for further Business Analysis and Community Consultation*

This option would lease the building to an identified cultural stakeholder or tourism operator able to manage the facility in a complementary manner to the goals of the City on a commercial or not for profit basis. As an example of this option, a tourism service provider such as, 'Tastes of the Great Southern' could be approached to operate the lower floor of the Hall as a permanent or periodic - 'Gourmet Produce Expo', showcasing the food and wine producers of the region. The lease could be set to include a seven day operation ensuring enhanced access to the Hall. A use such as this could showcase the region in a central location easily accessible to residents and tourists. This model could be developed to include occasional use of the lower floor for community groups or commercial exhibition purposes and a limited use model for hiring the theatre. Given the wide range of possible models within this option pros and cons have been based on the 'Gourmet Produce Expo' example provided.

- **Option 7:** Venue houses cultural or community resident organisation (for example: Southern Edge Arts or similar) to manage the venue under agreed terms – *Recommended for further Business Analysis and Community Consultation*

This option would have a resident cultural or community organisation manage the venue on behalf of the City. Cultural organisation residencies are commonplace however venue operations are usually managed by a third party. However, this option maybe possible subject to the sourcing of a suitable resident organisation. In addition to the advantages of outsourcing the management of the venue the residency has the advantage of enhancing the vibrancy of the site through their normal business operations. The resident may have some discretionary use of the venue. The City would still be required to maintain the venue and an upgrade to the production inventory maybe required subject to the requirements of the resident organisation. Note: The Albany Volunteer Resource Centre have indicated through an Expression of Interest a proposal to manage the Hall on the City's behalf.

CARRIED 10-1

ITEM 4.2: COMMITTEE RECOMMENDATION 3

MOVED: COUNCILLOR SUTTON

SECONDED: COUNCILLOR HOLDEN

THAT the Committee AGREE to community consultation regarding the future use of the Town Hall via an online survey seeking responses on recommended options by cultural stakeholders and a random selection from the community.

CARRIED 7-4

4.3 Airport Masterplan-Six monthly report.

- **Reporting Officer:** Acting Executive Director Community Services

The six monthly report was received by the Committee.

4.4 Defence of State Administrative Tribunal Applications by Mr Don Phillips-Confidential

ITEM 4.4: COMMITTEE RECOMMENDATION

The CEO is directed to take the best course of action to defend the reputational, legal and financial risks to the City of Albany in respect of this State Administrative Tribunal hearing.

CARRIED 11-0

4.5 Paver/Bostock v Wellington/City of Albany-Confidential Update

ITEM 4.5: COMMITTEE RECOMMENDATION

**MOVED: MAYOR WELLINGTON
SECONDED: COUNCILLOR HORTIN**

THAT by Council resolution, the Council provide authority to the CEO to settle the matter on behalf of the City, on settlement terms she believes protect the interests of the City.

CARRIED 11-0

5.0 ITEMS TO BE DISCUSSED AT FUTURE MEETINGS

- 5.1 Consolidated Debt Obligation (CDO) – Chapter 11 Bankruptcy Plan**
- 5.2 City of Albany and Water Corporation Septage Waste Plant Joint Venture**
- 5.3 Rate Discount for Charitable Organisations Incorporating Great Southern Housing Association**
- 5.4 Waste Services Status Report – Will be going to February 2012 meeting.**
- 5.5 Investment Strategy with Community Banks**
- 5.6 Risk Management and Mitigation associated with Anzac Centenary Events**

6.0 GENERAL DISCUSSION

Councillor Attwell queried who would have subsequent ownership of the piano and the appeal generally, as she had approached a local property developer who had expressed interest in funding the shortfall in the purchase price.

CEO Faileen James gave an update on the progress of fundraising. The piano moved from the Town Hall to the Albany Entertainment Centre (AEC) is not to the standard required for AEC performances. A new Steinway piano has been sourced through AEG Ogden, at a discounted price of \$135,000, which is almost half of the normal purchase price. The piano must be ordered and paid for by the end of March 2012 to take advantage of the discounted price.

The piano would be owned legally by the Perth Theatre Trust with a Memorandum of Understanding stating that it would remain at the AEC in perpetuity.

The Jack Family Trust has committed \$50,000 towards the purchase, with the provision that any further funds raised will be the result of community contribution. A Memorandum of Understanding is to be established which will state that while legally owned by the Perth Theatre Trust, the piano will remain in perpetuity at the Albany Entertainment Centre.

AGENDA ITEM 1.5 REFERS

City staff are currently finalising organisation of a community fundraising appeal to be held at the AEC. The appeal will not be a City event, but as a community led fundraiser.

7.0 DATE OF NEXT MEETING: 14 February 2012

8.0 CLOSURE OF MEETING

The Chair declared the meeting closed at 8.58pm.