

AGENDA

COMMERCIAL, COMMUNITY AND CORPORATE SERVICES COMMITTEE

12 September 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.

Commercial, Community and Corporate Services Committee

- (1) **Functions:** The Committee is responsible for the following functions:
- Commercial Services:
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:
- Foster links between education, training and employment that support economic development.
 - Strengthen our region’s economic based.
 - Develop and promote Albany as a unique and sought after visitor destination.
- Community Services:
The delivery of “*Sense of Community Objectives*” contained in the City of Albany Strategic Plan:
- Build resilient and cohesive communities with a strong sense of place and community spirit.
 - Create interesting places, spaces and events that reflect our community’s identity, diversity and heritage.
 - Develop and support an inclusive and accessible community.
 - Provide advice on effective ways to engage and report progress to the Community.
- Corporate Services:
Monitoring and commenting on the financial health and strategies of Council.
The delivery of “*Civic Leadership Objectives*” contained in the City of Albany Strategic Plan:
- Establish and maintain sound governance structures.
 - Provide strong, accountable leadership supported by a skilled and professional workforce.
 - Engage effectively with our community.
 - 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.
- (2) **It will achieve this by:**
- (a) Developing policies and strategies;
 - (b) Establishing ways to measure progress;
 - (c) Receiving progress reports;
 - (d) Considering officer advice;
 - (e) Debating topical issues;
 - (f) Providing advice on effective ways to engage and report progress to the Community; and
 - (g) Making recommendations to Council.
- (3) **Membership:** Open to all elected members
- (4) **Meeting Schedule:** Monthly
- (5) **Meeting Location:** Council Chambers
- (6) **Directorates:** Corporate Services, Community Services, Commercial Services
- (7) **Executive Officer(s):** Executive Director Corporate Services, Executive Director Commercial Services, Executive Manager Community Services
- (8) **Delegated Authority:** None

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1. DECLARATION OF OPENING

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	G Stocks
Member	J Shanhun
Member	S Smith
Member	A Goode JP
Member	A Moir
Member	B Hollingworth
Member	J Price
Member	R Hammond
Member	N Mulcahy
Member	C Dowling

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
A/Executive Manager Community Services	S Stevens
Manager Finance	D Olde

Meeting Secretary C Crane

Apologies:

Member R Sutton

4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE:

6. PUBLIC QUESTION TIME

7. PETITIONS AND DEPUTATIONS

8. CONFIRMATION OF MINUTES

DRAFT MOTION

THAT the minutes of the Commercial, Community and Corporate Services Committee held on 8 August 2017, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

9. PRESENTATIONS

Annual Financial Report: New Regulations for Related Party Disclosures

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS

CCCS053: FINANCIAL ACTIVITY STATEMENT – JULY 2017

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

Responsible Officer's Signature:



RECOMMENDATION

CCCS053: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Financial Activity Statement for the period ending 31 July 2017.

BACKGROUND

1. The Statement of Financial Activity for the period ending 31 July 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 \$50,000 are reported to Council.
6. These financial statements are still subject to further yearend adjustments and have not been audited by the appointed auditor.

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

STATUTORY IMPLICATIONS

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

POLICY IMPLICATIONS

8. The City's 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 31 July 2017 has been incurred in accordance with the 2017/18 proposed budget parameters.
11. Details of any budget variation in excess of \$50,000 (year to date) follow. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

File Number (Name of Ward)	FM.FIR.7 - All Wards
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CCCS054: LIST OF ACCOUNTS FOR PAYMENT – AUGUST 2017

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

Responsible Officer's Signature:	
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RECOMMENDATION

CCCS054: 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 August 2017 totalling \$5,456,055.14.

BACKGROUND

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

DISCUSSION

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

Municipal Fund	
Trust	\$ 31,302.00
Credit Cards	\$ 16,017.46
Payroll	\$ 1,239,277.42
Cheques	\$ 59,788.51
Electronic Funds Transfer	\$ 4,109,669.75
TOTAL	<u>\$ 5,456,055.14</u>

- As at 15 August 2017, the total outstanding creditors, stands at \$1,283,658.70 and made up as follows:-

Current	\$ 712,986.62
30 Days	\$ 570,627.38
60 Days	\$ 0.00
90 Days	-\$ 45.30
TOTAL	<u>\$1,283,658.70</u>

Cancelled cheques – Nil.

STATUTORY IMPLICATIONS

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

POLICY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

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

SUMMARY CONCLUSION

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

File Number (Name of Ward)	:	FM.FIR.2 - All Wards
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CCCS055: DELEGATED AUTHORITY REPORTS

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

Responsible Officer's Signature:



RECOMMENDATION

CCCS055: RESPONSIBLE OFFICER RECOMMENDATION

THAT the Delegated Authority Reports 16 July 2017 to 15 August 2017 be RECEIVED.

**CCCS056: ADOPTION OF THE BUDGET REVIEW FOR THE PERIOD
ENDING 31 JULY 2017**

Proponent : City of Albany
Attachments : Budget Review for the period ending 31 July 2017
Report Prepared by : Business Analyst/Management Accountant (D Harrison)
Responsible Officer : Executive Director Corporate Services (M Cole)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:** 5. Civic Leadership.
 - b. **Strategic Objectives:** 5.1. To establish and maintain sound business and governance structures.
 - c. **Strategy:** 5.1.3 Integrated Planning Framework.

In Brief:

- Local governments are required to conduct a budget review between 1 January and 31 March each financial year under regulation 33A of the *Local Government (Financial Management) Regulations 1996*.
- An additional review has been conducted to amend carry forward projects from forecast to actual in accordance with the Department's best practice financial reporting guidelines.
- This review is for the period ending 31 July 2017.

RECOMMENDATION

**CCCS056: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council ADOPT the Budget Review for the period ending 31 July 2017.

BACKGROUND

2. Local Governments are required to conduct a budget review between 1 January and 31 March each financial year which is a requirement covered by regulation 33A of the *Local Government (Financial Management) Regulations 1996*.
3. The Department recommends a review of the budget early in the financial year to amend carry forward projects from forecast to actual.

DISCUSSION

4. Council adopted the 2017/2018 Budget on 25 July 2017. The total adopted budget of \$93.7 M comprised:
 - a. \$24.9 M capital works;
 - b. \$ 2.2 M debt reduction; and
 - c. \$66.6 M in operating expenditure.
5. This Budget Review identifies expenditure of \$529,644 for general works, variations and new projects.
6. The funding of \$529,644 inclusive of reduction in expenditures, adjustment of grant funding, additional revenue, reserve funding and the movement opening funds has been identified in this review to maintain a surplus budget.
7. Lists and amends the 2016/17 Carry Forward Projects from estimate to actual.
8. This budget review shows the 2017/2018 budget is in a surplus position of \$109,062.
9. A copy of the Budget Review for the period ending 31 July 2017 is attached.
10. Budget adjustments thereafter of an urgent nature will be brought to a Council Meeting as an item to be discussed when required and actioned outside of this review.

GOVERNMENT & PUBLIC CONSULTATION

11. Department of Local Government guidelines were reviewed in the preparation of this report.
12. City of Albany Executives, managers and officers with budget responsibility were consulted in the preparation of the Budget Review.

STATUTORY IMPLICATIONS

13. Under the *Local Government Act 1995*, section 6.8, a local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure:
 - a. is incurred in a financial year before the adoption of the annual budget by the local government;
 - b. is authorised in advance by a resolution (absolute majority required) or;
 - c. is authorised in advance by the mayor in an emergency.

POLICY IMPLICATIONS

14. There are no policy implications related to this report.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation & Organisation's Operations. Non approval of the budget review, may result in significant delays to achieving deliverables.	Unlikely	Moderate	Medium	In the short term the existing Annual Budget would apply and proposed amendments would not apply. Adopt the Budget Review with amendments (as specified by Council).
Opportunity: Provides Council with an additional opportunity to review the City's current budget position.	Unlikely	Moderate	Medium	In the short term the existing Annual Budget would apply and proposed amendments would not apply. Adopt the Budget Review with amendments (as specified by Council).

FINANCIAL IMPLICATIONS

BUDGET REVIEW FOR THE PERIOD ENDING 31 JULY 2017			
This Review Maintains Council's Budget in a Surplus Position			
			\$
GENERAL WORKS/VARIATIONS. (Additional Funds Required)			(529 664)
FUNDED BY			
- Reduction in Expenditure		-	
- Adjustment in Grant/Contributions Funding		(130 310)	
- Adjustment in Revenue		112 500	
- Restricted Cash Adjustments		281 218	263 408
Balance			<u>(266 256)</u>
Budgeted Opening Position		2 230 734	
NB - Adjustments From 2016/17 Financial Year (Pg's 8 - 12)		58 670	
		<u>2 289 404</u>	
Actual Opening Position		2 664 722	375 318
2017/18 Budgeted Closing Position			<u>109 062</u>

LEGAL IMPLICATIONS

16. Nil.

ENVIRONMENTAL CONSIDERATIONS

17. Nil.

ALTERNATE OPTIONS

18. For the period ending 31 July 2017, Council may consider to:
- a. Adopt the Budget Review as recommended; or
 - b. Adopt the Budget Review with amendments (as specified by Council).

SUMMARY CONCLUSION

19. That the Responsible Officer's Recommendation to adopt the Budget Review for the period ending 31 July 2017 be supported.

Consulted References	:	Adopted Budget 2017/2018 <u>Local Government Act 1995</u>
File Number (Name of Ward)	:	FM.BUG.12
Previous Reference	:	Annual Budget – OCM 25/07/2017 Resolution CCCS042

CCCS057: REVISED COMMUNITY STRATEGIC PLAN AND CORPORATE BUSINESS PLAN

- Proponent** : City of Albany
- Attachments** :
 - Council Strategy: Community Strategic Plan Albany 2023 (As amended)
 - Council Publication: Corporate Business Plan (As amended)
 - Council Publication: Strategic Asset Management Plans
 - Council Publication: People (Workforce Development) Strategy
 - Attachments available on City of Albany Website: www.albany.wa.gov.au
 -
- Report Prepared by Responsible Officer(s)** : Facilitator-Strategy and Improvement (S Grimmer)
: Executive Director Corporate Services (M Cole)

Responsible Officer Signature :



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014-2018:
 - a. **Key Theme:** Civic Leadership
 - b. **Strategic Objective:** To provide strong accountable leadership supported by a skilled and professional workforce.
 - c. **Strategy:** Provide positive leadership that delivers community outcomes.

In Brief:

- The *Local Government Act 1995*, requires local governments to regularly revise their Community Strategic Plan and annually review the associated Corporate Business Plan.
- The plans to be adopted have been reviewed and updated based on comprehensive community engagement practices and input.

RECOMMENDATION

CCCS057: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY

THAT Council:

- (1) **ADOPT** the revised Community Strategic Plan and Corporate Business Plan as attached.
- (2) **NOTE** the following strategies that inform these plans:
 - Strategic Asset Management Plans; and
 - People (Workforce Development) Strategy.

BACKGROUND

2. Over the past four years the subject plans have been reviewed, refined and updated to meet our statutory obligations while balancing the wide range of views held within our community in a financially sustainable manner.
3. These plans supersede the previously adopted Community Strategic Plan and Corporate Business Plan.

DISCUSSION

4. The following summarises the key changes made:

Community Strategic Plan	Reason
Renaming of Civic Leadership theme to Leadership	<i>Community feedback indicated the previous title civic leadership was too narrow</i>
Renaming of A Connected Built Environment theme to A Connected and Safe Built Environment	<i>To reflect the importance of community safety to our community</i>
Renaming of A Sense of Community theme to Community Health & Participation	<i>To reflect the increasing importance of public health and community participation to our community</i>
Extra information on how the community was engaged and key themes that emerged from this engagement	<i>To demonstrate how community input shaped the updated plan</i>
Section added describing how community members can contribute	<i>To reinforce the partnership approach between local government and the community</i>
Corporate Business Plan	Reason
Corporate Planning section added	<i>To demonstrate the alignment between the key themes in the Community Strategic Plan and supporting city strategies and business plans</i>
Strategic Priorities section changed	<i>To reflect the strategic priorities set by Council based on community feedback</i>
Planning and Reporting tables added	<i>To detail purpose, guiding principles, key inputs, how reviewed and how reported for key functions delivered by the City</i>
Appendix 1 Financial Summary	<i>Updated to reflect the latest version of the City's long-term financial plan</i>
Appendix 2 Business plans for each business unit replace the previous service delivery summaries	<i>To provide extra detail for each City business unit and align business planning and reporting with the City's corporate scorecard</i>

GOVERNMENT CONSULTATION

5. The City has researched the approach taken across the Local Government sector, visited a number of WA Local Governments and consulted widely.

COMMUNITY CONSULTATION / ENGAGEMENT

6. A comprehensive Community Engagement Plan was developed and implemented in the first half of 2017. A summary of the engagement carried out and the key themes resulting from this engagement is included in the Community Strategic Plan
7. City officers commissioned Catalyse, an independent local government survey specialist, to conduct a comprehensive community survey in the first quarter of 2017 with the results collated and then used as a basis for improving and monitoring our integrated planning framework. The Catalyse Report is available on the City's web-site.

STATUTORY IMPLICATIONS

8. **Local Government Act 1995:** Section 5.56(1) and (2) of the *Local Government Act 1995* requires that each local government is 'to plan for the future of the district', by developing plans in accordance with the regulations.
9. **Local Government (Administration) Regulations 1996**, regulation 19DA, Note:
 - **Corporate Business Plan** means a plan made under regulation 19DA that, together with a strategic community plan, forms a plan for the future of a district made in accordance with section 5.56;
 - **Strategic Community Plan** means a plan made under regulation 19C that, together with a corporate business plan, forms a plan for the future of a district made in accordance with section 5.56.
 - (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
 - (2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.
 - (3) A corporate business plan for a district is to —
 - (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and
 - (b) Govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and
 - (c) Develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.
 - (4) A local government is to review the current corporate business plan for its district every year.
 - (5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.
 - (6) A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications. ***Absolute majority required.**
 - (7) If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.

RISK IDENTIFICATION & MITIGATION

10. The risk identification and categorisation references the City's Risk & Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Compliance. Council does not adopt the updated Plans.	Unlikely	Moderate	Medium	Address Council concerns and represent.
Opportunity: Formally communicate the City of Albany's critiqued performance (Corporate Score Card) for Council review.				

FINANCIAL IMPLICATIONS

11. There are no direct financial implications in relation to this item.
12. The revised Corporate Business Plan aligns with the 10 Year Financial Plan and provides the basis for long term financial management of City assets and resources.

CONCLUSION

13. The adoption of the revised Community Strategic Plan and Corporate Business Plan, reinforces Council's commitment to meaningful strategic planning and provides a sound basis for continual improvement within the City.

Consulted References	:	Local Government Act 1995 Western Australian-Integrated Planning and Reporting Framework
File Number (Name of Ward)	:	CM.RVW.3 (All Wards)
Previous Reference	:	<ul style="list-style-type: none"> • OCM 26/08/2014 Resolution CSF112 • Councillor Strategic Workshop 2015 • Councillor Strategic Workshop 2016 • Councillor Strategic Workshop 2017

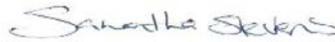
**CCCS058: COMMUNITY SPORTING AND RECREATION FACILITIES
FUND 2017/2018 FORWARD PLANNING GRANT ROUND APPLICATION**

Proponent : City of Albany
Attachments :

- Lower Great Southern Hockey Association
- Correspondence and Project Assessment Sheet

Report Prepared by : Team Leader Recreation Services (A Leahy)
Responsible Officer(s): : Executive Manager Community Services (S Stevens)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. The ranking and provision of financial support to the Community Sporting and Recreation Facilities Fund Annual and Forward planning Grant Round Application relates to the following [City of Albany Strategic Community Plan 2023](#), Key Themes & Strategic Objectives:
 - **Clean, Green & Sustainable:** To maintain and renew city assets in a sustainable manner
 - **A Connected Build Environment:** To develop community amenities and program that support people of all ages and backgrounds
 - **A Sense of Community:** To create interesting places, spaces and events that reflect our community's identity, diversity and heritage

In Brief:

- To seek Council endorsement of the priority ranking for the submitted Community Sport and Recreation Facility Fund (CSRFF) Forward Planning Grant Funding round.
- To seek Council support to provide funding assistance in line with the [Council Community Sports & Recreation Facilities Policy](#) for the Hockey Turf Installation project upon return of successful CSRFF Annual Grant Application
- To seek Council support to provide a self-supporting loan to the Lower Great Southern Hockey Association for \$61,155 to fund their contribution to the synthetic surface replacement.

RECOMMENDATION

CCCS058: RESPONSIBLE OFFICER RECOMMENDATION 1

That Council RANK the Community Sport and Recreation Facilities Fund (CSRFF) Forward Planning Grant Application one of one for the CSRFF September 2017/ 2018 Funding Round:

- **Hockey Turf Installation**

CCCS058: RESPONSIBLE OFFICER RECOMMENDATION 2

That Council:

- (1) NOTE the amended total project cost of \$550 000, as shown in the attachment to item CCCS056 July 2017 Budget review, subject to success CSRFF application.**
- (2) APPROVE the repayment of the funds taken from the Debt Management Reserve as shown in the July 2017 Budget review, being \$183,367, by:**
 - **An additional \$61,092 from the ALAC Synthetic Surface Carpet Reserve;**
 - **Allocation from the Capital Seed Funding for Clubs of \$61,120; and**
 - **The LGSHA fund the remaining \$61,155.**

CCCS058: RESPONSIBLE OFFICER RECOMMENDATION 3

That Council APPROVE a total of \$61,155 (exc GST) to Lower Great Southern Hockey Association (LGSHA) as a self-supporting loan for a term of up to 10 years, and at prevailing interest rates from WATC at the time of loan disbursement.

BACKGROUND

2. The Community Sport and Recreation Facilities Fund (CSRFF) administered by Sport and Recreation (WA), a division of the Department of Local Government, Sport and Cultural Industries (DLGSC) has three rounds of CSRFF funds including:
 - Small grant funding round (Winter) – current
 - Annual and forward planning funding round – current
 - Small grant funding round (Summer) - pending
3. The CSRFF program is a \$12 million program. All three rounds are often oversubscribed and clubs may need to reapply on a number of occasions to be successful.
4. The Annual Grants Round targets community sport projects where the financial value of the total project is from \$200,000 up to \$500,000 and is delivered within a 12 month period.
5. The Forward Planning Grants Round targets community sport projects where the financial value of the total project is over \$500,000 with a maximum of \$2,000,000 and is delivered within a 2 – 3 year period.
6. Applicants must be either a local government authority or a not-for-profit sport or community organisation incorporated under the WA Associations Incorporation Act 1987.
7. Clubs and local government authority must demonstrate equitable access to the public on a short term and casual basis.
8. The land on which the facility is to be developed must be one of the following:
 - Crown reserve
 - Land owned by a public authority
 - Municipal property
 - Land held for public purposes by trustees under a valid lease, title or trust deed that adequately protects the interests of the public.
9. The Local Government has an opportunity to assess all relevant applications and to rank applications in priority order for the municipality.

10. Whilst there is no obligation for Local Government to contribute to the community sporting projects local government is viewed as a key funding partner in supporting improved community sporting amenities
11. The DLGSC CSRFF application form calls for applications to be initially submitted to the Local Government within which the project proposal is located.
12. An element of the assessment process involves Council consideration and priority ranking of applications received. The applications are then submitted to the DLGSC on behalf of the applicants by September 29, 2017.
13. Once the assessment process from Local Government Authorities are complete all applications received from Western Australian organisations are assessed by the relevant State Sporting Association and the DLGSC CSRFF Committee against a number of criteria, with the final decision on funding being at the discretion of the Minister for Sport and Recreation.

DISCUSSION

14. The grant guidelines require Council to provide a ranking for the project.
15. The Department of Local Government, Sport & Cultural Industries provides guidance for Local Government Authorities to assess each submission. This assessment uses the following criteria and a project rating of satisfactory/unsatisfactory or not relevant:
 - Project justification
 - Planned approach
 - Community consultation
 - Management planning
 - Access and opportunity
 - Design
 - Financial viability
 - Coordination
 - Potential to increase physical activity
 - Sustainability

With overall project rating, being:

- Well planned and needed by municipality
 - Well planned and needed by applicant
 - Needed by municipality, more planning required
 - Needed by applicant, more planning required
 - Idea has merit, more planning work needed
 - Not recommended
16. The funding application is an Annual Grant to install the new hockey turf. The project involves the replacement of the synthetic top layer and shock pad second layer. Although this project total is \$550,000, Sport and Recreation (WA) have confirmed no formal needs assessment be completed.
 17. The hockey surface was originally constructed in 1996 in a joint effort by the City of Albany and the Lower Great Southern Hockey Association. The project was funded by state government, the City of Albany and LGSHA. It is worthwhile noting that there has not been any state funding allocated to hockey since this time 25 years ago.
 18. Lower Great Southern Hockey Association started in 1990 is the peak hockey body in the region and is made up over 60 teams, 780 players and includes Mount Barker Hockey Club. LGSHA have a well administered Board of Management and strong club structure.

19. Although primarily used by hockey, it is considered a multisport facility, with soccer and cricket using the turf for training and games also. Aside from LGSHA, other user groups include Albany Senior High School, North Albany Senior High School, Woodbury Boston, Parklands Primary and ALAC for a range of sporting programs. Great Southern Grammar in particular has a very strong hockey curriculum, with over 200 children involved in the sport.

Year	User Group	Participants
2016/2017	Lower Great Southern Hockey Association	780
2016/2017	Great Southern Grammar	200
2016/2017	North Albany Senior High School, Woodbury Boston, Park Primary School, Albany Bayswater City Soccer Club, Albany Junior Cricket Association, Albany Senior High School, ALAC Holiday Program	100
TOTAL		1080

20. The hockey turf is owned and managed by the City and forms part of City of Albany's suite of sporting precincts. The Centennial Park Sporting Precinct (CPSP) upgrade enhanced the playing fields for football, soccer and cricket with project funding sourced independent of the clubs. The hockey turf is an elite specialist surface and as such, there has been a reasonable expectation that LGSHA contribute to the turf.
21. During the CPSP upgrade, there was no improvements made to the supplementary grass hockey surface, the turf or to the existing hockey facilities. The installation of the new hockey turf provides opportunity for the City to apply a similar level of equity demonstrated to other field sports whilst still retaining the sustainable CSRFF funding model.
22. Hockey WA have confirmed that Albany has the oldest turf in WA, potentially in Australia. The standard length of life for the top layer is approximately 10 years and for the shock pad, around 20 years (depending on use). At 12 years old, the Albany surface has reached the end of its life.
23. Currently there are visible tears in the synthetic surface, which is having negative impact on game speed and direction of the ball. Where some of the tears have been repaired, the glue over these tears is catching sticks as they slide over them, increasing risk of injury to players due to the force applied by players to strike the ball.
24. The implication of an old surface include:
- Prolific growth of algae due to water being retained in surface rather than draining.
 - Seams between rolls of turf coming apart and tears in the surface creating unpredictable ball direction, which is especially dangerous at high speed and is a tripping hazard for players.
 - Loss of shock absorption provided by shock pad. It is important to note that if the shock pad is assessed as having less than 7-10 years life, it will be replaced at this time. It is not practical to replace the shock pad at any other time than when the top synthetic layer is replaced.
25. The above issues are exacerbated with continued use and another season on this surface would add to the likelihood of injury, risk management issues and quality of game. Incidence of injury and reduction in game quality is likely to have a negative effect on player numbers.
26. When player numbers decrease, a four game competition can be reduced to a two game competition, drastically reducing the tenability of a varied competition.

27. In addition to the risk of player injury due to turf degradation are the costs to maintain the surface at this age. During the winter months the City's Leading Hand spends roughly 20% of his time maintaining the surface, reducing algae growth and dispelling the water retained in the surface. This results in an additional annual cost of \$20K - \$40K to the City that would not be required with a new turf. The City of Albany has over 20 playing grounds that need to be maintained, so this represents a significant drain on resources. The installation of a new surface would eradicate the majority of the maintenance issues experienced by our Reserves Team.
28. The installation of a new synthetic surface and shock pad directly impacts on LGSHA's ability to deliver their sport and competitions.
29. The Application has been ranked on the strength of the application, participation numbers, and ability to increase physical activity and potential impact as well as consultation with the DLGSC and LGSHA.
30. The below ranking recommendation has been provided based on the applicant meeting the required criteria and its overall project ranking:

RANK	ORGANISATION	PROJECT DETAIL	OVERALL PROJECT RATING
1	City of Albany	Hockey Turf Installation	Well planned and needed by region.

31. The following correspondence is attached:
 - Hockey Turf Installation Assessment Sheet.
 - Provisional commitment by LGSHA to be able to fulfil self-supporting loan to the City.

GOVERNMENT & PUBLIC CONSULTATION

32. Dept. of Sport & Recreation's Manager for the Great Southern has been consulted with by the City of Albany.
33. The City of Albany has met with Lower Great Southern Hockey Association on no less than three occasions in the past six weeks. These meetings have confirmed the history of the turf, LGSHA's recommendations around turf requirements and discussions of financial models to fund the project. LGSHA have demonstrated considerable passion and commitment to the Hockey Turf since its inception in 1996. The club operate with a strong committee and financial record and work hard to ensure hockey as a sport is developed and delivered in the region. LGSHA have provided a letter of support for the CSRFF Application.
34. LGSHA have consulted with Hockey WA, the governing body for Hockey in Western Australia. Hockey WA have provided a letter of support for the CSRFF Application.
35. Great Southern Grammar have been consulted with as to their future plans for installing a synthetic turf. The Head of Middle School has confirmed that a half hockey turf may be installed in the next 5-10 years, enhancing the need for the City of Albany's turf to be in the best condition to support the 200 players they have involved in their hockey curriculum. GSG have provided a letter of support for the CSRFF Application.
36. Mt Barker Hockey club have also been consulted and have provided a letter of support for the CSRFF Application.
37. Although Denmark do not have a functioning hockey club, they do participate in LGSHA's competition and will receive benefit from a new surface installation.

38. Council Officers assess each project and make a recommendation for the ranking of projects based on the DLGSC criteria (as described in point 14) and strategic overview.
39. Council has the opportunity to provide a recommendation that ranks applications in priority order for the City of Albany.
40. It should be noted that the Department of Local Government, Sport & Cultural Industries will make the final decision on funding allocation.

STATUTORY IMPLICATIONS

41. There is no statutory implications related to this report.

POLICY IMPLICATIONS

42. The Recreation Planning Strategy adopted by Council in 2008 has been applied in ranking the submissions.
43. The City of Albany’s [Community Sport and Recreation Facilities Small Grant Funding Policy](#) has been applied in the assessment and recommendations.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation & Community Property <i>Failure to secure required funding may result in the condition of the amenities deteriorating to an unsafe condition.</i>	<i>Likely</i>	<i>Moderate</i>	<i>High</i>	<i>Support the funding application, or work with City officers to source other funding streams.</i>
Reputation & Financial <i>Failure to upgrade facilities may result in missed economic and social opportunities.</i>	<i>Likely</i>	<i>Moderate</i>	<i>High</i>	<i>Support the funding application, or work with City officers to source other funding streams.</i>
Reputation & Financial <i>Failure to distribute the Councils financial support in an equitable and sustainable manner may result in community dissatisfaction or projects not going ahead.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Support the officer’s recommendation, or work with City officers to deliver an equitable allocation of funding.</i>
Opportunity <i>The provision of providing a “quality” playing surface.</i>				

FINANCIAL IMPLICATIONS

45. In the 2016/2017 budget the total project cost was approved to the value of \$275,000 and listed as a carried forward project in the 2017/2018 budget to the value of \$275,000. Based on further research and up to date supplier information, in the 2017/2018 budget review the total project cost is amended to \$550,000.

46. \$183,300 has already been endorsed by Council to be used from the Reserve for the Turf Replacement Project. Officer recommendation 2 is requesting an additional \$61,092 be put towards this project from the Reserve. This would relieve considerable financial burden from LGSHA.
47. The Reserve which has been established with the sole objective of replacing the hockey turf. Historically, the model for funding this infrastructure has been based on each organisation putting in one third of the total value of the project, however due to there being surplus funds in the Reserve, officer recommendation is to use the full amount in the Reserve.
48. LGSHA have demonstrated considerable commitment to the hockey turf and surrounding infrastructure. Since the late 90s, the normal standard for hockey is the specialised synthetic surface we have in Albany and LGSHA were instrumental in this first synthetic surface being constructed in 1996. In the last 25 years the club has committed over \$350 000 through cash and self-supporting loans with the City and an additional \$100 000 in volunteer labour during original construction in 1996. This represents potentially the highest investment from any field sports club in Albany toward the installation and maintenance of their surface and is a demonstration of the clubs commitment to providing their members with the best standard of play, enabling them to be competitive at regional, state and national competitions.
49. As per the CPSP Framework and Capital Seed Funding for Sporting Groups Policy, which protects the financial interests of the City and the clubs, includes:
- that the City continues to set aside sufficient funds (approximately \$20,000 - \$30,000) into the ALAC Synthetic Surface Carpet Reserve for the replacement of the surface at the end of its life (maximum one third of total project cost)
 - the LGSHA will contribute one third of costs either by a self-supporting loan offered through the City or other means they arrange
 - the Synthetic Surface Fees and Charges are used to offset the annual operational costs of the turf
50. In line with the recent financial model for the CPSP redevelopment, officers recommend that the current application make use of \$61,087 from the City of Albany's Capital Seed Funding from Sporting Clubs budget.
51. The following table provides the budget detail and requests for financial support from the application (all figures are ex GST):

City of Albany ALAC Synthetic Surface Carpet Reserve	City of Albany Capital Seed Funding for Sporting Clubs	LGSHA Contribution Self- supporting loan arrangement with COA	CSRFF Grant Maximum one third of project total cost	Total project cost
\$244 425	\$61 087	\$61 155	\$183 300	\$550 000

LEGAL IMPLICATIONS

52. Nil

ENVIRONMENTAL CONSIDERATIONS

53. The tender brief will request environmentally sustainable solution for disposal or repurposing of the turf and shock pad material. Currently the surface requires extensive high pressure cleaning to rid the surface of algae, installation of a new turf will drastically reduce the water consumption as drainage will be at optimum level.

ALTERNATE OPTIONS

54. Council can decide not to inject additional Reserve and Capital seed funding into this project, as per the below table, all costs ex-GST;

City of Albany ALAC Synthetic Surface Carpet Reserve	LGSHA Contribution Self-supporting loan arrangement with COA	CSRFF Maximum one third of project total cost	Total project cost
\$183 300	\$183 300	\$183 300	\$550 000

55. If the CSRFF application is unsuccessful, a funding mix independent of State Government funding has been developed. As the turf is already severely degraded and if played on for another would pose a significant known risk to players, postponing the installation of a new turf by applying to CSRFF for the 2019/2020 round would prove detrimental to hockey numbers. As such, the following model would be proposed;

City of Albany ALAC Synthetic Surface Carpet Reserve	City of Albany Capital Seed Funding for Sporting Clubs	LGSHA Contribution Self-supporting loan arrangement with COA	To be sourced	Total project cost
\$244 425	\$61 087	\$183 300	\$61 188	\$550 000

56. Council can choose to provide more or less funding assistance to the project or not.

SUMMARY CONCLUSION

57. The Department of Local Government, Sport & Cultural Industries provides the Local Government with an opportunity to assess received applications and to rank applications in priority order for the municipality.
58. This project meets the criteria provided by Department of Local Government, Sport & Cultural Industries. It is considered well planned and needed by the region. Council is required to endorse the officers ranking. City officers have ranked the application in the following order:
1. Hockey Turf Installation
59. The budget is in the ALAC Synthetic Surface Carpet Reserve Fund and Capital Seed Funding.
60. Council may consider capping its financial contribution or sourcing alternate means to meet budget allocations.
61. The Department of Local Government, Sport & Cultural Industries requires a response from the City of Albany on the priority ranking order by 29 September 2017.

Consulted References	:	<ul style="list-style-type: none"> • CPSP Framework and Capital Seed Funding for Sporting Groups Policy • Community Sport and Recreation Facilities Small Grant Funding Policy
File Number (Name of Ward)	:	(All Wards)
Previous Reference	:	Nil

- 11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
- 12. MEETING CLOSED TO THE PUBLIC**
- 13. CLOSURE**