



AGENDA

COMMUNITY AND CORPORATE SERVICES COMMITTEE

12 NOVEMBER 2018

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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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
Councillors:	
Member	P Terry (Chair)
Member	R Hammond
Member	G Stocks
Member	R Stephens
Member	E Doughty (Deputy Chair)
Member	S Smith
Member	A Moir
Member	T Sleeman
Member	R Sutton
Member	A Goode JP
Staff:	
Chief Executive Officer	A Sharpe
Executive Director Corporate Services	M Cole
Executive Director Community Services	S Kay
Executive Director Works & Services	M Thomson
Manager Finance	D Olde
Meeting Secretary	H Bell
Apologies:	
Member	B Hollingworth
Member	J Shanhun

COMMUNITY AND CORPORATE SERVICES COMMITTEE
AGENDA – 9/10/2018

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 Community and Corporate Services Committee held on 9 October 2018, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

9. PRESENTATIONS

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS

CCS100: FINANCIAL ACTIVITY STATEMENT – SEPTEMBER 2018

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

RECOMMENDATION

CCS100: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Financial Activity Statement for the period ending 30 September 2018.

BACKGROUND

1. The Statement of Financial Activity for the period ending 30 September 2018 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 2018/19 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 2018 has been incurred in accordance with the 2018/19 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
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CCS101: LIST OF ACCOUNTS FOR PAYMENT – OCTOBER 2018

Business Entity Name : City of Albany
Attachments : List of Accounts for Payment
Report Prepared By : Financial Accountant (S Van Nierop)
Responsible Officers: : Executive Director Corporate Services (M Cole)

RECOMMENDATION

CCS101: RESPONSIBLE OFFICER RECOMMENDATION

That Council RECEIVE the list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 15 October 2018 totalling \$5,915,291.07

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 2018. Please refer to the Attachment to this report.

Municipal Fund	
Trust	\$0.00
Credit Cards	\$23,091.78
Payroll	\$1,514,079.10
Cheques	\$48,463.83
Electronic Funds Transfer	\$4,329,656.36
TOTAL	\$5,915,291.07

As at 15 October 2018, the total outstanding creditors, stands at \$1,271,650.07 and made up as follows:-

Current	\$624,424.95
30 Days	\$640,299.45
60 Days	\$3,673.00
90 Days	\$3,252.67
TOTAL	\$1,271,650.07
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 2018 has been incurred in accordance with the 2018/2019 budget parameters.

FINANCIAL IMPLICATIONS

7. Expenditure for the period to 15 October 2018 has been incurred in accordance with the 2018/2019 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
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CCS102: DELEGATED AUTHORITY REPORTS – SEPTEMBER TO OCTOBER 2018

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

CCS102: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Delegated Authority Reports 16 September 2018 to 15 October 2018.

CCS103: ORDINARY COUNCIL MEETING AND COUNCIL COMMITTEE MEETING CALENDAR 2019

Report Prepared By : Manager Governance and Risk (S Jamieson)
Responsible Officer: : 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:
 - a. **Theme 1: Leadership**
 - b. **Objectives:**
 - 1.1. To establish and maintain sound business and governance structures.
 - 1.3. To engage effectively with our community.
 - c. **Community Priorities:**
 - 1.1.2. 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 the community.
 - 1.3.1. Develop structures and processes that engage the community and engender community confidence, and trust that their input is valued and used to inform decisions and priorities.

In Brief:

- Council is requested to adopt the proposed Ordinary Council Meeting and Committee Meeting schedule for 2019, in accordance with the *Local Government Act 1995* and its associated Regulations.

RECOMMENDATION

CCS103: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council, for the purpose of giving Public Notice:

1. **APPROVE the following Committee Meeting schedule for 2019:**

Corporate & Community Services	Development & Infrastructure Services
<i>No Meetings Scheduled for January 2019</i>	
Tuesday 12 February 2019	Wednesday 13 February 2019
Tuesday 12 March 2019	Wednesday 13 February 2019
Tuesday 9 April 2019	Wednesday 10 April 2019
Tuesday 14 May 2019	Wednesday 15 May 2019
Tuesday 11 June 2019	Wednesday 12 June 2019
Tuesday 9 July 2019	Wednesday 10 July 2019
Tuesday 13 August 2019	Wednesday 14 August 2019
Tuesday 10 September 2019	Wednesday 11 September 2019
Tuesday 15 October 2019	Wednesday 16 October 2019
Tuesday 12 November 2019	Wednesday 13 November 2019
Tuesday 3 December 2019	Wednesday 4 December 2019
Audit and Risk	
Tuesday 5 February 2019	
Tuesday 7 May 2019	
Tuesday 6 August 2019	
Tuesday 5 November 2019	

2. **APPROVE** the proposed Ordinary Council Meeting schedule for 2019:
 - Tuesday 26 February 2019
 - Tuesday 26 March 2019
 - Tuesday 23 April 2019
 - Tuesday 28 May 2019
 - Tuesday 25 June 2019
 - Tuesday 23 July 2019
 - Tuesday 27 August 2019
 - Tuesday 24 September 2019
 - Tuesday 29 October 2019
 - Tuesday 26 November 2019
 - Tuesday 17 December 2019
3. **AFFIRM** that all Council and Council Committee meetings commence at 6.00pm.

BACKGROUND

2. Ordinary Council Meetings are held monthly, except January which has no meeting.
3. Ordinary Council Meetings commence at 6.00pm in the Council Chambers.
4. The Council Meeting Calendar is available the City's website.

DISCUSSION

5. Responsible Officer Reports (that form the Agenda for Ordinary Council meetings) are first presented to Council Committees for review and recommendation to Council.
6. These Committees are open to the public and held prior to the Ordinary Council meetings to provide the public the opportunity to address Council on matters that affect them personally or their community.
7. Meetings of Council which are open to the public commence at 6.00pm to help facilitate attendance by working members of the public and councillors.
8. Council may consider this an appropriate time to review the start time of meetings.

GOVERNMENT & PUBLIC CONSULTATION

9. **Meeting Start Times:** Previous community feedback requested that meetings be held at no earlier than 6.00pm.
10. **Reschedule of Meeting Date:** The October 2019 Ordinary Council meeting will be held on the fifth Tuesday of the month. This will allow one week for induction of new elected members following the 2019 Ordinary Local Government election, to be held on Saturday 19 October 2019.

STATUTORY IMPLICATIONS

11. It is a statutory requirement for Council to give Local Public Notice at least once each year of when Council plans to hold Council and Committee meetings that are open to public attendance.
12. In accordance with *Local Government Act 1995*, section 5.25(1)(g) and as prescribed by the *Local Government (Administration) Regulations 1996*, Regulation 12:

“(1) At least once each year a local government is to give local public notice of the dates on which and the time and place at which —

(a) the ordinary council meetings; and

(b) the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public, are to be held in the next 12 months.

(2) A local government is to give local public notice of any change to the date, time or place of a meeting referred to in sub-regulation (1).

13. Voting requirement for this item is **Simple Majority**.

POLICY IMPLICATIONS

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

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Legal and Compliance. <i>Local Public Notice is not given of the dates and times at which the Ordinary Council Meetings and Council Committee Meetings will be held.</i>	<i>Unlikely</i>	<i>Moderate</i>	<i>Medium</i>	<i>Give Local Public Notice of the proposed dates and times or as amended by Council prior to January 2019.</i>

FINANCIAL IMPLICATIONS

16. A budget line exists for the cost of Local Public Notice and advertising.

LEGAL IMPLICATIONS

17. Local Public Notice must be given to ensure legislative compliance.

18. Changes to dates and times must also be advertised publically.

ENVIRONMENTAL CONSIDERATIONS

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

ALTERNATE OPTIONS

20. Council may consider alternate days, dates, committee meeting order and timings.

SUMMARY CONCLUSION

21. It is recommended that the proposed meeting schedule is approved.

Consulted References	:	<ul style="list-style-type: none"> <i>Local Government Act 1995</i> <i>Local Government (Administration) Regulations 1996</i>
File Number (Name of Ward)	:	All Wards
Previous Reference	:	<ul style="list-style-type: none"> OCM 19/12/2017 Item CCS020

CCS104: QUARTERLY REPORT – TENDERS AWARDED – JULY TO SEPTEMBER 2018

Proponent : City of Albany
Attachments : Quarterly Report – Tenders Awarded – July to September 2018
Report Prepared by : Procurement Officer (H Hutchinson)
Responsible Officer : Executive Director Corporate Services (M Cole)

RECOMMENDATION

CCS104: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Quarterly Report – Tenders Awarded – July to September 2018.

CCS105: CITY UPDATE (CITY SCORECARD) – Q1 SEPTEMBER 2018/19

Proponent	: City of Albany
Attachments	: City Update-September Quarter 2018
Report Prepared by	: Facilitator-Strategy and Improvement (S Grimmer)
Responsible Officer(s)	: Executive Director Corporate Services (M Cole)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Community Strategic Plan and Corporate Business Plan:

- **Key Theme:** 1 Leadership
- **Objective:** 1.1 To establish and maintain sound business and governance structures
- **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 quarterly City Update reports progress against the Vision, Strategic Objectives and Operational Priorities as outlined in the City's integrated planning and reporting framework.

RECOMMENDATION

CCS105: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council NOTE the Corporate Scorecard Report for the September 2018 quarter.

BACKGROUND

2. The City Update provides a quarterly snapshot on how the City is performing against the priorities set in the Corporate Business Plan.
3. A simple traffic light system is used to report on the progress made against agreed performance targets.

SUMMARY OF FINDINGS

4. The format used aligns with the Our City brand.
5. The September 2018 report indicates that the City continues to meet its Integrated Planning & Reporting commitments and continues to make good progress against the key deliverables outlined in Business Unit Plans, Strategic Project Plans and the 2017/18 Key Performance Indicators (KPI's) as established by Council.

GOVERNMENT CONSULTATION

6. The City of Albany Scorecard is modelled on similar approaches from across the Local Government sector.

STATUTORY IMPLICATIONS

7. **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. The advisory standard, framework and supporting guidelines stress the importance of measuring and reporting progress.

RISK IDENTIFICATION & MITIGATION

8. The risk identification and categorisation references the City’s Risk & Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation. Council fails to deliver against it's commitments.	Unlikely	Moderate	Medium	Monitor & report performance quarterly and take appropriate action
Opportunity: To improve communication with the community on how the City is performing against it's commitments. Communication will be complimented by quarterly reporting to Council and social media video updates.				

FINANCIAL IMPLICATIONS

9. While there are no direct financial implications in relation to this item the City monitor's financial trends monthly to confirm that services, strategic priorities and projects are delivered within the constraints of the Annual Budget.

CONCLUSION

10. The City Update provides a snapshot on how the City of Albany is performing against it's integrated planning and reporting framework.

Consulted References	:	<ul style="list-style-type: none"> 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"> Previous quarterly updates and OCM items which commenced in 2017/18

CCS106: PROPOSED NEW LICENCE – PM, TP & KC BENSON & EB MOUCHEMORE – BETTYS BEACH COMMERCIAL FISHERMEN – RESERVE 52825

Land Description	: Portion of Crown Reserve 52825 Lot 561 on Plan 409486, as detailed in Certificate of Title Volume LR3167 Folio 708, Bettys Beach
Proponents	: Paul Martin Benson, Tony Paul Benson, Kevin Charles Benson & Edward Brooks (Ted) Mouchemore
Owner	Crown (City of Albany under Management Order)
Report Prepared By	: Team Leader Property and Leasing (T Catherall)
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:
 - **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.

Maps and Diagrams:



In Brief:

- Council is requested to consider a new licence to Paul, Tony, & Kevin Benson & Ted Mouchemore over portion of Bettys Beach Reserve 52825 to formalise current use of the site for commercial fishing operations.
- The City's Reserves Team will issue a permit (non-exclusive) to the fishermen for use of the beach area. This allows the fishermen to make the area safe during operations from February to April each year.
- The fishermen previously held a Special Lease approved by the Minister for Lands, as the land was not under the management of local government. This lease is thought to have expired in 1988 when the Shire of Albany was handed the management order for the land.
- During the Special Lease the fishermen constructed huts for accommodation.
- All huts are the responsibility of the fishermen and the licence is for land only.
- Given the coastal location of the site a special condition will be included to highlight that the area may be subject to coastal erosion and/or inundation at some stage.
- Over the past few years the City's Reserves Team have undertaken enhancement works in the area including the dismantling of old pit toilets, installing a new toilet block, removing asbestos and creating a day use area with picnic tables, signage, pathways and parking.
- It is recommended that the proposed licence be approved.

RECOMMENDATION

CCS106: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council APPROVE a new licence to Paul Martin Benson, Tony Paul Benson, Kevin Charles Benson & Edward Brooks Mouchemore over portion of Lot 561 Bettys Beach Road, Bettys Beach on Crown Reserve 52825, subject to:

- a) Licence purpose being "Commercial fishing activities and accommodation (temporary) for commercial fishermen only" and in accordance with the Management Order for the reserve.**
- b) Licence is conditional upon the licensee continuing to operate under a commercial fisherman's licence for the Bettys Beach area issued by the Department of Fisheries Western Australia.**
- c) Licence area being approximately 7500m² to be confirmed by survey.**
- d) Licence term to commence as soon as practicable.**
- e) Initial licence rent being \$2,500 plus GST pa based on current market valuation.**
- f) Licence rent reviews by market valuation every 3 years with Consumer Price Index applied for intervening years.**
- g) All costs associated with the ongoing operations of the licence property being payable by the licensee.**
- h) All costs associated with the preparation, execution and completion of the licence documentation being payable by the City of Albany in recognition of the City seeking to formalise use of the land.**
- i) Pursuant to Section 18 of the *Lands Administration Act 1997*, the Minister for Lands consent being obtained.**
- j) The proposed licence being advertised to comply with Section 3.58 of the *Local Government Act 1995* requirements.**
- k) Licence being consistent with City Policy – Property Management (Leases and Licences).**

BACKGROUND

2. Lot 561 Bettys Beach Road is located on the south western shores within Crown Reserve 52825, Bettys Beach, some 50 kilometres by road to the Albany CBD.
3. Crown Reserve 52825 is a 'C' class reserve under Management Order (N518323) issued to the City of Albany with the power to lease or licence for any term not exceeding 21 years subject to the consent of the Minister for Planning, Lands and Heritage. The current purpose of this reserve is "Recreation, Camping and Temporary Accommodation for Commercial Fishermen Only".
4. For over 50 years the fishermen have undertaken their fishing operation from Betty's Beach. The fishermen previously held a Special Lease under the Land Act 1933 approved by the Minister for Lands, as the land was not under the management of local government. This Special Lease is thought to have expired around 1988 when the Shire of Albany was handed the management order for the land, as the lease was not addressed or renewed.
5. Historically the fishermen constructed huts for accommodation and other structures to support their commercial fishing activities on the land. The fisherman occupy the huts during the salmon season between February and April each year.
6. In 2013, in consultation with the fishermen the City removed all unnecessary buildings and other infrastructure including the removal of six old pit toilets and asbestos from the site. To assist, the fishermen also removed infrastructure and tidied up the site.
7. In line with the Bettys Beach Management Plan, the City has completed enhancement works including installing a new toilet block and created a day use area with picnic tables, signage, pathways and parking for community use.
8. The fishermen have requested a new licence to formalise use of the land for commercial fishing activities and accommodation for a term of 5 years with an option for a further 5 year term.
9. In order to facilitate the licence the City requested the former Department of Lands to amend the Management Order for the reserve to grant the power to lease and licence. The amendment was approved in 2017. It is noted that City Officers have delegated authority to request amendments to Management Orders.
10. The licence proposal has been discussed at an EMT meeting and supported.

DISCUSSION

11. A licence can be considered with commercial fishermen at Bettys Beach, provided they meet the following requirements (same as commercial fishermen at Cheyne Beach):
 - a. the licensee is actively engaged in the commercial fishing industry at Bettys Beach;
 - b. the licensee holds a current commercial fishing licence issued by the Department of Fisheries Western Australia; and
 - c. the licensee will use the licence area for activities associated with the commercial fishing industry for own or staff use only.
12. It is noted the fishermen have complied with the above licence preconditions.

13. The City's Reserve Team will issue a permit (non-exclusive) to the fishermen for use of the beach area. This allows the fishermen to set up temporary physical barriers if required to make the area safe when utilising the beach area to land a salmon catch during operations between February and April each year.
14. The table below summarises the essential terms of the proposed licence:

ITEM	DETAILS
Licensee	Paul Martin Benson, Tony Paul Benson, Kevin Charles Benson & Edward Brooks Mouchemore
Land/Licence Area	Portion of Crown Reserve 52825 Lot 561 on Plan 409486, Certificate of Title Volume LR3167 Folio 708, Bettys Beach being an area of approximately 7500m ²
Land Ownership	Crown (City of Albany under Management Order)
Permitted Use	Commercial fishing activities and accommodation (temporary) for commercial fishermen only and in accordance with the Management Order over the reserve
Term of Licence	Licence term of 5 years with an option for a further 5 year term, to commence as soon as practicable
Rent	\$2,500 plus GST pa
Outgoings	Licensee responsible for all outgoings
Utilities	Licensee responsible for all utilities
Special Condition	Licence is conditional upon the licensee continuing to operate under a commercial fisherman's licence for the Bettys Beach area issued by the Department of Fisheries Western Australia
Special Condition	A permit (non-exclusive) to be issued by the City for use of the beach area. This will allow fishermen to make the area safe during operations between February and April each year
Special Condition	<p>Licensee acknowledges the land is in close proximity to the Southern Ocean and maybe subject to coastal erosion and/or inundation over time adversely impacting on the future use of part or whole of the site.</p> <p>Licensee occupies the site at their own risk and indemnifies the City against any loss or claim resulting from licensee occupation or loss of benefit of the site.</p> <p>Licensee agrees at its cost to render safe the site and remove any structure or building that has been adversely affected</p>

	<p>by erosion and/or inundation, both during the term and on any termination.</p> <p>The licence can be terminated by either party with 6 months written notice should any health and safety of the public concerns arise from erosion and/or inundation, or should the City deem the site materially compromised by coastal erosion and/or inundation.</p>
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15. The care and maintenance of the huts is the responsibility of the fishermen. Should the licence not be renewed, the fishermen will be required to remove the huts and any other structures in the licence area and make good the land.
16. The remaining terms of the licence will be developed in line with Council Policy – Property Management (Leases and Licences).

GOVERNMENT & PUBLIC CONSULTATION

17. Section 18 of the *Land Administration Act 1997* states that a person shall not assign, sell, transfer or otherwise deal with interests on Crown land without the prior approval in writing of the Minister for Planning, Lands and Heritage.
18. As this is Crown land, under Management Order held by the City, the Minister’s consent will be sought.
19. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including leased/licensed land and buildings. The Act requires the following:
 - a. A local government must give local public notice of the proposed lease/licence inviting submissions from the public, for a period of two weeks.
 - b. Any submissions are to be considered by Council and their decision with regard to those submissions, to be recorded in the minutes.
 - c. A local government can then proceed with the lease/licence.
20. The proposed licence will be advertised to comply with the Act.

STATUTORY IMPLICATIONS

21. The Department of Planning, Lands and Heritage will be consulted, as it is a requirement of Section 18 of the *Land Administration Act 1997* that the Minister’s consent is obtained.
22. Section 3.58 of the *Local Government Act 1995* allows for the disposal of property including leased/licensed land and buildings. For the purposes of the section, a licence of property is considered to be disposal.

POLICY IMPLICATIONS

23. Council adopted a revised Property Management (Leases and Licences) Policy in July 2017.

24. The Policy aims to ensure that all requests for leases and licences will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.
25. The recommendation is consistent with the Policy.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation: licence not approved.	Unlikely	Minor	Low	Seek to negotiate terms to Council satisfaction. The City's standard licence will be the formal document
Reputation: licence not approved – restricted limitations for the fishing industry at Bettys Beach	Unlikely	Minor	Low	Seek to negotiate terms to Council satisfaction
Opportunity: To provide support to the Bettys Beach commercial fishing industry given the fishing industries historic and economic association with the Bettys Beach area				
Opportunity: To provide the fishermen with the ability to make the area safe during operations				

FINANCIAL IMPLICATIONS

27. The City has agreed to be responsible for the costs associated with the licence development and survey given the benefit to the City to formalise the fishermen's use of Bettys Beach. The one of cost is estimated to be in the vicinity of \$1,500 plus GST.
28. The new licence rental of \$2,500 + GST per annum will be directed to Income – Misc. Commercial.

LEGAL IMPLICATIONS

29. The Licence will be prepared by City's lawyers with enforceable terms and conditions.

ENVIRONMENTAL CONSIDERATIONS

30. The City is currently preparing a Coastal Hazard Risk Management and Adaption Plan (CHRMAP) to help plan the management of future coastal erosion at Emu Point to Middleton Beach.
31. It is noted that Bettys Beach is not in the current plan however the new licence does provide an opportunity to ensure the licensee is aware of potential impact of coastal erosion and/or inundation given the proximity to the coast. Further, indemnification clauses will be included such that the City is not liable for any damage to the existing buildings as a result of erosion and/or inundation.
32. The City has a Management Plan for Bettys Beach Reserve to ensure that development, recreation and commercial fishermen uses are managed in a sustainable manner and to protect the environment and heritage values of the area for future generations.

ALTERNATE OPTIONS

33. Council may:
 - a. Approve the new licence request; or
 - b. Decline the new licence request.
34. Should Council decline the licence, the fishermen will need to work with the City to find an alternate location if they wish to continue to fish from Bettys Beach. This may result in the early closure of its fishing operations given the limited availability of suitable land and the cost involved to relocate.
35. The fishermen may be required to vacate the property, demolish and remove all infrastructure including huts and make good the land.

CONCLUSION

36. It is understood the fishermen have fished from Bettys Beach for the past 50 years and have contributed to the development and maintenance of the reserve.
37. While the fishermen are seeking Council approval to continue commercial fishing operations on Lot 561 for a further 5 + 5 years, it is recognised that the lots foreshore boundary may come under pressure from coastal erosion. This may result in the erosion of either whole or part of the useable licence area and it is possible that infrastructure on site may be damaged.
38. The licensee acknowledges they occupy the site at their own risk and indemnifies the City against any loss or claim resulting from occupation of the site.
39. The licence is considered a good opportunity to formalise the current use of the site and define terms and conditions for the licence area.
40. It is recommended that the proposed new licence be supported.

Consulted References	:	<ul style="list-style-type: none"> • Council Policy – Property Management (Leases and Licences) • <i>Local Government Act 1995</i> • <i>Land Administration Act 1997</i>
File Number (Name of Ward)	:	PRO402, A238978 (Kalgan Ward)
Previous Reference	:	Nil

CCS107: REGIONAL EVENTS SPONSORSHIP – 2019

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

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

CCS107: RESPONSIBLE OFFICER RECOMMENDATION

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 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 2018-2019 Budget for the Regional Events Sponsorship program.
5. Council also allocated \$10,000 in its 2018-2019 Budget for Taste Great Southern run by Denmark Tourism Inc. Denmark Tourism Inc have applied for this funding and an additional amount of funding through the Regional Events Sponsorship program.

DISCUSSION

Program Overview

6. The Regional Events Sponsorship Program 2019 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 2019 and 31 December 2019. Applications for Regional Events Sponsorship were open between July 2018 and August 2018.
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 financial sustainability of each application.
12. A Regional Events Sponsorship Assessment panel then reviewed all applications. The assessment panel comprised Mayor Wellington, Councillor Smith, Councillor Stephens, Councillor Doughty, Manager Communications & Events Nathan Watson and Events Support Officer Jana Ridillova.
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 twelve (12) applications for Regional Events Sponsorship were received for funding requests totalling \$184,750 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 eight (8) of the twelve (12) 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.	Denmark Tourism Inc.: <i>Taste Great Southern</i>	Culture Event 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 18/19 Budget)
2.	Albany Mountain Bike Club: <i>Southern MTB</i>	Extreme Sports Event: Mountain Bike Festival including unique Urban	Supported subject to provision of documents required through the events approval process.	\$20,000	\$10,000

	Applicant / Event	Event Type	Panel Comments	Amount Requested	Panel Recommendation
		Down Hill and Jump Competition.			
3.	Albany Speedway Club: <i>World Series Sprintcars</i>	Motorsport Event National Speedway Event.	Supported subject to provision of documents required through the events approval process.	\$20,000	\$10,000
4.	ArtsSouth WA: <i>Southern Art and Craft Trail</i>	Arts/Culture Event Art and Craft trail across Great Southern.	Supported subject to provision of documents required through the events approval process.	\$15,000	\$10,000
5.	MSWA Inc.: <i>MSWA Albany Ride</i>	Sporting Event Fundraising event to support people living with MS	Supported subject to provision of documents required through the events approval process.	\$20,000	\$10,000
6.	Perth Trail Series: <i>Albany Trail Run</i>	Sporting Event Trail Running Event celebrating Albany's trails and views.	Supported subject to provision of documents required through the events approval process.	\$10,000	\$5,000
7.	Green Skills: <i>Sustainable Communities Festival</i>	Culture Event Three events combining to promote sustainable living values and incorporating "Harmony" cultural activities.	Supported subject to provision of documents required through the events approval process.	\$20,000	\$5,000
8.	Perth Theatre Trust: <i>Shanty & Sea Song Festival</i>	Culture Event Australia-first Shanty festival with international guests.	Supported subject to provision of documents required through the events approval process.	\$7,500	\$5,000
Totals				\$132,500	\$75,000

17. The table of panel recommendations is for cash support only and does not include in-kind support. Additional in-kind support requests will be considered in line with existing Council cash sponsorship and subject to Council endorsed operational budgets, and may not be supported.

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 Community Services Team, within existing allocated budgets.
- 23. Council has allocated \$65,000.00 for Regional Events Sponsorship in 2018-2019.
- 24. Council has allocated \$10,000.00 for Taste Great Southern in 2018-2019.

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 Officer’s recommendation be endorsed.

Consulted References	:	<ul style="list-style-type: none"> • <i>Local Government Act 1995</i> • <i>Council adopted budget 2018-2019 Resolution CCS068</i>
File Number (Name of Ward)	:	<i>(All Wards)</i>
Previous Reference	:	<i>OCM 28/11/2017 Resolution CCS007</i>

CCS108: NATIONAL ANZAC CENTRE – Q1 2018-19 REPORT

Proponent	: City of Albany
Attachments	: National Anzac Centre (NAC) – Quarter 1 (Q1) 2018-19 Operational Report
Report Prepared By	: Manager Facilities (L Stone)
Responsible Officer(s)	: Executive Director Community Services (S Kay)

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 2018-19 performance of the NAC.

RECOMMENDATION

CCS108: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the NAC operational report for Q1 2018/19.

BACKGROUND

2. The NAC is the City of Albany's most significant tourism asset.
3. The NAC 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 this nationally significant asset and understands the importance of generating economic outcomes for the region using the NAC and the Albany Heritage Park (AHP) assets to encourage both increased visitation and extended stays to the region.
5. The City established an independent NAC 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.

6. The first quarterly meeting for 2018/2019 was held on August 15 2018 in Perth with a planned meeting in Albany scheduled for 12 November 2018. 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 be reinvested and used to leverage additional grant funding to improve the asset.
7. This report template is constantly being reviewed to ensure that the Community & Corporate Services Committee and the NAC Advisory Group receive all relevant information as to its performance.
8. Ongoing feedback from the Community & Corporate Services Committee and the NAC Advisory Group is encouraged to ensure the report is meeting expectations.

DISCUSSION

9. Quarter 1 (Q1) 2018/19 achieved NAC total visitation numbers of 260,111 visitors since opening in November 2014. This equates to an average annual visitation of 67,848 visitors per year.
10. Total visitation for Q1 2018/19 was down by 2194 visitors compared to the same period in 2017/18.
11. The visitation in Q1 2018/19 from the Great Southern region totalled 429, consisting of 70% from Albany, 9% from Denmark, 5% from Lake Grace, Gnowangerup, Mt Barker, South Stirling, Narrikup and Wellstead.
12. The visitation in Q1 2018/19 originated from Western Australia (51%) Interstate (49%). Visitors from other states consisted of 31% from NSW, 29% from VIC, 20% from QLD, 13% from SA, followed by remaining states ACT, TAS and NT all with similar figures between 1-3%.
13. Of the total 5% of international visitors, 41% of these visitors originated from New Zealand, 27% from United Kingdom, 7% from USA, 4% from Singapore, 4% from Canada, Malaysia and France with similar figures around 2%.
14. Revenue generated in Q1 2018/17 by the AHP (NAC and Forts Store combined) was \$15,049 less compared to the same period in 2017/18, The Forts Store revenue also decreased by \$32,993 compared to the same period in 2017/18.
15. Compared to the same period in 15/16 and 16/17, the Forts Store Revenue was very similar with only a \$12,000 variation.
16. Average retail spend per head for 18/19 Q1 reached \$11.94, its highest level since opening.
17. As at the end of Q1 2018/19, 2989 local residents were members of the NAC League of Local Legends program, with 329 joining during Q1.
18. The NAC received 186 non-local paying visitors in Q1 2018/19 as a result of the NAC League of Local Legends program.
19. In Q1 2018/19 activities included the NAC preparations for Field of Light Launch, Honouring Albany's Own Exhibition and connections to Avenue of Honour.
20. The City of Albany is currently considering a sponsorship approach to sourcing and securing corporate sponsorship opportunities for the NAC.

GOVERNMENT & PUBLIC CONSULTATION

21. Not Applicable.

STATUTORY IMPLICATIONS

22. Not Applicable.

POLICY IMPLICATIONS

23. Not Applicable.

RISK IDENTIFICATION & MITIGATION

24. Nil.

FINANCIAL IMPLICATIONS

25. Refer to the financial summary below for the AHP full year budget and YTD position as at June 30, 2018 noting that it excludes internal delivery allocations of \$91,428.

a. Operating expenditure budget includes:

- i. \$54,000.00 allocated to the City reserves team for management of publicly accessible natural/developed reserves located within the boundary of the AHP.
- ii. \$70,000 allocated to the City Operations team for maintenance of all City of Albany built infrastructure and building assets located within the boundary of the AHP.
- iii. \$15,000 allocated to expenses relating to the NAC Advisory Group.
- iv. \$10,000 allocated to Major Projects for development of the AHP Master Plan.
- v. Year to date actuals are subject to change due to finalisation of annual accounts.

	FY 2018-19 Budget	YTD Budget	YTD Actual	YTD Variance
Operating Expenditure	(\$1,850,713)	(\$341,116)	(\$317,171)	\$23,945
Operating Income	\$1,456,000	\$302,363	\$302,382	\$19
Net Operating Surplus/ (Loss)	(\$394,713)	(\$38,753)	(\$14,789)	\$23,964
Capital Expenditure	(\$20,000)	(\$13,951)	0	\$13,951
Stock on Hand	0	0	(\$65,470)	(\$65,470)
Grand Total	(\$414,713)	(\$52,704)	(\$80,260)	(\$27,556)

LEGAL IMPLICATIONS

26. Nil.

ENVIRONMENTAL CONSIDERATIONS

27. Nil.

ALTERNATE OPTIONS

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

SUMMARY CONCLUSION

29. Overall Q1 2018/19 has seen slightly lower numbers but is still reflecting stable visitation. Positive numbers have been shown in the community response to the League of Local Legends program, with continuing strong growth.
30. An increase in the retail spend per head in the Fort Store has seen the Q1 average \$11.94 up by \$4.45 since opening. This is a positive contribution to revenue for the AHP precinct as a whole. This demonstrates the Store merchandise is attracting visitors and staff are marketing merchandise of interest.
31. Interest in the Princess Royal Fortress and exhibitions continues to generate visitation to the NAC. Supporting figures of Q1 2018/19 saw 767 people take part in Princess Royal Fortress Tours.
32. In Quarter 2 2018/19, with the very popular Field of Light installation and marketing programs strongly focused on the connection the experience has to the NAC and Princess Royal Fortress exhibitions, we expect increased visitation.
33. In October 2018, frequency of visits to the NAC, after 3pm, have increased compared to past history. Anecdotally, the increase appears to be attributed to Field Of Light packages, with visitors choosing to visit the NAC later in the afternoon prior to moving onto the Field of Light in the evening.

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

CCS109: PROPOSED SURRENDER OF ALBANY SENIOR CITIZENS CENTRE LEASE AND REPLACE WITH NEW LEASE TO CHORUS AUSTRALIA LTD

Land Description	: Lot 2 on Diagram 23773 on Certificate of Title Volume 2063 Folio 494 and Part of Lot 112 on Diagram 012259 on Certificate of Title Volume 1440 Folio 774
Proponents	: Senior Citizens Centre of Meals on Wheels (Albany) Inc and Chorus Australia Ltd
Owner	: City of Albany
Report Prepared By	: Team Leader Property and Leasing (T Catherall)
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:
 - **Theme: 1. Leadership.**
 - **Objective: 1.1** To establish and maintain sound business and governance structures.
 - **Community Priority: 1.1.2** 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.

Maps and Diagrams:



In Brief:

- Council is requested to consider a surrender of the lease with Albany Senior Citizens Centre (ASCC) and replace with a new community lease to Chorus Australia Ltd (Chorus) to continue services and activities at the centre.
- For some time the Albany Senior Citizens Centre board has cited financial and physical concerns about their ability to continue providing the necessary services in an uncertain future.
- Following direction from the Department of Health, the ASCC board explored potential providers in the region through a competitive process. In July 2018 Chorus was selected as the new provider.
- Chorus and ASCC have entered into an agreement to transfer the service commencing 1 January 2019.
- Chorus intends to continue the current service provision (and team) and has ambitions to build the current service volumes and the impact on the local community.
- It is recommended that the proposed surrender of ASCC lease and a new lease to Chorus for the premises be approved.

RECOMMENDATION

CCS109: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council APPROVE the surrender of Senior Citizens Centre of Meals on Wheels (Albany) Inc and a new lease to Chorus Australia Ltd over City owned premises located on Lot 2 and Part Lot 112 Grey Street West, subject to:

- a) The surrender of lease being effective only on the granting of the new lease to Chorus Australia Ltd.**
- b) Lease permitted use being Community Centre and associated activities.**
- c) Lease area being approximately 763m² subject to survey.**
- d) Lease term being 10 years commencing 1 January 2019.**
- e) Lease rent being \$1,021 plus GST per annum being the equivalent to minimum rate set by Council each year.**
- f) Lease rent being reviewed annually.**
- g) Lease special condition to document a non-exclusive licence for use of 5 parking bays during the term as notified by the City of Albany from time to time.**
- h) All costs associated with the preparation, execution and completion of the lease documentation being payable by Chorus Australia Ltd.**
- i) Lease being consistent with Council Policy – Property Management (Leases and Licences) for community leases.**

BACKGROUND

2. Albany Senior Citizens Centre (ASCC) have been providing services and support, including meals on wheels, to seniors in the community for over 40 years from the City's premises on Grey Street West located within the CBD.

3. The community lease between the City and ASCC commenced in 1977 and is due to expire on 30 November 2019.
4. In 1994, the ASCC completed additions and refurbishment to the building including a new hall/function room. The project was funded by a self-supporting loan from the City, which was fully repaid in 2014.
5. In 2013, the wooden floor in the hall was replaced and internal refurbishments including creation of office space and storage were completed with the assistance of Lotterywest funding.
6. The centre consists of a commercial kitchen and associated storage, a large dining and activities room, a large hall and patio area, amenities, several offices and storage space for equipment.
7. Over recent years Senior Citizens have cited financial challenges and in particular noted the loss of partial funding from the Home and Community Care (HACC) program for the meals on wheels service in 2014. In WA the HACC program is administered by the Department of Health.
8. Late last year representatives from ASCC met with City management to discuss concerns about their ability to continue operating the centre. Given they were experiencing financial difficulties, unable to attract new committee members and suffering exhaustion the centre was at risk of closing.
9. The ASCC board were seeking to pass on the management of services and initially commenced discussions with Albany Community Care Centre to hand over services.
10. At the time of exploring the novation, ASCC were directed by the Department of Health to also approach other providers in the region. In June 2018, Chorus submitted a proposal and following the competitive Expression of Interest process were selected as the preferred provider.
11. On 8 August 2018, the ASCC board and members voted Chorus as the new provider given their ethos, experience, capacity and fresh approach to delivering community services.
12. On 22 August 2018, the City received a written request from the ASCC board seeking to surrender the lease and a new lease to Chorus to allow for the transfer of services in order for the centre to continue and prosper. The ASCC board thanked the City for their help and assistance over the many years while holding the lease for the premises.
13. Upon the transfer of services and assets to Chorus, the ASCC board will disband and the new management arrangement will take effect on 1 January 2019.
14. The proposed new lease to Chorus is considered an opportunity to replace the old outdated lease with the City's standard community lease with current terms and conditions.

DISCUSSION

15. In September 2018, City staff met with Chorus representatives to discuss transfer of services from ASCC to Chorus, with a view to securing a lease for the premises.

16. Chorus Australia Limited was formed in 2017 by the merge of three established WA care providers, Care Options, Community First and Volunteer Task Force. Chorus is a registered not-for-profit charitable organisation with the Australian Charities and Not-for Profits Commission (ACNC) as a public benevolent institution advancing social or public welfare.
17. Chorus has been operating in Albany since 2006 providing a range of community programs. Chorus was originally aligned with Community First and since that time the local team has grown to include mental health and community care services.
18. Chorus intends to continue with the current service provision (and team) from ASCC, and has developed a comprehensive transfer of services plan to effectively manage the transition with little to no disruption.
19. Chorus believe the ASCC site and service has the potential to offer opportunities well beyond the aged community it has traditionally served. Chorus have expressed interest in partnering with the City to activate the space and undertake an external renovation making the building more in keeping with the Town Square and surrounding buildings.
20. The table below summarises the essential terms of the proposed standard community lease:

ITEM	DETAILS
Tenant	Chorus Australia Ltd
Land/Lease	Lot 2 on Diagram 23773 and Part of Lot 112 on Diagram 012259, an area approximately 763m ²
Land Ownership	City of Albany
Permitted Use	Community Centre and associated activities
Term of Lease	Lease 10 years, commencing 1 January 2019
Initial Rent	\$1,021 plus GST pa being the equivalent to minimum rate set by Council each year and reviewed annually
Outgoings	Lessee responsible for all outgoings
Utilities	Lessee responsible for all utilities
Building Ownership	City of Albany
Maintenance	City responsible for structural maintenance, electrical wiring, planned and programmed maintenance and annual services of the City's asset
Special Condition	A non-exclusive licence for use of 5 parking bays during the term as notified by the City from time to time

21. Chorus have agreed in principle with the above position, subject to Council approval.

22. The remaining terms of the lease agreement will align with the City's Property Management (Leases and Licences) Policy.

GOVERNMENT & PUBLIC CONSULTATION

23. Section 3.58 of the *Local Government Act 1995* allows for the City to dispose of land. For the purposes of this section, a lease of property is considered a disposal.
24. Regulation 30(2)(b) of the *Local Government (Functions & General) Regulations 1996* describes the disposition as exempt when the land is disposed of to an organisation or body whose objects are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature.
25. Chorus Australia Ltd is a registered not-for-profit charitable organisation with the Australia Charities and Not-for-Profits Commission and as such exempt from the public advertising requirements of Section 3.58 of the *Local Government Act 1995*.

STATUTORY IMPLICATIONS

26. Section 3.58 of the *Local Government Act 1995* allows for the disposal of property including leased/licensed land and buildings.

POLICY IMPLICATIONS

27. Council adopted a revised Property Management (Leases and Licences) Policy July 2017.
28. The policy aims to ensure that all requests for leases and licences will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.
29. The recommendation is consistent with the Policy.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation: lease not approved – potential closure of Senior Citizen Centre and meals on wheels service	Likely	Major	High	Seek to negotiate terms to Council satisfaction. The City's standard community lease will be the formal document
Reputation: lease not approved – premises will remain vacant until new tenant sought	Likely	Moderate	Medium	Seek to negotiate terms to Council satisfaction
Opportunity: Demonstrate the City's commitment to community services and in particular the importance of those services and activities for seniors				
Opportunity: Security of tenure for Chorus and clients with continuation and potential expansion of services to the community.				

FINANCIAL IMPLICATIONS

31. All costs associated with the development, execution and completion of the lease documentation will be met by Chorus.

32. The lease rent of \$1,021 plus GST per annum will be directed to Income – Other Leases.

LEGAL IMPLICATIONS

33. The Deed will be prepared by City's lawyers with enforceable terms and conditions.

ENVIRONMENTAL CONSIDERATIONS

34. There are no environmental implications relevant to this item.

ALTERNATE OPTIONS

35. Council may:
- a. Approve the new lease request; or
 - b. Decline the new lease request.
36. The proposed lease will facilitate the existing commitments between ASCC and Chorus for the transfer of service arrangements to secure the centre services, meals on wheels and support to seniors in the community.
37. Should Council decline the new lease, ASCC have advised they are unable to continue the service and the centre may close.
38. Alternatively the existing lease could be assigned to Chorus for the remainder of term till 30 November 2019 under delegated authority to the Chief Executive Officer. However this approach has not been recommended given Chorus require security of tenure past 2019 and the opportunity to surrender the outdated lease and replace with a new standard community lease.

CONCLUSION

39. Albany Senior Citizens Centre have been seeking to pass the management of the centre and services to another suitably qualified community provider for some time.
40. Following a competitive process in June 2018, Chorus Australia Ltd were selected by ASCC as the successful provider to continue centre and meals on wheels services. The Department of Health have approved Chorus as the new provider.
41. Chorus intend to continue the current service although are keen to build on the current services and enhance the impact on the community. Chorus have expressed interest in partnering with the City on an external renovation to align better with the Town Square, Town Hall and the new Information and Tourism Hub.
42. It is recommended that the proposed surrender and new lease to Chorus be supported to secure ongoing services from the centre for the benefit of the community.

Consulted References	:	<ul style="list-style-type: none"> • Council Policy – Property Management (Leases and Licences) • <i>Local Government Act 1995</i>
File Number (Name of Ward)	:	PRO089, A104446 (Frederickstown Ward)
Previous Reference	:	Nil

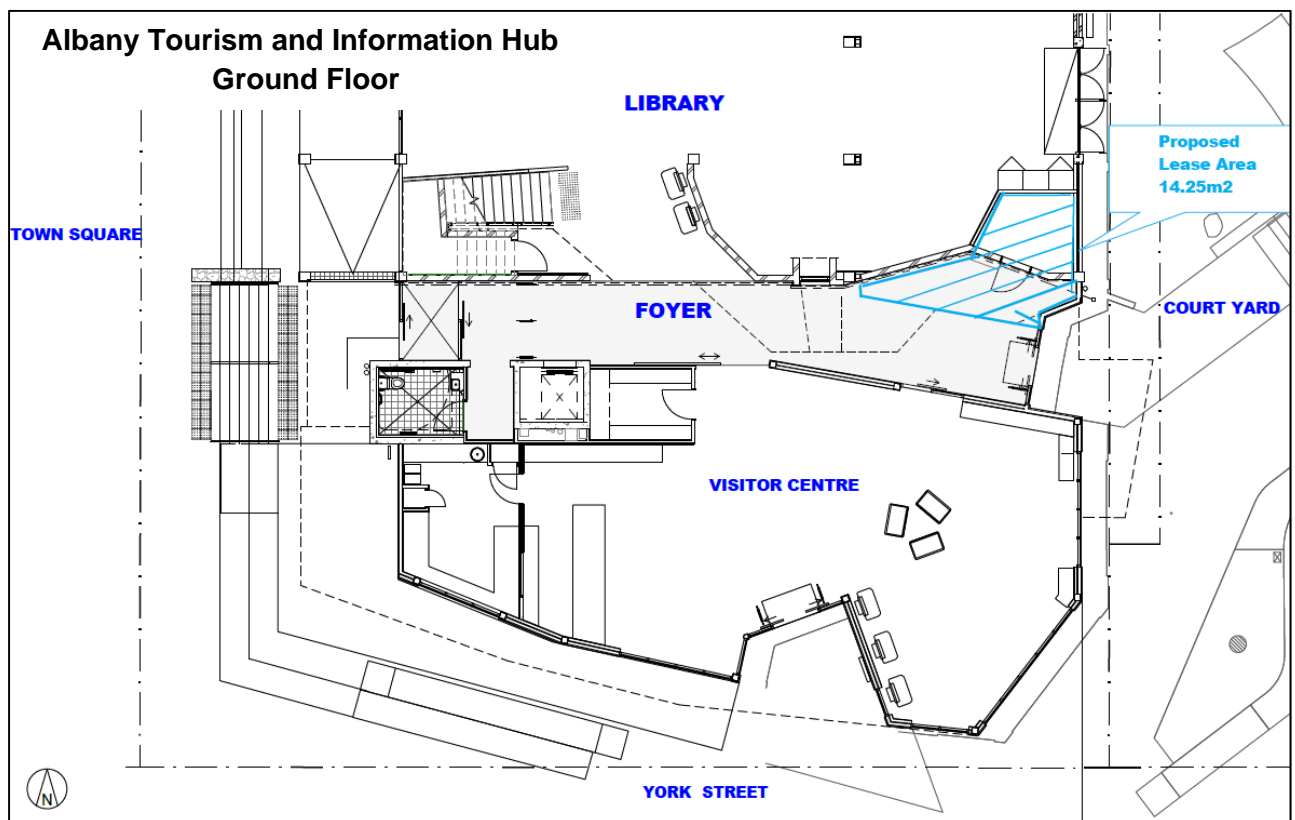
CCS110: FINAL LEASE APPROVAL FOR COFFEE KIOSK TO CHRISTOPHER SAURIN – TOURISM & INFORMATION HUB, YORK STREET

Land Description	: Lot 123 on Diagram 13134 as detailed in Certificate of Title Volume 1097 Folio 230
Proponent	: Christopher Saurin as Trustee for the Saurin Family Trust
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)

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.

Maps and Diagrams:



In Brief:

- Council, at its meeting held on 28 August 2018, considered and supported a proposal to lease a commercial space for a coffee kiosk within the newly established Tourism and Information Hub in York Street.
- As part of the statutory process the proposed lease was advertised for public comment and one submission was received.
- Council is now requested to consider the submission and determine any impact on granting the final lease approval.

RECOMMENDATION

CCS110: COMMITTEE RECOMMENDATION

THAT Council:

1. **NOTES its previous resolution of 28 August 2018 Item CCS080.**
2. **GRANTS the final lease approval for Coffee Kiosk over portion of Lot 123 York Street, Albany Tourism and Information Hub to Christopher Saurin as Trustee for the Saurin Family Trust, subject to:**
 - a. **Lease area being approximately 14.25m².**
 - b. **Lease rent being \$9,000 per annum plus GST and outgoings as determined by a licensed Valuer.**
 - c. **Rent reviews by market valuation every 3 years with Consumer Price Index applied for intervening years.**
 - d. **Lease term being 5 years with an option for a further 5 year term.**
 - e. **Lease commencing as soon as practicable.**
 - f. **All costs associated with the ongoing operations of the leased premises being payable by the tenant.**
 - g. **All costs associated with the development and finalisation of the lease being payable by the City of Albany, in line with the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.**
 - h. **Lease being consistent with Council Policy – Property Management (Leases and Licences).**

BACKGROUND

2. In May 2018 following a Request for Proposal (RFP) to lease a modest commercial space within the Tourism and Information Hub that lends itself to a small food and beverage outlet, one proposal was received for a coffee kiosk.
3. City staff conducted an assessment of the proposal received consistent with the City's usual procurement process. On this basis, the City entered into discussions with the applicant, Mr Christopher Saurin.
4. Mr Saurin has 10 years' experience as a barista and operating a mobile coffee business, Quick Shot Coffee. It was proposed to serve hot drinks with some baked goods such as muffins and slices available.

5. Importantly Mr Saurin confirmed his intention to trade 7 days a week including public holidays, noting there may be some requirement to adjust hours due to seasonal sales.
6. Council considered the new lease request at its meeting held on 28 August 2018 as resolved as follows:

THAT Council APPROVE a new lease over portion of Lot 123 York Street, Albany Tourism and Information Hub to Christopher Saurin as Trustee for the Saurin Family Trust, subject to:

- a. *Lease permitted use being Coffee Kiosk.*
 - b. *Lease area being approximately 14.25m².*
 - c. *Lease rent being \$9,000 per annum plus GST and outgoings as determined by a licensed Valuer.*
 - d. *Rent reviews by market valuation every 3 years with Consumer Price Index applied for intervening years.*
 - e. *Lease term being 5 years with an option for a further 5 year term.*
 - f. *Lease commencing as soon as practicable.*
 - g. *Pursuant to Section 3.58 of the Local Government Act 1995 advertising requirements, the new lease will be advertised.*
 - h. *All costs associated with the ongoing operations of the leased premises being payable by the tenant.*
 - i. *All costs associated with the development and finalisation of the lease being payable by the City of Albany, in line with the Commercial Tenancy (Retail Shops) Agreements Act 1985.*
 - j. *Lease being consistent with Council Policy – Property Management (Leases and Licences).*
7. The City has agreed to undertake some improvement works to the building to facilitate the kiosk being accessible to customers from the courtyard. These works are estimated at \$20,000 and have been allocated in the 2018/19 budget.
 8. Mr Saurin is responsible for the fit out of the lease space and all associated approvals for the coffee kiosk, at own cost.

DISCUSSION

9. Following Council's August resolution, the proposed lease was advertised for public comment on the 4 October 2018.
10. The advertising period closed on 18 October 2018 and one submission was received from the Albany Chamber of Commerce & Industry (ACCI).
11. The ACCI on behalf of some York Street retail traders raised a number of questions regarding the proposed coffee kiosk prior to a meeting with York Street food and beverage operators on 19 October 2018. The City provided responses to ACCI questions on 18 October 2018 as below.
 - a. ACCI question: "Are the city spending \$20 000 to set this business up?"

City response: An amount of up to \$20,000 has been budgeted for some improvement works to the building which includes installing a servery window and external awning to facilitate service when the Visitor Centre and Library are not open. As per Council Item CCS080 August 2018.
 - b. ACCI question: "Why would the city orchestrate setting up a Coffee Kiosk to be leased out in direct competition to already struggling businesses in York St?"

City response: *This is a modest space of 14m², not a full service cafe or restaurant. There is currently no other retail offering on the west side of York Street between Grey Street and Serpentine road, other than the City's existing civic facilities.*

- c. ACCI question: "Will there be Alfresco License from City of Albany (only applicable if there will be outdoor area for customers to sit)."

City response: *An Alfresco Licence has not been considered. The intent is for a take away coffee kiosk. No tables and chairs will be provided in the adjoining outdoor area which is available for public use.*

- d. ACCI question: "Will they be registered through the City of Albany as a Food Business?"

City response: *Yes, assessed by the City's Health Team.*

- e. ACCI question: "Will they have to have Commercial Dishwasher to sanitize equipment and is that something the city is providing?"

City response: *To be assessed by the City's Health Team.*

- f. ACCI question: "Will the city be paying for them have to install a Greasetrap? Water Corp have made the others do the same."

City response: *City's Health Team have been in contact with Water Corp who advise a grease trap will not be required if food is not prepared on the premises.*

- g. ACCI question: "Will the city be paying for them to have a Trade Waste Permit?"

City response: *No, will be tenant responsibility if required. City's Health Team have been in contact with Water Corp who advise a Trade Waste Permit is not required if simply bringing food onto the premises. If cooking or heating food onsite then will need a Trade Waste Permit at tenant cost.*

- h. ACCI question: "Is he going to be limited to Coffee only or permitted to sell food as well?"

City response: *Limited range of baked goods such as muffins or slices.*

- i. ACCI question: "If concerns are being raised to the City of Albany about visitors complaining about lack of choice/options for Coffee/Food why hasn't that been taken up with existing businesses to address the problem?"

City response: *The City is not concerned about lack of choice or options. But we see an opportunity to provide a service from our visitor centre.*

- j. ACCI question: "Why are the city going in to competition with small business on York St? why aren't they trying to help instead of slowly dragging us down?"

City response: *The City is not going into competition. This will be run by a commercial operator, in much the same way that other sites the City owns are leased to commercial operators. The proposed lease is a market based rent.*

- k. ACCI question: "Why do the city ask us to be open earlier for bigger events happening in town or in the town square and then put a coffee van in do take all the potential coffee buyers from us?"

City response: *The City has previously asked businesses to operate at the Town Square and also open for events. The response from businesses has been inconsistent and the City allows coffee vans and other pop ups to meet demand.*

- I. ACCI question: “Why is the City of Albany adding a space to the Visitors Centre for another coffee business when there are lot’s of empty shop’s on York Street that he could have taken a lease out on to set up business?”

City response: *The space has been planned and an open process has been followed.*

12. On 19 October 2018, City management met with representatives from ACCI and a number of York Street retail traders to listen to their concerns regarding the coffee kiosk proposed to operate from the Library and new Visitor Centre. In summary the concerns raised were similar to those matters raised by the ACCI.
13. In developing the new Visitor Centre and upgrades to the Library, the City included a small commercial space.
14. The vacant commercial space was advertised extending the commercial opportunity to all existing and new local businesses, noting the modest space would lend itself to a small food and beverage outlet.
15. It is not unusual for the City to manage commercial lease opportunities, with Emu Point Cafe and Three Anchors currently holding leases with the City.
16. The City has been actively trying to increase the vibrancy and visitation to the CBD to benefit all local businesses through the relocation of the Visitor Centre and upcoming refurbishments of the Town Hall and Alison Hartman Gardens. Between March and June this year, just over 40,600 visitors came through the doors of the new Visitor Centre, representing a significant increase in activity within the city centre. This increased visitation is anticipated to have a positive spinoff that will benefit the CBD commercial retail traders.
17. Overall, notwithstanding the comments from ACCI and City meeting with York Street traders, on the basis of the above it is recommended to proceed with the final approval for the coffee kiosk lease.

GOVERNMENT & PUBLIC CONSULTATION

18. The provisions of Section 3.58 of the *Local Government Act 1995* require that public advertising be undertaken. The proposed lease was advertised on 4 October 2018 inviting submissions concerning the lease.
19. One submission was received and has been acknowledged and advised that a further item to Council will be presented.

STATUTORY IMPLICATIONS

20. Section 3.58 of the *Local Government Act 1995* deals with the disposal of property, including the lease of property.
21. The lease agreement will be a formal Deed of Lease with terms and conditions governed by the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.

POLICY IMPLICATIONS

22. Council adopted a revised Property Management (Leases and Licences) Policy in July 2017.

23. The Policy aims to ensure that all requests for leases and licences will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.
24. The recommendation is consistent with the Policy.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation: lease not approved	Possible	Moderate	Medium	Seek to negotiate terms to Council satisfaction
Reputation: lease of space – negative feedback from retail traders in York Street	Possible	Moderate	Medium	Request for Proposal to lease was advertised publicly extending the commercial opportunity to all existing and new local businesses interested in leasing the space
Financial: new lease not approved – loss of commercial rent	Unlikely	Low	Low	Call for further proposals for the vacant space
Opportunity: To provide a commercial space for coffee kiosk to support the activities in the public space and enhance the visitor experience to the Tourism and Information Hub.				

FINANCIAL IMPLICATIONS

26. The City has agreed to undertake some improvement works to the building to facilitate the kiosk being accessible to customers from the courtyard. These works are estimated at \$20,000 and have been allocated in the 2018/19 budget.
27. All costs associated with the development and finalisation of the lease will be met by the City in line with the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.
28. The lease rental will be directed to the Library and Visitor Centre property and building revenue accounts.

LEGAL IMPLICATIONS

29. The lease documentation will be prepared by the City's lawyers with enforceable terms and conditions.
30. The City will provide the required statutory disclosure statements to the tenant. Failure to do so could result in the tenant having the right to terminate the lease and/or seek an order for compensation from the State Administrative Tribunal (SAT).

ENVIRONMENTAL CONSIDERATIONS

31. There are no environmental implications.

ALTERNATE OPTIONS

32. Council may:
 - a. Acknowledge the submission and decline the final approval for the lease; or
 - b. Grant the final approval for the lease.

33. Should Council not support the lease, then another Request for Proposal to lease the space on different terms could be prepared and advertised, with the view to securing another tenant.
34. Alternatively the City may wish to utilise the space for Library and Visitor Centre storage.

SUMMARY CONCLUSION

35. Following the Request for Proposal process to lease commercial space within the Tourism and Information Hub in May 2018, Council has since supported the recommended lease for coffee kiosk at OCM 28 August 2018.
36. The City has observed the public advertising process required under Section 3.58 of the *Local Government Act 1995* and one submission from ACCI was received. The submission sought answers to a number of questions raised on behalf of some York Street retail traders.
37. In response to the submission, City management met with representatives from ACCI and a number of York Street retail traders to listen to their concerns regarding the proposed lease.
38. It is the view of City management that the proposed coffee kiosk will complement the customer experience at the Library, Visitor Centre and soon to be re-developed Alison Hartman Gardens and Town Hall.
39. As such, it is recommended final lease approval be granted.

Consulted References	:	Council Policy – Property Management (Leases and Licences) <i>Local Government Act 1995</i> <i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i>
File Number (Name of Ward)	:	PRO431 (Frederickstown Ward)
Previous Reference	:	OCM 28/08/2018 Item CSF080

CCS111: RACEWARS ALBANY 2019 - PROPOSAL

Proponent / Owner	:	Racewars Group
Attachments	:	<ul style="list-style-type: none">• Event Application• Form 1 – Road Traffic Act 1974 – Application for an Order for A Road Closure
Report Prepared By	:	<ul style="list-style-type: none">• Manager Governance and Risk – Airport Operations (S Jamieson)• Communications & Events Manager (N Watson)
Responsible Officers:	:	<ul style="list-style-type: none">• Executive Director Corporate Services (M Cole)• Executive Director Community Services (S Kay)

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.
 - **Objectives:**
 - Strengthen and grow our region's economic base.
 - Develop and promote Albany as a unique and sought after visitor location.
 - **Community Priorities:**
 - Encourage, support and deliver significant events that promote our region and have a positive economic and social benefit.
 - Promote the "Amazing South Coast" region as a sought after and iconic tourism destination.

In Brief:

- Council is requested to review and endorse the Racewars 2019, event proposals.

RECOMMENDATION

CCS111: RESPONSIBLE OFFICERS RECOMMENDATION

THAT:

- (1) **The Racewars 2019 Event Proposal be ENDORSED; subject to imposed event and regulatory conditions.**
- (2) **Noting the mitigation strategies to allow visitor access to the Princess Royal Fortress Precinct (National Anzac Centre, Field of Lights, Garrison Restaurant and Carlyles Function Centre), approval of the Application for an Order for A Road Closure is SUPPORTED.**

BACKGROUND

2. The City of Albany successfully hosted the Racewars Albany 2017 and 2018 events, which involved providing the event organisers with the exclusive use of the Albany (Harry Riggs) Regional Airport for two days of "Straight Line Racing" of the March long weekend.
3. On Thursday 18 and Friday 19 October 2018, City Officers met with representatives of the Racewars (RW) Group for preliminary discussion.

5. On Tuesday, 23 October 2018, Racewars representative (Mr Jon Murray) briefed Council on the 2019 RW Event proposals, being:
 - a. Airport Straight Line Racing Event (Saturday 2 & 3 March 2019)
 - b. Petrolosta Party (Saturday evening 2 March 2019)
 - c. Centennial Stadium Thank You Event / Awards Night (Sunday evening 3 March 2019)
 - d. Marine Drive Hill Climb (Monday 4 March 2019)

DISCUSSION

6. The formal application for event approval was received on Friday 2 November 2018.
7. The following provides an overview of the proposal:

- a. **Airport Straight Line Racing Event (Saturday 2 & 3 March 2019):**

- **Event Timings:**

- The airport application will be the same as this year's event; but finished by 7.30pm daily.

- **Financial/Logistic support:**

- Visitor Centre Ticket Packaging
- Staff to assist with the provision of logistic and event management.
- The relocation of the Fire Spotter Aircraft to Denmark, for the duration of the event.
- The renting and installation of temporary fencing to provide for security of general aviation hangars and airport infrastructure.
- The provision of traffic management.
- The provision of mobile security for the protection of airport infrastructure.

- b. **Petrolosta Party (Saturday evening 2 March 2019) – Next to Boat Shed**

- **Event Timings:**

- 5.00pm – Event Start
- 11.00pm _Event Complete

- **Approvals:** As at 29 October 2018, yet to be submitted by event organiser to Department of Transport.

- **Financial/Logistic Support:** Nil.

- c. **Centennial Stadium Thank You Event/Awards Night (Sunday evening 3 March 2019)**

- **Event Timings:**

- 8.00pm – Event Start
- 11.00pm – Event Complete

- **Approvals:** Booked and approved by City of Albany.

- **Financial/Logistic Support:** Booking Fee.

d. **Marine Drive Hill Climb (Monday 4 March 2019 between 8.30am to 6.00pm)**

▪ **Event Timings:**

- 00:00 – 04:00 – Set up
- 04:00 – 07:00 – Media Content Generation (Sunrise) (Noise limited)
- 07:00 – 08:00 – Competitor Bump In + Documentation
- 08:00 – 09:00 – Competitor Briefings + Speed Limited (60km/h) Recce Run
- 09:00 – 12:30 – Racing
- 12:30 – 13:00 – Lunch + Media Content Generation
- 13:00 – 18:00 – Racing (Event team is aiming for 17:30 completion of Motorsport Activities)

▪ **Approvals:**

- Traffic Management Plan has been approved by the City of Albany as the local government road owner.
- Road Closure Permit has not been submitted, pending Council endorsement of the proposed event.

▪ **Financial/Logistic Support:**

- Visitor Centre Ticket Packaging

8. A copy of the presentation presented to Council follows:



RW18 – Key Statistics



- Overall Attendance - 9,000+ Attendees over the weekend.
- Total Competitor Sign Ups – 334 Total over all events (not including RW18 Car + Bike Show)
- Largest Participation Event. – MADInc ½ Mile Roll Racing – 177 Competitors.
- Total Number of Passes Made - ~2000+
- Number of 300+ km/h entrants – 13 (12 VMAX + 1 ½ Mile Roll Racing)
- Highest Speed Achieved – 334.93 km/h – Ed Tassone – HSV GTO
- Total RW in House Media Reach – (Event Period) – TBA

www.racewars.com.au

RW18 – Live Video Feed Statistics (Views)



- 1320 Video (International) – 187,000
- StreetFX (International) – 267,000
- MotiveDVD (Domestic) – 67,200
- Sparesbox (Domestic) – 21,800
- Street Machine (Domestic) – 30,000
- These figures only include the views recorded by our official media partners. Significant additional content has been released by amateur media outlets along with ongoing video content being uploaded by our official partners.

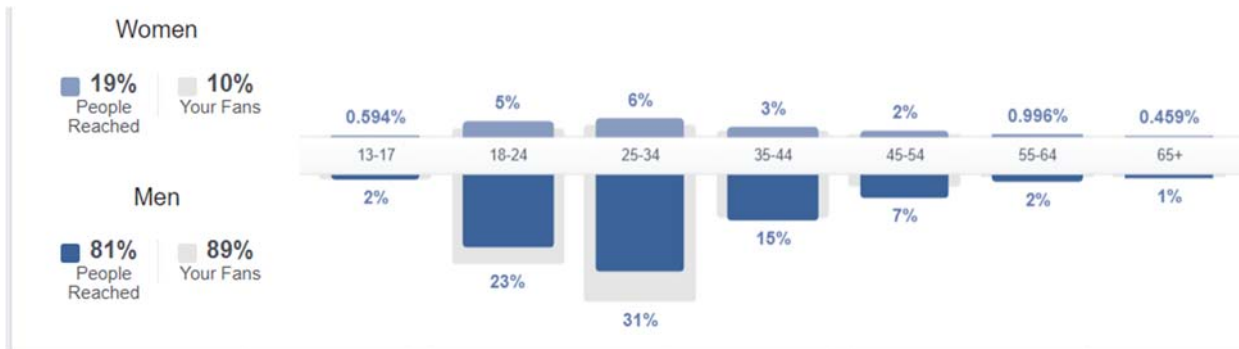
www.racewars.com.au

RW18 – Media Coverage Notes




- Due to recent changes with the way social media platforms allow for the dispersion of commercial content versus personal content it's now much harder for branded content to achieve placement in people's news feeds which detracts from the content's reach. The reduction in reach does result in lower overall viewership of branded content however it means that those people who do see it are more likely to be those who will view, engage and interact with the content and the content generator.
- For RW18 and onwards we will record the amount of views and interactions with the content rather than just the "reach" of the content. This will reduce the headline numbers provided but will give a better indication of our ability to activate people to follow or engage with the event.
- We believe that the level of penetration we achieved was exceptionally positive given the changed goal posts and limited ability to push content out when compared with last year's event.
- To deliver the best returns we need to create more exceptional content.

www.racewars.com.au



Country	People Reached	City	People Reached	Language	People Reached
Australia	118,323	Perth, WA, Australia	49,595	English (US)	97,443
United States of America	4,603	Sydney, NSW, Australia	7,199	English (UK)	39,142
New Zealand	4,088	Melbourne, VIC, Australia	6,047	French (France)	1,389
Canada	3,059	Albany, WA, Australia	4,473	Spanish	1,163
United Kingdom	2,786	Brisbane, QLD, Australia	4,336	German	989
France	1,069	Adelaide, SA, Australia	3,940	Japanese	659
Japan	850	Gold Coast, QLD, Aust...	1,620	Thai	549
Germany	691	Mandurah, WA, Australia	1,427	Italian	531
Thailand	601	Bunbury, WA, Australia	1,211	Dutch	410
South Africa	577	Townsville, QLD, Austr...	1,079	Spanish (Spain)	407



RW18 – Post Event Survey Key Messages.

- Total attendance was in excess of 9000 across the weekend (Racewars ran out of spectator bands so we can't be exact on the attendance numbers) up from 7500 in 2017.
 - The percentage of attendees from outside The Great Southern rose from 66% in 2017 to 82% in 2018.
 - 85% of people stayed in Albany as opposed to 77% in 2017.
 - 19% of people who did not stay in Albany were unable to find accommodation in 2018 up from 10% in 2017.
 - The number of people staying for 5+ days decreased from 20% in 2017 to 11% this year. With an increase of those staying for 3 days only up from 47% in 2017 to 51% in 2018.
 - 66% would like to see more local content at trade stands across the weekend.
 - 60% would consider paying a premium for grandstand seating at the airport.
 - The percentage of families attending rose from 29% in 2017 to 37% in 2018.
- A number of areas for operational improvements were raised by the respondents and will be reviewed outside the scope of this post event report with the view to continue to improve the event for 2019 and beyond.
 - Increasing our visitor nights is one of the key objectives of a headline Sprint event on RW Monday.

Our Plan for 2019 & Beyond



- **Racewars needs to be about more than just runway racing.**
 - Racewars still retains significant potential to continue to broaden and expand its appeal and grow beyond a motorsport event contained largely to the airport and get more people spending more time & money in town.
- To do this it will need to adopt proven concepts from other established car culture events and look to integrate those ideas in to the existing Racewars event framework.
- The current Racewars event does not fully utilize what Albany and the region has to offer. Better leveraging existing attractions is more effective than RW creating, marketing and managing our own each year.

www.racewars.com.au

RW19 Proposed Additional Activities



- **Racewars Sprint Challenge**
 - To better improve the Motorsport experience that still forms the core of the Racewars event we need to improve the attractiveness of the Monday Sprint event and change that from an event that could be held anywhere to an event that could only be held in Albany.
 - To do that we are suggesting creating a new course between Middleton Beach and Mt Adelaide utilizing Marine Drive & Forts Road. This would have some impacts on local traffic flow and the impacts of which would need to be carefully considered and managed. However, we believe that the proposed route and our plans for the “Touge Challenge” style (Japanese style hill climb) event with entry open to the widest possible array of vehicles will generate immense interest in this part of the event.
 - Importantly it will generate stunning post event coverage with the beautiful natural backdrop it provides and also creates significant impetus for people to spend more time (and money) than they already do in Middleton Beach, The National ANZAC Center and the local businesses which are based in those locations.

www.racewars.com.au



RW19 Proposed Additional Activities

- **Racewars Sprint – Successful Examples**

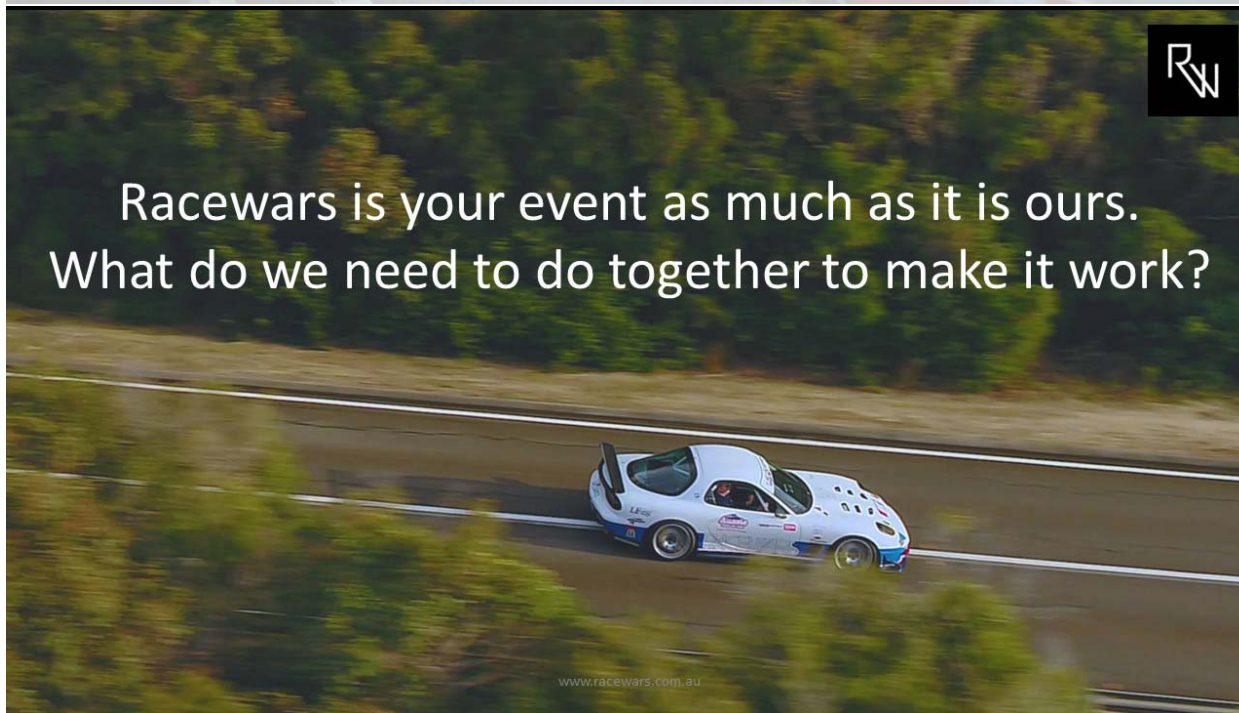
- Events such as the Goodwood Festival of Speed (UK), Motorhead Hakone Turnpike Challenge (Japan), Final Option Battles (Japan) and one day Targa events held in Australia such as those held in Busselton, Bunbury and through Victoria and Tasmania prove there is demand for this kind of event from both professional racers through to interested enthusiasts.
- Pre event demand for the RW Sprint already indicates we will oversell the event and it's role as a potentially iconic addition to the RW weekend seems assured.

www.racewars.com.au



RW19 Sprint – Speed Restricted Route





9. Post presentation, the following modifications were made to the event application, to address elected member and staff feedback:

a. Overview of mitigation strategies:

- The Racewars (RW) Group will cover the cost of two (2) x charter buses running from 09.30am to 5.30pm to shuttle visitors at no cost from the following locations to the forts precinct (National Anzac Centre, Carlyles Function Centre, Princess Royal Forts, etc):
 - Middleton Beach
 - Town Centre (Visitors Centre)

- To ensure the safety of participants and the passengers on these services buses will run in between vehicle run groups.
 - Vehicle run groups will comprise of 30 vehicles released at 30 to 45 second intervals (dependant on their performance).
 - A 10 to 15 min gap between each run groups is required for the competitors to be escorted back from Park Ferme to the Pits.
 - This gap will permit the buses to complete their journey and collect return passengers.
 - It is acknowledged that circumstances such as vehicle breakdowns or other incidents may cause disruption to the schedule.
- b. **Fort Road section closure:**
- The RW Group will remove any related items as soon as safe to do so after the last car reaches “Park Ferme”.
 - Once this section of the road has been cleared City Representatives will inspect the road and if satisfied that it is safe to do so, this will permit the event to move the road closure point from Burgoyne Road to the intersection of Marine Parade and Forts Road.
 - This will then allow unrestricted public access to the Field of Light / National Anzac Centre.
 - RW event team estimates that unrestricted public access could be restored within 30 minutes of the last car reaching Park Ferme (well before sunset).
- c. **National Anzac Centre (NAC) Visitation:**
- Visitation for the same day in 2018, reported by the NAC was 127 however it is expected to be higher in 2019 due to the Field of Light installation attracting more visitors to the Albany Heritage Park.
 - RW Group proposes to run buses between vehicle run groups under the direction of a nominated RW staff member and CAMS Clerk of Course.

GOVERNMENT & PUBLIC CONSULTATION

10. **Airport Straight Line Racing Event (Saturday 2 & 3 March 2019):**

- a. **Airport Operations:** Through the Department of Transport's Community Consultation Group, which consists of stakeholders from industry, government, and the aviation community the City will negotiate for the Albany Airport to be closed to aircraft movement from Friday afternoon to 6:00pm Sunday evening.
- b. The Perth to Albany route is historically low on long weekends and it is usual for selected flights to be cancelled due to insufficient demand.
- c. **Royal Flying Doctor & Water Bombers:** The Airport will remain open for emergency flights for the Royal Flying Doctor Service. To facilitate emergency use of the airport, Albany Airport staff will remained on duty to ensure safety and operational compliance needs are adhered to, and to respond to any emergency air service requirements.
- d. The Royal Flying Doctor Service in consultation with the Albany Hospital will be requested to schedule non-emergency flights to accommodate the event.

11. **Petrolosta Party (Saturday evening 2 March 2019) – Next to Boat Shed**

Event Organiser advised Council they have consulted with surrounding businesses in particular Due South.

12. **Centennial Stadium Thank You Event/Awards Night (Sunday evening 3 March 2019)**
Not applicable, booked and approved by City of Albany.
13. **Marine Drive Hill Climb (Monday 4 March 2019 between 8.30am to 6.00pm):**
Event Organiser advised Council they have consulted with businesses impacted by the Marine Drive road closure and limited access to the:
 - a. **Mounts Precinct:** National Anzac Centre, Garrisons Restaurant, and Carlyles Function Centre. Outstanding: Private Residence.
 - b. **Middleton Beach:** Hybla Bar & Restaurant, and Three Anchors Bar & Restaurant. Outstanding: Residents & Albany Surf Club.
 - c. The RW Group will need to do further detailed consultation with stakeholders as the event plans and traffic management are finalised.
14. Cognisant of responding to community feedback, this event should be a one-off trial, with support for future Marine Drive Hill Climbs for Racewars to be considered on analysis of community impact/costs post the 2019 event.

15. **Public Consultation:**

The RW group has committed to undertake a public awareness campaign before the event including local radio and print media (local newspaper notices/advertisements).

This will be complemented by a localised mail out to residents and businesses within a 1 to 3 block radius of the event road closures.

16. **National Anzac Centre/Princess Royal Fortress Precinct:**

Safety of pedestrians around the site is paramount. It is acknowledged that City staff will need to work with the RW Group to ensure concerns are addressed.

STATUTORY IMPLICATIONS

17. Nil

POLICY IMPLICATIONS

18. Nil

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<p><i>Airport: Business Operation & Financial.</i></p> <p><i>Risk: Accelerated wear and tear to the Albany Airport runway from chip seal loss.</i></p>	Likely	Moderate	High	<p>Continue to monitor the wear resulting from the event activity.</p> <p>Allocate additional funds from the Economic Development Funding lines.</p>
<p><i>Airport Operations:</i></p> <p><i>Risk: CASA non-compliance.</i></p>	Likely	Moderate	High	<p>The Airport Team is there to make sure that:</p> <ul style="list-style-type: none"> - CASA airport security compliance is maintained/not compromised during bump in/out; - the airstrip is made safe for emergency landings (in accordance with imposed CASA conditions); - the aerodrome is made safe prior to re-opening; - the general aviation users are kept informed and concerns catered for.
<p><i>Hill Climb Event: Business Operation & Financial.</i></p> <p><i>Risk: Risk to Mounts Precinct access/operations resulting from Marine Drive Road Closure.</i></p>	Likely	Moderate	High	<p>To mitigate disruption to the Mounts Precinct, event organisers propose to run a free bus service from the Albany Visitors Centre, approximately every 90 minutes.</p> <p>As this event will be finished by 7.00pm, access to the Field of Lights is mitigated.</p>

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<p>Hill Climb Event: Middleton Beach Access & Stakeholders:</p> <p><i>Risk: General access impacts to Middleton Beach and risk to access/operations of resident stakeholders (i.e. Surf Club) and businesses (Three Anchors, Hybla, Rats Bar, Bay Merchants)</i></p>	Likely	Moderate	High	Reconsider traffic management plan footprint within Middleton Beach and alternative event marshalling areas (ie Eyre Park) to allow Middleton Beach carpark to remain completely or partially open for general access.
<p>Hill Climb Event: Environmental.</p> <p><i>Risk: Noise Complaints.</i></p>	Likely	Moderate	High	To mitigate noise complaints the event will be run not before 8.30am to 6.00pm at the latest.
<p>Hill Climb Event: Reputation.</p> <p><i>Risk: Some residents may not support this type of event. Noting at the time of writing this report, residents and Surf Life Saving Club have not been formally advised.</i></p>	Likely	Moderate	High	Articulate the City Officers/Council rationale for supporting this event, noting the economic opportunities that have been and could be realised. Staff and ultimately Council will reflect on the feedback going forward.
<p>Hill Climb Event: Financial & Legal</p> <p><i>Risk: In the event of an accident, City of Albany could be exposed to litigation/claims.</i></p>	Possible	Major	High	Confirmed: Racewars Group Pty Ltd, insurance coverage: - Period of Insurance: 22 September 2018 to 4:00pm 22 September 2019. - Public Liability \$20,000,000 any one Occurrence - Products Liability \$20,000,000 any one period of insurance. Additional: Event proposal will also be reviewed by the City's Insurer to ensure appropriate protections are in place.
<p>Hills Climb and Boat Shed Event: Reputation</p> <p><i>Risk: Some residents/business owners may not support this type of event.</i></p>	Likely	Moderate	High	Event organisers supported by City of Albany staff to conduct the Community Consultation
<p>Opportunity: To continue 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.</p>				

FINANCIAL IMPLICATIONS

20. The City estimated conservative funding support of **\$68,000.00** over a three year period is still in place.

Cost Item	Cost Type	Year 1	Year 1 Actual	Year 2	Year 3	Estimated Total
Return Road	Internal Service	\$30,000	\$30,194	\$2,500	\$2,500	\$35,000
Operational Funding Support	COA Contract /Service	\$11,000	\$8,454.07	\$11,000	\$11,000	\$15,000
		\$41,000	\$38,648.07	\$13,500	\$13,500	\$68,000

21. In addition to the above cash contributions, the City of Albany is expected to provide significant in-kind support. With the event growing in scope, this in-kind support may be beyond the City's capacity and an additional cash contribution may need to be considered.
22. A decision on this will be deferred pending analysis of the formal event application by Racewars; which was received on Friday 2 November 2018.
23. **National Anzac Centre:**
 - a. Historical evidence shown does reflect Monday is the lower visitation day - presumably due to visitors making their way back home.
 - b. Further analysis will be required; however noting higher staffing costs to operate the NAC on a public holiday, due to public holiday, it may be appropriate to look at discounting the entry fee due to the event disruption. However, staff believe if visitors are advised and the event is cross marketed, the potential for upset customers should be limited.
24. Historically, this has been a reasonably busy long weekend for the site, with the Monday being the quieter of the 3 days. Below details historical attendance and Forts Store revenue data (*remembering that 2015 was anomaly*):

Year	NAC Visitor Numbers (Monday)	Forts Store Revenue (inc. GST)
2015	326	\$6,712.00
2016	195	\$796.00
2017	156	\$2,274.00
2018	127	\$1,543

LEGAL IMPLICATIONS

25. On 28 November 2017, Council resolved to 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.
26. The City of Albany is not legally bound to support this event, as the agreement has not been signed by either party.

ENVIRONMENTAL CONSIDERATIONS

27. **Noise:** To mitigate noise complaints racing will be run between 8.30am to 6.00pm at the latest.
28. **Waste Management:** Condition of event approval.
29. **Participant & Public Safety:** Condition of event approval. Event cannot proceed without approval of CAMS. Note: *CAMS, is the official governing body of motor sport in Australia.*

ALTERNATE OPTIONS

30. Council may choose to not support, or support the proposal in full or in part, such as:
 - a. Limit proposed race times to run between 10am and 4pm to reduce noise and precinct access impact.
 - b. Require amendments to proposed Middleton Beach carpark closures and alternative event marshalling point such as Eyre Park to reduce general access impact to the beachfront area.

CONCLUSION

31. It is acknowledged that:
 - a. High noise levels will be at odds with the traditional NAC site experience and may result in negative visitor feedback.

- b. Some visitors may love this, and those that would find this an issue can then choose to come on a different day.
32. Therefore, staff will work proactively with the RW Groups to ensure a high level of promotion and marketing so visitors will understand what the experience will be like if they choose to visit on this day (*i.e. If you chose to visit the site that day you will be immersed in the Racewars atmosphere (primarily noise).*)
33. It is recommended that the Responsible Officer's Recommendation be ENDORSED.

Consulted References	:	Nil
File Number (Name of Ward)	:	All Wards
Previous Reference	:	<ul style="list-style-type: none">• OCM July 2018, Resolution CCS065• OCM November 2017, Resolution CCS009

11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12. MEETING CLOSED TO THE PUBLIC

13. CLOSURE