



MINUTES

COMMUNITY AND CORPORATE SERVICES COMMITTEE

Tuesday 12 October 2021

6.00pm

Council Chambers

CITY OF ALBANY
COMMUNITY STRATEGIC PLAN (ALBANY 2023)



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 & Commercial Services,
Executive Director Community Services

Delegated Authority: None

COMMUNITY AND CORPORATE SERVICES COMMITTEE
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1. **DECLARATION OF OPENING** The Chair declared the meeting open at 6.00pm
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 past, present and emerging”.

3. **RECORD OF APOLOGIES AND LEAVE OF ABSENCE**

Mayor	D Wellington
Councillors:	
Member	P Terry (Chair)
Member	G Stocks (Deputy Mayor)
Member	E Doughty
Member	J Shanhun
Member	T Sleeman
Member	C Thomson
Member	R Sutton
Staff:	
Chief Executive Officer	A Sharpe
Executive Director Community Services	N Watson
Executive Director Corporate & Commercial Services	D Olde
Meeting Secretary	C Crane
Apologies:	
Frederickstown	Vacant
Member	S Smith (Deputy Chair)
Member	M Benson-Lidholm JP
Member	A Goode JP
Member	R Hammond

COMMUNITY AND CORPORATE SERVICES COMMITTEE
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4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest
Councillor Stocks	CCS386	Financial: Councillor Stocks has met with Leeuwin Coast with the intent of pursuing a financial relationship with Councillor Stocks' company. Councillor Stocks is the Managing Director of that company.

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

6. PUBLIC QUESTION TIME

In accordance with City of Albany Standing Orders Local Law 2014 (as amended) the following points apply to Public Question Time:

- 5) *The Presiding Member may decide that a public question shall not be responded to where—*
- (a) the same or similar question was asked at a previous Meeting, a response was provided and the member of the public is directed to the minutes of the Meeting at which the response was provided;*
 - (b) the member of the public asks a question or makes a statement that is offensive, unlawful or defamatory in nature, provided that the Presiding Member has taken reasonable steps to assist the member of the public to rephrase the question or statement in a manner that is not offensive, unlawful or defamatory.*

Ms Jude Tyzack – Harvest Road Pty Ltd -39 Roe Parade, Emu Point

Ms Tyzack spoke in relation to item SUBLEASE – HARVEST ROAD OCEANS PTY LTD – LOT 506 SWARBRICK STREET EMU POINT, she is new to Harvest Road as Community Engagement Manager and welcomes members of Council and Ratepayers to contact her if they have any questions.

Mr Tony Harrison, Little Grove

Mr Tony Harrison spoke in relation to item SUBLEASE – HARVEST ROAD OCEANS PTY LTD – LOT 506 SWARBRICK STREET EMU POINT and notes the agreements have been around oysters and mussels. Spoke in regards to the environmental impact and regards to boundaries near Mistaken Island. Mr Harrison was in favour of the item.

7. PETITIONS AND DEPUTATIONS Nil.

8. CONFIRMATION OF MINUTES

RESOLUTION

**MOVED: COUNCILLOR STOCKS
SECONDED: COUNCILLOR THOMSON**

THAT the unconfirmed minutes of the Community and Corporate Services Committee held on 14 September 2021, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

CARRIED 8-0

9. PRESENTATIONS Nil.

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS Nil.

CCS383: FINANCIAL ACTIVITY STATEMENT – AUGUST 2021

Proponent / Owner	: City of Albany
Attachments	: Financial Activity Statement - August 2021
Report Prepared By	: Manager Finance (S Van Nierop)
Authorising Officer:	: Executive Director Corporate & Commercial Services (D Olde)

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:
 - **Pillar:** Leadership.
 - **Outcome:** Strong workplace culture and performance.

IN BRIEF

- Under the Local Government Financial Management Regulations, a local government is to prepare on a monthly basis a statement of financial activity that is presented to Council.
- The City of Albany's Statement of Financial Activity for the period ending 31 August 2021 has been prepared and is attached.
- In addition, the City provides Council with a monthly investment summary to ensure the investment portfolio complies with the City's Investment of Surplus Funds Policy.

RECOMMENDATION

CCS383: COMMITTEE RECOMMENDATION

**MOVED: COUNCILLOR SLEEMAN
SECONDED: COUNCILLOR THOMSON**

**THAT the Financial Activity Statement for the period ending 31 August 2021 be RECEIVED.
CARRIED 8-0**

CCS383: AUTHORISING OFFICER RECOMMENDATION

THAT the Financial Activity Statement for the period ending 31 August 2021 be RECEIVED.

DISCUSSION

2. 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.

3. In order to fulfil statutory reporting obligations, the Financial Activity Statement prepared provides a snapshot of the City's year to date financial performance. The report provides:
 - (a) Statement of Financial Activity by Nature or Type;
 - (b) Explanation of material variances to year to date budget;
 - (c) Net Current Funding Position;
 - (d) Investment Portfolio Snapshot;
 - (e) Receivables; and
 - (f) Capital Acquisitions.
4. Additionally, each year a local government is to adopt a percentage or value to be used in the Statement of Financial Activity for reporting material variances. Under Council item CCS367, Council approved that a variance between actual and budget-to-date of greater than \$100,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2021/2022.
5. The Statement of Financial Activity may be subject to year-end adjustments and has not been audited by the appointed auditor.
6. It is noted 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:
 - 34(1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, 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); and
 - (b) budget estimates to the end of the month to which the statement relates; and
 - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates; and
 - (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.
 - 34(2) 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; and
 - (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.
 - 34(3) The information in a statement of financial activity may be shown –
 - (a) according to nature and type classification; or
 - (b) by program; or
 - (c) by business unit.

- 34(4) 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.
- 34(5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances

POLICY IMPLICATIONS

- 8. The City's 2021/22 Annual Budget provides a set of parameters that guides the City's financial practices.
- 9. The Investment of Surplus Funds Policy stipulates that the status and performance of the investment portfolio is to be reported monthly to Council.

FINANCIAL IMPLICATIONS

- 10. Expenditure for the period ending 31 August 2021 has been incurred in accordance with the 2021/22 proposed budget parameters.
- 11. Details of any budget variation in excess of \$100,000 (year to date) is outlined in the Statement of Financial Activity. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

LEGAL IMPLICATIONS

- 12. Nil

ENVIRONMENTAL CONSIDERATIONS

- 13. Nil

ALTERNATE OPTIONS

- 14. Nil

CONCLUSION

- 15. The Authorising Officer's recommendation be adopted
- 16. 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.

Consulted References	:	<i>Local Government (Financial Management) Regulations 1996</i>
File Number (Name of Ward)	:	FM.FIR.7 - All Wards

CCS384: LIST OF ACCOUNTS FOR PAYMENT – SEPTEMBER 2021

Business Entity Name : City of Albany
Attachments : List of Accounts for Payment
Report Prepared By : Manager Finance (S Van Nierop)
Authorising Officer: : Executive Director Corporate and Commercial Services (D Olde)

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:
 - **Pillar:** Leadership.
 - **Outcome:** Strong workplace culture and performance.

IN BRIEF

- 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.

RECOMMENDATION

CCS384: COMMITTEE RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

MOVED: COUNCILLOR SLEEMAN
SECONDED: COUNCILLOR DOUGHTY

That Council RECEIVE the list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 15 September 2021 totalling \$7,037,546.41.

CARRIED 8-0

CCS384: AUTHORISING OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

That Council RECEIVE the list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 15 September 2021 totalling \$7,037,546.41.

DISCUSSION

2. The table below summarises the payments drawn from the municipal fund for the period ending 15 September 2021. Please refer to the Attachment to this report.

Municipal Fund	
Trust	\$0.00
Credit Cards	\$20,112.01
Payroll	\$1,774,764.84
Cheques	\$14,946.01
Electronic Funds Transfer	\$5,227,723.55
TOTAL	\$7,037,723.55

The table below summaries the total outstanding creditors as at 15 September 2021.

Current	\$466,514.73
30 Days	\$258,765.16
60 Days	\$53,052.70
90 Days	-\$26,075.85
TOTAL	\$752,256.74
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 September 2021 has been incurred in accordance with the 2021/2022 budget parameters.

FINANCIAL IMPLICATIONS

7. Expenditure for the period to 15 September 2021 has been incurred in accordance with the 2021/2022 budget parameters.

LEGAL IMPLICATIONS

8. Nil

ENVIRONMENTAL CONSIDERATIONS

9. Nil

ALTERNATE OPTIONS

10. Nil

CONCLUSION

11. That the list of accounts have been authorised for payment under delegated authority.
12. 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.

Consulted References	:	<i>Local Government (Financial Management) Regulations 1996</i>
File Number (Name of Ward)	:	FM.FIR.2 – All Wards

**CCS385: DELEGATED AUTHORITY REPORTS – AUGUST 2021 to
SEPTEMBER 2021**

Proponent / Owner	: City of Albany
Attachments	: Executed Document and Common Seal Report.
Report Prepared By	: Personal Assistant to the ED Corporate & Commercial Services (H Bell)
Authorising 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:
 - **Pillar:** Leadership.
 - **Outcome:** A well informed and engaged community.

RECOMMENDATION

CCS385: COMMITTEE RECOMMENDATION

**MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR SLEEMAN**

**THAT the Delegated Authority Reports 16 August 2021 to 15 September 2021 be RECEIVED.
CARRIED 8-0**

CCS385: AUTHORISING OFFICER RECOMMENDATION

THAT the Delegated Authority Reports 16 August 2021 to 15 September 2021 be RECEIVED.

BACKGROUND

2. In compliance with Section 9.49A of the *Local Government Act 1995* and Part IV of the *Local Government (Functions and General) Regulations 1996* the attached report applies to the use of the Common Seal and the signing of documents under Council's Delegated Authority:
 - Delegation: 006 - SIGN DOCUMENTS ON BEHALF OF THE CITY OF ALBANY
(Chief Executive Officer)
 - Delegation: 009 - GRANT FUNDING, DONATIONS, SPONSORSHIP
 - Delegation: 018 - CHOICE OF TENDER, AWARD CONTRACT

**CCS386: SUBLEASE – HARVEST ROAD OCEANS PTY LTD – LOT 506
SWARBRICK STREET EMU POINT**

Land Description	: Lot 506 on Deposited Plan 422204, Swarbrick Street Emu Point
Proponent	: Harvest Road Oceans Pty Ltd ACN 165 170 445 <ul style="list-style-type: none">• Directors being Stephen Daly, John Hartman and Ann Atkins• Owners being Andrew Forrest and Nicola Forrest
Owner	: Crown Leasehold (under head lease to City of Albany)
Councillor Workstation	: Public Submissions
Report Prepared by	: Team Leader Property and Leasing (T Catherall)
Authorising Officer	: Executive Director Corporate and Commercial Services (D Olde)

Councillor Stocks left the chamber at 6.18pm and did not participate in the voting of this item due to a Financial Interest Declared. Councillor Stocks entered back into the Chamber at 6.23pm.

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:
 - **Pillar:** Prosperity
 - **Outcome:** A strong, diverse and resilient economy with work opportunities for everyone.

Maps and Diagrams:



In Brief:

- Council, at its meeting 27 April 2021 approved the surrender of the current lease and a replacement sublease to Harvest Road Oceans Pty Ltd to redevelop an aquaculture facility at Emu Point.
- As part of the statutory process the proposed sublease was advertised for public comment and three submissions were received.
- This report requests that Council consider the submissions and decide whether to proceed with the proposed sublease.

RECOMMENDATION

**CCS386: COMMITTEE RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY**

**MOVED: COUNCILLOR SUTTON
SECONDED: MAYOR WELLINGTON**

THAT Council:

- 1. NOTES its previous resolution of OCM 27 April 2021 Item CCS337 granting land tenure delegations.**
- 2. GRANTS the final sublease approval for Harvest Ocean Roads Pty Ltd over Lot 506 Swarbrick Street Emu Point subject to:**
 - a) The surrender of the lease being effective only on the granting of a new sublease to Harvest Road Oceans Pty Ltd.**
 - b) Sublease purpose being “aquaculture facility and associated commercial activities”.**
 - c) Sublease term being 50 years.**
 - d) Sublease rent being \$50,000 per annum plus GST, as determined by a licensed Valuer.**
 - e) Sublease area being approximately 7590m².**
 - f) All costs associated with the preparation, execution and completion of the sublease lease documentation being payable by the tenant.**
 - g) Sublease terms to reflect the head lease between the State of Western Australia and City of Albany.**
 - h) Sublease being consistent with Council Policy – Property Management (Leases and Licences).**

CARRIED 7-0

CCS386: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

THAT Council:

3. NOTES its previous resolution of OCM 27 April 2021 Item CCS337 granting land tenure delegations.
4. GRANTS the final sublease approval for Harvest Ocean Roads Pty Ltd over Lot 506 Swarbrick Street Emu Point subject to:
 - i) The surrender of the lease being effective only on the granting of a new sublease to Harvest Road Oceans Pty Ltd.
 - j) Sublease purpose being “aquaculture facility and associated commercial activities”.
 - k) Sublease term being 50 years.
 - l) Sublease rent being \$50,000 per annum plus GST, as determined by a licensed Valuer.
 - m) Sublease area being approximately 7590m².
 - n) All costs associated with the preparation, execution and completion of the sublease lease documentation being payable by the tenant.
 - o) Sublease terms to reflect the head lease between the State of Western Australia and City of Albany.
 - p) Sublease being consistent with Council Policy – Property Management (Leases and Licences).

BACKGROUND

1. In February 2020, Council approved a new commercial lease to Harvest Road Oceans Pty Ltd (HRO) to continue aquaculture activities on the same land area of 5596m² previously leased by Ocean Foods on portion of Crown Reserve 42964, Emu Point for a term of 50 years.
2. HRO have since approached the City with a proposal to expand their lease area towards the foreshore to redevelop and expand aquaculture activities.
3. In order for the HRO development to progress the City has been required to negotiate with the Department of Planning, Lands and Heritage (DPLH) to secure land tenure. DPLH support the HRO project and a head lease /sublease land tenure model has been agreed.
4. The City will enter into a head lease with the State of WA and a sublease with HRO.
5. Council at its meeting of 27 April 2021 resolved the below in support of the HRO development over an expanded lease area:

THAT Council:

- i. APPROVES a request to the Minister for Lands to excise portion of land approx. 7465m² from Reserve 42964 and revert to the Department of Planning, Lands and Heritage to allow a head lease with the City of Albany.*
- ii. DELEGATES authority to the Chief Executive Officer to negotiate with Department of Planning, Lands and Heritage to secure and finalise a head lease with the State of WA over excised portion of Reserve 42964 to facilitate a sublease with Harvest Road Oceans Pty Ltd.*

- iii. *DELEGATES authority to the Chief Executive Officer to approve the surrender of the current lease with Harvest Road Oceans Pty Ltd and replace with a sublease over excised portion of Reserve 42964 to expedite Harvest Road Oceans Pty Ltd aquaculture development proposal.*
- iv. *All costs associated with tenure arrangements and lease documentation will be met by Harvest Road Oceans Pty Ltd.*
6. The development applications for HRO Stages 1 and 2 of the proposed Aquaculture Facility were approved by Council at Ordinary Meetings in March and August 2021 respectively.
7. In response to Council resolution in April and development approval in August, the sublease was advertised for a period of two weeks inviting submissions from the public on the disposal of property in accordance with Section 3.58 of the *Local Government Act 1995*.
8. Any submissions received to be considered by Council with the decision recorded in the minutes.
9. The advertising period closed on 23 September 2021 and a total of three submissions were received.

DISCUSSION

Submissions

10. The submissions are summarised in the table below, along with the City's comment on the submissions.

Summary of Submissions	Officer Comment
Concerns with impact on wildlife	<p>The development applications for Stages 1 and 2, were referred to relevant state agencies including the Department of Water and Environmental Regulation (DWER) and Department of Biodiversity, Conservation and Attractions (DBCA) for comment during assessment.</p> <p>There were no concerns raised or further information required by the relevant state agencies in their consideration of the applications, in regards to potential impacts from the proposed development on wildlife, including migratory shorebirds.</p>
Concerns with an expanded sublease area – lack of parking and accessibility	<p>A larger lease area is required to facilitate improvements to the sea wall/revetment wall and cater for an increase in operating capacity from the previous tenant.</p> <p>The City has developed a concept plan to add additional parking bays to the reserve and improve existing vehicle movements.</p> <p>Continued public access to the mud flats will be formalised by a pathway to the rear of the aquaculture facility.</p> <p>Direct unfettered public pedestrian access will be retained to existing Department of Transport 'Jetty C' as part of the development.</p>
Adverse impact on existing activities within the reserve	<p>HRO are required to provide a marked vehicle turnaround area and associated signage restricting pedestrian vehicle access to the Emu Point Slipway Services boat lifting and launching area and beyond.</p> <p>Heavy vehicle movements (arrival and departure) are anticipated to be approximately 8 per day during peak season which is not considered to be of a volume likely to adversely impact any existing activities within the reserve.</p> <p>Additional signage will be implemented to regulate traffic movements and to provide safe turning circles away from pedestrian orientated areas, boat lifting and launching areas.</p>

	<p>As a result, it is considered that the development will have a positive impact on the safety of other users of the reserve.</p> <p>Under the proposed sublease, users access to the service jetty, existing slipway and DoT Jetty C will be maintained.</p> <p>The development applications for Stages 1 and 2 of the proposed Aquaculture Facility were approved by Council at Ordinary Meetings in March and August 2021 respectively.</p>
Compliance with competition policy	<p>There is nothing in the proposed sublease with HRO that is anti-competitive.</p> <p>The City has not received any interest from any other potential operator to do the same, from this or any other site.</p> <p>The City has no policy to prevent other aquaculture companies from operating in Albany.</p>

11. Based on the above, it is recommended that Council approve the proposed sublease to HRO.

Sublease

12. City officers have been in discussion with HRO regarding proposed sublease terms. The table below summarises the key terms of the sublease.

ITEM	DETAILS
Tenant	Harvest Road Oceans Pty Ltd ACN165 170 445
Land Description	Lot 506 on Deposited Plan 422204
Lease Area	7590m ²
Land Ownership	Crown
Infrastructure Ownership	<ul style="list-style-type: none"> • Tenant • Tenant to remove and make good the land at the end of the lease or earlier termination
Maintenance	Tenant responsible for all maintenance
Permitted Use	Aquaculture facility and associated commercial activities
Term	50 years, to run concurrent with the head lease, commencing as soon as practicable
Initial Rent	\$50,000 pa plus GST as determined by licenced Valuer
Rent Review	Market valuation every 3 years with Perth All Groups CPI applied on the anniversary for all other years
Outgoings	Tenant responsible for all outgoings
Insurance	Public Liability Policy for a minimum of \$20 million
Indemnity	Indemnify the City and Minister for Lands against any action, liability or loss arising from HRO occupation of the land, unless such claims arise out of City's negligence
Special Conditions	<ul style="list-style-type: none"> • Tenant is obliged to comply with all of the relevant terms of the head lease between the City and the State • Tenant acknowledge the land and services may be affected by coastal conditions given foreshore land and occupy the land and buildings at own risk and indemnifies the City and Minister for Lands against any loss resulting from HRO occupation of the site • Tenant complies with all planning approval (P2210088) conditions • Tenant development works to be completed on or before March 2025

	<ul style="list-style-type: none"> Parties prior to expiry of the sublease enter into discussions concerning the Landlords position on entering into any new agreement
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13. HRO have agreed in principle to the above terms, subject to final Council and Minister for Lands approval.

GOVERNMENT & PUBLIC CONSULTATION

14. Extensive consultation has occurred with DPLH to agree a head lease to facilitate the sublease to HRO.

15. As part of the disposal of property process, the sublease has been advertised in accordance with Section 3.58 of the *Local Government Act 1995*, for a period of two weeks commencing on 9 September 2021 inviting for submissions on the disposal of property.

16. Three submissions have been received and have been acknowledged advising they will be considered by Council as part of the sublease determination.

17. Community Engagement

Community Engagement	
Consult	Proposed sublease has been advertised in local newspapers and on City's website for a 2 week period inviting submissions from the public in accordance with section 3.58 of the <i>Local Government Act 1995</i>

STATUTORY IMPLICATIONS

18. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including leased/licensed land and buildings. It requires Council to give local public notice of its intention to dispose of property, and consider any submissions which are received within the specified period.

19. 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, create, or grant an interest in Crown land without the prior approval in writing of the Minister for Lands.

20. Minister's in principle support to the sublease has been offered with formal consent to be sought. Noting the State of WA will a party to the sublease agreement.

21. Voting requirement: **Simple Majority.**

POLICY IMPLICATIONS

22. The Property Management (Leases and Licences) Policy aims to support the equitable access, and the efficient and effective management of City owned and managed properties in line with statutory procedures.

23. The recommendation is consistent with the Policy.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputational: Sublease not approved - loss of the economic benefit to the region including loss of jobs	Unlikely	Severe	High	<ul style="list-style-type: none"> • Key terms have been agreed in principle by HRO & DPLH. • Seek to negotiate terms to Council satisfaction.
Reputational: Negative community response to sublease	Possible	Minor	Medium	<ul style="list-style-type: none"> • Regular engagement with the community regarding the development.
Financial and Reputational: Sublease not approved – loss of commercial rent	Unlikely	Severe	High	<ul style="list-style-type: none"> • HRO will remain in situ on the current lease area and continue to pay commercial rent.
Opportunity: Demonstrate the City's commitment to attracting investment, tourism, economic development and new jobs to the region.				

FINANCIAL IMPLICATIONS

25. All costs associated with the development and finalisation of the land tenure arrangements and sublease documentation will be met by HRO.

26. The new sublease rental as determined by current market valuation provided by a licensed Valuer, being \$50,000 per annum plus GST to the City will be forwarded to a reserve fund allocated to manage Reserve 42964 Emu Point, as required by the head lease.

LEGAL IMPLICATIONS

27. The sublease documentation will be prepared by the City's lawyers with enforceable terms and conditions, at HRO cost.

ENVIRONMENTAL CONSIDERATIONS

28. HRO lease area is located adjacent to a conservation A-class reserve.

29. In assessing the HRO development application, relevant agencies comprising the DBCA, DWER and DPLH raised no overall objections to the proposal.

Coastal Inundation & Erosion

30. The subject land is foreshore land and will be impacted by coastal hazards. As such the new sublease will include provisions to ensure the tenant acknowledges and accepts the potential impact of coastal erosion and/or inundation, sea level rises and other coastal processes.

31. HRO occupies the land and buildings entirely at its own risk.

32. Further indemnification clauses will be included in the sublease to ensure the City is not liable for any loss or damage to HRO for any reason arising from coastal processes.

33. In addition, the development approval for Stage 2 has also addressed coastal erosion conditions to mitigate the risks from erosion and inundation such as extending the existing sea wall, at HRO cost.

ALTERNATE OPTIONS

34. Council may:

- Elect not to approve the sublease; or
- Amend the terms of the sublease negotiated and agreed with HRO and DPLH. Noting that Council have previously approved the development, with conditions, over the sublease area at its meeting of 24 August 2021.

35. Should Council determine not to approve the sublease, HRO will remain in situ on the existing lease.

36. HRO may not pursue further investment or development of aquaculture farming in Albany beyond their current Stage 1 development approval over the existing lease area.

SUMMARY CONCLUSION

37. HRO have requested to lease additional area adjacent to the existing lease on Reserve 42964 to redevelop and expand aquaculture operations at Emu Point.

38. As part of the disposal of property process, the City completed the public advertising process requirements under section 3.58 of the *Local Government Act 1995* with three submissions received.

39. In summary the matters raised in the submissions are concerns regarding the impact on shorebird habitat, expanded lease area and the effect on existing activities within the reserve, traffic issues and potential loss of parking and accessibility.

40. Council is asked to consider the submissions and determine to proceed with the sublease.

41. It is recommended the sublease be approved.

Consulted References	:	<ul style="list-style-type: none"> • Council Policy – Property Management (Leases and Licences) • <i>Local Government Act 1995</i> • <i>Land Administration Act 1997</i>
File Number (Name of Ward)	:	PRO460, A150655 (Breaksea Ward)
Previous Reference	:	OCM 25/02/2020 Item CCS225 OCM 23/03/2021 Item DIS253 OCM 27/04/2021 Item CCS337 OCM 24/08/2021 Item DIS273

**CCS387: QUARTERLY REPORT – TENDERS AWARDED – JULY TO
SEPTEMBER 2021**

Proponent : City of Albany
Attachments : Quarterly Report – Tenders Awarded – July to September
2021
Report Prepared by : Senior Procurement Officer (H Hutchinson)
Authorising Officer : Executive Director Corporate & Commercial Services (D Olde)

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:
 - **Pillar:** Leadership.
 - **Outcome:** A well informed and engaged community.

RECOMMENDATION

CCS387: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR STOCKS
SECONDED: COUNCILLOR DOUGHTY

THAT the Quarterly Report – Tenders Awarded – July to September 2021 be RECEIVED.

CARRIED 8-0

CCS387: AUTHORISING OFFICER RECOMMENDATION

THAT the Quarterly Report – Tenders Awarded – July to September 2021 be RECEIVED.

11. **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN** Nil.
12. **MEETING CLOSED TO THE PUBLIC** Nil.
13. **CLOSURE** The Chairperson declared the meeting closed at 6.25pm

(Unconfirmed Minutes)

Councillor Paul Terry
Chair