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# AGENDA

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**Ordinary Meeting of Council**

**Tuesday 22 March 2016**

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.

**NOTICE OF AN ORDINARY COUNCIL MEETING**

Mayor and Councillors

The next Ordinary Meeting of the City of Albany will be held on Tuesday 22 March 2016 in the Council Chambers, 102 North Road, Yakamia commencing at 6.00pm.



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Andrew Sharpe  
**CHIEF EXECUTIVE OFFICER**

ORDINARY COUNCIL MEETING  
AGENDA – 22/03/2016

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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:**

Breaksea Ward  
Breaksea Ward  
Frederickstown Ward  
Frederickstown Ward  
Kalgan Ward  
Kalgan Ward  
Vancouver Ward  
West Ward  
West Ward  
Yakamia Ward  
Yakamia Ward

R Hammond  
P Terry  
G Stocks  
C Dowling  
J Price  
B Hollingworth  
J Shanhun  
A Goode JP  
S Smith  
A Moir  
R Sutton

**Staff:**

Chief Executive Officer  
Executive Director Corporate Services  
Executive Director Planning and  
Development  
Executive Director Economic  
Development and Commercial Services  
Executive Director Works and  
Services  
Executive Director Community Services

A Sharpe  
M Cole  
  
D Putland  
  
C Woods  
  
M Thomson  
A Cousins

Meeting Secretary

J Williamson

**Apologies:**

Vancouver Ward

N Mulcahy (Apology)

ORDINARY COUNCIL MEETING  
AGENDA – 22/03/2016

**4. DISCLOSURES OF INTEREST**

<b>Name</b>	<b>Report Item Number</b>	<b>Nature of Interest</b>

**5. REPORTS OF MEMBERS**

**6. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

**7. PUBLIC QUESTION TIME**

**8. APPLICATIONS FOR LEAVE OF ABSENCE**

**9. PETITIONS AND DEPUTATIONS**

**10. CONFIRMATION OF MINUTES**

**DRAFT MOTION  
VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT the minutes of the Ordinary Council Meeting held on 23 December 2016, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.**

**11. PRESENTATIONS**

**12. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS**

**ED030: CLIPPER ROUND THE WORLD YACHT RACE EVENT 2015 –  
POST EVENT EVALUATION REPORT**

**Proponent** : City of Albany  
**Attachments:** Clipper Itinerary Poster  
**Report Prepared By** : Manager Tourism Development Services (M Bird)  
**Responsible Officer(s)** : Executive Director Community Services (C Woods)

**Responsible Officer's Signature:**



**STRATEGIC IMPLICATIONS**

1. This strategy directly relates to the following elements from the Community Strategic Plan – Albany 2023 and the Corporate Business Plan 2014-2018.

- a. **Key Theme: 1.** Smart Prosperous and Growing.  
b. **Strategic Objective: 1.2** To strengthen our region's economic base.

**Strategic Objective 1.3** To develop and promote Albany as a unique and sought after destination.

- c. **Strategy 1.2.2.** Strengthen our economy by support by supporting business innovation and diversity

**Strategy 1.3.1.** Encourage, support and deliver significant events that promote our region.

**Strategy 1.3.2.** Promote the Albany region as a sought after and iconic tourism destination.

**In Brief:**

- Accept the City of Albany Officer post event evaluation report for the 2015 Clipper Round the World Yacht Race host port event.
- 91% of local business surveyed supported the City hosting events such as Clipper.

**RECOMMENDATIONS**

**ED030: COMMITTEE RECOMMENDATION**  
**VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT the City of Albany Post Event Evaluation Report for the destination hosting of the Clipper Round the World Yacht Race be RECEIVED.**

**ED030: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR GOODE**

**SECONDED: COUNCILLOR DOWLING**

**THAT the Responsible Officer Recommendation be ADOPTED.**

**CARRIED 8-0**

**ED030: RESPONSIBLE OFFICER RECOMMENDATION**

**THAT the City of Albany Post Event Evaluation Report for the destination hosting of the Clipper Round the World Yacht Race be RECEIVED.**

**BACKGROUND**

2. The City of Albany successfully hosted the Clipper Round the World Yacht Race (Clipper) in November 2015.
3. Albany Council approved entering into the host port contract for the 2015 Clipper Round the World Yacht Race at the July 2014 OCM.
4. The 2015 Clipper Host Port bid event budget endorsed by Council assumed significant partner contributions with major support from Tourism Western Australia (Events).
5. The 2015 event attracted 340 sailors, 17 event management personnel and generated significant positive feedback and goodwill from the local business community.

**DISCUSSION**

6. The Clipper yachts and crew arrived into Albany from Monday 23 November with the race restart undertaken on Tuesday 1 December 2015. Clipper Ventures event management team arrived into Albany from 18 November and departed 3 December 2015.
7. The City worked with local community and sporting groups to develop an active program of events. In addition to the City's Crew Welcome function other program events included; local Touch Rugby match; Row Off with Albany Rowing Club; School group yacht visits; Albany Boat Shed Markets and Sundowner event; Try Sailing event by Princess Royal Sailing Club; Twilight Markets at Albany Town Square; Clipper Race Movie showing at Albany Town Hall; plus Clipper Race events including Parade of Sail and Race Restart. See attachment 1 Albany Clipper Program poster.
8. The City encouraged, partnered and supported where required local business involvement in the Clipper event and City contract deliverables. Local partner businesses included White Star Hotel, Due South Tavern, Albany Boat Shed Markets, Albany Agricultural Society, Princess Royal Sailing Club and a number of local hospitality providers.
9. The City also implemented a local communication program to inform local business and community pre event. This included media releases to local media, local radio segments, promotion via the City's regular newspaper community information pages, inclusion in Visitor Centre "What's On" newsletter and Amazing Albany local industry email newsletters distributed to industry databases, advertising of community program in local newspapers, inclusion in ACCI newsletter and Amazing Albany social media platforms. Advertising and communication of extended temporary retail trading hours for the Sunday were also implemented as per normal procedures.



10. The City has prepared a post event evaluation report. The report scored the event across 7 variables. The City conducted post event surveys of local Albany businesses in order to consistently measure these variables.
11. The event assessment methodology used by the City has been custom developed in-house to measure an event's impact across economic value, job creation, destination promotion, strategic fit with City objectives, social and community benefits.
12. A summary of these results is included below and only covers the 9 day period 23 November to 1 December period;
  - 1) Total Number of Clipper Visitors; 398
    - a. 340 Clipper crew
    - b. 17 event administration and officials
    - c. 41 crew family and friends
  - 2) Economic Value; \$ total direct visitor spend
    - a. Total direct expenditure for the event is estimated at \$874,520 made up from \$692,520 attendee spend (398 visitors multiplied by average stay of 6 nights multiplied by \$290 per day) plus \$182,000 in organisation spend from Clipper Ventures for the 18 November to 3 December period on site in Albany. This spend is estimated from post event surveys and Clipper crew data and excludes travel to and from Albany.
    - b. Known City business units direct measurable benefit received was \$7,578 via the Albany Visitor Centre (accommodation and tour booking commission and retail sales). An unmeasured economic benefit was received by the Albany Airport and National Anzac Centre due to increased patronage over the event period.
    - c. ROI assessment of 5.4:1; \$162,463 City investment generated an estimated \$874,520 on direct visitor and event spend.
  - 3) Jobs Created; The following is estimated using the City of Albany "economy.id" event impact calculator tool
    - a. Using the economy.id event impact calculator tool the event was assessed as delivering medium level employment to the destination.
  - 4) Media/PR Value:
    - a. Event assessed as significant media/PR value for the Albany destination. The Clipper Race is a major generator of international media attention for participants including the host port destinations.
  - 5) Strategic Fit:
    - a. Event assessed as very strong strategic fit against City of Albany "smart prosperous and growing" and events strategy objectives. The use of Albany's unique water based assets such as King George Sound and activation of the Albany Waterfront Marina is a major strength of the Clipper event for Albany.
  - 6) Timing:
    - a. Good timing as Event was staged in shoulder month visitor period and outside of school holidays.
  - 7) Social Value:
    - a. Event assessed as medium in terms of level of social value, level of local community engagement.

13. The event was assessed as being economically successful delivering a good ROI on the initial \$162,463 host city investment and generating an estimated \$874,000 into the local economy in a typically shoulder visitor period.
14. The net financial contribution by the City of Albany to host the event was \$162,463. This was larger than initially forecast and reflects the unsuccessful funding application to Tourism Western Australia and Landcorp assumed in the original budget.
15. The major beneficiaries of the 2015 Clipper event were local accommodation, hospitality, visitor attractions, tour operators, shopping, the Albany Visitor Centre, supermarkets and retail businesses. Other non-tourism based beneficiaries included the Albany Maritime Foundation, Albany Boat Shed Markets, Princess Royal Sailing Club, Albany Agricultural Society, fuel providers and yacht and sail repair services.
16. Significant support was provided by local agency partners the Department of Transport (Albany Waterfront Marina) in delivering host port contractual logistics, the Princess Royal Sailing Club with on water logistics, various government agency services on a fee for service basis, and the Great Southern Development Commission as major financial partner.
17. The City also surveyed local Albany businesses post the event (36 respondents). A summary of results include;
  - 67% of respondents were from Albany city centre, 23% from rest of Albany, 5% from Plantagenet, and 5% from other Great Southern.
  - When asked to describe the primary focus of their business, 50% identified as commercial accommodation, 26% as restaurant/cafe/bar, 6% as a visitor attraction, and 6% shopping/retail/supermarkets, 9% other, and 3% tour operators.
  - Overall 80% of businesses reported an increase in normal turnover over the period, and 20% reported no change.
  - When asked to rate how the Albany business community benefitted from hosting the event, 16% replied "somewhat", 55% replied "to a great extent", and 16% replied "to a very great extent". 9% said to a "small or very small extent", and 3% said "none at all".
  - Although some businesses did not receive direct benefit a very large 91% of respondents supported the City hosting events such as the Clipper, 3% did not support, and 6% were unsure.
  - Local businesses were asked to provide suggestions for improvement and these have been included in the full report attachments. These comments will be reviewed and integrated into future event attraction and delivery as part of the City's continuous improvement model.
18. Overall, 96% of comments received were positive with examples of local business feedback as follows;
  - *"It is very good for Albany to have these types of events, creates a buzz in the city and gets more people out and about using the cafes, bars and restaurants."*
  - *"Fabulous, we need more events like this".*
  - *"It is imperative that we host this event ongoing, great for everyone in Albany".*
  - *"It was very successful for our business and all other business operators that I have discussed with (e.g. taxi's, retail, accom, hospitality)".*
  - *"Outstanding success."*

- *“Whilst there are small number of beneficiaries from the event, on the larger scale the greater value to Albany is the exposure yet again to the state, interstate and national market. The value of this kind of exposure should not be underestimated. I congratulate the City, its Councillors and Staff on the continued commitment to grow the potential of this region through event based tourism. Well done.”*
19. Some constructive feedback was received with the suggestions for event enhancement. A summary of this feedback as follows;
- *“A larger marine, sailing regatta type event could have been held to make more impact of the Clipper event”.*
  - *“Offering accommodation options outside the city centre”.*
  - *“There needs to be more real business people consulted on what can be done to enhance the visit for all businesses”.*
  - *“Maybe coinciding Freo to Albany Yacht Race”.*
  - *“We need to attract state funding. A week full of solid events/concerts/trade displays or like would certainly attract many more visitors.”*

#### **GOVERNMENT & PUBLIC CONSULTATION**

20. The Albany Chamber of Commerce and Industry Inc (ACCI) was a strong proponent for Albany hosting the 2015 Clipper event.
21. The City of Albany partnered with a large number of local agencies, groups and individuals to deliver the 2015 event. All partners have rated the 2015 event favourably and indicated a desire to investigate hosting future Clipper events.
22. Local media interest in the 2015 event generated significant community and local business comment in local media. Feedback received is that there is strong support from local community for hosting the Clipper event as long as it is “at the right price”.
23. The Community Strategic Plan involved widespread community consultation in late 2012 and early 2013. The community identified a number of economic priorities under the theme of Smart Prosperous and Growing including the attraction of iconic major events.

#### **STATUTORY IMPLICATIONS**

24. Nil.

#### **POLICY IMPLICATIONS**

25. Nil

#### **RISK IDENTIFICATION & MITIGATION**

26. As this is a post event evaluation report no risks have been identified.

**FINANCIAL IMPLICATIONS**

27. Budget versus Actual results for the 2015 Clipper host port event as at 22 February 2016 were as follows;

**2015 Clipper Host Port event****INCOME**

<b>Description</b>	<b>Budget - July2014</b>	<b>Actuals – Feb2016</b>
<b><u>Partner Contributions</u></b>		
Tourism WA (Events)	\$75,000.00	\$0.00
Landcorp	\$10,000.00	\$0.00
Great Southern Development Commission	\$40,000.00	\$40,001.00
Department of Transport	\$9,500.00	\$9,500.00
Local Industry partners/Port of Albany	\$12,000.00	\$5,000.00
<b><u>Other Income</u></b>		
Albany Visitor Centre/Local stallholders	\$6,375.00	\$7,578.00
<b>Totals</b>	<b>\$152,875.00</b>	<b>\$62,079.00</b>

**EXPENSES**

<b>Description</b>		
<b><u>Host Port destination requirements</u></b>		
Major events attraction - 8499 Clipper	\$227,918.00	\$224,542.00
<b>Totals</b>	<b>\$227,918.00</b>	<b>\$224,542.00</b>
<b>City of Albany net contribution</b>	<b>\$75,043.00</b>	<b>\$162,463.00</b>

28. Council endorsed the hosting of the 2015 Clipper race event based on July 2014 preliminary budget of City investment of \$75,043 plus partner contributions of \$152,875 to cover forecast event hosting expenses of \$227,918.
29. Actual hosting expenses incurred totalled \$224,542 and this was in line with the original July 2014 budget forecasts.
30. Actual event income (partner) totalled \$62,079, a shortfall of \$90,796 from budget. This was well below forecast partner income and is due to the unsuccessful funding support from Tourism Western Australia (Events) and Landcorp.
31. The net impact on the overall economic development budget however was only \$55,000 after better than forecast income from the CMCA event in the order of \$35,796 offset the Clipper income shortfall.
32. The \$55,000 shortfall in Event Income (1183330 Iconic Event Income) has been allocated from the Economic Development Reserve Fund and will appear in the mid-year budget review.
33. Partner income is considered essential if Council bids for the hosting of future Clipper events. Financial support from major event funding agencies such as Tourism Western Australia and Great Southern Development Commission should be determined prior to Council committing to future involvement.

34. Management and oversight of funding and event contractual deliverables was undertaken using existing staff resources within the Economic Development and Commercial Services Directorate, within existing allocated budgets.

#### LEGAL IMPLICATIONS

35. Nil.

#### ENVIRONMENTAL CONSIDERATIONS

36. Nil.

#### ALTERNATE OPTIONS

37. If the committee does not support the evaluation tool developed for assessing the economic impact of this event other methods can be explored.

#### SUMMARY CONCLUSION

38. Securing the 2015 Clipper host port event achieved a City strategic deliverable to identify iconic events that provide community and economic benefits. The Clipper event is considered a strong strategic fit for the Albany destination and its natural waterways and marine assets.
39. Local businesses surveyed believed the Albany business community benefitted from hosting the event with some 91% supporting the City hosting events such as the Clipper.
40. The event was assessed as being economically successful delivering a good ROI on the \$160,000 host city investment and generating an estimated \$874,500 of direct event spend (travel to and from Albany excluded) in a typical shoulder visitor period.

<b>Consulted References</b>	:	Council Policy Community Funding and Event Sponsorship (2013) City of Albany Major and Regional Events Strategy 2014-17
<b>File Number (Name of Ward)</b>	:	Not applicable.
<b>Previous Reference</b>	:	Nil.

**PD117: CONSIDERATION OF SCHEME AMENDMENT – LOT 734  
BARKER ROAD, CENTENNIAL PARK**

<b>Land Description</b>	: Lots 734 Barker Road, Centennial Park
<b>Proponent</b>	: Harley Dykstra Pty Ltd
<b>Owner</b>	: Portstyle Enterprises Pty Ltd
<b>Business Entity Name</b>	: Portstyle Enterprises Pty Ltd
<b>Directors</b>	: Brian William Backhouse, James Arthur Richards, Douglas Charles Buckley
<b>Attachments</b>	: 1. Schedule of Submissions and Modifications 2. <i>Local Planning Scheme Amendment No. 16</i> report
<b>Supplementary Information &amp; Councillor Workstation</b>	: Copy of submissions
<b>Report Prepared by</b>	: Planning Officer (C McMurtrie)
<b>Responsible Officer</b>	: Executive Director Planning and Development (D Putland)

**Responsible Officer's Signature:**



**STRATEGIC IMPLICATIONS**

1. Council is required to exercise its quasi-judicial function in this matter.
2. When exercising its discretion in relation to planning matters, the pertinent strategic document is the *Albany Local Planning Strategy*.
3. This proposal is consistent with the strategic direction set in the *Albany Local Planning Strategy*.

**Maps and Diagrams:**



**In Brief:**

- At its Ordinary Meeting on 27 October 2015, Council adopted a local planning scheme amendment to modify Schedule 4 – Special Use Zones No. SU17 to include 'Park Home Park' as a land use with 'D' permissibility under Condition 1, and to insert a new Condition 6 stating that:

*"The development of the Park Home Park use will be subject to demonstrating compliance of proposed park homes with the Residential Design Codes as well as the Caravan Parks and Camping Grounds Regulations 1997".*

- The local planning scheme amendment was advertised from 3 December 2015 to 21 January 2016 for public comment and referred to public authorities in accordance with the requirements of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
- A total of six submissions were received during the advertising period. Three submission were received from public authorities and three from members of the public.
- City planning Staff support the proposal, as it is consistent with the strategic direction set in the *Albany Local Planning Strategy*.
- The proposal will allow the management of the approved 'Grouped Dwelling' development on the subject lot as a 'Park Home Park' or 'lifestyle village', while ensuring that the development is to a permanent residential standard, in accordance with the *Residential Design Codes*.
- Council is requested to consider the submissions received following public advertising and referral and to support the local planning scheme amendment.

**RECOMMENDATION**

**PD117: COMMITTEE RECOMMENDATION  
VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council:**

1. Pursuant to section 75 of the *Planning and Development Act 2005*, resolves to support, without modification, Amendment No. 16 to amend *City of Albany Local Planning Scheme No. 1* by:
  - (1) Modifying Schedule 4 – Special Use Zones No. SU17, Condition 1 to include 'Park Home Park' as a land use with 'D' permissibility; and
  - (2) Modifying Schedule 4 – Special Use Zones No. SU17, to insert a new Condition 6 stating 'The development of the Park Home Park use will be subject to demonstrating compliance of proposed park homes with the *Residential Design Codes* as well as the *Caravan Parks and Camping Grounds Regulations 1997*'.
2. RECOMMENDS to the Western Australian Planning Commission that the scheme amendment report is modified to improve its consistency with other legislation and include sections addressing *Planning Bulletin 49 – Caravan Parks* and *Planning Bulletin 71 – Residential Leasehold Estates and Development*.



PD117: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR SUTTON  
SECONDED: COUNCILLOR HAMMOND

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 6-0

PD117: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

1. Pursuant to section 75 of the *Planning and Development Act 2005*, resolves to support, without modification, Amendment No. 16 to amend *City of Albany Local Planning Scheme No. 1* by:
  - (1) Modifying Schedule 4 – Special Use Zones No. SU17, Condition 1 to include ‘Park Home Park’ as a land use with ‘D’ permissibility; and
  - (2) Modifying Schedule 4 – Special Use Zones No. SU17, to insert a new Condition 6 stating ‘The development of the Park Home Park use will be subject to demonstrating compliance of proposed park homes with the *Residential Design Codes* as well as the *Caravan Parks and Camping Grounds Regulations 1997*’.
2. RECOMMENDS to the Western Australian Planning Commission that the scheme amendment report is modified to improve its consistency with other legislation and include sections addressing *Planning Bulletin 49 – Caravan Parks* and *Planning Bulletin 71 – Residential Leasehold Estates and Development*.

**BACKGROUND**

4. *Local Planning Scheme No. 1* was gazetted on 28 April 2014 and consists of the Scheme Text and the Scheme Maps. The Scheme divides the Local Government district into zones to identify areas for particular uses and identifies land reserved for public purposes. Most importantly, the Scheme controls the types of uses and development allowed in different zones. There are particular controls included for heritage and special control areas. The Scheme Text also sets out the requirements for planning approval, enforcement of the Scheme provisions and non-conforming uses.
5. Amendment No. 16 has been prepared to seek modifications to Schedule 4 – Special Use Zones No. SU17 to include ‘Park Home Park’ as a land use with ‘D’ permissibility under Condition 1, and to insert a new Condition 6 stating that:

*“The development of the Park Home Park use will be subject to demonstrating compliance of proposed park homes with the Residential Design Codes as well as the Caravan Parks and Camping Grounds Regulations 1997”.*
6. The subject lots are located approximately 1.1 kilometres north-west of Albany town centre and have an area of approximately 2.7 hectares. The land is relatively flat, with a very slight fall to the north, toward Yakamia Creek. An area of approximately 6000m<sup>2</sup> is occupied on the south-eastern corner of the lot by an existing indoor volleyball centre and associated car park. The north-eastern portion of the site is currently being developed with ‘Grouped Dwellings’, using transportable units.
7. The subject lot is separated from the lots to the west by an open drain that feeds into Yakamia Creek, and is covered by the ‘Parks and Recreation’ local scheme reserve. The three lots to the west of the drain are zoned, from north to south, as ‘Special Use’ (No. SU16), ‘Tourist Residential’ with an R30/50 split density code and ‘Caravan and



Camping'. These lots are developed with a place of worship, a park home park and a caravan park respectively. The land to the south of the subject lot is zoned 'Regional Centre Mixed Business' and most lots are developed with light industrial units. The land to the east of the subject lot is zoned 'Light Industry' and developed with a mixture of commercial and light industrial land uses. The land to the north is covered by the 'Parks and Recreation' local scheme reserve and is developed with the Albany Leisure and Aquatic Centre, a public car park and sports ovals.

8. The amendment document states that:

*"The purpose of the proposal is to simplify the management of the subject site in the long term and not to modify the form of development that will eventuate. In simple terms, the difference between a grouped dwelling and park home park is summarised in the following:*

- *Within a park home park, the owner of the park will pay for the ownership of the park home, with a lease being paid to the manager for upkeep of common area and facilities as well as the use of the site. It is then the manager's responsibility to organise park home park maintenance.*
- *Within a grouped dwelling, each of the dwellings can either be leased and remain under a single ownership, or should a survey-strata subdivision be completed, each of the individual units can be owned as a separate entity. An annual payment is made to the body corporate for upkeep and maintenance of the facility.*

*The predominant benefit of a park home park is that it is a lock and leave facility. In most cases, all gardens and common areas are managed separate to the owners of the park homes, thus removing responsibility and providing for a well maintained facility in the long run. This type of development is well suited to retirees, as it enables them to have a home at a relatively cheap price, whilst allowing them to leave and travel should they wish. In many cases, park home park development results in better management and maintenance of landscaping and infrastructure to ensure that the whole complex maintains a high amenity at all times, which is not always achieved in large grouped housing development with individual strata owners.*

*Within a survey-strata subdivision, the arrangement can be more complicated. These properties are normally managed by a body corporate, which is usually composed of owners, who arrange and determine maintenance, manage the budget of spending to be undertaken and other tasks. In a park home park, this is all managed separate to the owners of the dwellings, whilst still allowing them to own and occupy a permanent home".*

## DISCUSSION

9. The City's planning Staff support the proposed modifications to Schedule 4 – Special Use Zones No. SU17. The modifications will allow the management of the approved 'Grouped Dwellings', utilising transportable units, as a 'Park Home Park' or 'lifestyle village', while ensuring that the development is to permanent residential standards, in accordance with the *Residential Design Codes*. The proponent has outlined the various benefits to the 'lifestyle village' model, rather than a more traditional 'Grouped Dwelling' development:

- The development of the site as a 'lifestyle village' will facilitate the provision of communal facilities, such as a clubhouse. It will also allow the establishment of a village park liaison committee that would maintain better standards for the village, consider the use of facilities, such as a clubhouse, organise activities for residents, etc.
- 'Lifestyle villages' are administered under the *Residential Parks (Long-stay Tenants) Act 2006*, which provides clearer guidance for both the operator and tenants in terms of obligations and benefits. The Act provides more clearly for 'park rules' to be made

for the communal benefit of the residents and may address matters such as noise management, parking and the use of communal areas.

- Home alterations and additions can be controlled more effectively through the 'lifestyle village' model, by setting rules and requirements. The proponent considers that this more effective form of management will lead to higher standards of design and residential amenity.
  - The 'lifestyle village' model can allow residents to access rent assistance, dependent on their circumstances.
10. The proponent has also stated that the developer has no intention to run 'short-stay' or caravan park-style rental. The intention is to develop the site as a 'lifestyle village' comprising long-term tenants who own their home, but lease the home site. The tenants will be owner-occupiers and have a vested interest in how the development is managed.
  11. The proposal is considered to be consistent with the current strategic direction set by the *Albany Local Planning Strategy*, which identifies the site as part of the 'City Centre' area and sets a strategic objective to support urban infill development based on compatibility of land uses and infrastructure capacity. The Strategy states that it is expected that the Albany City Centre will support new medium-density (R30 to R60) residential developments.
  12. After informal discussion with the Department of Planning, the City requested that the proponent refine the scheme amendment report and include additional sections addressing the objectives of *Planning Bulletin 49 – Caravan Parks* and *Planning Bulletin 71 – Residential Leasehold Estates and Development*. The proponent has submitted a draft revised scheme amendment report addressing these matters, and it is recommended that Council make a recommendation to the Western Australian Planning Commission that the scheme amendment report is modified accordingly.

## GOVERNMENT & PUBLIC CONSULTATION

13. The amendment was advertised in accordance with the requirements of the *Planning and Development (Local Planning Schemes) Regulations 2015* from 3 December 2015 to 21 January 2016 by direct referral to affected and adjoining/nearby landowners and public authorities, and advertisement in the local newspaper.
14. The three submissions received from public authorities during the advertising and referral process did not raise any objection to the proposal.
15. A further three submissions were received from the developers of the lifestyle village, expressing support for the amendment.

## STATUTORY IMPLICATIONS

16. Scheme amendments undergo a statutory process in accordance with the *Planning and Development Act 2005* and *Planning and Development (Local Planning Schemes) Regulations 2015*.
17. Section 75 of the *Planning and Development Act 2005* allows a local government authority to amend its local planning scheme with the approval of the Minister for Planning.
18. Regulation 50(3) of the *Planning and Development (Local Planning Schemes) Regulations 2015* allows Council to support a standard amendment, with or without modification.
19. Voting requirement for this item is **SIMPLE MAJORITY**

## POLICY IMPLICATIONS

20. There are no policy implications directly relating to this item.

**RISK IDENTIFICATION & MITIGATION**

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Organisational Operations and Reputation</b> <i>The proposal may not be accepted by the Western Australian Planning Commission or the Minister for Planning.</i>	<i>Possible</i>	<i>Minor</i>	<i>Medium</i>	<i>If not supported by the WAPC or Minister, the amendment will not be progressed and the City will advise the proponent that they may submit a modified proposal. No objections from Government Agencies or Public received.</i>

**FINANCIAL IMPLICATIONS**

22. There are no financial implications directly relating to this item.

**LEGAL IMPLICATIONS**

23. There are no legal implications directly relating to this item.

**ENVIRONMENTAL CONSIDERATIONS**

24. There are no environmental issues affecting this proposal. The undeveloped portion of the subject lot is cleared of native vegetation and covered in grass. Stormwater drainage and its potential impact on Yakamia Creek has been addressed as a component of the development application for the approved 'Grouped Dwellings' on the northern portion of the lot. The lot is connected to reticulated sewer.

**ALTERNATE OPTIONS**

25. Council has the following alternate options in relation to this item, which are:
- To resolve to support the scheme amendment without modification; or
  - To resolve not to support the scheme amendment and advise the Western Australian Planning Commission, in writing, of the reasons for doing so.

**SUMMARY CONCLUSION**

26. It is recommended that Council adopt Local Planning Scheme Amendment No. 16, as the proposal is consistent with the current strategic direction set within the *Albany Local Planning Strategy* and will allow the management of the approved 'Grouped Dwellings' as a 'Park Home Park' or 'lifestyle village', while ensuring that the development is to a permanent residential standard, in accordance with the *Residential Design Codes*.

<b>Consulted References</b>	:	1. <i>Local Planning Scheme No. 1</i> 2. <i>Albany Local Planning Strategy 2010</i> 3. <i>City of Albany Strategic Community Plan 2023</i> 4. <i>City of Corporate Business Plan 2013-2017</i> 5. Western Australian Planning Commission <i>State Planning Policy 1 – State Planning Framework Policy (Variation No. 2)</i>
<b>File Number (Name of Ward)</b>	:	LAMD16 (Frederickstown Ward)
<b>Previous Reference</b>	:	O.C.M. 27/10/2015 – Item PD099

## PD118: CONSIDERATION OF MODIFICATIONS TO THE BIG GROVE OUTLINE DEVELOPMENT PLAN

Land Description	: Lot 2, 887 Frenchman Bay Road, Big Grove
Proponent	: Gordon G Smith
Owner	: G E Vasiliu
Business Entity Name	: Nil
Attachments	: Modified Outline Development Plan document
Supplementary Information & Councilor Workstation	: Copy of submissions
Report prepared by	: Planning Officer (C McMurtrie)
Responsible Officer:	: Executive Director Planning and Development (D Putland)

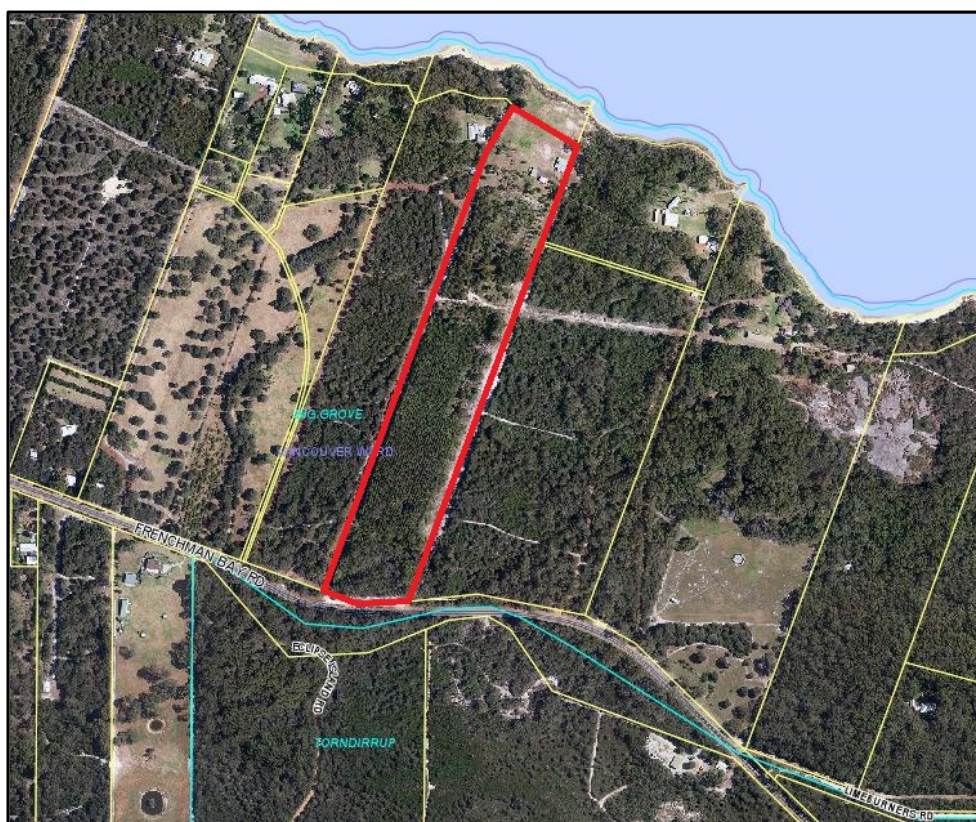
Responsible Officer's Signature:



### STRATEGIC IMPLICATIONS

1. Council is required to exercise its quasi-judicial function in this matter.
2. When exercising its discretion in relation to planning matters, the pertinent strategic document is the *Albany Local Planning Strategy*.
3. This proposal is inconsistent with the strategic direction set in the *Albany Local Planning Strategy*, as it seeks to create residential lots without full urban services, specifically reticulated sewer.

### Maps and Diagrams:



**In Brief:**

- A request was submitted to Council to consider modifications to the *Big Grove Outline Development Plan*. The proposed modifications seek to identify a portion of Lot 2, 887 Frenchman Bay Road, Big Grove as suitable for subdivision to the Residential R5 density code (minimum lot size 2000m<sup>2</sup>), rather than the indicated R10 (minimum lot size 1000m<sup>2</sup>), and to remove the requirement for all new lots to be connected to reticulated sewer.
- The proposed modifications were advertised from 17 December 2015 to 14 January 2016 for public comment and referred to public authorities, in accordance with the requirements of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
- A total of five submissions were received during the advertising period. Four submissions were received from public authorities and one from a member of the public. These submissions are discussed in detail in paragraphs 15. To 19. It is not a statutory requirement to present them in a schedule.
- City Planning staff do not support the proposal, as it is:
  - Inconsistent with the strategic direction set within the *Albany Local Planning Strategy*;
  - May adversely impact the viability of development within the balance of the *Big Grove Outline Development Plan* area; and
  - Could create an unwanted precedent leading to other developers seeking to subdivide the land to larger lots, without reticulated sewer, eroding the intent of the *Big Grove Outline Development Plan*.
- Council is requested to consider the submissions received following public advertising and referral and to recommend to the Western Australian Planning Commission that it does not support the proposed modifications to the *Big Grove Outline Development Plan* for the reasons outlined above.

**RECOMMENDATION**

**PD118: COMMITTEE RECOMMENDATION  
VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council:**

**RESOLVES** to recommend to the Western Australian Planning Commission that it does not approve the modifications to the *Big Grove Outline Development Plan*, for the following reasons:

- The proposal is inconsistent with the strategic direction set within the *Albany Local Planning Strategy*, as it seeks to create residential lots without full urban services;
- Removal of the requirement to connect to reticulated sewer may adversely impact the viability of development within the balance of the *Big Grove Outline Development Plan* area; and
- Permitting larger (2000m<sup>2</sup>+) lots within the *Big Grove Outline Development Plan* area, without reticulated sewer, could create an unwanted precedent leading to other developers seeking to subdivide the land in the same fashion, eroding the intent of the Plan.

**PD118:COMMITTEE RECOMMENDATION**

MOVED: COUNCILLOR SUTTON  
SECONDED: COUNCILLOR GOODE

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 5-1

**Record of Vote**

Against the Motion: Councillor Hammond

**PD118: PROCEDURAL MOTION**

MOVED: COUNCILLOR HAMMOND  
SECONDED: COUNCILLOR GOODE

THAT this report be DEFERRED and be presented at the Ordinary Council Meeting to be held on 26 April 2016.

LOST 1-5

**Record of Vote**

For the Motion: Councillor Hammond

**PD118: RESPONSIBLE OFFICER RECOMMENDATION**

THAT Council:

RESOLVES to recommend to the Western Australian Planning Commission that it does not approve the modifications to the *Big Grove Outline Development Plan*, for the following reasons:

- The proposal is inconsistent with the strategic direction set within the *Albany Local Planning Strategy*, as it seeks to create residential lots without full urban services;
- Removal of the requirement to connect to reticulated sewer may adversely impact the viability of development within the balance of the *Big Grove Outline Development Plan* area; and
- Permitting larger (2000m<sup>2</sup>+) lots within the *Big Grove Outline Development Plan* area, without reticulated sewer, could create an unwanted precedent leading to other developers seeking to subdivide the land in the same fashion, eroding the intent of the Plan.

**BACKGROUND**

4. At its Ordinary Meeting on 16 August 2011, Council adopted the *Big Grove Outline Development Plan*, which was designed to facilitate staged development of the area. The Outline Development Plan report proposes:
  - Ultimate development potential of between 800 and 1000 residential dwellings, the majority traditional residential lots of R17.5 density;
  - A number of larger rural residential lots within the water protection area and R10 sites on the eastern and western edges;
  - Some areas of R25 cottage lots and R30 grouped dwellings in locations of highest amenity;
  - A primary school and village centre which maximises access to passing trade along Frenchman Bay Road;

- An increased foreshore reserve of around 80 metres. The foreshore area is to be upgraded as each abutting owner develops in accordance with a Foreshore Management Plan (subject to the approval of the City), incorporating landscape enhancement, best practice foreshore management and a dual use path;
  - A potential low key foreshore node and mixed use development on the foreshore (subject to further design detail and approvals);
  - A modified grid road layout, footpaths and cycle facilities to maximise permeability and access, with key routes leading down to and focussing on the harbour frontage;
  - A public open space landscape buffer along Frenchman Bay Road to limit the visual impact of the development along this route and maintain the vegetated, semi-rural character of the area;
  - Provision of approximately 11.05 hectares creditable public open space (12.38 hectares total including non-creditable public open space), of differing types and attributes, in addition to the foreshore, and being 1.16 hectares in excess of the 10% public open space requirement.
  - Retention of important environmental features including stands of karris on Lots 1, 2 and 110, possum habitat and vegetation linkages to surrounding reserves, as well as further opportunities for better quality remnant vegetation in open space areas and landscaping of road reserves;
  - Fire protection zones around the periphery of the site, and abutting retained vegetation;
  - Design guidelines to maintain the semi-rural and tourism character and limit visual impact;
  - Contemporary urban water management including integrated drainage swales in open space, use of water-wise plantings, and provision of rainwater tanks to lot purchasers to promote rainwater harvesting.
5. The Plan was subsequently endorsed by the Western Australian Planning Commission on 2 May 2012.

## DISCUSSION

6. The subject land is located approximately 6.8 kilometres south-south-east of Albany town centre and has an area of approximately 9.4 hectares. The land has very gently sloping topography and is largely covered by vegetation, comprised of two clusters of remnant natural bush and a large eucalypt plantation. A small part of the lot, at its northern extent, has been cleared and developed with a single house and associated outbuildings.
7. The subject land is generally surrounded by 'Parks and Recreation' local scheme reserves, with the exception of the 'Future Urban' zoned lots to the west, which comprise the remainder of the *Big Grove Outline Development Plan* area.
8. The proposed modifications to the *Big Grove Outline Development Plan* have been prepared to identify a portion of Lot 2, 887 Frenchman Bay Road, Big Grove as suitable for subdivision to the Residential R5 density code (minimum lot size 2000m<sup>2</sup>), rather than the presently indicated R10 (minimum lot size 1000m<sup>2</sup>), and to remove the requirement for all new lots to be connected to reticulated sewer.
9. The proponent has stated that:

*"In essence the submission seeks modification to the Text and Map of the Big Grove Outline Development Plan such that it will provide for the subdivision of that part of Lot 2, coded R10 in that Plan, into lots of 2000m<sup>2</sup>+ without the need to connect to a reticulated sewerage service as presently required."*



10. The proposed modifications to the *Big Grove Outline Development Plan* are inconsistent with the strategic direction set in the *Albany Local Planning Strategy*, which identifies the Outline Development Plan area for the development of a fully-serviced urban expansion.
11. Modification of the Plan to allow for the subdivision of lots to the Residential R5 density code (minimum lot size 2000m<sup>2</sup>), and for those lots to utilise on-site effluent disposal systems, will result in a greater proportion of the cost of a sewer network expansion being pushed onto adjoining landowners, adversely impacting the viability of developing the wider area to a fully-serviced urban standard.
12. Permitting the proposed modifications may also set an unwanted precedent for the creation of larger, un-serviced lots in the area, leading to other landowners to seek subdivision in the same fashion, eroding the intent of the *Big Grove Outline Development Plan*. This would also further undermine cost-sharing arrangements to provide an extension of the sewer network to service new lots.
13. Due to recent regulatory changes, introduced by the *Planning and Development (Local Planning Schemes) Regulations 2015* on 19 October 2015, a structure plan can no longer implement an R-Code and the Western Australian Planning Commission is only required to have due regard to a structure plan when determining an application for subdivision. On this basis, the proponent may lodge a subdivision seeking to vary the provisions of the *Big Grove Outline Development Plan*.
14. Due to the concerns raised in this report, planning Staff recommend that Council does not support the proposed modifications to the *Big Grove Outline Development Plan*.

#### GOVERNMENT & PUBLIC CONSULTATION

15. The proposed modifications to the *Big Grove Outline Development Plan* were advertised in accordance with the requirements of Schedule 2, Part 4, clause 18 of the *Planning and Development (Local Planning Schemes) Regulations 2015*, from 17 December 2015 to 14 January 2016 by direct referral to affected and adjoining/nearby landowners and public authorities.
16. The four submissions received from public authorities during the advertising and referral process did not raise any objection to the proposal. The Department of Health has advised that any future development to the R17.5 density coding should be connected to reticulated sewer. The Department of Water has advised that any development that is not connected to reticulated sewer should utilise alternative treatment units for on-site effluent disposal, to avoid nutrient export to Princess Royal Harbour.
17. Only one public submission was received, on behalf of an adjoining landowner, which raises a number of issues that can be summarised as follows:
  - a) Our client is generally supportive of low density (R5) subdivision with on-site effluent disposal occurring on the subject site.
  - b) The proposed modifications do not acknowledge or respect the approved east-west connector road network between Lot 2 and Lot 1. The approved *Big Grove Outline Development Plan* shows six roads connecting the two lots, however the modifications proposed show only two points of connection – one to the north and one to the south of Lot 2.
  - c) The approved *Big Grove Outline Development Plan* incorporates a cul-de-sac to the north of Lot 2, providing public access to the future foreshore reserve. This is the sole connection for public access to the eastern foreshore of Big Grove, and also provides road frontage to the adjoining medium density R30 precinct.



- d) The modifications to *Big Grove Outline Development Plan* show the cul-de-sac to Lot 2 deleted, and this area being included within a homestead lot. This will result in no public access to the future foreshore reserve being available. Furthermore, access to this future foreshore reserve will become exclusive to residents of the proposed homestead lot.
  - e) There are no connecting roads from Frenchman Bay Road to Lot 2 currently constructed or proposed to be constructed in the modifications to the *Big Grove Outline Development Plan*. Irrespective of the timeframes for development, should subdivision of Lot 2 be sought prior to subdivision of our client's land, it will result in Lots with no access to or from Frenchman Bay Road.
  - f) Appendix 3A and 3B of the proposed modifications show removal of the medium density residential precinct located to the northern portion of Lot 2 abutting the future foreshore reserve, with this area incorporated into a larger homestead lot.
  - g) This is one of only two medium density residential precincts within the entire *Big Grove Outline Development Plan*. Removal of this precinct and replacement with a homestead lot would reduce the diversity of lot mix, impact on affordability, reduce efficient use of the land, and compromise the overall intention and amenity of the *Big Grove Outline Development Plan*.
  - h) It is unclear from Appendix 3A and 3B if the modifications to the submission respect, or include, the approved future foreshore reserve, road network, DAP requirement and medium density residential area located to the northern portion of Lot 2.
  - i) The notation "*Homestead Lot as per ODP*", is vague and uncertain. The *Big Grove Outline Development Plan*, supporting studies and documentation neither support nor propose a homestead lot to the subject site. Removal of these elements of the *Big Grove Outline Development Plan* would not be supported, as outlined in earlier sections of this submission.
  - j) In addition to the future foreshore reserve, the proposed modifications also exclude the "*Physical Process and Foreshore Reserve Setback Required by the Department of Planning*".
  - k) Our client does not object to an amendment to the Outline Development Plan reducing residential densities from R10 to R5, or this portion of Lot 2 not being serviced by reticulated sewer; however, the submission prepared by Gordon Smith for modifications to the *Big Grove Outline Development Plan* ignores or omits various other elements that provide important functions within the approved *Big Grove Outline Development Plan*.
  - l) Any alterations to the approved layout including road network, residential precincts or foreshore reserve would be opposed for reasons outlined within this submission.
  - m) Furthermore, the *Big Grove Outline Development Plan* requires our client's land (Lot 1) to be subdivided prior to subdivision of Lot 2 to enable vehicle access to Lot 2. The proposed modifications appear to 'leapfrog' orderly and proper planning and risk compromising the overall intention of the *Big Grove Outline Development Plan*.
18. The proponent has submitted a response to the comments received during consultation, emphasising that the only modifications proposed to the *Big Grove Outline Development plan* are:
- Reduction in the allocated R10 R-Code density to R5; and
  - Removal of the provision requiring all development within the Outline Development Plan area to be connected to reticulated sewer to be removed, insofar as it relates to Lot 2, 887 Frenchman Bay Road.

19. The proponent states that the in-principle support offered by the adjoining land owner is welcomed, but contends that the other matters raised in the submission are not relevant to the proposal, as the diagrams submitted in support of the modifications are schematic only and do not necessarily indicate a proposed subdivision layout.

### STATUTORY IMPLICATIONS

20. Regulation 79 of the *Planning and Development (Local Planning Schemes) Regulations 2015* states that:

*“(1) A planning instrument made under the Act before commencement day and in accordance with the repealed regulations or a State planning policy continues in force as if it were a planning instrument of the same type made under the Act in accordance with these regulations.*

*(2) For the purposes of sub regulation (1), an instrument of a type referred to in column 2 of the Table is to be taken to be a planning instrument of the type referred to in column 3 of the Table.”*

**Table**

<b>Item</b>	<b>Type of Instrument</b>	<b>Type of planning instrument</b>
1.	Outline development plan Development plan Subdivision guide plan	Structure Plan
2.	Activity centre structure plan	Activity centre plan
3.	Detailed area plan	Local development plan

21. Amendments to structure plans undergo a statutory process in accordance with Schedule 2, Part 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.
22. Schedule 2, Part 4, clause 19(1) requires the local government to consider the submissions made within the period specified in the notice advertising the structure plan.
23. Schedule 2, Part 4, clause 20 requires the local government to prepare a report to the Western Australian Planning Commission, including a recommendation on whether the proposed structure plan should be approved by the Commission.
24. Voting requirement for this item is **SIMPLE MAJORITY**

### POLICY IMPLICATIONS

25. There are no policy implications directly relating to this item.

## RISK IDENTIFICATION & MITIGATION

26. The following risk matrix is presented for consideration:

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Organisational Operations and Reputation</b>  <i>Noting that structure plans are no longer binding, the Big Grove Outline Development Plan may not be given due regard by developers during the subdivision process.</i>	<i>Likely</i>	<i>Moderate</i>	<i>Medium</i>	<i>The Big Grove Outline Development Plan is based on sound planning principles. Any further variation or request to deviate from the Plan would be assessed against the intent of the Plan and relevant Western Australian Planning Commission Development Control Policies.</i>

## FINANCIAL IMPLICATIONS

27. There are no financial implications directly relating to this item.

## LEGAL IMPLICATIONS

28. There are no legal implications directly relating to this item.

## ENVIRONMENTAL CONSIDERATIONS

29. The subject lot is located approximately 6.8 kilometres south-south-east of Albany town centre. It has an area of approximately 9.4 hectares and slopes gradually downward from south to north between Frenchman Bay Road and the Princess Royal Harbour foreshore reserve. The lot is mostly vegetated, with a band of remnant natural bush fronting Frenchman Bay Road, a eucalypt plantation behind, covering approximately half of the lot area, and another band of remnant natural bush beyond. The remaining portion of the lot, nearest the harbour, has been cleared and developed with a single house and two associated outbuildings. These stand immediately adjacent to the eastern lot boundary and are accessed by a constructed gravel driveway that follows the fence line from Frenchman Bay Road.

30. The environmental implications of the *Big Grove Outline Development Plan* have been previously assessed. The proposed modifications do not introduce any new issues, other than the potential for nutrient export to Princess Royal Harbour, should on-site effluent disposal systems be permitted on new lots. However, the Department of Water has advised that this could be mitigated by the use of alternative treatment units for effluent disposal.

## ALTERNATE OPTIONS

31. Council may consider alternate options in relation to this item, such as:

- Recommending to the Western Australian Planning Commission that it approves the proposed modifications to the *Big Grove Outline Development Plan*.

## SUMMARY CONCLUSION

32. It is recommended that Council recommend to the Western Australian Planning Commission that it does not support the proposed modifications to the *Big Grove Outline Development Plan*, as they are:

- Inconsistent with the strategic direction set within the *Albany Local Planning Strategy*;
- May adversely impact the viability of development within the balance of the *Big Grove Outline Development Plan* area; and
- Could create an unwanted precedent, leading to other developers seeking to subdivide the land in the same fashion, eroding the intent of the *Big Grove Outline Development Plan*.

<b>Consulted References</b>	:	<ol style="list-style-type: none"> <li>1. <i>Local Planning Scheme No. 1</i></li> <li>2. <i>Albany Local Planning Strategy 2010</i></li> <li>3. <i>City of Albany Strategic Community Plan 2023</i></li> <li>4. <i>City of Corporate Business Plan 2013-2017</i></li> <li>5. WA Planning Commission <i>State Planning Policy 1 – State Planning Framework Policy (Variation No. 2)</i></li> <li>6. <i>Big Grove Outline Development Plan</i></li> </ol>
<b>File Number (Name of Ward)</b>	:	LSP2 (Vancouver Ward)
<b>Previous Reference</b>	:	<p>O.C.M. 14/10/2010 – Item 1.3</p> <p>O.C.M. 21/06/2011 – Item 2.3 (item withdrawn)</p> <p>O.C.M. 16/08/2011 – Item 2.2</p>

**PD119: PLANNING AND BUILDING REPORTS FEBRUARY 2016**

**Proponent** : City of Albany  
**Attachment** : Planning and Building Reports February 2016  
**Report Prepared By** : Administration Officer-Planning (K Smith)  
Information Officer-Development Services (R Sutton)  
**Responsible Officer(s):** : Executive Director Planning & Development (D Putland)

**Responsible Officer's Signature:**



**RECOMMENDATION**

**PD119: RESPONSIBLE OFFICER RECOMMENDATION**  
**VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council NOTE the Planning and Building Reports for February 2016.**

**CSF224: FINANCIAL ACTIVITY STATEMENT – JANUARY 2016**

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

**Responsible Officer's Signature:**



**RECOMMENDATION**

**CSF224: COMMITTEE RECOMMENDATION**  
**VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council RECEIVE the Financial Activity Statement for the period ending 31 January 2016.**

**CSF224: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR SMITH**  
**SECONDED: COUNCILLOR DOWLING**

**THAT the Responsible Officer Recommendation be ADOPTED.**

**CARRIED 10-0**

**CSF224: RESPONSIBLE OFFICER RECOMMENDATION**

**THAT Council RECEIVE the Financial Activity Statement for the period ending 31 January 2016.**

**BACKGROUND**

1. The Statement of Financial Activity for the period ending 31 January 2016 has been prepared and is attached.
2. In addition to the statutory requirement to provide Council with a Statement of Financial Activity, the City provides Council with a monthly investment summary to ensure the performance of the investment portfolio is in accordance with anticipated returns and complies with the Investment of Surplus Funds Policy.

**DISCUSSION**

3. In accordance with section 34(1) of the *Local Government (Financial Management) Regulations 1996*, the City of Albany is required to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure of the local authority.
4. The requirement for local governments to produce a Statement of Financial Activity was gazetted in March 2005 to provide elected members with a greater insight in relation to the ongoing financial performance of the local government.
5. Additionally, each year a local government is to adopt a percentage or value to be used in Statements of Financial Activity for reporting material variances. Variations in excess of \$50,000 are reported to Council.

6. These financial statements are still subject to further yearend adjustments and have not been audited by the appointed auditor.

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

### STATUTORY IMPLICATIONS

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

### POLICY IMPLICATIONS

8. The City’s 2015/16 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 January 2016 has been incurred in accordance with the 2015/16 proposed budget parameters. Details of any budget variation in excess of \$50,000 (year to date) follow. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

<b>File Number (Name of Ward)</b>	FM.FIR.2 - All Wards
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**CSF225: LIST OF ACCOUNTS FOR PAYMENT – FEBRUARY 2016**

**Proponent** : City of Albany  
**Attachments** : List of Accounts for Payment  
**Report Prepared by** : Financial Accountant (S Beech)  
**Responsible Officer** : Executive Director Corporate Services (M Cole)

**Responsible Officer's Signature:**



**RECOMMENDATION**

**CSF225: COMMITTEE 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 February 2016 totalling \$4,654,993.09.**

**CSF225: COMMITTEE RECOMMENDATION**

MOVED: COUNCILLOR SMITH  
 SECONDED: MAYOR WELLINGTON

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 10-0

**CSF225: 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 February 2016 totalling \$4,654,993.09.

**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 February 2016. Please refer to the Attachment to this report.

**Municipal Fund**

Trust	\$44,441.00
Credit Cards	\$11,642.54
Payroll	\$1,197,085.57
Cheques	\$205,598.04
Electronic Funds Transfer	\$3,196,225.94
<b>TOTAL</b>	<b><u>\$4,654,993.09</u></b>



3. As at 15 February 2016, the total outstanding creditors, stands at \$509,547.44 and made up as follows:-

Current	\$245,365.35
30 Days	\$265,228.49
60 Days	\$460.82
90 Days	-\$1,507.22

**TOTAL** **\$509,547.44**

Cancelled cheques – Nil

### STATUTORY IMPLICATIONS

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

### POLICY IMPLICATIONS

7. Expenditure for the period to 15 February 2016 has been incurred in accordance with the 2015/2016 budget parameters.

### FINANCIAL IMPLICATIONS

8. Expenditure for the period to 15 February 2016 has been incurred in accordance with the 2015/2016 budget parameters.

### SUMMARY CONCLUSION

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

<b>File Number (Name of Ward)</b>	<b>:</b>	FM.FIR.2 - All Wards
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**CSF226: DELEGATED AUTHORITY REPORTS**

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

**Responsible Officer's Signature:**



**RECOMMENDATION**

**CSF226: COMMITTEE RECOMMENDATION**  
**VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council RECEIVE the Delegated Authority Reports 16 January 2016 to 15 February 2016.**

**CSF226: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR HOLLINGWORTH**  
**SECONDED: COUNCILLOR GOODE**

**THAT the Responsible Officer Recommendation be ADOPTED**

**CARRIED 10-0**

**CSF226: RESPONSIBLE OFFICER RECOMMENDATION**

**THAT Council RECEIVE the Delegated Authority Reports 16 January 2016 to 15 February 2016.**

**CSF227: NEW COMMERCIAL LEASE AND LICENCE – REGIONAL EXPRESS PTY LTD – PORTION OF ALBANY REGIONAL AIRPORT**

<b>Land Description</b>	: Lot 5643 on Deposited Plan 157458 and Lot 4861 on Plan 157338, the subject of Certificate of Title Volume 2088 Folio 492 at 35615 Albany Highway, Drome
<b>Proponent</b>	: Regional Express Pty Ltd. ACN 101 325 642
<b>Owner</b>	: City of Albany
<b>Attachment</b>	: Copy of resolution of Council 15/12/2015 item ED029
<b>Report Prepared by</b>	: Property Officer – (C Srodzinski)
<b>Responsible Officer</b>	: Executive Director Corporate Services (M Cole)

**Responsible Officer's Signature:**

**STRATEGIC IMPLICATIONS**

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014-2018:
  - a. **Key Theme:** Civic Leadership
  - b. **Strategic Objective:** 5.1 To establish and maintain sound business and governance structures.
  - c. **Strategy:** 5.1.2 Develop informed and transparent decision making processes that meet our legal obligations.

**Maps and Diagrams:**



**IN BRIEF**

- Council is requested to consider a new lease and non-exclusive licence to Regional Express Pty Ltd (Rex) for the purpose of airline reception, transfer terminal baggage handling and associated operations within the Albany Regional Airport terminal.
- WA State Government awarded Rex the Perth to Albany Regular Passenger Transport (RPT) air service route effective 28 February 2016, for a 5 year period.
- The proposed lease will be conditional on Rex continuing to hold the sole rights to operate Regulated Regular Public Transport (RPT) Air Services to Albany under an agreement with the WA State Government Department of Transport (DoT).
- The proposed lease area is approx. 25.54m<sup>2</sup>, licence area approx. 260m<sup>2</sup>; both areas are located within the Albany Regional Airport terminal building.
- Rex have occupied the site since 28 February 2016 under a letter of agreement interim arrangement with the City of Albany.
- The recommendation proposes that Council approve the new lease and licence to formalise the current arrangement.

**RECOMMENDATION**

**CSF227: COMMITTEE RECOMMENDATION**  
**VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council APPROVE a new lease and a non-exclusive licence to Regional Express Pty Ltd over allocated areas within the Albany Regional Airport terminal, subject to:**

- a) Notes its previous resolution (OCM 15/12/2015 – Item ED029).**
- b) Lease purpose being “Airline reception, office space and associated airline operations”.**
- c) Licence purpose being “transfer terminal baggage handling and associated airline operations” to accommodate the Albany Regular Passenger Transport air service.**
- d) Lease is conditional upon the lessee continuing to hold the sole rights to operate the Perth to Albany Regulated Regular Public Transport Air Services.**
- e) Lease will align with the Deed of Agreement between Department of Transport and Rex.**
- f) Lease area being approximately 25.54m<sup>2</sup>.**
- g) Licence area being approximately 260m<sup>2</sup>.**
- h) Lease rent being \$1 on demand.**
- i) Lease term being 5 years commencing on 28 February 2016 in line with the Deed of Agreement with the Department of Transport.**
- j) All costs associated with the development, preparation, execution and completion of the lease and licence are payable by the City of Albany.**
- k) All costs associated with the ongoing operations of the lease and licence area being payable by the lessee.**

**CSF227: COMMITTEE RECOMMENDATION**

**MOVED: MAYOR WELLINGTON**

**SECONDED: COUNCILLOR DOWLING**

**THAT the Responsible Officer Recommendation be ADOPTED.**

**CARRIED 10-0**

**CSF227: RESPONSIBLE OFFICER RECOMMENDATION**

**THAT Council APPROVE a new lease and a non-exclusive licence to Regional Express Pty Ltd over allocated areas within the Albany Regional Airport terminal, subject to:**

- a) Notes its previous resolution (OCM 15/12/2015 – Item ED029).
- b) Lease purpose being “Airline reception, office space and associated airline operations’.
- c) Licence purpose being “transfer terminal baggage handling and associated airline operations” to accommodate the Albany Regular Passenger Transport air service.
- d) Lease is conditional upon the lessee continuing to hold the sole rights to operate the Perth to Albany Regulated Regular Public Transport Air Services.
- e) Lease will align with the Deed of Agreement between Department of Transport and Rex.
- f) Lease area being approximately 25.54m<sup>2</sup>.
- g) Licence area being approximately 260m<sup>2</sup>.
- h) Lease rent being \$1 on demand.
- i) Lease term being 5 years commencing on 28 February 2016 in line with the Deed of Agreement with the Department of Transport.
- j) All costs associated with the development, preparation, execution and completion of the lease and licence are payable by the City of Albany.
- k) All costs associated with the ongoing operations of the lease and licence area being payable by the lessee.

**BACKGROUND**

- 2. The City of Albany owns and operates the Albany Regional Airport located at 35615 Albany Highway, Drome Western Australia.
- 3. The Perth to Albany Regular Passenger Transport (RPT) air service was previously operated by Virgin Australia Regional Airlines Pty Ltd (Virgin Australia) under a service agreement with the WA State Government Department of Transport (DoT) which expired on the 27 February 2016.
- 4. On Friday 13 November 2015, after conducting a competitive tender process, the WA State Government announced Regional Express Pty Ltd (Rex) will operate on the Perth to Albany Regular Passenger Transport (RPT) air service route effective 28 February 2016, for a 5 year period.
- 5. On 9 December 2015 City of Albany was formally advised and details of the deed between DoT and Rex were clarified.
- 6. At Ordinary Council Meeting on 15 December 2015, Council was advised that Rex airlines was appointed by the State Government to operate the Perth to Albany RPT route. At this meeting Council approved the existing terminal lease fee to be waived for Rex.
- 7. Virgin Australia terminated the lease agreement with the City of Albany effective 27 February 2016 for the allocated leased areas within the airport terminal, in accordance with the lease.

## **DISCUSSION**

8. Rex commenced air services from the Albany Regional Airport 28 February 2016.
9. Occupation of the airline reception lease areas, and baggage carrier licence areas previously tenanted by Virgin Australia commenced from this date.
10. Pending determination of lease matters and due to time restraints, to protect both parties the City entered into an interim arrangement through a letter of agreement with Rex airlines on the 28 February 2016 allowing for Rex to occupy the allocated lease and licence areas prior to a Deed of Lease and Licence being formalised.
11. The proposed deed of lease will align with the Deed of Agreement between DoT and Rex for a term of 5 years as governed by the Agreement.
12. A special condition will be noted within the lease agreement detailing that the lease will be conditional upon the lessee continuing to hold the sole rights to operate the Perth to Albany Regulated Regular Public Transport Air Service.
13. The lease area consists of airline reception area with two counter customer service desks, an office space and an exit gate counter.
14. The licence area consists of the incoming and outgoing baggage handling areas and conveyor belt located within the terminal building.
15. Staff employed by Rex are to comply with all legislation, regulations and procedures applicable to air transport and related operations and in accordance with best industry practice and any requisitions of authorities.
16. Council's Property Management - Leases and Licences Policy provides that rent for commercial leases be determined by market valuation provided by a Licensed Valuer. Council approved to relax this provision at OCM 15 December 2015 Item ED029.
17. The Licence term will run concurrent with the lease term and will always expire at the same time as the lease.

## **GOVERNMENT & PUBLIC CONSULTATION**

18. No Government consultation is required as lease area is located within City of Albany owned freehold land.
19. Section 3.58 of the *Local Government Act 1995* outlines 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 new lease and licence will be advertised to comply with the requirements of Section 3.58 of the *Local Government Act 1995*.

## STATUTORY IMPLICATIONS

21. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including leased/licensed land and buildings including advertising requirements.
22. The Western Australia Planning Commission (WAPC) has not been consulted with regard to the proposed new lease as per Section 136 of the *Planning and Development Act*, as no comment is required from WAPC when a lease term does not exceed twenty years.

## POLICY IMPLICATIONS

23. Council adopted a revised Property Management – Leases and Licences Policy in July 2015.
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 policy provides that any rent for commercial leases or licences will be determined by Market Valuation. Council at OCM 15 December 2015 approved to relax this provision.

## RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Rating	Mitigation
<b>Reputation:</b> new lease and licence are not approved.	Unlikely	Moderate	Medium	Seek to negotiate terms to Council satisfaction.
<b>Reputation:</b> new lease and licence not approved – Rex airline terminal services may be disrupted.	Unlikely	Moderate	Medium	Seek to negotiate terms to Council satisfaction.

## FINANCIAL IMPLICATIONS

27. All costs associated with the development, execution and completion of the lease documentation will be met by the City. A quote of \$1200 to develop the deed has been provided by City lawyer.
28. All costs associated with the development and ongoing operations of the lease area will be met by Rex.
29. The fees and charges for RPT services were endorsed by Council at the December 2015 Ordinary Council Meeting.

## LEGAL IMPLICATIONS

30. The Deed of Lease and Licence will be prepared by City's lawyers.
31. The licence does not grant any rights of exclusive use or occupation over the land or within the licensed areas.

## ENVIRONMENTAL CONSIDERATIONS

32. There are no environmental considerations related to this report.

## ALTERNATE OPTIONS

33. Council may:
- a. Approve the lease and licence for a 5 year term; or
  - b. Decline the lease.
34. Should Council decline the lease, Rex will need to work with the City to find an alternate location within the terminal to allow Rex to continue to provide flight reception and baggage handling services for the Albany RPT flight services at the Albany Regional Airport. This may result in Rex being unable to deliver the airline terminal services required.

## SUMMARY CONCLUSION

35. The WA State Government announced Regional Express Pty Ltd will operate on the Perth to Albany Regular Public Transport (RPT) route effective 28 February 2016.
36. An area within the airport terminal is required by Rex to facilitate airline reception and administration and baggage transfer handling facilities.
37. Rex has occupied the area since 28 February 2016 under a letter of agreement interim arrangement with the City.
38. To formalise this interim arrangement, it is recommended that the proposed new lease and licence to Regional Express Pty Ltd (Rex) at the Albany Regional Airport terminal for a 5 year term be supported.

<b>Consulted References</b>	:	<ul style="list-style-type: none"><li>• Council Policy – Property Management (Leases and Licences)</li><li>• <i>Local Government Act 1995</i></li><li>• <i>Planning and Development Act – Section 136</i></li></ul>
<b>File Number (Name of Ward)</b>	:	PRO415, A160418 (Kalgan Ward)
<b>Previous Reference</b>	:	OCM 15.12.2015 Item ED029



**CSF228: NEW COMMERCIAL LICENCE – VIRGIN AUSTRALIA REGIONAL AIRLINES PTY LTD – PORTION OF ALBANY REGIONAL AIRPORT**

<b>Land Description</b>	: Lot 5643 on Deposited Plan 157458 and Lot 4861 on Plan 157338, the subject of Certificate of Title Volume 2088 Folio 492 at 35615 Albany Highway, Drome
<b>Proponent</b>	: Virgin Australia Regional Airlines Pty Ltd (ACN 008997662)
<b>Owner</b>	: City of Albany
<b>Attachment</b>	: Nil
<b>Report Prepared by</b>	: Property and Leasing Officer (C Srodzinski)
<b>Responsible Officer</b>	: Executive Director Corporate Services (M Cole)

**Responsible Officer's Signature:**

**STRATEGIC IMPLICATIONS**

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014-2018:
  - a. **Key Theme:** Civic Leadership
  - b. **Strategic Objective:** 5.1 To establish and maintain sound business and governance structures.
  - c. **Strategy:** 5.1.2 Develop informed and transparent decision making processes that meet our legal obligations.

**Maps and Diagrams:**



**IN BRIEF**

- Council is requested to consider a new non-exclusive licence to Virgin Australia Regional Airlines Pty Ltd (Virgin Australia) for the purpose of airline charter flight reception and baggage transfer terminal within the Albany Regional Airport terminal.
- Virgin Australia previously occupied counter, office and baggage transfer areas within the airport terminal under a lease agreement whilst operating the Albany to Perth Regular Passenger Transport service which terminated 27 February 2016.
- Virgin Australia continues to operate a weekly charter flight service from the airport.
- The proposed licence area is approx. 265m<sup>2</sup>, located within the Albany Regional Airport terminal building which incorporates counter space of approx. 4.8m<sup>2</sup> and baggage handling areas.
- Virgin Australia have occupied the site since 27 February 2016 under a letter of agreement interim arrangement with the City of Albany.
- The recommendation proposes that Council approve the new licence to formalise the current arrangement.

**RECOMMENDATION**

**CSF228: COMMITTEE RECOMMENDATION**  
**VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council APPROVE a new non-exclusive licence to Virgin Australia Regional Airlines Pty Ltd over allocated areas within the Albany Regional Airport terminal, subject to:**

- a) Licence purpose being “Airline reception, transfer terminal baggage handling and associated airline operations’.**
- b) Total licence area being approximately 265m<sup>2</sup>, comprising approx. 4.8m<sup>2</sup> counter space and 260m<sup>2</sup> baggage handling areas.**
- c) Licence rent being \$1 on demand.**
- d) Licence term to be determined, to commence retrospective from 27 February 2016.**
- e) All costs associated with the development, preparation, execution and completion of the licence to be met by the City as a gesture of goodwill.**
- f) All costs associated with the ongoing operations of the licence area being payable by the licensee.**

**CSF228: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR SMITH**  
**SECONDED: COUNCILLOR PRICE**

**THAT the Responsible Officer Recommendation be ADOPTED.**

**CARRIED 10-0**

**CSF228: RESPONSIBLE OFFICER RECOMMENDATION**

THAT Council APPROVE a new non-exclusive licence to Virgin Australia Regional Airlines Pty Ltd over allocated areas within the Albany Regional Airport terminal, subject to:

- a) Licence purpose being “Airline reception, transfer terminal baggage handling and associated airline operations’.
- b) Total licence area being approximately 265m2, comprising approx. 4.8m2 counter space and 260m2 baggage handling areas.
- c) Licence rent being \$1 on demand.
- d) Licence term to be determined, to commence retrospective from 27 February 2016.
- e) All costs associated with the development, preparation, execution and completion of the licence to be met by the City as a gesture of goodwill.
- f) All costs associated with the ongoing operations of the licence area being payable by the licensee.

**BACKGROUND**

- 2. The City of Albany owns and operates the Albany Regional Airport located at 35615 Albany Highway, Drome Western Australia.
- 3. The Perth to Albany Regular Passenger Transport (RPT) air service was previously operated by Virgin Australia Regional Airlines (Virgin Australia) under a service agreement with the WA State Government Department of Transport (DoT).
- 4. This agreement expired on the 27 February 2016. DoT conducted a competitive tender process for the airline carrier services for the Perth to Albany RPT; Virgin Australia did not submit a tender.
- 5. Virgin Australia occupied areas within the Airport terminal under a lease agreement for its reception and administrative requirements whilst undertaking the RPT services.
- 6. Virgin Australia terminated the lease agreement with the City of Albany effective 27 February 2016 in line with the former RPT agreement for the allocated leased areas within the airport terminal, in accordance with the lease.
- 7. The lease premises were vacated on the 26 February 2016 with the ‘make good’ lease provisions undertaken in accordance with the lease.

**DISCUSSION**

- 8. Virgin Australia operates a charter flight service from Albany, operating one day per week to service “fly in fly out” airline passengers; Virgin requires counter and baggage handling facilities within the Airport terminal to facilitate the service.
- 9. The proposed licence areas will consist of charter flight reception with a counter customer service desk, exit gate counter and incoming and outgoing baggage handling areas and conveyor belt located within the terminal building.
- 10. A Passenger Handling Fee is payable by airline carriers utilising Albany Airport facilities.
- 11. The Passenger Handling Fee payable by Virgin Airlines covers their use of Albany Airport facilities including the use and rental of non-exclusive licence areas.

12. Council's Property Management - Leases and Licences Policy provides that rent for commercial leases and licences be determined by market valuation provided by a Licensed Valuer. Council is requested to consider to relax this policy provision given Virgin Australia is paying the Passenger Handling Fee.
13. Virgin Australia will meet operating expenses incurred whilst occupying the licence areas.
14. Occupation of the licence areas commenced 27 February 2016.
15. Pending determination of licence matters and due to time restraints, the City entered into an interim arrangement through a letter of agreement with Virgin Australia on the 27 February 2016 allowing for Virgin Australia to occupy the allocated licence areas prior to a Deed of Licence being formalised.
16. Staff employed by Virgin Australia are to comply with all legislation, regulations and procedures applicable to air transport and related operations and in accordance with best industry practice and any requisitions of authorities.
17. It is the City's preferred option to formalise the arrangement under Licence provisions (in lieu of a lease and licence agreement) to allow for flexibility within the terminal building, should other airline carriers require counter space areas to operate charter flights. It is noted a Deed of Licence does not grant exclusive use over an area.
18. The proposed new licence will include a provision allowing for either the City or Virgin Australia to terminate the agreement giving 6 months' notice to allow further flexibility for both parties.

#### **GOVERNMENT & PUBLIC CONSULTATION**

19. Section 3.58 of the *Local Government Act 1995* outlines 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 new licence will be advertised to comply with the requirements of Section 3.58 of the *Local Government Act 1995*.
21. Rex Airlines has been consulted and has determined the charter services to be provided by Virgin Australia Regional Airlines Pty Ltd will not impact on the services provided by Rex.

#### **STATUTORY IMPLICATIONS**

22. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including leased/licensed land and buildings including advertising requirements.
23. The Western Australia Planning Commission (WAPC) has not been consulted with regard to the proposed new licence as per Section 136 of the *Planning and Development Act*, as no comment is required from WAPC when a licence does not exceed twenty years.

## POLICY IMPLICATIONS

24. Council adopted a revised Property Management – Leases and Licences Policy in July 2015.
25. 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.
26. The recommendation is consistent with Council Policy Property Management (Leases and Licences).
27. It is recommended that Council relax the policy with regards to rental being determined by current market valuation. This is on the basis that the Passenger Handling Fee payable by Virgin Australia would include the non-exclusive licence areas occupied.

## RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Rating	Mitigation
<b>Reputation:</b> new licence not approved.	Unlikely	Moderate	Medium	Seek to negotiate terms to Council satisfaction.
<b>Reputation:</b> new licence not approved – Virgin Australia airline terminal services may be disrupted.	Unlikely	Moderate	Medium	Seek to negotiate terms to Council satisfaction.
<b>Reputation:</b> Confusion of the services being delivered between Rex Airlines and Virgin Australia	Unlikely	Moderate	Medium	Clear publication of which airline is responsible for which service.

## FINANCIAL IMPLICATIONS

29. All costs associated with the development, execution and completion of the licence documentation will be met by the City as a gesture of goodwill.
30. All costs associated with the development and ongoing operations of the licence area will be met by Virgin Australia.

## LEGAL IMPLICATIONS

31. The Deed of Licence will be prepared by City's lawyers.
32. The licence does not grant any rights of exclusive use or occupation over the land or within the licensed areas.

## ENVIRONMENTAL CONSIDERATIONS

33. There are no environmental considerations related to this report.

## ALTERNATE OPTIONS

34. Council may:
- Approve the licence; or
  - Decline the licence.
35. Should Council decline the licence, Virgin Australia will need to work with the City to find an alternate location for flight reception and baggage handling services for the charter flight services at the Albany Regional Airport. This may result in Virgin Australia being unable to deliver the airline terminal services required.

## SUMMARY CONCLUSION

36. Virgin Australia ceased operating the Perth to Albany Regular Public Transport (RPT) route effective 27 February 2016 and terminated the Deed of Lease with the City for counter and baggage handling facilities located within the Airport terminal.
37. Virgin Australia continue to operate a charter flight service from the Albany Airport and require reduced counter space and baggage handling areas to facilitate these flights.
38. Virgin Australia has occupied the site since 27 February 2016 under a letter of agreement interim arrangement with the City.
39. It is recommended that Council consider relaxing the Property Management (Leases and Licences) Policy provision for the licence rental to be determined by current market rental valuation and grant the rental proposed of \$1.00 on demand, given Virgin Australia is paying the Passenger Handling Fee.
40. To formalise this arrangement, it is recommended that the proposed new licence to Virgin Australia Regional Airlines Pty Ltd at the Albany Regional Airport terminal be supported.

<b>Consulted References</b>	:	<ul style="list-style-type: none"><li>Council Policy – Property Management (Leases and Licences)</li><li><i>Local Government Act 1995</i></li><li><i>Planning and Development Act</i></li></ul>
<b>File Number (Name of Ward)</b>	:	PRO415, A160418 (Kalgan Ward)
<b>Previous Reference</b>	:	OCM 15.12.2015 Item ED029

**CSF229: ADOPTION OF THE BUDGET REVIEW FOR THE PERIOD ENDING  
31 JANUARY 2016**

**Proponent** : City of Albany  
**Attachments** : Budget Review for the period ending 31 January 2016  
**Report Prepared by** : Business Analyst/Management Accountant (D Harrison)  
**Responsible Officer** : Executive Director Corporate Services (M Cole)

**Responsible Officer's Signature:**



**STRATEGIC IMPLICATIONS**

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

**In Brief:**

- Council is required to review and adopt the budget review for the period ending 31 January 2016.
- This review is for the period ending 31 January 2016.

**RECOMMENDATION**

**CSF229: COMMITTEE RECOMMENDATION**  
**VOTING REQUIREMENT: ABSOLUTE MAJORITY**

**THAT Council ADOPT the Budget Review for the period ending 31 January 2016.**

CSF229: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR HAMMOND  
SECONDED: MAYOR WELLINGTON

THAT the Responsible Officer Recommendation be ADOPTED.

CARRIED 10-0

CSF229: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council ADOPT the Budget Review for the period ending 31 January 2016.

## BACKGROUND

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

## DISCUSSION

4. Council adopted the 2015/2016 Budget on 28 July 2015. The total adopted budget of \$104.8 M comprised:
  - a. \$39.5 M capital works;
  - b. \$ 1.8 M debt reduction; and
  - c. \$63.5 M in operating expenditure.
5. This Budget Review identifies expenditure of \$4,847,956 for general works, variations and new projects.
6. The funding of \$4,847,956 inclusive of reduction in expenditures, adjustment of grant funding, additional revenue, reserve funding, non-cash adjustments and the movement opening funds has been identified in this review to maintain a surplus budget.
7. This budget review shows the 2015/2016 budget is in a surplus position of \$1,733.
8. A copy of the Budget Review for the period ending 31 January 2016 is attached.
9. Budget adjustments thereafter of an urgent nature will be brought to a Council Meeting as an item to be discussed when required and actioned outside of this review.

## GOVERNMENT & PUBLIC CONSULTATION

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

## STATUTORY IMPLICATIONS

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

## POLICY IMPLICATIONS

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



**RISK IDENTIFICATION & MITIGATION**

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Reputation &amp; Organisation's Operations.</b> Non approval of the budget review would result in significant delays to achieve deliverables.	Unlikely	Moderate	Medium	In the short term the existing Annual Budget would apply and proposed amendments would not apply. Adopt the Budget Review with amendments (as specified by Council).

**FINANCIAL IMPLICATIONS****BUDGET REVIEW FOR THE PERIOD ENDING 31 JANUARY 2016**

This Review Maintains Council's Budget in a Surplus Position

<b>GENERAL WORKS/VARIATIONS. (Additional Funds Required)</b>		\$ (4 847 956)
<b>FUNDED BY</b>		
- Reduction in Expenditure	1 444 534	
- Adjustment in Grant/Contributions Funding	642 247	
- Adjustment in Revenue	298 106	
- Restricted Cash Adjustments	385 460	2 770 347
<b>Balance</b>		<u>(2 077 609)</u>
- Adjustment to opening funds from forecast to actual 30 June 2015 (Being adjustments at the conclusion of the annual Audit)	(121 359)	
- Less Non Cash Adjustments	2 007 099	
- Current 15/16 Budgeted closing funds	193 602	
- Amended 15/16 Budgeted closing funds		<u>1 733</u>

**LEGAL IMPLICATIONS**

15. Nil.

**ENVIRONMENTAL CONSIDERATIONS**

16. Nil.

**ALTERNATE OPTIONS**

17. For the period ending 31 January 2016, Council may consider to:
- a. Adopt the Budget Review as recommended; or

- b. Adopt the Budget Review with amendments (as specified by Council); or

**SUMMARY CONCLUSION**

18. That the Responsible Officer's Recommendation to adopt the Budget Review for the period ending 31 January 2016 be supported.

<b>Consulted References</b>	:	Adopted Budget 2015/2016 <a href="#"><u>Local Government Act 1995</u></a>
<b>File Number (Name of Ward)</b>	:	FM.BUG.2
<b>Previous Reference</b>	:	Annual Budget – OCM 28/07/2015 Resolution CSF183

## WS101: ALBANY ARTIFICIAL SURF REEF FEASIBILITY & SCOPING STUDY

Land Description	: Middleton Beach
Proponent / Owner	: City of Albany
Attachments	: <ul style="list-style-type: none"><li>• Albany Artificial Surfing Reef Feasibility Study (Executive Summary)</li><li>• Albany Artificial Surf Reef Community Engagement Report</li><li>• <i>Commercial-in-Confidence: Albany Artificial Surfing Reef Feasibility Study (Full Report)</i></li><li>• Middleton Beach Surf Reef Feasibility Study – ICM and Report Appendices dated 18/02/2003.</li><li>• PRDW Middleton Beach Artificial Reef Summary Memo Exec Summary - Rev 01 12 June 2013</li></ul>
Supplementary Information & Councillor Workstation	
Report Prepared By	: Manager Major Projects (A McEwan)
Responsible Officer:	: Executive Director Works & Services (M. Thomson)

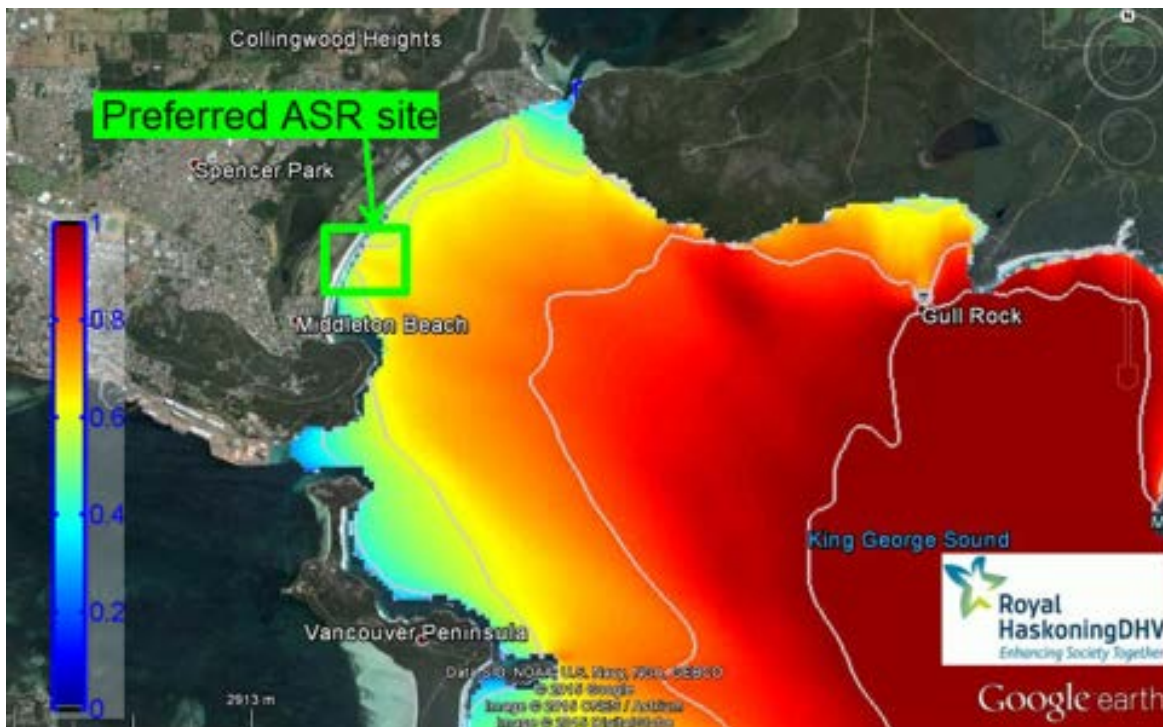
Responsible Officer's Signature:



### STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
  - a. **Key Theme:** 4. A Sense of Community
  - b. **Strategic Objectives:** 4.3 To develop and support a healthy, inclusive and accessible community.
  - c. **Strategic Initiatives:** 4.3.1 Develop a range of activities and facilities that are appropriate for all ages.

### Maps and Diagrams:



**In Brief:**

- The City of Albany commissioned a feasibility study for the creation of an Artificial Surf Reef at Middleton Beach.
- Council is requested to review and consider the Albany Artificial Surfing Reef Feasibility & Scoping Study.
- Community survey results revealed overwhelming support for the project.
- Council consideration of the completed study is sought in advance of the 2016/2017 budget to fund the development of a business case and commence environmental approvals to enable the project to progress should funding opportunities arise.

**RECOMMENDATION**

**WS101: COMMITTEE RECOMMENDATION  
VOTING REQUIREMENT: SIMPLE MAJORITY**

**THAT Council:**

1. **SUPPORT** the Middleton Beach Artificial Surf Reef project in principle.
2. **RECEIVE** the Middleton Beach Artificial Surf Reef Feasibility & Scoping Study acknowledging the valuable support of the community, in particular, the volunteer members of the Steering Group.
3. **NOTE** that the Middleton Beach Artificial Surf Reef Project will be presented for consideration in the 2016/2017 budget for the following:
  - (a) *To undertake the business research phase. This phase would deliver a business case including funding strategies, return on investment business models, and how the project would be sustainable as an economic investment once installed and in the long term; and*
  - (b) *To progress the environmental approvals process.*

**WS101: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR MOIR**

**SECONDED: COUNCILLOR HOLLINGWORTH**

**THAT the Responsible Officer Recommendation be ADOPTED.**

**CARRIED 6-0**

**WS101: RESPONSIBLE OFFICER RECOMMENDATION**

**THAT Council:**

1. **SUPPORT** the Middleton Beach Artificial Surf Reef project in principle.
2. **RECEIVE** the Middleton Beach Artificial Surf Reef Feasibility & Scoping Study acknowledging the valuable support of the community, in particular, the volunteer members of the Steering Group.
3. **NOTE** that the Middleton Beach Artificial Surf Reef Project will be presented for consideration in the 2016/2017 budget for the following:
  - (a) *To undertake the business research phase. This phase would deliver a business case including funding strategies, return on investment business models, and how the project would be sustainable as an economic investment once installed and in the long term; and*
  - (b) *To progress the environmental approvals process.*

## BACKGROUND

2. The local Albany surfing community have been advocating for an artificial surf reef for over a decade. A series of comprehensive reports have been privately undertaken in relation to the creation of an artificial surf reef in Albany.
3. As a response from community and the Council, the City of Albany included an allocation in the 2015/2016 budget to investigate further feasibility studies into the proposed artificial surf reef at Middleton Beach. A previous study was undertaken in 2003, and was laid on the table with a recommendation to seek funding, mitigate environmental works through further scientific studies on coastal protection, and develop a more robust feasibility study considering the environmental impacts.
4. On 12 February 2015 an Albany Artificial Surf Reef Steering Group was established. The Steering Group's role was to guide and monitor project development against identified objectives and provide guidance to the consultant engaged to develop the Feasibility and Scoping Study including development of the vision, scope and methodology.
5. The Steering Group consisted of volunteer community members and City of Albany representatives with six (6) Steering Group meetings held over the course of the year.
6. In March 2015 Royal Haskoning DHV (RHDHV) was engaged by the City of Albany to investigate the feasibility of developing an Artificial Surfing Reef at Middleton Beach.
7. RHDHV have specialised almost exclusively in the coastal and maritime space and are considered a world leader in this technical area as well as one of the top two coastal and maritime modelling and design consultants worldwide.
8. City staff, consultants and key stakeholders through the Steering Group, and one on one meetings, were part of the feasibility study process. The primary objective developed by the Steering Group was:  
*"The creation of a consistent, surfable wave, which maximises available swell conditions and is central to Albany, driving benefits in tourism, economic development and retention of Albany's younger age demographic."*
9. RHDHV presented a significant amount of scientific and technical studies and subsequent preliminary design options to the Steering Group. This work was produced as a result of months of comprehensive data compilation and modelling analysis.
10. The Feasibility and Scoping Study prepared by the specialist consultant team has been developed taking into consideration; recreational amenity and performance, direct and indirect ecological and environmental impacts, approvals process, constructability and an order of costs. The preferred option that met the objectives of the brief is detailed in the Executive Summary of the final report.
11. The information received as a result of this commission is an invaluable resource for any future coastal adaption and protection works outside of this specific project and is not considered sacrificial.

## DISCUSSION

12. A community survey was undertaken. The public comment period was held from 17 September to 30 September 2015. It was extended due to public feedback requesting an extension until 20 November (open for 65 days).
13. The City of Albany received a total of 732 feedback documents, the largest response for any City of Albany community survey undertaken to date, which included:
  - 728 surveys;
  - 4 submissions, 3 of those from individuals and 1 from a representative organisation; and
  - Social media conversations was shared by 12 pages, attracting 78 comments.

14. Community survey results revealed 90% support for the creation of an Artificial Surf Reef at Middleton Beach.
15. City of Albany staff and the Steering Group reviewed the survey submissions (including written and email responses). The following key points summarise community feedback:
  - The respondents believe that the Artificial Surf Reef would have many additional social and economic benefits for broader Albany community an increase in activities for young people and an increase in visitors to the region through tourism.
  - Environmental and financial challenges exist.
  - There was a sense that the community have been waiting for over a decade for the idea to come to fruition. A definitive answer is required.
  - Suggestion to expand the Steering Group's scope to plan and investigate a business case, including advocating for funding, demonstrating economic and social development benefits to the region including undertaking research to demonstrate the social cohesion and recreation benefits to the Albany community to support funding opportunities.
16. The progression of a business research phase will assist in determining funding strategies, return on investment business models, and how the project would be sustainable as an economic investment once installed in the long term.
17. The approvals process can be lengthy given the data required to satisfy the various Acts. Early liaison with approval authorities and other stakeholders is recommended in order to enable the project to be progressed if an opportunity is to arise..
18. Approval requirements include the need to:
  - Develop an understanding of baseline coastal processes;
  - Develop an understanding of seagrass distribution at Middleton Beach;
  - Develop a long term management plan in relation to sea dumping (*Environmental Protection Sea Dumping Act 1981*); and
  - Undertake stakeholder engagement.
19. The information collated as a result of the approvals will contribute to the City's understanding of our coastal processes and benefit studies undertaken as part of the Emu Point to Middleton Beach Coastal monitoring.
20. The study is subject to a detailed design phase to determine exact requirements for the project implementation. Optimisation of the design, including the possibility to shift the proposed artificial reef structure shoreward, may result in cost savings to the estimated \$8-11million implementation estimate.

## GOVERNMENT & PUBLIC CONSULTATION

21. **Government:** The City has undertaken consultation and engagement with key government stakeholders (Department of Transport & Southern Ports Authority). Both these authorities together with Grange Resources have provided large amounts of research data and information related to the coastal environment to the City.
22. The Department of Fisheries were also provided a briefing on the project scope.
23. **City of Albany:** The Steering Group has representation from across the City of Albany including the Major Projects Team, Community Services, Works & Services, Economic & Tourism Development, and Planning & Development Services. The Steering Group has been led by the Manager of Major Projects.

24. **Key Community Groups:** The Steering Group has representation from key community user groups including the Albany Surf Life Saving Club, Middleton Beach Group, Surfing WA, and the Albany Boardriders,
25. A briefing on the project scope (only) was also given to representatives of UWA, Friends of Emu Point and the City of Albany's Let's Chat Focus Group, facilitated by the Manager Stakeholder Relations.
26. **Broad Community:** The City of Albany has undertaken a number of broad community engagement activities including public submission period (survey).

## STATUTORY IMPLICATIONS

27. The voting requirement of Council is to be **Simple Majority**.

## POLICY IMPLICATIONS

28. Should the project be supported and funding become available, Federal and State policies would apply to the project implementation.
29. The Artificial Surf Reef will be considered for inclusion in the City's Sport & Recreation Futures Plan.

## RISK IDENTIFICATION & MITIGATION

30. The risk identification and categorisation relies on the City's Enterprise Risk Management Framework 2014.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Reputation.</b> <i>If feasibility Study is not supported by Council to commence further studies the project cannot be progressed.</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>City officers will address concerns and resubmit for Council approval.  Note: (Supporting documentation, referenced in this report).</i>
<b>Reputation.</b> <i>The completed Feasibility Study raises community expectations that the artificial surf reef will be implemented.</i>	<i>Likely</i>	<i>Major</i>	<i>High</i>	<i>Clearly articulate Council's rational for decision.  Develop a media and Communication Strategy to manage community expectations.</i>

## FINANCIAL IMPLICATIONS

31. Council funding in the 2016/2017 budget will be sought for the development of a business case. Funds would be in the order of \$15,000 - \$20,000. Quotes are currently being sought as a guide.
32. Council funding in the 2016/2017 budget is sought for the commencement of the approvals process. Funds would be in the order of \$60,000.
33. Note that with Council support, the City would look to commence funding advocacy for the implementation of the Middleton Beach Artificial Surf Reef.

## LEGAL IMPLICATIONS

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

## ENVIRONMENTAL CONSIDERATIONS

35. The Albany Artificial Surf Reef Feasibility Study identifies the following:

### Benefits:

- Environmental Benefits – the creation of the rock structure in an area largely devoid of similar substrate and seagrass materials is likely to significantly enhance marine ecology in and around the reef.
- Societal benefits – increasing the areas available for recreational activity.

36. The report recommends that early approval processes are undertaken to:

- Develop an understanding of baseline coastal processes
- Develop an understanding of seagrass distribution at Middleton Beach

### Impacts:

37. The feasible design has been developed to minimise any impact on the existing coastline and coastal processes.

*Note: Potential environmental impacts can be addressed through data collection to develop an understanding of the coastal processes and impacts at the project site.*

38. The project will be subject approvals under the following legislation:

- *Environmental Protection Act 1986;*
- *Environmental Protection and Biodiversity Conservation Act 1999;*
- *Environment Protection - Sea Dumping Act 1981.*

## ALTERNATE OPTIONS

39. Council may chose not to SUPPORT the Albany Artificial Surfing Reef Feasibility & Scoping Study.

## CONCLUSION

40. The community response revealed overwhelming support for the project.

41. In line with the community feedback the City recommends to continue with a research business phase to ensure the potential implementation of this project would have positive impacts to retain youth and be an economic driver for tourism into the future.

42. In line with community feedback, the City would like to continue with data collection in relation to the approvals process to ensure any potential environmental impacts are addressed and satisfy community concern.

43. Council support of the Artificial Surfing Reef Feasibility & Scoping Study completes the community engagement process.

44. Support of the Artificial Surfing Reef Feasibility & Scoping Study will allow funding advocacy to commence and improve the community's confidence in the City's ability to deliver recreational projects that contribute to Albany's liveability and reputation as one of WA's key tourism destinations.

<b>Consulted References</b>	:	<ul style="list-style-type: none"> <li>• <i>Local Government Act 1995</i></li> <li>• Commercial-in-Confidence: Albany Artificial Surfing Reef Feasibility Study</li> <li>• Middleton Beach Surf Reef Feasibility Study – dated 18/12/2003</li> <li>• Community Engagement Report</li> <li>• Middleton Beach Artificial Reef Summary Memo (A003/01/03) – Executive Summary</li> </ul>
<b>File Number (Name of Ward)</b>	:	EM.PLA.28 (Breaksea Ward)
<b>Previous Reference</b>	:	<ul style="list-style-type: none"> <li>• <i>2015/2016 City Adopted Budget</i></li> <li>• <i>Strategic Briefing Presentation dated 23/06/2015</i></li> </ul>



**WS102: INCREASED DELEGATED AUTHORITY TO CHIEF EXECUTIVE OFFICER TO AWARD SPECIFIC TENDERS – CENTENNIAL PARK SPORTING PRECINCT**

<b>Land Description</b>	: Centennial Park Sporting Precinct
<b>Proponent</b>	: City of Albany
<b>Owner</b>	: City of Albany
<b>Report Prepared By</b>	: Manager City Engineering (D King)
<b>Responsible Officer(s):</b>	: Executive Director Works & Services ( M Thomson)

**Responsible Officer's Signature:**



**STRATEGIC IMPLICATIONS**

1. This item relates to the following elements of the [City of Albany Strategic Community Plan 2023](#) and Corporate Business Plan 2014-2018:
  - a. **Key Theme:** 2. Clean Green & Sustainable.
  - b. **Strategic Objective:** 2.2. To maintain and renew City assets in a sustainable manner.
  - c. **Strategy:** 2.2.1. Deliver effective asset planning and delivery programs.

**In Brief:**

- Delegated authority is sought for the CEO to award specific tenders, up to the value of \$1 million, for the Centennial Park Sporting Precinct.

**RECOMMENDATION**

**WS102: COMMITTEE RECOMMENDATION  
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

**THAT Council:**

1. **AUTHORISE** the CEO under delegated authority, subject to tenders being less than \$1 million in value, and no more than fifteen percent above the City's quantity surveyors estimate, to award the following tenders:
  - C16005 - Supply and Installation of Irrigation for Centennial Park Eastern Precinct; and
  - C16006 - Supply and Installation of Sports Lighting for Centennial Park Eastern Precinct
2. **NOTE** that the Executive Director Works & Services will provide a confidential briefing note prior to award of tenders and a formal report will be presented for Council to note following award.

**WS102: COMMITTEE RECOMMENDATION**

**MOVED: COUNCILLOR STOCKS**

**SECONDED: COUNCILLOR SMITH**

**THAT Council:**

1. AUTHORISE the CEO under delegated authority, subject to tenders being less than \$1 million in value, and no more than fifteen percent above the City's quantity surveyors estimate, to award the following tenders:
  - C16005 - Supply and Installation of Irrigation for Centennial Park Eastern Precinct; and
  - C16006 - Supply and Installation of Sports Lighting for Centennial Park Eastern Precinct
2. NOTE that the Executive Director Works & Services will provide a confidential briefing note prior to award of tenders and a formal report will be presented for Council to note following award.

**CARRIED 6-0**

**WS102: AMENDED MOTION BY COUNCILLOR STOCKS**

**MOVED: COUNCILLOR STOCKS**

**SECONDED: COUNCILLOR SMITH**

**THAT the Responsible Officer Recommendation be AMENDED to read for point 1 as follows:**

1. AUTHORISE the CEO under delegated authority, subject to tenders being less than \$1 million in value, **and no more than fifteen percent above the City's quantity surveyors estimate**, to award the following tenders:

**CARRIED 6-0**

**WS102: RESPONSIBLE OFFICER RECOMMENDATION**

**THAT Council:**

1. AUTHORISE the CEO under delegated authority, subject to tenders being less than \$1 million in value, to award the following tenders:
  - C16005 - Supply and Installation of Irrigation for Centennial Park Eastern Precinct; and
  - C16006 - Supply and Installation of Sports Lighting for Centennial Park Eastern Precinct
2. NOTE that the Executive Director Works & Services will provide a confidential briefing note prior to award of tenders and a formal report will be presented for Council to note following award.

## **BACKGROUND**

2. The Centennial Park Sporting Precinct (CPSP) is an ongoing project tied to various funding agreements with execution timetables related to funding conditions and other practical issues around programming of sporting clubs.
3. Works in the Western Precinct are well underway with the sporting field construction complete and awaiting final commissioning of the sports field lighting in March 2016. The cricket and soccer pavilion is in progress.
4. Works in the Eastern precinct have commence with demolition and earthworks underway and the commencement of the main stadium imminent.
5. The majority of the civil works are being undertaken using City of Albany plant and staff resources, combined with contractor supply and delivery of construction materials and plant hire. Discrete separate packages of work have been tendered where works are outside the City's in house capacity.
6. Utilising this approach has accelerated the construction timeframe.

## **DISCUSSION**

7. The CPSP construction phase covers an eighteen month to two year period from July 2015 to December 2016, enabling the City to access a total of \$22,527,771 in funding for the construction/upgrade of CPSP of which \$1,901,771 has been spent to date on Railways Oval and Multi Use Playing field.
8. The City of Albany intends to commence construction in the Eastern Precinct in particular the stadium field in March 2016. The works will involve the procurement of services of irrigation electrical contractors.
9. The two specific tenders are:
  - o C16005 - Supply and Installation of Irrigation for Centennial Park Eastern Precinct; and
  - o C16006 – Supply and Installation of Sports Lighting for Centennial Park Eastern Precinct
10. Due to construction sequences it is important to commence these works at the earliest possible time, to ensure practical completion in accordance with funding requirements and to minimise disruption to the sporting clubs affected by the works.
11. As the tender process requires advertising for submissions, a closing date for submissions of at least a month, review of the documentation, and then Council approval before any contract can be awarded, it is considered prudent to maximise the timeframe for completion of the practical works by seeking a specific delegated authority approval for the CEO to award the tenders
12. To ensure the works can be completed through this period and comply with the designated funding deadline, specific Council approval is sought for the CEO to assess and award the tenders for this project. The value of the tender is expected to be in excess of \$500,000, which is above the current level for delegated authority for the CEO.
13. The standard tender process will apply, ensuring the necessary accountability and transparency when considering submissions. The tender is evaluated using the weighted attributes methodology. This method scores the evaluation criteria and weights their importance to determine an overall point score for the tender.
14. City staff will provide a report to Council following the award for noting.

## **GOVERNMENT & PUBLIC CONSULTATION**

15. All relevant Government departments including Department of Environment Regulation, Department of Indigenous Affairs and SWALSC have been consulted on the project.
16. Requests for tenders will be published in the West Australian and the Great Southern Weekender for each project to ensure compliance with the tender regulations.

## STATUTORY IMPLICATIONS

17. Regulation 11 of the *Local Government (Functions and General) Regulations 1996 (Regulations)* requires Council to publicly tender if the contract is, or is expected to be, more, or worth more than \$100,000.
18. Regulation 18 of the Regulations outlines a number of requirements relating to choice of tender. Council is to decide which of the acceptable tenders is the most advantageous to Council. It may also decline to accept any tender.
19. Regulation 19 of the Regulations requires Council to advise each tenderer in writing of Council's decision.
20. In accordance with the provisions of the *Local Government Act 1995*, section 5.42, the Council may delegate to the Chief Executive Officer any of its powers other than those referred to in section 5.43.
21. Voting requirement for this item is **Absolute Majority**.

## POLICY IMPLICATIONS

22. The City of Albany Tender Policy and Regional Price Preference Policy are applicable to this item.
23. Council has delegated CEO up to \$1 million.

## RISK IDENTIFICATION & MITIGATION

24. The risk identification and categorisation relies on the City's [Enterprise Risk Management Framework](#).

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<b>Organisation's Operations.</b> Delay in project delivery due to tender process timeframe.	Possible	Major	High	Reduce process timeframe by providing increased CEO delegated authority.

## FINANCIAL IMPLICATIONS

25. The financial implications of the tenders will be assessed at the time of evaluation. It is expected that tenders will be beneath budget estimates, however if there are issues then Council will be briefed prior to award.

## LEGAL IMPLICATIONS

26. There are no legal implications associated with this item.

## ENVIRONMENTAL CONSIDERATIONS

27. There are no environmental issues relating this item.

## ALTERNATE OPTIONS

28. Council can follow the usual tender process however this will result in some delay to the project.

## SUMMARY CONCLUSION

29. Increased CEO delegated authority is sought from Council to award the Centennial Park Sporting Precinct Project Tender C16005 and C16006 to enable the Centennial Park Sporting Precinct project to progress in a timely manner.
30. This report recommends that the CEO be given delegated authority to award these specific tenders.

<b>Consulted References</b>	:	<i>Local Government Act 1995</i> <i>Local Government (Functions and General) Regulations 1995</i> Council Policy – Purchasing Council Policy – Buy Local (Regional Price Preference)
<b>File Number (Name of Ward)</b>	:	RD.DEC.43
<b>Previous Reference</b>	:	OCM 26/05/2015 Report Item CSF169 (Delegations)

14. **NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF COUNCIL**
15. **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN Nil**
16. **REPORTS OF CITY OFFICERS**
17. **MEETING CLOSED TO PUBLIC**
18. **CLOSURE**