



BRIEFING AND MEETING AGENDA

**For the Ordinary Meeting of Council
To be held on
Tuesday, 19 April 2011
7.00pm
City of Albany Council Chambers**

ORDINARY COUNCIL MEETING & BRIEFING
 AGENDA – 19/04/2011
 ** REFER DISCLAIMER **

TABLE OF CONTENTS

	Details	Pg#	
I.	DECLARATIONS OF OPENING	3	
II.	OPENING PRAYER	3	
III.	ANNOUNCEMENTS BY MAYOR AND COUNCILLORS WITHOUT DISCUSSION	3	
IV.	RESPONSE TO PREVIOUS UNANSWERED QUESTIONS FROM PUBLIC QUESTION TIME	3	
V.	PUBLIC QUESTION AND STATEMENT TIME	3	
VI.	RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED	4	
VII.	APPLICATIONS FOR LEAVE OF ABSENCE	4	
VIII.	CONFIRMATION OF MINUTES OF PREVIOUS MEETING	5	
IX.	DECLARATIONS OF INTEREST	6	
XI.	PETITIONS, DEPUTATIONS AND PRESENTATIONS.	7	
XII.	ADOPTION OF RECOMMENDATIONS EN BLOC	7	
XIII.	REPORTS		
1.0	REPORTS-PLANNING AND DEVELOPMENT SERVICES		
1.1	Final Adoption of Draft Local Planning Policy Manual	8	22
1.2	Scheme Amendment Request (SAR146)-Lot 5241, 207 Bon Accord Road, Kalgan	23	32
1.3	Parking Facilities-Restricted Parking Griffiths/Hope Streets, Collingwood Park	33	37
1.4	Amendment to Planning Processes Guidelines	38	42
2.0	REPORTS-CORPORATE & COMMUNITY SERVICES		
2.1	List of Accounts for Payment ending 25 March 2011	43	44
2.2	Financial Activity Statement-March 2011	45	58
2.3	South Coast Natural Resource Management Inc-Surrender and New Lease With Sublease at 39 Mercer Road, Walmsley	59	66
2.4	Western Australian Museum-Surrender and New Lease with Sublease over Portion of Reserve 4156	67	73
2.5	Request to Adopt Third Quarter 2011/11 Budget Review	74	76
2.6	Re-Financing of Maturing Loa	77	80
3.0	REPORTS – WORKS & SERVICES		
3.1	Bluff/Nelson/Bathurst Streets Local Area Traffic Management Study	81	84
3.2	Proposed Closure of Portion of Norman’s Beach Road and Amalgamation with Reserve 2031	85	89
3.3	Proposed Rural Waste Facilities Pass System for 2011/12	90	92
3.4	\$1.4 Billion Regional Development Assistance Grant Funding Application	93	99
3.5	Widening of Henry Street from Lot 6821 Henry Street, Milpara	100	104

ORDINARY COUNCIL MEETING & BRIEFING

AGENDA – 19/04/2011

** REFER DISCLAIMER **

4.0	REPORTS-OFFICE OF THE CEO		
4.1.1	Local Emergency Management Committee Minutes 1 December 2010	105	
4.1.2	Airport Emergency Management Committee Minutes 1 December 2010	106	
4.1.3	Seniors Advisory Committee Meeting Minutes 17 February 2011	107	
4.2	Constitutional Recognition of Local Government	108	112
4.3	Audit Committee Meeting Recommendations-1 March 2011	113	115
4.4	Planning and Building Reports March 2011	116	
4.5	Common Seal Reports March 2011	117	
4.6	WALGA Roadwise Program	118	121
XIV.	MOTIONS OF WHICH NOTICE WAS GIVEN AT THE PREVIOUS MEETING		
XV.	URGENT BUSINESS APPROVED BY DECISION OF THE MEETING.		
XVI.	REQUEST FOR REPORTS FOR FUTURE CONSIDERATION		
XVII.	ANNOUNCEMENT OF NOTICES OF MOTIONS TO BE DEALT WITH AT THE NEXT MEETING		
17.1	Revocation Motion by Councillor Leavesley	122	124
XVIII.	ITEMS TO BE DEALT WITH WHILE THE MEETING IS CLOSED TO MEMBERS OF THE PUBLIC		
XIX.	NEXT ORDINARY MEETING DATE		
XX.	CLOSURE OF MEETING	124	

I. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

II. OPENING PRAYER

“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.”

ITEM 2.0: MOTION 1

- 1. THAT Standing Order 3.1 be SUSPENDED to allow recording of proceedings.**
- 2. THAT Standing Order 4.2(4)-Seating at Meetings of Council-be SUSPENDED to allow CEO Faileen James to be seated on the Mayor’s right.**

ITEM 2.0: MOTION 2

Voting Requirement: Simple Majority

THAT the City of Albany Organisational Risk Management Framework, which will be used as a Reference Document for the “Risk Identification and Mitigation” Section for all Papers in the Agenda, be RECEIVED.

III. ANNOUNCEMENTS BY MAYOR AND COUNCILLORS WITHOUT DISCUSSION

ITEM 3.0: MOTION

The Mayor’s Report be RECEIVED.

IV. RESPONSE TO PREVIOUS UNANSWERED QUESTIONS FROM PUBLIC

At the Ordinary Council Meeting held on 15 March 2011, two questions were received during Public Question and Statement time from Mr Neil Smithson. Responses to these questions are currently being prepared by City staff and will be distributed to Mr Smithson.

V. PUBLIC QUESTION AND STATEMENT TIME

Each person asking questions or making comments at the Open Forum will be **LIMITED** to a time period of **4 MINUTES** to allow all those wishing to comment an opportunity to do so.

VI. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Mayor	MJ Evans
Councillors:	
Breaksea Ward	R Hammond
Breaksea Ward	J Bostock
Frederickstown Ward	Vacant
Frederickstown Ward	D Wellington
Kalgan Ward	C Holden
Kalgan Ward	M Leavesley
West Ward	D Wolfe
West Ward	D Dufty
Yakamia Ward	R Sutton
Yakamia Ward	J Matla
Vancouver Ward	D Bostock
Vancouver Ward	R Paver
Staff:	
Chief Executive Officer	F James
A/Executive Director Corporate Services	P Wignall
Change Management Leader Community Services	L Hill
Executive Director Works & Services	K Ketterer
Executive Director Planning & Development Services	G Bride
Minutes	J Williamson

Apologies:

VII. APPLICATIONS FOR LEAVE OF ABSENCE

VIII. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

ITEM 8.0: MOTION 1

THAT the minutes of the Ordinary Council Meeting held on 15 March 2011, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

ITEM 8.0: MOTION 2

THAT the minutes of the Special Council Meeting held on 5 April 2011, as previously distributed, be CONFIRMED as true and accurate record of proceedings.

ORDINARY COUNCIL MEETING & BRIEFING
AGENDA – 19/04/2011
** REFER DISCLAIMER **

IX. DECLARATIONS OF INTEREST

Name	Item Number	Nature of Interest

**X. IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY SIT BEHIND
CLOSED DOORS**

XI. PETITIONS, DEPUTATIONS AND PRESENTATIONS

Nil.

XII. ADOPTION OF RECOMMENDATIONS EN BLOC

1.1: ADOPTION OF DRAFT LOCAL PLANNING POLICY MANUAL

- Proponent** : City of Albany
Attachments : Schedule of Submissions
Councillor Workstation : Final Draft Local Planning Policy Manual (April 2011) – electronic copy available on request (hard copy at North Road Administration Building and Library)
Responsible Officer : E/Director Planning & Development Services (G Bride)

IN BRIEF

- Consider the adoption of the draft local planning policy manual, which seeks to consolidate and modernise Council's town planning policy framework.

ITEM 1.1: RESPONSIBLE OFFICER RECOMMENDATION 1

THAT Council pursuant to Clause 7.21 of Town Planning Scheme No. 1A and Clause 6.9 of Town Planning Scheme No. 3, resolves to ADOPT the Local Planning Policy Manual (April 2011) incorporating those modifications to the advertised version as identified in the attached Schedule of Submissions and Paragraphs 31, 47 and 48 of the officer's report.

ITEM 1.1: RESPONSIBLE OFFICER RECOMMENDATION 2

THAT Council RESCINDS the following policies pursuant to Clause 7.21 of Town Planning Scheme No. 1A and 6.9 of Town Planning Scheme No. 3:

- Detailed Area Plans Policy (incorporated into manual);
- Outbuildings Policy (incorporated into manual);
- Public Open Space Contribution Policy (incorporated into manual);
- Residential Density Code Policy (split into different policies and incorporated into manual);
- Sea Containers/Relocatable Storage Units (incorporated into manual);
- Signs, Hoardings & Bill Posting (incorporated into manual);
- Sloping Land Policy (incorporated into manual);
- Development Guidelines – Scheme 1A (incorporated into manual);
- Development Guidelines – Scheme 3 (incorporated into manual);
- Coastal Lot Privacy Policy (Not required R-Codes have introduced privacy criteria);
- Off-Site Verge Cash-in-Lieu Parking Policy (incorporated into manual under Albany Town Centre Policy);

CEO:

RESPONSIBLE OFFICER:

ITEM 1.1: RESPONSIBLE OFFICER RECOMMENDATION 2 (continued)

- **Masts, Aerials and Flagpoles (Not required, refers to old technology – to be reviewed in future);**
- **Extractive Industry Guidelines (incorporated into manual);**
- **Down Road Noise and Hazard Policy (incorporated into manual);**
- **Albany Historic Town Design Policy (split into two policies and incorporated into manual);**
- **RAAFA Aged Persons Village Design Guidelines (Not required – project developed);**
- **Albany Airport (ANEF) Noise Buffer Policy (incorporated into manual);**
- **Development Guide Plan for Lot 1274 Albany Highway (Not required – project developed);**
- **Lake Seppings Drive, Loftie Street and Wright Street (incorporated into manual);**
- **Special Rural Area 1C – Special Provisions (incorporated into manual);**
- **Gull Rock Road (Alternative Subdivision Guide Plan) (incorporated into manual);**
- **Lot 5 Rufus Street, Milpara (Not required – original Guide Plan within Scheme to be used);**
- **Masonic Hall Design Guidelines (incorporated into manual);**
- **La Perouse Court (Alternative Subdivision Guide Plan) (incorporated into manual);**
- **Reflective Building Materials in Goode Beach (incorporated into manual);**
- **Richard Street Industrial Policy (incorporated into manual);**
- **Seppings Street Design Guidelines Policy (Not required – development complete);**
- **Speedway Noise Buffer Policy Area (incorporated into manual);**
- **Albany Design Guidelines (Not required - provisions inserted into Albany Historic Town Design Policy and aspects relating to restoration of heritage buildings placed in new information sheet);**
- **The Outlook (incorporated into manual);**
- **Thomas Street (Old Surrey Guidelines) (incorporated into manual);**
- **Barker Road Industrial Policy (incorporated into manual);**
- **Melville Drive View Policy (incorporated into manual);**
- **Woodrise Estate Design Guidelines (incorporated into manual);**
- **Lot 201 and 202 Pony Club Road (Alternative Subdivision Guide Plan) (incorporated into manual);**
- **Lots 104 and 105 Willyung Road (Alternative Subdivision Guide Plan) (incorporated into manual); and**
- **Subdivision and Development – Frenchman Bay Road (incorporated into manual).**

ITEM 1.1: RESPONSIBLE OFFICER RECOMMENDATION 3

THAT Council **ADVERTISES** by way of public notification the adoption of the Local Planning Policy Manual and the rescission of the above policies pursuant to Clause 7.21 of Town Planning Scheme No. 1A and Clause 6.9 of Town Planning Scheme No. 3.

ITEM 1.1: RESPONSIBLE OFFICER RECOMMENDATION 4

THAT in relation to Policy 2G (Significant Tourist Development Sites), Council **AGREES** to amend its Tourist Accommodation Planning Strategy to ensure consistency between the new policy position and the Strategy.

ITEM 1.1: RESPONSIBLE OFFICER RECOMMENDATION 5

THAT Council **NOTES** that the Catalina Central Planning Framework, the Albany Waterfront Precinct Plan and Structure Plan, the Station, Western and Mount Lockyer Precinct Heritage Guidelines and the Stirling Terrace Conservation Plan, as previously adopted, will be retained as individual policies in their own right.

BACKGROUND

1. Since the gazettal of the City of Albany Town Planning Scheme's 1A and 3 in the early 1980's, there has been over 150 documents adopted by Council as policies under the provisions of the relevant Schemes.
2. Over the past five years staff have continually reviewed these policy documents and have rescinded many of these policies as they have become updated or contemporary planning practice has necessitated the need for a new policy direction.
3. In recent times many Council's across Australia have sought to combine their planning policies into a consolidated manual in order to deliver a clear and concise planning document. Such manuals typically include several broad policy areas, with more specific policies contained within each grouping.
4. A draft Local Planning Policy Manual was prepared for Council's consideration at its meeting dated 14 December 2010, whereby Council resolved:
 - "1. *The draft Local Planning Policy Manual (Second Draft - November 2010) be ADOPTED for the purposes of advertising in accordance with Clause 6.9 of Town Planning Scheme No. 3 and Clause 7.21 of Town Planning Scheme No. 1A, subject to the following modifications:*
 - A. *Policy 2K (Domestic Wind Turbines) be amended to identify the maximum acceptable height for pole or tower mounted domestic wind turbines at 6 metres*

for residential and tourist residential zoned areas, and that roof mounted turbines are no higher than 2 metres above the apex of the roof on which it is mounted.

- B. Policy 2F (Holiday Homes) be amended to include the localities of Little Grove and Goode Beach into Figure A – Preferred Areas for Holiday Homes.*
2. *The policy manual be ADVERTISED for public comment for an extended period of 42 days (in lieu of 21 days) to allow additional consultation during the upcoming Christmas and New Year period.”*
5. The format (contents) of the draft Local Planning Policy (LPP) Manual is as follows (note that those policies in red are new or have been substantially modified):

LPP No. 1 – Conceptual District Structure Plan

LPP No. 2 – General Development Policy

- A. Outbuildings
- B. Signs
- C. Sea Containers
- D. Ancillary Accommodation
- E. Bed and Breakfast
- F. Holiday Homes
- G. Significant Tourist Accommodation Sites (draft considered by Council in August 2010)
- H. Temporary Accommodation
- I. Heritage Protection
- J. Public Open Space
- K. Domestic Wind Turbines

LPP No. 3 – Residential Development Policy

- A. Variations to Residential Design Codes
- B. Relocated Dwellings
- C. Consulting Rooms, Public Worship and Childcare

LPP No. 4 – Commercial and Industrial Development Policy

- A. Alfresco Dining
- B. Public Art
- C. Restricted Premises
- D. Building Facades in Industrial Zones

LPP No. 5 – Rural and Environment Policy

- A. Grouped Dwellings on Rural Land
- B. Chalets
- C. Workers Accommodation
- D. Extractive Industries and Mining
- E. Development in Flood Prone Areas
- F. Agricultural Protection and Subdivision

LPP No. 6 – Special Development Control Areas (Residential)

- A. Residential Development on Steep Sites
- B. Albany Historic Town Design Policy
- C. Detailed Area Plans
- D. Sloping Land
- E. Reflective Roofs in Goode Beach
- F. The Outlook Estate
- G. Masonic Hall Design Guidelines
- H. Thomas Street Design Guidelines
- I. Melville Drive View Corridor
- J. Woodrise Estate
- K. Lot 100 Grey Street East**
- L. Pines Estate Setbacks
- M. Frenchman Bay Road Residential Development Area
- N. Lake Seppings Drive/Wright and Loftie Street
- O. Modifications to Subdivision Guide Plans
- P. South Lockyer Structure Plan
- Q. Little Grove Structure Plan

LPP No. 7 – Special Development Control Areas (Non-Residential)

- A. Airport Buffer
- B. Speedway Buffer
- C. Timewell Road Waste Water Treatment Buffer
- D. Albany Port Buffer
- E. Barker Road Industrial Area
- F. Richard Street Light Industrial Area
- G. Down Road Timber Processing Precinct
- H. Marbellup Brook Water Resource Protection Area
- I. Albany Town Centre**
- J. Albany Waterfront
- K. Centennial Park Redevelopment Area
- L. Neighbourhood Centres
- M. Middleton Beach Tourist Precinct
- N. Frenchman Bay Tourist Site
- O. Woolstores Redevelopment Site
- P. Emu Point and Big Grove Village Centres

DISCUSSION

6. The draft Local Planning Policy Manual was advertised between 24 December 2010 and 4 February 2011 (for a period of 42 days). In addition to placing an advertisement twice in the local newspaper over two consecutive weeks, staff requested specific comment from:
 - Those landowners that had lodged objections to the wind turbine applications in Randall Crescent, Warrenup in relation to new Policy 2K (Domestic Wind Turbines); and
 - Those landowners that were in the immediate vicinity of Lot 100 Grey Street East in relation to new Policy 6K (Lot 100 Grey Street East).
7. At the close of the advertising period a total of 24 submissions were received which involved substantive comment on the following policies:
 - Policy 2F (Holiday Homes);
 - Policy 2G (Significant Tourist Accommodation sites);
 - Policy 2J (Public Open Space);
 - Policy 5D (Extractive Industries and Mining);
 - Policy 6A (Residential Development on Steep Sites);
 - Policy 6B (Albany Historic Town Design Policy);
 - Policy 6C (Detailed Area Plans);
 - Policy 6K (Lot 100 Grey Street East);
 - Policy 7M (Middleton Beach Tourist Precinct); and
 - Policy 7N (Frenchman Bay Tourist Site).
8. It should be noted that Policy 2G (Significant Tourist Accommodation Sites) and Policy 6C (Detailed Area Plans), specifically the Verdi Street and Silver/Costigan Street DAP's, were advertised previously and therefore the comments received have been discussed within the report. Eight submissions were received in relation to the Verdi Street Detailed Area Plan; these submissions can be viewed in the Councillor Workstation, however as per Paragraph 31 of the officer's report it is recommended that this Policy be removed from the Policy Manual and reconsidered separately at an upcoming Council meeting.
9. Except for the eight submissions received on the Verdi Street DAP, all other submissions have been summarised in the attached schedule of submissions. Full copies of the submissions received are available in the Councillor's Workstation.
10. In relation to the policies subject to public comment, staff advise the following:

Policy 2F (Holiday Homes)
11. The policy as advertised is consistent with WAPC Planning Bulletin 99 and is similar to policies recently prepared by other local governments on Holiday Homes.

12. Two submissions were received suggesting minor amendments to the Policy. The main issue raised is that whilst the Policy includes a statement that holiday homes should not become the predominant use in residential areas, this is not further quantified or measured. A similar policy provision has consistently been applied by other local governments in relation to holiday homes, and the imposition of an arbitrary target or ratio is not considered helpful in quantifying this statement. This provision is considered acceptable in its current form; the term 'predominant' implies that holiday homes should not outnumber permanent residences as a guide.
13. Some additional comments relating to landlord accessibility in handling complaints and the advertising of proposals seeking planning consent renewal after the 12 month approval period has expired have been supported.

Policy 2G (Significant Tourist Accommodation Sites)

14. Six submissions have been received, with five of these specifically relating to the former Esplanade Hotel site. The other submission was received in relation to Lot 150 Barry Court.
15. The Middleton Beach Group and Esplanade Hotel Site Group have lodged a submission requesting Council's support to reverse the ratio of permanent residential from 30% to 70%, subject to appropriate guarantees being put in place to ensure that permanent residential development does not proceed without the tourist component, and that the tourist component would occupy the highest value land (ie. Flinders Parade frontage).
16. Council's Tourist Accommodation Planning Strategy identifies that only the rear third of the land (approximately 35%) should be developed for permanent residential purposes with the balance of the land, fronting Flinders Parade, being retained for tourist uses (ie. hotel/tavern/shops/restaurant etc). This ratio reflected the existing planning approval that Council had issued over the site in 2007 and 2008 for a Hotel and Multiple Dwellings. It was believed at the time that this ratio would allow a hotel of a suitable size and room yield to be developed, whilst accommodating limited residential development.
17. The submission has stated that the current ratio applied to the site does not reflect market reality and states that throughout the state of Western Australia, despite there being a shortage of 1,100 beds, no new hotels are currently being developed.
18. Staff recommend that the current ratio be retained as an 'as of right' (acceptable criteria), with an increase in the permanent residential component, up to a maximum of 65%, only being considered where all of the following performance criteria is achieved to the satisfaction of Council:
 - a) The tourist development is to occupy no less than 35% of the physical site area and shall be located wholly within the eastern (beach) side of the subject land and be segregated from the permanent residential development.
 - b) A public restaurant and/or tavern being incorporated into the development with direct frontage and access to Flinders Parade.

- c) Incidental tourist orientated shops/cafes etc being incorporated into the development and located at ground level to create an active and vibrant edge to Flinders Parade.
 - d) Tourist Accommodation (being a Hotel or serviced apartments) is incorporated into the development fronting Flinders Parade and a feasibility study is provided to ensure that the room/unit yield is economically sustainable on a reduced building footprint, within the development parameters set down by the Scheme and/or Middleton Beach Tourist Precinct (Policy 7M).
 - e) No subdivision of the site or the consideration of any permanent residential development will be entertained by Council until such time as the tourist accommodation and uses mentioned in part b) and c) above have been constructed and are operating.
 - f) The tourist accommodation and associated tourist uses shall be designed and constructed to a high standard, representing the iconic/landmark building within the Middleton Beach precinct.
19. Staff believe that there are sufficient provisions within the performance criteria to promote a substantial tourist development consistent with the objectives of the Tourist Accommodation Planning Strategy. Any future developer can either develop the site in accordance with the acceptable criteria (ie 35% residential and 65% tourist uses), or put a case to Council to develop the land under the performance criteria. Most importantly the submission of a feasibility study will need to prove that a sustainable tourist accommodation development can occur on a reduced physical site area.
20. A submission has been received requesting Council does not modify the ratio, as should economic conditions become more favourable in the future the development envisaged by the draft Policy would become more feasible.
21. A submission has also been received which acknowledges that in relation to Lot 150 Barry Court, the policy is consistent with a previous State Administrative Tribunal (SAT) ruling to allow six strata lots to be developed for permanent residential purposes. The submission has requested further clarity and consistency throughout the document in relation to this landholding which has been supported.
22. A submission in relation to the Frenchman Bay Tourist site was also lodged expressing support that no permanent accommodation be approved on the site.

Policy 2J (Public Open Space)

23. This Policy has been in place for a number of years and focuses specifically on ensuring subdividers pay cash contributions in lieu of providing public open space for small (3 to 5 lot) subdivision proposals.

24. A submission has been received which more broadly addresses the issue of POS, namely that more than 10% public open space should be given up where remnant vegetation exists on the site. It should be noted that whilst the minimum statutory provision of POS is 10%, where there is a need to protect important remnant vegetation a higher ratio of POS may be required (this is the case with many structure plans currently being considered by Council).
25. The submission is outside the scope and purpose of the policy, and therefore no change is recommended.

Policy 5D (Extractive Industries and Mining)

26. A submission has been received requesting a modification to an existing provision which requires that no more than 20% of the extractive area shall consist of remnant vegetation. The submission recommends that no vegetation should be allowed to be removed.
27. All applications that involve the clearing of any remnant vegetation are referred to the Department of Environment and Conservation for comment. There could be instances where an application could meet the maximum 20% clearing limit specified, yet affect important vegetation species. It is therefore recommended that policy statement D2.2(5) be replaced with the following:

“5) The clearing of remnant vegetation to access basic raw materials is discouraged, however where such vegetation is affected as part of the proposal Council will consider the advice from the Department of Environment and Conservation.”

Policy 6A (Residential Development on Steep Sites) and Policy 6B (Albany Historic Town Design Policy)

28. A submission has been received recommending that the two policies identified above should be combined for all housing within the City, so that the height and bulk criteria within the Albany Historic Town Design Policy is applied to all residential areas of Albany.
29. It's important to distinguish the reason for the separation of the two policies. Policy 6A applies to selected sites outside of the inner residential areas where the building of larger contemporary dwellings on steep sites is suitable and blends in with the existing housing stock (ie. slopes of Mt Clarence, the steeper areas of Mira Mar and the northern slopes of Mt Melville between Albany Highway and Serpentine Road). Policy 6B applies to the inner residential areas of Albany which contain a wide selection of heritage listed dwellings or dwellings that contribute to the defined character of the streetscape, where additional controls on height and bulk are appropriate.
30. No change to the two policies are recommended as the provisions contained within currently reflect the context and existing character of the areas involved.

Policy 6C (Detailed Area Plans)

Detailed Area Plan No. 6 – Verdi Street Right of Way

31. This policy was advertised prior to the draft Local Planning Policy Manual and a total of eight submissions were received on this one Detailed Area Plan. There is a mixed view on the right of ways strategy proposed, which seeks to capitalise on the opportunity for further subdivision for those properties adjacent to the Right of Way (ROW). Whilst staff are committed to creating more opportunities for landholdings adjacent to ROWs, given this plan is the first of its kind for the City and given the divergence of views from the affected landowners it is recommended that this DAP is removed from the policy manual at this stage and is dealt with in isolation at a future Council meeting after additional consultation has taken place.

Detailed Area Plan No. 9 – Silver Street and Costigan Street

32. One submission was received on Detailed Area Plan No. 9 (Silver and Costigan Street). The submission raises concerns about the subdivision already being constructed and that no consultation was undertaken through this process. The submission also raises technical issues about drainage design, the provision of public open space and the height of future dwellings.
33. It is important to note that the drainage issues and provision of public open space has previously been resolved through the Structure Plan which was adopted by Council and endorsed by the Western Australian Planning Commission on 16 June 2009. The subdivision process is regulated by the Western Australian Planning Commission and is not subject to public consultation. Detailed engineering plans have been approved by the City as part of the subdivision approval.
34. The purpose of the Detailed Area Plan for this area is to identify design guidelines for future dwellings on the approved lots.
35. The Detailed Area Plan does not amend the building height provisions within the R-Codes and therefore if a landowner wishes to construct a second storey dwelling this would be permissible. It is envisaged however that most, if not all, future dwellings will be single storey.
36. Based on the above no changes are recommended.

Policy 6K (Lot 100 Grey Street)

37. A number of submissions were received in support of this Policy which introduces specific design guidelines to the above property.

38. The only concern raised was the provision that allows for the consideration of a parapet wall between Lots B and C. It should be noted that a parapet wall is only permitted between Lots B and C where these properties are developed as one integrated development, however it is recommended that additional clarification be provided so that articulation of the building within the 2 metre zone between the two houses is required.

Policy 7M (Middleton Beach Tourist Precinct)

39. A submission has been received requesting that a one storey height limit be applied to the Middleton Beach Caravan Park. Concern has been expressed over the recent erection of two storey holiday accommodation units on the northern portion of the site.
40. A previous Council Policy entitled 'Coastal Building Heights Policy', which included the caravan park, was rescinded by Council in 2007 when the Residential Design Code Policy was adopted. This Policy allowed for a maximum height of 7.5 metres, where people within the development could not overlook the beach. The concerns raised in the submission appear to relate to the potential loss of views from existing residences or the impact on visual amenity when viewed from the beach.
41. It is recommended that the following clause be added under the 'Building Heights' section of the policy:
- "In relation to the Middleton Beach Caravan Park site, development shall generally be no higher than one storey, however Council may consider development up to a maximum of two storeys where a visual impact statement has been provided and such development in the opinion of Council does not detrimentally affect the views from existing residences and/or views from the beach. Council will refer applications for two storey development to surrounding landowners for comment."*
42. An additional submission also requested that Council plant Norfolk Island pines to screen the recently erected development at the Caravan Park. This is outside the scope of the policy and the planting of trees will need to be addressed separately within an endorsed Reserve Management Plan.
43. The submission also queried the building heights within the Precinct which were believed to be too high. These building heights were previously adopted by Council in 2007 after Patrick de Villiers (a renowned architect and town planner) was engaged to undertake a building height analysis for the Middleton Beach Precinct. Development such as the Hotel and apartments on the old Esplanade Hotel site, have already been guided by this policy.
44. The submission suggests that building height should decrease on the Garden Street and Flinders Parade frontages and be no more than three stories, and where additional height is proposed, this should be within the middle of this precinct.

45. The submission states that the existing four and five storey height limits applying to Flinders Parade are not appropriate for a holiday village and will overshadow the street and foreshore areas. The existing height limits identified in the Policy are supported by staff as they will encourage a more diverse range of permanent and tourist accommodation into the future and will assist in promoting a high quality and vibrant beachside tourist precinct. Given the orientation of Middleton Beach, the northern winter sun will not cast shadows over the foreshore reserve or Flinders Parade (as they lie to the east); therefore overshadowing at the height envisaged is likely to be minimal.
46. The four storey height limits adjacent to Eyre Park, along Garden Street, were also raised as an area of concern. Staff are supportive of the current height parameters relating to this area as the built form envisaged will promote an attractive residential edge to the park, increase housing diversity, passive surveillance and will encourage higher accessibility to a strategic area of district open space. The policy also requires the submission of streetscape drawings to indicate how new buildings will integrate into the street. All other elements that relate to the R-Codes, including privacy (overlooking), boundary setbacks and overshadowing will continue to apply ensuring the amenity of existing residents is accommodated.

60 Modifications to Subdivision Guide Plans

47. Policy 6O has been updated by correcting the location details for Subdivision Guide Plan O3 to reflect the correct lots being referenced (Lots 201 and 202 Pony Club Road). This modified subdivision guide plan has previously been adopted by Council in April 2009.
48. Subdivision Guide Plan O5 has also been added into this section which affects Lots 104 and 105 Willyung Road. Again this Policy was previously adopted by Council in December 2009 and was inadvertently omitted from the advertised version.

GOVERNMENT CONSULTATION

49. No submissions from government agencies were received.

PUBLIC CONSULTATION / ENGAGEMENT

50. A total of twenty four submissions were received from the general public on a wide range of policy issues. Such submissions are discussed in detail within the attached schedule of submissions.

STATUTORY IMPLICATIONS

51. Clauses 6.9 of the City of Albany Town Planning Scheme No. 3 and 7.21 of Town Planning Scheme No. 1A set out the processes to adopt, modify and rescind town planning scheme policies.
52. In the responsible officer recommendation, staff have outlined whether each policy that is to be rescinded is to be incorporated into the proposal Manual.

STRATEGIC IMPLICATIONS

53. The draft policy manual is consistent with the City's Strategic Plan (Albany Insight) as:

"4. Governance.

The City of Albany will be an industry leader in good governance and service delivery."
54. The policy manual also supports the strategic principles in the ALPS in relation to issues such as land use conflict, tourism, housing diversity, protection of agricultural land, environmental management, transport, industry and the settlement hierarchy.
55. Should Council support the modifications identified for Policy 2G – Significant Tourist Accommodation Sites, Council's Tourist Accommodation Planning Strategy would need to be amended.

POLICY IMPLICATIONS

56. Should the draft policy manual be adopted by Council the Town Planning Scheme requires that existing policies that will be superseded be rescinded. The policies that will have to be rescinded are:
 - Masts, Aerials and Flagpoles (Not required, refers to old technology – to be reviewed in future);
 - Extractive Industry Guidelines (incorporated into manual);
 - Down Road Noise and Hazard Policy (incorporated into manual);
 - Albany Historic Town Design Policy (split into two policies and incorporated into manual);
 - RAAFA Aged Persons Village Design Guidelines (Not required – project developed);
 - Albany Airport (ANEF) Noise Buffer Policy (incorporated into manual);
 - Development Guide Plan for Lot 1274 Albany Highway (Not required – project developed);
 - Lake Seppings Drive, Loftie Street and Wright Street (incorporated into manual);
 - Special Rural Area 1C – Special Provisions (incorporated into manual);
 - Gull Rock Road (Alternative Subdivision Guide Plan) (incorporated into manual);
 - Lot 5 Rufus Street, Milpara (Not required – original Guide Plan within Scheme to be used);
 - Masonic Hall Design Guidelines (incorporated into manual);
 - La Perouse Court (Alternative Subdivision Guide Plan) (incorporated into manual);

- Reflective Building Materials in Goode Beach (incorporated into manual);
- Richard Street Industrial Policy (incorporated into manual);
- Seppings Street Design Guidelines Policy (Not required – development complete);
- Speedway Noise Buffer Policy Area (incorporated into manual);
- Albany Design Guidelines (Not required - provisions inserted into Albany Historic Town Design Policy and aspects relating to restoration of heritage buildings placed in new information sheet);
- The Outlook (incorporated into manual);
- Thomas Street (Old Surrey Guidelines) (incorporated into manual);
- Barker Road Industrial Policy (incorporated into manual);
- Melville Drive View Policy (incorporated into manual);
- Woodrise Estate Design Guidelines (incorporated into manual);
- Lot 201 and 202 Pony Club Road (Alternative Subdivision Guide Plan) (incorporated into manual);
- Lots 104 and 105 Willyung Road (Alternative Subdivision Guide Plan) (incorporated into manual); and
- Subdivision and Development – Frenchman Bay Road (incorporated into manual).

57. In addition to the Local Planning Policy Manual, the following policies will be retained in their own right due to their size:

- Stirling Terrace Conservation Plan;
- The Station, Western and Mount Lockyer Precinct Guidelines (which provides specific guidance on development between Stirling Terrace and the foreshore area);
- Catalina Central Planning Framework; and
- Albany Waterfront Precinct Plan and Structure Plans.

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
<i>Local Planning Policy Manual not adopted by Council. From the 1 July 2011 development applications over \$3 million (and mandatory over \$7 million) will be considered by a Development Assessment Panel, rather than Council. It is therefore important to establish an up to date policy manual to clearly articulate Council's position on various development issues.</i>	<i>Moderate</i>	<i>Mitigation entirely dependent on Council.</i>

FINANCIAL IMPLICATIONS

58. The Local Planning Policy Manual has been prepared internally by staff within existing budget lines.

ALTERNATE OPTIONS & LEGAL IMPLICATIONS

59. Council has the option of not adopting the draft local planning policy manual, which would leave in place the existing planning policy framework. This would mean Council would continue to have no detailed policy position on Holiday Homes, Significant Tourist Development Sites and Domestic Wind Turbines.
60. Council could also amend or delete any of the policies contained within the manual or defer consideration of the policy manual to another meeting.

SUMMARY CONCLUSION

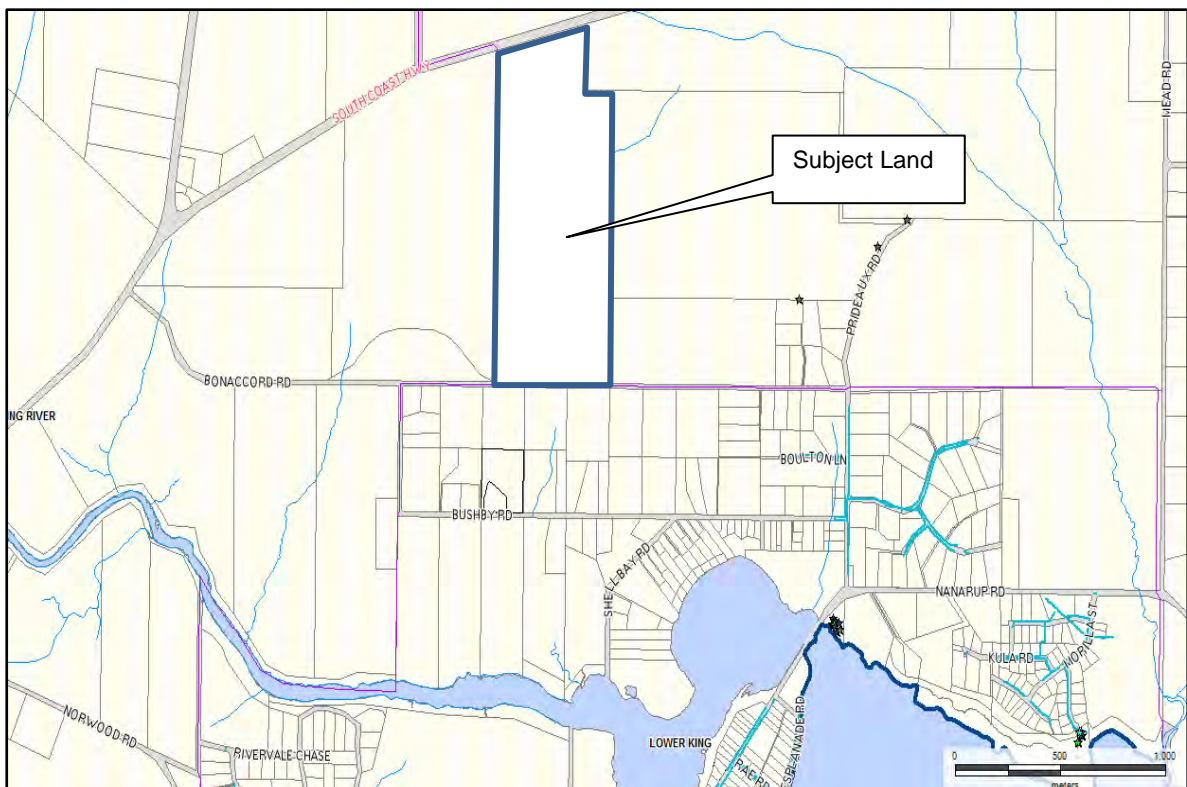
61. It is important that Council adopts the Local Planning Policy Manual and rescinds the existing policies in place to ensure the City has an up to date contemporary policy framework to assist Council with its decision making process.

Land Description	N/A
Owner	N/A
Business Entity Name	N/A
Consulted References	Town Planning Scheme No. 1A and 3
File Number (Name of Ward)	STR 047 (All Wards)
Previous Reference	OCM 16/03/10 – Item 13.5.1 OCM 14/12/10 – Item 1.6

1.2: SCHEME AMENDMENT REQUEST (SAR 146) – LOT 5241, 207 BON ACCORD ROAD, KALGAN

Land Description : Lot 5241 (207) Bon Accord Road, Kalgan
Proponent : Harley Global
Owner : ED Register
Business Entity Name : Karrabin Pty Ltd
Directors : Edward Francis and Janice Marie Register (residents of Albany)
Attachments : Nil
Appendices : SAR146 document
Councillor Workstation : Letters from government agencies
Responsible Officer(s) : Executive Director Planning & Development Services (G Bride)

Maps and Diagrams:



IN BRIEF

- Council is requested to consider a Scheme Amendment Request (SAR) proposal that deals with the future rezoning of a portion of Lot 5241 (207) Bon Accord Road, Kalgan from the 'Rural' zone to the 'Special Rural' zone in Town planning Scheme 3.

CEO:	RESPONSIBLE OFFICER:
-------------	-----------------------------

ITEM 1.2: RESPONSIBLE OFFICER RECOMMENDATION

THAT the proponent be advised that Council is NOT PREPARED to entertain the submission of a formal scheme amendment to rezone a portion of Lot 5241 (207) Bon Accord Road, Kalgan from the 'Rural' zone to the 'Special Rural' zone on the basis that:

- A. The land is not identified within the Albany Local Planning Strategy (ALPS) for Rural Living purposes.**
- B. The land is designated within the ALPS under Map 5B as 'Priority Agriculture' and based on the priority agriculture mapping undertaken by the Department of Agriculture and Food would have a high potential for intensive agriculture pursuits.**
- C. The development of the land for Rural Living purposes would set an undesirable precedent for the development of rural land outside the development framework established by the ALPS.**

BACKGROUND

- 1. Scheme Amendment Request (SAR) 146 has been submitted to Council to consider the potential for rezoning the southern portion of Lot 5241, 207 Bon Accord Road, Kalgan from the 'Rural' zone to the 'Special Rural' zone, therefore allowing the land to the south of the drainage line to be subdivided into special rural lots.
- 2. The subject land is zoned 'Rural', has a total land area of 66.76 hectares and is located on a ridgeline, with views to the southern coast and rural views in the north. The property currently has one dwelling and a number of sheds. The majority of the site is cleared of remnant vegetation and is used for grazing.
- 3. The adjoining land to the north is reserved for "Parks and Recreation", the land to the west is reserved for "Private Clubs and Institutions" and the land to the east of the subject lot is reserved as "Public Purposes", while the land to the south, on the opposite side of Bon Accord Road, forms part of Special Rural Area No. 21.
- 4. Council is required to determine its support, or otherwise, for the SAR proposal.

DISCUSSION

- 5. The SAR proposal involves rezoning two thirds of the lot (southern portion of around 40 hectares) from Rural to Special Rural, facilitating the creation of six lots with a minimum lot size of 6 hectares. Around 10 hectares of the lot is proposed to be an environmental corridor with the remaining 17 hectares retained for agricultural uses.
- 6. Council's decision on the Scheme Amendment should be consistent with the objectives of the Albany Local Planning Strategy (ALPS) as the principal land use planning strategy for the City.

7. The ALPS identifies the area as 'Priority Agriculture' land in Maps 5a and 5b.
8. The ALPS strategically earmarks the land as priority agriculture in Map 9a and general agriculture in Map 9b. Advice from Agriculture WA confirms that the land is within the priority agricultural area as mapped by this Department in 2003; this mapping was utilised to identify the priority agricultural areas identified in the ALPS.
9. The area has been identified as priority agricultural land and it is considered that the proposal in establishing rural residential uses is contrary to the objectives of ALPS and it is therefore recommended that Council does not support the SAR proposal.

GOVERNMENT CONSULTATION

10. The SAR was referred to WA Gas Networks, Telstra, Water Corporation, Western Power, the Department of Agriculture and Food, the Department of Water, the Department of Minerals and Energy, the Department of Environment and Conservation and the Department of Planning. The following agencies responded as follows:

Water Corporation

11. The Water Corporation advises that reticulated water can be supplied to this development. However, there will be a requirement for the extension of the reticulation main in the order of 1000 metres from Bushby Road to service the southern portion. The extension of approximately 3100 metres from Millbrook Road and upgrading of 840 metres will be required to service the northern area.

Western Power

12. No objection.

Department of Water

13. No comments at this stage.

Department of Minerals and Energy

14. No objection and no impact on mineral or petroleum resources.

Department of Agriculture and Food

15. *"Department of Agriculture and Food does not support the proposal to irreversibly rezone the subject land from "Rural" to "Special Rural" leading to the redevelopment of the southern portion of the land into subdivided special rural lots for the following reasons:*

- a) *Based on Priority Agricultural Land mapping prepared by the WA Department of Agriculture and Food (2003), the property is identified as having considerable coverage of Priority Agricultural Land (PAL). Recent refinements (2010) to the PAL mapping,*

which now incorporates high quality soil and land resources with water resource availability and lot size, identifies the whole property as having greater than 60 per cent of Priority 2 high quality agricultural land (i.e highly capable land for irrigated agriculture comprising perennial horticulture, for example vines, etc).

- b) *The combination of the high quality soils, undulating landscape, potential water resource availability, and lot size (66 ha), together with natural buffering from adjacent blocks of remnant vegetation and close proximity to supply markets and export facilities all make this property relatively unique in the Albany area for a range of intensive or irrigated agricultural pursuits.*
- c) *There is insufficient information provided in the assessment report prepared by Harley Global to justify that the subject land is not suitable for intensive agriculture.*

Therefore, any future proposal to rezone the subject land would need to provide additional information on the following:

- *An Agricultural Impact Assessment (as per Appendix 3 of the State Planning Policy 2.5)*
- *Information on suitable agricultural land uses for the proposed northern 17 ha lot "8" on the Site Plan. The proposal is that this land would remain under a Rural zone, but this is highly likely to result in a sixth "lifestyle" lot.*
- *The Department supports the concept of linking the neighbouring vegetated reserves with an environmental corridor. However, the ownership and management of such a corridor needs to be resolved to ensure the corridor is established and maintained. Ideally this would include a management plan which addresses fire, pest and weed management in the corridor. If this is not undertaken there is a considerable risk that the Environment Corridor would become an extra 10 ha "lifestyle" lot."*

Department of Environment and Conservation

16. *"DEC has no objection to the proposal and provides the following comments.*

The planning consultants involved with this proposal contacted DEC in August 2009 to discuss the plan prior to this referral. The evidence of those consultations is tabled in an appendix in the SAR documentation.

*DEC advised at that time, and reiterate now, that the concept of creating a wildlife corridor is supported, as it will provide connectivity between the Crown Reserves that exist on each side of the subject site, including DEC estate, the Bon Accord Nature Reserve. The proposed corridor will also provide additional protection of the Declared Rare Flora (DRF), *Chordifex arborlivus*, present in Reserve 18779.*

However, the location of the proposed corridor contains minimal existing native vegetation, and the proponents have been advised that creating an effective wildlife corridor "from scratch" is a long process, requiring many years of maintenance to ensure plant survival and protection from weeds. As such, DEC suggests that the wildlife corridor be relocated to the south of the subject site, where the corridor can encompass small pockets of mature vegetation.

This mature vegetation will provide a seed source that will allow for some natural recruitment of vegetation. The corridor in this location will be of greater ecological value, given the higher density (and fauna habitat value) of the vegetation on the southern boundaries of both reserves. The Bon Accord Nature Reserve which is located to the west of the subject site would adjoin a southern corridor. This Reserve has recordings of threatened flora and fauna.

It is also possible that by locating the corridor in the southern end of the property, that there will be a conflict with access to the proposed lots. However, to overcome this, it is suggested that, the access track to the lots could be combined with the fire break.

While it is understood that the proposed wildlife corridor will also act as a buffer between the two different land uses on the site, rural (where farming practices will continue) and rural residential, it may be possible to establish the wildlife corridor near the southern boundary of the site, and use other methods to screen the two land uses, such as a plantation. Should the proposed corridor be established further south, then DEC may request additional measures to protect the DRF adjacent to the subject site eastern boundary.”

Department of Planning

17. *“The Department of Planning does not support the proposed scheme amendment on the basis that it is contradictory to the long term planning directions that have been outlined within the Albany Local Planning Strategy (June 2010).*

Specifically, the proposal does not comply with the Albany Local Planning Strategy (June 2010) as it:

- (a) Is not within an area designated for Rural Living;*
- (b) Is designated within an area for Agriculture. The land is identified on Map 5b as within a "Priority Agriculture" area, and Maps 9A and 98 include the land into the "General Agriculture" designation;*
- (c) Development of the land for Rural Living purposes would set an undesirable precedent for the development of rural land which is outside the development framework established by ALPS.”*

PUBLIC CONSULTATION / ENGAGEMENT

18. Should the proponent wish to proceed with a formal scheme amendment application and Council initiates such amendment the proposal will be subject to comment from surrounding landowners.

STATUTORY IMPLICATIONS

19. A SAR is not a statutory process under the *Planning and Development Act 2005*. The purpose of the SAR process is to give an applicant feedback as to whether an amendment is likely to be supported or not, and the issues to be addressed in the Scheme Amendment documents.

20. If an applicant decides to pursue a Scheme Amendment, Council will be required to formally consider that request.

STRATEGIC IMPLICATIONS

21. Council's decision on the Scheme Amendment must also be consistent with the objectives of the ALPS as the principal land use planning strategy for the City.
22. The most pertinent ALPS objectives relevant to the proposal are:

Section 8.3.4

"...The ALPS does not support the continued growth of rural living areas as fragmented isolated developments within Priority and General Agriculture areas or the future Albany town site's fully-serviced urban fringe and other areas with future urban development potential..."

Section 8.3.5

".....Avoid the development of Rural Living areas on productive agricultural land, other important natural resource areas and areas of high bushfire risk, flooding and environmental sensitivity."

Section 8.5.5

"Facilitate the protection of priority and general agriculture land from incompatible land use, developments and land-management practices."

23. Section 8.3.1 – *Strategic Settlement Direction* sets the following Strategic Objective:

"Facilitate and manage sustainable settlement growth for the urban area in the City of Albany."

This objective is supported by a set of aims that have been devised to contain the spread of fragmented urban and rural living areas in the City. They are as follows:

- *Providing for growth in urban areas, rural townsites and rural living areas as designated in ALPS.*
- *Minimising the development footprint on the landscape to help protect biodiversity and the environment.*
- *Promoting energy conservation.*
- *Providing greater housing choice.*
- *Minimising journey length from home to work/school/services and encouraging the use of public transport, cycling and walking.*
- *Reducing government expenditure on servicing current and future populations.*

24. Section 8.3.5 – *Rural Living* sets the following Strategic Objective:

“In the long term encourage the efficient use of existing rural living areas, based on land capability to maximise their development potential.

The ALPS expands on this by stating that *“The strategy’s objectives for Rural Living areas are to:*

- *Discourage the creation of additional rural townsites for living purposes.*
- *Avoid the development of Rural Living areas on productive agricultural land, other important natural resource areas and areas of high bushfire risk, flooding and environmental sensitivity.*
- *Avoid the development of Rural Living areas on future and potential long-term urban areas.*
- *Provide compact growth of selected existing rural townsites in accordance with Table 4, based on land capability and available services and facilities.*
- *Minimise potential for generating land-use conflicts.*

25. Section 8.5.5 – Agriculture sets the following Strategic Objective:

“Facilitate the protection of priority and general agriculture land from incompatible land use, developments and land-management practices.”

26. The continuing loss of prime agricultural land to other land uses, particularly to rural living areas in and around Albany’s urban fringe, has a detrimental impact on the viability of agricultural areas.
27. *WAPC SPP No. 11 Agricultural and Rural Land Use Planning*¹ provides the framework for the protection of Priority and General Agricultural areas. Priority Agricultural is land of State and regional significance within other rural land identified as General Agriculture.
28. The ALPS identifies Priority Agricultural areas to be retained and protected as a finite resource. These are areas that contain land suitable for general rural activities plus irrigated annual horticulture, irrigated perennial horticulture and other irrigated crops and pasture.
29. Small-scale tourist activities, such as farm-stay accommodation, chalets and bed-and-breakfast businesses are supported in Priority Agricultural areas provided they are incidental to the primary agricultural use of the land.
30. Rural Residential and Rural Small Holdings, if not already in place, will not be supported in the Priority Agricultural area.

¹ <http://www.wapc.wa.gov.au/Publications/138.aspx>

31. The ALPS supports the retention and protection of General Agriculture areas because they contain land suitable for a wide range of activities including animal husbandry, grazing, cropping and tree farming. These General Agriculture areas make up the bulk of remaining rural areas that have not been identified for Priority Agriculture or other rural uses such as Rural Residential and Rural Small Holdings.
32. The proposal is considered to be inconsistent with the various Strategic Objectives and aims set out in the ALPS.

POLICY IMPLICATIONS

33. Council is required to have regard to any Western Australian Planning Commission (WAPC) Statements of Planning Policy (SPPs) that apply to the Scheme Amendment Request. Any Amendment to the Town Planning Scheme would require assessment by the WAPC to ensure consistency with the following State and Regional Policies:

SPP 2.5 SPP 2.5 – Agriculture and Rural Land Use Planning

34. SPP 2.5 was gazetted in 2002 and has provided a comprehensive review and refinement of the previous DC Policy 3.4 Rural Land Use Planning (1989). The WAPC and Local Government are required to have regard to SPP 2.5 in planning for the development of rural areas.
35. The Policy advises that:

“Agricultural production from rural areas is a significant part of the Western Australian economy. It provides essential food and fibre products, and employment and value adding opportunities. Agricultural production in Western Australia is worth nearly \$5 billion per annum. Careful planning is required to maintain these benefits to regional economies and to encourage ongoing investment in agriculture and the supporting resource base.”
36. The four key objectives of SPP 2.5 are summarised as:
 - *Protect significant agricultural resources within the State from inappropriate land use and development;*
 - *Provide for sustainable rural settlement growth within community expectations and ensure adequate community service and infrastructure is available to support the growth;*
 - *Minimise potential land use conflicts between incompatible land uses; and*
 - *Manage natural resources and prevent land degradation.*
37. The proposal is inconsistent with the key policy measures identified in SPP 2.5, as it would lead to the creation of a Rural Living area within an area identified as priority agriculture.

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
<i>If proposal is supported a precedent may be set for other landholdings adjacent to defined special rural areas within ALPS.</i>	<i>Medium</i>	<i>Mitigation measure entirely dependent on Council.</i>

FINANCIAL IMPLICATIONS

39. The relevant scheme amendment request fee has been paid by the proponent. Officer time has been expended in processing the application within current resources and budget lines.

ALTERNATE OPTIONS & LEGAL IMPLICATIONS

40. Council has the following options in relation to this item, which are:

- To support the SAR proposal without modifications;
- To support the SAR proposal with modifications; or
- To refuse to support the SAR proposal.

41. The SAR process is not a statutory process under any planning legislation. It is used by the City (and other adjoining Local Governments in the region) as a precursor to the formal scheme amendment process. It is designed to provide the proponent with a simple and informal assessment of a proposal to gauge the views and comments of the City and other Government agencies on the merits and likely support to be expected.

42. Should Council support the SAR proposal, it will progress to a formal scheme amendment; the amendment undergoes a statutory process in accordance with the *Planning and Development Act 2005* and *Town Planning Regulations 1967*. All scheme amendments require the endorsement of the WA Planning Commission and approval from the Minister for Planning.

43. If Council were to reject the SAR proposal, the proponent would have the following options:

- To not proceed with an application of a formal scheme amendment; or
- To lodge a formal scheme amendment and request consideration by Council, irrespective of the outcome of the SAR.

SUMMARY CONCLUSION

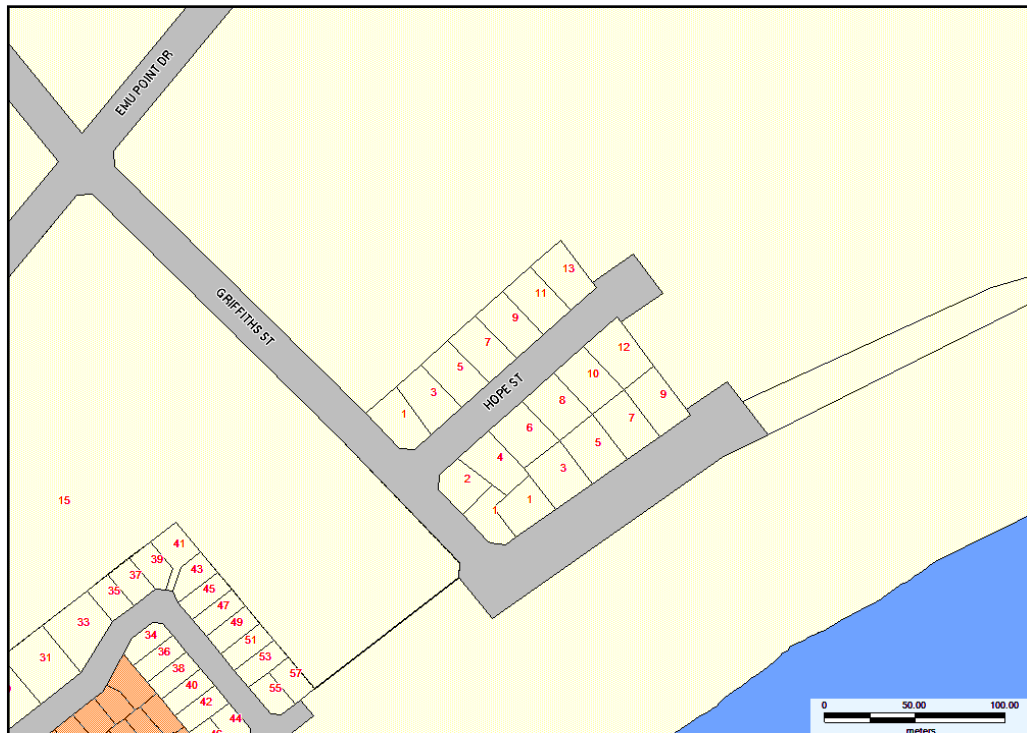
- 44. The ALPS does not identify the subject land as suitable for Rural Living (special rural) purposes and has instead identified that the land should be preserved for agricultural purposes. There is sufficient land identified in the ALPS for special rural development, and support for the proposal is likely to set a precedent for further expansion of such lifestyle lots in other locations, undermining the effectiveness of the ALPS.
- 45. The proposal aims to create a special rural area, which is considered to be contrary to the objectives of ALPS and is not supported by the Department of Planning and the Department of Agriculture and Food.
- 46. The SAR is considered to be inconsistent with the strategic planning direction set by the City.

Consulted References	N/A
File Number (Name of Ward)	SAR 146 (Kalgan Ward)
Previous Reference	OCM 21/09/10 – Item 1.1 (item withdrawn by proponent)

**1.3: PARKING FACILITIES – RESTRICTED PARKING GRIFFITHS/HOPE
STREETS COLLINGWOOD PARK**

Land Description : Griffiths and Hope Streets, Collingwood Park
Proponent : City of Albany
Owner : Crown Land
Business Entity Name : N/A
Attachment : Schedule of Submissions
Copy of Submission received
Responsible Officer(s) : E/Director Planning and Development Services (G Bride)

Maps and Diagrams:



IN BRIEF

- To consider the erection of signs to restrict the parking of commercial vehicles, horse floats and trailers in Griffiths and Hope Streets.

ITEM 1.3: RESPONSIBLE OFFICER RECOMMENDATION

THAT COUNCIL AGREES to prohibit the parking/standing of commercial vehicles, horse floats and trailers in Griffiths and Hope Streets between the hours of 12:00am (midnight) and 7:00am Monday to Sunday, and will notify users of the streets of such prohibition and erect signage accordingly.

CEO:

RESPONSIBLE OFFICER:

BACKGROUND

1. At its ordinary meeting on 14 December 2010, Council considered the inclusion of a horse exercise area at Middleton Beach in the proposed Animals Local Law 2011 and resolved:

“THAT Council:

1. AGREES in principle to the inclusion of a horse exercise area at Middleton Beach in the proposed Animals local Law 2011 with the following conditions:
 - A. The training of horses only between the hours of 5.00 am and 9.00 am; and
 - B. The wading or swimming of horses only between 9.00 am and 11.00am.
2. AGREES in principle to restrict the parking of commercial vehicles, horse floats and trailers in Griffiths and Hope Streets between the hours of 12:00am (midnight) and 7:00am Monday to Sunday.
3. The proposal to restrict parking as contained in Point 2 above be **ADVERTISED** for public comment.”

DISCUSSION

2. Many of the complaints received from time-to-time regarding the horse exercise area have related to the noise coming from horse floats/trucks arriving prior to 5.00 am.
3. It is anticipated that the proposal to restrict the parking of commercial vehicles, horse floats and trailers in Griffiths and Hope Streets between 12.00 midnight and 7.00 am Monday to Sunday will alleviate the issue of noise nuisance early in the morning.
4. Horse trainers within the Collingwood Park locality walk their horses to the beach and will not be affected by the proposed parking restrictions.

GOVERNMENT CONSULTATION

5. No government consultation has been undertaken for this item.

PUBLIC CONSULTATION / ENGAGEMENT

6. A total of 19 letters were sent to residents and property owners adjoining Griffiths and Hope Streets inviting comment on the proposed parking restrictions. In addition, an advert was placed in the local press inviting comment on the proposal.
7. The submission period closed at 5.00pm on 11 February 2011 and one submission opposing the proposal was received. A copy of the submission is attached.
8. The objection more broadly addresses whether the horse exercise area should be catered for into the future and ongoing safety and management concerns.

STATUTORY IMPLICATIONS

9. Clause 3.1 of the City of Albany Parking and Parking Facilities Local Law 2009 states:

“3.1 Stopping or Parking Contrary to Signs

- (1) *A person shall not stop or park a vehicle on a thoroughfare, or portion of a thoroughfare,—*
- (a) *if it is set apart by a sign for the stopping or parking of vehicles of a different class;*
 - (b) *if it is set apart by a sign for the stopping or parking of vehicles by persons of a different class;*
 - (c) *during any period when the stopping or parking of vehicles is prohibited by a sign;*
 - (d) *the side of which is marked with a continuous yellow edge line;*
 - (e) *other than wholly within a parking space if the part of the thoroughfare upon which the vehicle is standing or parked is provided with parking spaces;*
 - (f) *to which a “no stopping” sign applies; and*
 - (g) *to which a “no parking” sign applies, unless the driver is;*
 - (i) *dropping off, or picking up, passengers or goods;*
 - (ii) *does not leave the vehicle unattended; and*
 - (iii) *completes the dropping off, or picking up, of the passengers or goods within 2 minutes of stopping and drives on,*

“unattended”, in relation to a vehicle, means that the driver has left the vehicle so that the driver is more than 3 metres from the closest point of the vehicle.

- (2) *A person shall not stop or park a vehicle on any part of a thoroughfare, whether or not that part is marked as a parking space, for more than the maximum time specified by a sign.”*

STRATEGIC IMPLICATIONS

10. This item relates to the following elements from the Albany Insight – Beyond 2020 Corporate Plan:

Community Vision:
Nil.

Priority Goals and Objectives

Goal 4: Governance.....The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.3 The City of Albany will deliver excellent community services that meet the needs and interests of our diverse communities.

City of Albany Mission Statement

At the City of Albany we foster community involvement in decision making and encourage our people to meet the community's service expectations."

POLICY IMPLICATIONS

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

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
<i>If Council does not support the restriction on commercial vehicles, trailers and horse floats Council is likely to receive ongoing complaints regarding noise nuisance from local residents.</i>	<i>High</i>	<i>If recommendation not supported then City of Albany staff continue to work with the horse industry to reduce noise nuisance.</i>
<i>The new restrictions will need to be enforced; if not enforced on a regular basis residents may lose confidence in Council's compliance/enforcement role.</i>	<i>High</i>	<i>Ensure that rangers are rostered to undertake regular inspections over early morning periods.</i>

FINANCIAL IMPLICATIONS

13. Signage for the proposed restrictions will cost approximately \$1,000 and will be funded from the 2010/2011 budget.

ALTERNATE OPTIONS & LEGAL IMPLICATIONS

14. Council has two options in relation to the introduction of parking restrictions in Griffiths and Hope streets, Collingwood Park:
- (a) Option One: **AGREE** to prohibit the parking/standing of commercial vehicles, horse floats and trailers in Griffiths and Hope Streets between the hours of 12:00am (midnight) and 7:00am Monday to Sunday.
 - (b) Option Two: **REFUSE** to restrict the parking/standing of commercial vehicles, horse floats and trailers in Griffiths and Hope Streets between the hours of 12:00am (midnight) and 7:00am Monday to Sunday.

SUMMARY CONCLUSION

15. It is recommended that Council agrees to prohibit the parking of commercial vehicles, horse floats and trailers to reduce the incidence of noise nuisance before 7:00am for residents of Hope Street and Griffiths Street.

Consulted References	City of Albany Parking and Parking Facilities Local Law 2009.
Previous Reference	OCM 14/12/10 – Item 1.7
File Number (Name of Ward)	STR047 (Breaksea Ward)

1.4: AMENDMENT TO PLANNING PROCESSES GUIDELINES

Proponent : City of Albany
Business Entity Name : City of Albany
Attachment : Amended Planning Processes Guidelines
Responsible Officer(s) : E/Director Planning and Development Services (G Bride)

IN BRIEF

- Consider amendment to Planning Processes Guidelines to provide further clarity to Councillors and the community relating to consultation and notification measures for development applications requiring assessment under the Residential Planning Codes.

ITEM 1.4: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council ADOPTS the amended Planning Processes Guidelines as attached.

BACKGROUND

1. In order to provide further clarity in relation to neighbour consultation and notification procedures for applications being assessed under the performance criteria of the Codes some minor amendments to Council's Planning Processes Guidelines are recommended.
2. All applications other than residential development are advertised in accordance with the consultation requirements identified within Council's Planning Scheme and the Planning Processes Guidelines.

DISCUSSION

3. Presently staff are delegated to assess development applications for Single Houses, Grouped Dwellings and Multiple Dwellings. Many of these applications involve an element that does not meet the acceptable criteria of the Codes, and in these situations the proponent provides an assessment against the performance criteria of the Codes. For applications under the performance criteria that involve boundary setbacks, retaining walls on boundaries, front setbacks, building height, overlooking (privacy) and overshadowing for example adjoining neighbours, as defined under the Codes, adjoining landowners are consulted. Depending on the concerns raised by the neighbour, the consultation may result in modifications to a design which is amenable to both parties.

CEO:

RESPONSIBLE OFFICER:

4. Councillor David Bostock has requested that Council, and not staff under delegation, should make the decision as to when consultation occurs, in relation to Part 4.1 of the Codes which states:

“In the case of a proposed development that:

- (a) requires the exercise of discretion by the Council under the Codes or under an adopted Local Planning Guidelines; and*
(b) may, in the opinion of the Council, adversely affect the amenity of an adjoining property,

the provisions of 4.2 and 4.3 apply to provide for affected property owners to view and comment on the proposal.”

5. If Council were to support Councillor Bostock’s position approximately 150 applications per year not presently considered by Council would need to be referred to Council to determine whether neighbouring landowners should be consulted. Approximately 98% of residential development applications requiring assessment under the performance criteria of the Codes relate to boundary and street setbacks, retaining walls, over height buildings, overlooking and overshadowing and are automatically referred to neighbours for comment as per the Codes (either by the proponent or the City), as such elements clearly have the potential to impact on the amenity of the adjoining landowner. In relation to over height buildings where there could be an impact on a view of significance, staff ensure that all landowners that may be impacted upon are consulted.
6. There may also be applications to assess elements such as storage areas or courtyards under the performance criteria. In staff’s view such proposals are unlikely to affect the amenity of adjoining landowners. This was staff’s position in relation to Item 1.1 considered by Council at its 15 March 2011 meeting (Grove Street West, Little Grove).
7. Where a development is compliant with the Codes, but due to the nature of the density or unit yield involved, is likely to be publicly controversial or of great interest to adjacent landowners, Council has the option to inform landowners of the compliant development. It would not be practical that neighbours are informed of all complying applications under the R-Codes as the vast majority of applications are Codes compliant and would number around 1200 applications per year.
8. Staff recommend that in certain instances where the assessing officer believes a compliant application is likely to be controversial or of great interest to adjacent landowners notification letters, (not consultation letters), be sent as per the Explanatory Guidelines of the Codes which states:

“Informing Neighbours

*A Council may inform neighbours where a development proposal complies with the Codes. Where a Council, **in the interests of informing the community**, decides to so inform, it should be **made clear that neighbour comments are not being sought** and that the proposal complies with the requirements of the Codes.”*

9. It is therefore recommended that the following amendments be made to the Planning Processes Guidelines:

A. That the current process whereby staff refer applications made under the performance criteria to neighbours is reinforced within the Guidelines as follows;

Where an application involving the assessment of an element under the performance criteria of the R-Codes is made, such element shall be referred to adjacent landowners as per the consultation procedure stipulated within the Codes, except where in the opinion of the City of Albany's Executive Director Planning and Development Services, the variation is not likely to impact on the amenity of adjoining landowners. For the purposes of clarity all applications under the performance criteria of the Codes for Boundary Setbacks, Retaining Walls, Street Setbacks, Overlooking, Overshadowing and Building Height are to be referred to adjacent landowners.

B. That in relation to proposals that are compliant but have the potential to be publicly controversial or of great interest to adjoining landowners, the following is proposed;

Where a proposal complies with the R-Codes yet is likely to be publicly controversial or of great interest to the adjoining landowner/s in the opinion of the City of Albany's Executive Director Planning and Development Services, a notification letter to surrounding landowners is to be sent explaining the proposed development and how the proposal complies with the Codes.

GOVERNMENT CONSULTATION

10. Not applicable.

PUBLIC CONSULTATION/ENGAGEMENT

11. The intention of the modifications is to clarify the notification procedure relating to proposals to be assessed under the R-Codes.

STATUTORY IMPLICATIONS

12. The Planning Processes Guidelines is not an adopted town planning policy under the Scheme, however it provides supporting direction on the processing of planning applications and is linked with Council delegations to staff.

STRATEGIC IMPLICATIONS & ALIGNMENT TO CORPORATE PLAN

13. This item relates to the following elements from the Albany Insight – Beyond 2020 Corporate Plan:

Priority Goals and Objectives

Goal 4: Governance..... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.3 The City of Albany will deliver excellent community services that meet the needs and interests of our diverse communities.

City of Albany Mission Statement

At the City of Albany we foster community involvement in decision making and encourage our people to meet the community's service expectations."

POLICY IMPLICATIONS

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

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
<p><i>If amendments are not made there may be doubt/perception in the community and for Councillors that consultation practices as identified under the Codes are not being followed.</i></p>	<p><i>High</i></p>	<p><i>Formalising the process of notifying landowners for publicly controversial, but compliant proposals.</i></p>

FINANCIAL IMPLICATIONS

16. There are no financial implications relating to this item as any additional consultation measures will be undertaken using current resources.

ALTERNATE OPTIONS & LEGAL IMPLICATIONS

17. Council has the following options in relation to this item, which are:

- A. Require all applications, or a certain type of application, made under the performance criteria of the Codes to be referred to Council to determine whether consultation is required.
- B. Support the changes as recommended by staff which reinforce and clarify existing consultation practices, and introduce a requirement to inform adjoining landowners of compliant applications.

18. If Option A is pursued there is likely to be an additional six week processing period to cater for the referral to a Council Meeting for those applications that are identified. To the best knowledge of the responsible officer no other Local Government in Western Australia requires such referral to Council to determine whether the amenity of neighbours is likely to be affected by an element that is intended to be assessed under the performance criteria. Approximately 98% of applications involving the consideration of an element under the performance criteria are either referred by the proponent or the City to adjoining landowners as a matter of course.

SUMMARY CONCLUSION

19. It is considered that the changes proposed to the Planning Processes Guidelines would reinforce the consultation practices identified in the Residential Design Codes and improve Council's process in relation to informing residents of compliant proposals.

Land Description	N/A
Owner	N/A
Consulted References	Residential Design Codes
Previous Reference	: OCM 19/10/2010 – Item 4.1 : OCM 15/2/2011 – Item 1.7
Councillor Workstation	N/A
File Number (Name of Ward)	STR047 (All Wards)

2.1: LIST OF ACCOUNTS FOR PAYMENT

File Number (Name of Ward) : FM.FIR.2 - All Wards
Appendices : List of Accounts for Payment
Responsible Officer : Acting Executive Director Corporate Services (P Wignall)

ITEM 2.1: RESPONSIBLE OFFICER RECOMMENDATION

The list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 25th March 2011 totalling \$4,179,874.51 be RECEIVED.

BACKGROUND

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

DISCUSSION

- The table below summarises the payments drawn from the municipal fund during the month of March 2011. Further details of the accounts authorised for payment by the Chief Executive Officer is included within the Elected Members Report/Information Bulletin.

Municipal Fund

Trust	Totalling	\$25,523.82
Cheques	Totalling	\$220,944.67
Electronic Fund Transfer	Totalling	\$3,114,992.01
Credit Cards	Totalling	\$5,261.40
Payroll	Totalling	\$813,152.61
	TOTAL	<u>\$4,179,874.51</u>

- As at 25 March 2011, the total outstanding creditors, stands at \$767,511.32, and made up follows:

Current	\$583,142.36
30 Days	\$183,665.66
60 Days	\$480.00
90 Days	\$223.30
TOTAL	\$767,511.32

CEO:

RESPONSIBLE OFFICER:

4. Cancelled cheques – 27077 - cheque cancelled – no longer required & 27136 – cheque cancelled as already paid using master card.

STATUTORY IMPLICATIONS

5. 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.
6. The Chief Executive Officer has delegated authority to make payments from the municipal and trust fund.
7. 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.

FINANCIAL IMPLICATIONS

8. Expenditure for the period to 25 March 2011 has been incurred in accordance with the 2010/2011 budget parameters.

POLICY IMPLICATIONS

9. The City's 2010/2011 Annual Budget provides a set of parameters that guides the City's financial practices.

SUMMARY CONCLUSION

10. That list of accounts have been authorised for payment under delegated authority.

File Number (Name of Ward)	FM.FIR.2 - All Wards
-----------------------------------	----------------------

2.2: FINANCIAL ACTIVITY STATEMENT – 31 MARCH 2011 VERSION 2

Responsible Officer : Acting Executive Director, Corporate (P Wignall)

IN BRIEF

- Statement of Financial Activity reporting on the revenue and expenditure of the City of Albany for the reporting period ending 31 March 2011

ITEM 2.2: RESPONSIBLE OFFICER RECOMMENDATION

The Financial Activity Statement for the period ending 31 March 2011 be RECEIVED.

BACKGROUND

1. The Statement of Financial Activity for the period ending 31 March 2011 has been prepared and is attached.
2. In addition to the statutory requirement to provide Council with a Statement of Financial Performance, the City provides Council with a monthly investment summary to ensure the performance of the investment portfolio is in accordance with anticipated returns and complies with the Investment of Surplus Funds Policy.

DISCUSSION

3. In accordance with section 34(1) of the Local Government (Financial Management) Regulations 1996, the City of Albany is required to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure of the local authority.
4. The requirement for local governments to produce a Statement of Financial Activity was gazetted in March 2005 to provide elected members with a greater insight in relation to the ongoing financial performance of the local government.
5. Additionally, each year a local government is to adopt a percentage or value to be used in Statements of Financial Activity for reporting material variances. Variations in excess of \$100,000 are reported to Council.

“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.”

CEO:

RESPONSIBLE OFFICER:

6. STATEMENT OF FINANCIAL ACTIVITY – AS AT 31 MARCH 2011

	Actual Year to Date 31-Mar-11	Current Budget Year to Date 31-Mar-11	Current Budget vs Actual Variance	
REVENUE				
Operating Grants, Subsidies and Cont	2,172,950	2,393,787	-220,837	X
Fees and Charges	5,491,767	5,634,875	-143,108	X
Service Charges	3,735,057	3,713,729	21,328	√
Interest Earnings	597,003	563,765	33,238	√
Other Revenue	694,829	444,780	250,049	√
	12,691,606	12,750,936	-59,330	
EXPENDITURE				
Employee Costs	10,941,051	11,337,102	-396,051	√
Materials and Contracts	7,058,624	9,004,608	-1,945,984	√
Utility Charges	988,606	1,056,112	-67,506	√
Interest Expenses	534,705	532,982	1,723	X
Insurance Expenses	530,232	514,761	15,471	X
Other Expenditure	772,651	937	771,714	X
Depreciation	8,436,950	9,247,943	-810,993	√
	29,262,819	31,694,445	-2,431,626	
Adjustment for Non-cash Revenue and Expenditure:				
Depreciation	-8,436,951	-9,247,943	810,992	
CAPITAL REVENUE				
Non-Operating Grants, Subsidies and Cont	6,257,831	6,957,570	-699,739	X
Proceeds from asset disposals	592,706	534,306	58,400	X
Proceeds from New Loans	0	0	0	
Self-Supporting Loan Principal Revenue	14,282	14,282	0	
Transfers from Reserves (Restricted Assets)	5,616,072	5,611,786	4,286	√
	12,480,891	13,117,944	-637,053	
CAPITAL EXPENDITURE				
Capital Expenditure	11,193,634	16,502,046	-5,308,412	√
Repayment of Loans	522,644	522,644	0	√
Transfers to Reserves (Restricted Assets)	3,735,692	3,525,776	209,916	√
	15,451,970	20,550,466	-5,098,496	
Estimated Surplus B/fwd				
ADD Net Current Assets July 1 B/fwd	1,578,986	n/a	n/a	
LESS Net Current Assets Year to Date	14,561,827	n/a	n/a	
Amount Raised from Rates	-24,088,182	-24,119,398	31,216	

* √ Is higher than expected revenue or lower than expected expenditure

* X is lower than expected revenue and higher than expected Expenditure

7. CITY OF ALBANY – NET CURRENT ASSETS – AS AT 31 MARCH 2011

	Actual 31-Mar-11	Actual 30-Jun-10
NET CURRENT ASSETS		
Composition of Net Current Asset Position		
CURRENT ASSETS		
Cash - Unrestricted	10,900,990	2,445,735
Cash - Restricted	6,049,240	8,268,976
Receivables	2,997,762	3,428,043
Inventories	4,388,894	4,607,191
Total Current Assets	24,336,886	18,749,944
LESS: CURRENT LIABILITIES		
Payables and Provisions	3,725,819	8,901,982
	20,611,067	9,847,962
Less: Cash - Restricted - Trust	(1,149,331)	(1,488,688)
Less: Cash - Restricted - Reserves	(4,899,909)	(6,780,288)
NET CURRENT ASSET POSITION	14,561,827	1,578,986
NET CURRENT ASSETS PER BALANCE SHEET	17,489,133	5,898,549
Difference	2,927,307	4,319,563
Difference Represented by:		
Restricted Cash (Trust)	1,149,331	1,488,688
Reserve Funds - Financial Assets	1,054,480	1,054,480
Reserve Funds - Other	3,845,429	5,725,809
Self Supporting Loans (part of Receivables and Other)	(14,282)	
	6,034,958	8,268,976
Less:		
Borrowings	2,009,462	2,532,106
Trust Liabilities	1,098,190	1,417,307
Difference	2,927,307	4,319,563

8. CITY OF ALBANY - BALANCE SHEET – AS AT 31 MARCH 2011

	Actual 31-Mar-11	Budget 30-Jun-11	Actual 30-Jun-10	Actual 30-Jun-09
CURRENT ASSETS				
Cash - Municipal	10,900,990	1,800,755	2,445,735	477,330
Restricted cash (Trust)	1,149,331	1,483,498	1,488,688	1,987,438
Reserve Funds - Financial Assets	1,054,480	800,755	1,054,480	1,170,755
Reserve Funds - Other	3,845,429	7,197,963	5,725,809	7,360,046
Receivables & Other	2,983,480	1,600,000	3,428,043	2,912,825
Investment Land	3,523,483	0	3,523,483	0
Stock on hand	865,411	800,000	1,083,708	1,033,538
	24,322,604	13,682,971	18,749,944	14,941,932
CURRENT LIABILITIES				
Borrowings	2,009,462	5,638,175	2,532,106	5,887,897
Creditors prov - Annual leave & LSL	2,416,524	2,286,053	2,245,816	2,023,128
Trust Liabilities	1,098,190	1,546,383	1,417,307	1,930,516
Creditors prov & accruals	1,309,295	3,101,240	6,656,166	4,190,792
	6,833,471	12,571,851	12,851,395	14,032,333
NET CURRENT ASSETS	17,489,133	1,111,120	5,898,549	909,599
NON CURRENT ASSETS				
Receivables	77,272	150,000	77,272	106,322
Pensioners Deferred Rates	320,922	280,000	320,922	292,616
Investment Land	2,220,758	2,150,000	2,220,758	2,150,000
Property, Plant & Equip	76,349,470	72,666,174	68,034,400	67,901,036
Infrastructure Assets	182,916,228	196,047,672	188,881,619	186,048,239
Local Govt House Shares	19,501	19,501	19,501	19,501
	261,904,151	271,313,347	259,554,473	256,517,714
NON CURRENT LIABILITIES				
Borrowings	18,264,569	12,626,394	18,264,569	15,996,675
Creditors & Provisions	364,845	260,000	364,845	259,838
	18,629,414	12,886,394	18,629,414	16,256,513
NET ASSETS	260,763,871	259,538,073	246,823,608	241,170,800
EQUITY				
Accumulated Surplus	237,074,286	232,764,720	221,268,686	212,131,561
Reserves	4,914,950	7,998,719	6,780,289	10,264,605
Asset revaluation Reserve	18,774,634	18,774,634	18,774,634	18,774,634
	260,763,870	259,538,073	246,823,608	241,170,800

9. INCOME STATEMENT FOR PERIOD ENDED – AS AT 31 MARCH 2011

Nature / Type	YTD Actual 2010/11	Budget-Total 2010/11	Actual 2009/10
INCOME			
Rates	24,088,182	25,574,053	21,575,584
Grants & Subsidies	1,932,337	3,196,680	3,424,202
Contributions. Reimb & Donations	240,613	349,738	395,475
Fees & Charges	5,491,767	7,280,601	7,091,836
Service Charges	3,735,057	3,735,000	3,011,136
Interest Earned	597,003	680,000	904,653
Other Revenue / Income	694,829	520,615	399,264
	36,779,788	41,336,687	36,802,149
EXPENDITURE			
Employee Costs	10,941,051	15,240,526	14,308,136
Utilities	988,606	1,362,613	1,335,373
Interest Expenses	534,705	1,101,799	1,180,372
Depreciation on non current assets	8,436,951	12,334,000	11,226,465
Contracts & materials	7,058,624	13,274,398	10,516,730
Insurance expenses	530,232	511,098	476,810
Other Expenses	792,891	(273,177)	1,251,142
	29,283,060	43,551,257	40,295,028
Change in net assets from operations	7,496,728	(2,214,570)	(3,492,878)
Grants and Subsidies - non-operating	5,773,851	9,156,877	5,876,907
Contributions Reimbursements and Donations - non-operating	483,980	2,689,416	3,408,787
Profit/Loss on Asset Disposals	185,701	1,541,004	(23,732)
Fair value - Investments adjustment	0	0	(116,275)
Cash Backing of Reserves	0	0	1,651,060
	13,940,260	11,172,727	7,303,869

10. PORTFOLIO VALUATION – MARKET VALUE – AS AT 31 MARCH 2011

Security	Maturity Date	Security Cost (Incl accrued interest)	Current Interest %	Market Value Jan-11	Market Value Feb-11	Market Value Mar-11	Latest Monthly Variation
MUNICIPAL ACCOUNT							
Bankwest	3/11/2010	1,500,000	5.60%				
Bendigo	3/11/2010	1,000,000	5.60%				
Bankwest	23/11/2010	1,500,000	5.75%				
NAB	23/11/2010	1,000,000	5.60%				
ANZ	24/11/2010	1,500,000	5.85%				
ANZ	2/12/2010	1,500,000	5.85%				
Bankwest	23/12/2010	1,500,000	5.55%				
ANZ	24/12/2010	1,500,000	5.50%				
Bankwest	17/01/2011	1,000,000	5.85%				
Bankwest	27/01/2011	1,000,000	6.00%				
ANZ	28/01/2011	1,000,000	6.00%				
Bendigo	28/03/2011	1,000,000	6.05%	1,000,000	1,000,000		
NAB	4/03/2011	1,500,000	6.07%	1,500,000	1,500,000		
NAB	16/03/2011	1,000,000	6.07%	1,000,000	1,000,000		
CBA	16/02/2011	1,000,000	5.61%	1,000,000			
CBA	18/03/2011	1,000,000	5.70%		1,000,000		
CBA	28/03/2011	1,000,000	5.82%	1,000,000	1,000,000		
CBA	29/03/2011	1,000,000	5.82%	1,000,000	1,000,000		
Bankwest	7/04/2011	1,500,000	6.00%	1,500,000	1,500,000	1,500,000	
Bendigo	7/04/2011	1,000,000	6.00%	1,000,000	1,000,000	1,000,000	
ANZ	20/04/2011	1,000,000	6.20%	1,000,000	1,000,000	1,000,000	
NAB	11/05/2011	1,000,000	6.21%	1,000,000	1,000,000	1,000,000	

Security	Maturity Date	Security Cost (Incl accrued interest)	Current Interest %	Market Value Jan-11	Market Value Feb-11	Market Value Mar-11	Latest Monthly Variation
CBA	18/04/2011	1,000,000	5.71%			1,000,000	
CBA	26/04/2011	1,000,000	5.70%			1,000,000	
NAB	20/08/2011	1,000,000	6.07%			1,500,000	
				11,000,000	11,000,000	8,000,000	n/a
RESERVES ACCOUNT							
Bankwest	24/06/2010	1,500,000	5.25%				
Bendigo	23/11/2010	1,500,000	5.85%				
Bendigo	16/12/2010	1,000,000	5.70%				
ANZ	12/05/2011	500,000	6.20%	500,000	500,000	500,000	
Bendigo	24/05/2011	1,500,000	6.30%	1,500,000	1,500,000	1,500,000	
ANZ	16/03/2011	1,000,000	6.10%	1,000,000	1,000,000	1,000,000	
				3,000,000	3,000,000	3,000,000	n/a
COMMERCIAL SECURITIES - CDOs (New York Mellon)**							
Saphire (Endeavour) AAA	4/08/2011	413,160	9.10%	4	4	4	0
Zircon (Merimbula AA)	20/06/2013	502,450	8.87%	155,750	155,750	155,750	0
Zircon (Coolangatta AA)	20/09/2014	1,002,060	9.12%	307,100	307,100	307,100	0
Beryl (AAAGlobal Bank Note)	20/09/2014	200,376	8.42%	159,380	159,380	159,380	0
		2,118,046		622,234	622,234	622,234	0

Security	Maturity Date	Security Cost (Incl accrued interest)	Current Interest %	Market Value Jan-11	Market Value Feb-11	Market Value Mar-11	Latest Monthly Variation
COMMERCIAL SECURITIES - CDOs - Other							
Magnolia (Flinders AA)	20/03/2012	171,994	9.32%	144,500	144,500	144,500	0
Start (Blue Gum AA-)	22/06/2013	276,708	8.77%	11,000	0	0	0
Corsair (Kakadu AA)	20/03/2014	273,710	8.37%	68,750	68,750	68,750	0
Helium (C=Scarborough AA)	23/06/2014	602,244	8.77%	123,000	123,000	123,000	0
		1,324,656		347,250	336,250	336,250	0
PORTFOLIO TOTAL		3,442,702		14,969,484	14,958,484	11,958,484	0

** These CDO's have been the subject of a Court Ruling in the United States Bankruptcy Court (as advised in a memorandum from the Executive Director Corporate and Community Services). The ruling has the potential to significantly impact the valuations for these CDOs. However, until the US Court and the English Court have worked together to reconcile their opposing rulings, it is unlikely that the City will receive any revised valuations.

On 4th October 2010, the City of Albany was advised by CPG Advisory of revised CDO valuations for 30th June 2010. The revision arose due to the identification of a CPG Advisory system error at 30th June.

11. FINANCIAL RATIOS - 31 MARCH 2011

CITY OF ALBANY FINANCIAL RATIOS	30-Jun-09	30-Jun-10	31-Mar-11	Benchmark
Liquidity Ratios				
Current Ratio ¹	73.7%	118.5%	490.1%	>100%
Untied Cash to trade creditors Ratio ²	19.7%	45.4%	2788.9%	>100%
Financial Position Ratio				
Debt Ratio ³	11.2%	11.2%	8.9%	<100%
Debt Ratios				
Debt Service Ratio ⁴	11.1%	7.5%	5.8%	<10%
Gross Debt to Revenue Ratio ⁵	63.2%	56.9%	55.2%	<60%
Gross Debt to Economically Realisable Assets ⁶	26.2%	25.9%	19.8%	<30%
Coverage Ratio				
Rate Coverage Ratio ⁷	58.5%	63.3%	69.9%	>33%
Effectiveness Ratio				
Outstanding Rates Ratio ⁸	3.7%	5.4%	4.9%	<5%

1. This ratio focuses on the liquidity position of a local government.
2. This ratio provides an indication of whether a local government has sufficient unrestricted cash to pay its trade creditors.
3. The ratio is a measure of total liabilities to total assets or alternatively the number of times total liabilities are covered by the total assets of a local government. The lower the ratio of total liabilities to total assets, the stronger is the financial position of the local government.
4. This ratio measures a local government's ability to service debt (principal and interest) out of its available operating revenue.
5. This ratio measures a local government's ability to service debt in any given year out of total revenue.
6. This ratio provides a measure of whether a local government has sufficient realisable assets to cover its total borrowings.
7. The Coverage Ratio measures the local governments dependence on rate revenue to fund its operations. The higher the ratio, the less dependent a local government is on grants and external sources to fund its operations.
8. The Effectiveness Ratio measures the effectiveness of a local governments with the collection of its rates. It would be expected to be above 5% at this time of the year but reduce to below the benchmark at 30 June.

STATUTORY IMPLICATIONS

12. 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.*

FINANCIAL IMPLICATIONS Expenditure for the period ending 28 February 2011 has been incurred in accordance with the 2010/11 current budget parameters. Details of any budget variation in excess of \$100,000 (year to date) follow. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

13. VARIANCES TO BUDGET IN EXCESS OF \$100,000 - AS AT 31 MARCH 2011

Account	Original Budget	Current Budget	YTD Budgets	YTD Actuals	YTD Variance	YTD % Variance	Variance Ticks	
Grand Total	15,838,426	19,742,037	15,521,655	9,659,788	5,861,867	38%		
DIRECTOR CORPORATE & COMMUNITY								
106640. INFORMATION TECHNOLOGY	537,833	532,333	397,716	156,769	240,947	61%	✓	New Radio Link Invoice due, Windows 7 and other Licences are yet to be purchased, hardware not yet purchased, generator upgrade due in May, SynergySoft modules to purchase.
Total DIRECTOR CORPORATE & COMMUNITY	537,833	532,333	397,716	156,769	240,947	61%	✓	
DIRECTOR WORKS & SERVICES								
110270. CITY DESIGN - PROJECTS	286,228	285,597	217,771	19,837	197,934	91%	✓	Some project expenditure to be deferred until 2011-12, per Q3 review.
110920. CITY ASSETS PROJECTS	518,935	553,935	538,920	276,619	262,301	49%	✓	The main component of this work is the drainage management plan. This has commenced, but there will be some expenditure in 2011-12. Revised under Q3 review.
118520. REFUSE-TIP MAINTENANCE	948,500	1,088,500	807,667	937,452	(129,785)	-16%		Cost of E Waste collection and processing was higher than expected. This item is expected to meet the Q3 Review.

Account	Original Budget	Current Budget	YTD Budgets	YTD Actuals	YTD Variance	YTD % Variance	Variance Ticks	
119530. REFUSE-INC HANRAHAN ROAD	(800,000)	(1,100,000)	(825,003)	(932,817)	107,814	13%	✓	More refuse received at Hanrahan Rd due Bakers Junction revised opening hours.
134850. ASSET FUNDING - REGIONAL ROAD GROUP	(759,167)	(812,670)	(455,334)	(297,734)	(157,600)	-35%	x	Funding application have been lodged with MRD/FESA, and we are now awaiting notification of approval.
147320. FUEL & OIL	703,677	703,677	527,614	413,955	113,659	22%	✓	Year to date expenditure is below budget due to fuel prices remaining relatively stable.
147920. PLANT-ALLOCATE TO W/SERV.	(3,135,832)	(3,135,832)	(2,351,239)	(2,116,372)	(234,867)	-10%	x	Any under-recoveries in relation to Plant Charge-out are addressed in June. Additional charge-outs may be required to align with costs to be recovered. Plant cost recoveries for the year to date are lower than budgeted due to some Council plant being unavailable for use due to machine breakdowns.
149120. WO-LESS ALLOC.W/SERVICES	(2,735,417)	(2,735,417)	(2,051,013)	(1,857,164)	(193,849)	-9%	x	Any under-recoveries in relation to Works Labour Charge-out are addressed in June. Additional charge-outs may be required to align with costs to be recovered.
149840. ASSET UPGRADE- REGIONAL RD	1,936,497	2,232,102	1,871,902	984,924	886,978	47%	✓	Year to date expenditure is below budget. This is only a timing difference, and annual costs are expected to be in line with budget. Jobs commenced, first invoices received, expect major expenditure over the next months to bring this back to budget.
149940. ASSET PRESERVATION	3,344,638	5,436,174	4,023,800	1,751,221	2,272,579	56%	✓	Year to date Costs are below budget. Limited work done so far this year, mainly due to adverse weather conditions. Annual costs are expected to be in line with budget.

Account	Original Budget	Current Budget	YTD Budgets	YTD Actuals	YTD Variance	YTD % Variance	Variance Ticks	
150140. DRAINAGE CONSTRUCTION	1,834,247	1,719,495	1,390,310	334,361	1,055,949	76%	✓	There are some cost savings in completed projects - adjusted in the Q3 Review. Drainage masterplan grant income not received, corresponding project expenditure (\$750,000) cancelled in Q3 review.
152140. WASTE/TIPS PROJECTS	444,974	663,060	654,251	171,957	482,294	74%	✓	This is a timing difference related to expenditure on the Leachgate Management Project and South Stirlings Waste Site
155850. DRAINAGE MASTERPLAN INCOME	(750,000)	(831,000)	(582,350)	(40,500)	(541,850)	-93%	x	Budget income relates to the water harvesting project (\$750,000), but funding approval has now been declined. Budget adjustments will be made in the Q3 review.
174420. ROADS- DEPREC	8,301,762	8,301,762	6,224,654	5,464,238	760,416	12%	✓	Year to date depreciation is below budget. This is due to delays on road construction completion and capitalisation of assets.
Total DIRECTOR WORKS & SERVICES	10,139,042	12,369,383	9,991,950	5,109,977	4,881,973	49%		

POLICY IMPLICATIONS

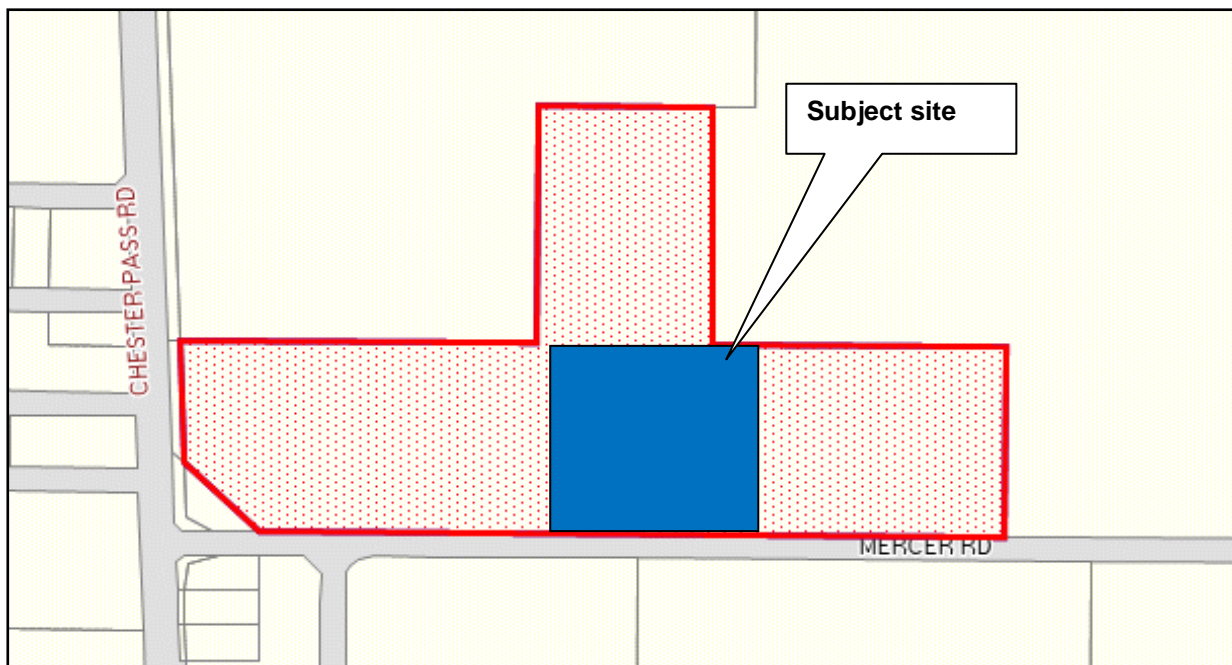
14. The City's 2010/11 Annual Budget provides a set of parameters that guides the City's financial practices.
15. The Investment of Surplus Funds Policy stipulates that the status and performance of the investment portfolio is to be reported monthly to Council.

File Number (Name of Ward)	FM.FIR.2 - All Wards
-----------------------------------	----------------------

2.3: SOUTH COAST NATURAL RESOURCE MANAGEMENT INC. – SURRENDER AND NEW LEASE WITH SUBLEASE AT 39 MERCER ROAD, WALMSLEY

Land Description	: Lot 5 on Diagram 59369 and being whole of land contained in Certificate of Title Volume 1633 Folio 591 – 39 Mercer Road Walmsley
Proponent	: South Coast Natural Resource Management Inc, a Not For Profit Organisation
Owner	: City of Albany
Appendices	: Lease survey plan
Responsible Officer	: Acting Executive Director Corporate Services (P Wignall)

Maps and Diagrams:



IN BRIEF

- Consider request to surrender existing lease and simultaneously replace with a new lease to South Coast Natural Resource Management Inc. over portion of Lot 5 Mercer Road, Walmsley.
- Lease term being one year and eight months commencing 21 May 2011 with an option for a further five year term.
- Consider request to sublease 40 square metre area situated in the enclosed rear car park within the leased area to Centre of Excellence in Natural Resource Management (“CENRM”) for the purpose of storage.
- Sublease term in line with head lease being one year and eight months commencing 21 May 2011 with an option for a further five year term.

CEO:

RESPONSIBLE OFFICER:

ITEM 2.3: RESPONSIBLE OFFICER RECOMMENDATION

The request from South Coast Natural Resource Management Inc. to surrender existing lease and simultaneously replace with a new lease and sublease over portion of Lot 5 on Diagram 59369 be **APPROVED** subject to:

1. Lease surrender date being 20 May 2011.
2. Lease term being one year and eight months commencing 21 May 2011, with an option for a further five years term.
3. Lease purpose being Office and Natural Resource Management Community Information Network and Learning Centre.
4. Lease rental being \$86,130.00 plus GST per annum as determined by current market rental valuation provided by independent Certified Practising Valuer, Albany Valuation Services - Opteon.
5. Lease area being 2.903 hectares incorporating the entire building and land (excluding the dog pound area).
6. Continuous access to the Dog Pound being maintained.
7. All necessary approvals, including Development Approval under Town Planning Scheme No 3, a Building Licence under the Building Code of Australia, being obtained prior to development of the leased area.
8. All costs associated with the development, maintenance and operations of the leased area to be payable by the proponent.
9. All costs associated with the development, execution and completion of the surrender and new lease with sublease to be payable by the proponent.

BACKGROUND

1. In January 2008 the City of Albany entered into a lease agreement with South Coast Natural Resource Management Inc. ("South Coast NRM") over the former City of Albany Mercer Road Administration building and grounds located on portion of Lot 5 Mercer Road, with street address being 39 Mercer Road, Walmsley.
2. The City of Albany retained a 66 square metre area in the west wing of the building for storage and the dog pound area located within Lot 5 Mercer Road. Access to these areas was protected through lease conditions.
3. The existing lease for a term of five years with an option for a further five year term commenced on 21 January 2008 and expires on 20 January 2013 with rental being \$76,231.94 plus GST per annum.
4. South Coast NRM currently sublease a 40 square metre area situated in the enclosed rear car park within the leased area to CENRM for the purpose of storage for a rental of \$1200.00 plus GST per annum.
5. In May 2009, South Coast NRM approached the City to advise they were proposing to seek Lottery West grant funding under the Federal Government Jobs Fund Initiative to renovate and refurbish the leased premises at 39 Mercer Road to incorporate a Natural Resource Management Community Information Network and Learning Centre.

6. The grant funding was subject to South Coast NRM securing a longer term lease over the entire building for a term of 10 years with an option for a further 5 year term. This included the 66 square metre area currently utilised by the City for storage.
7. In discussions with South Coast NRM, City staff advised they would investigate alternate storage options for items currently being stored in this area. South Coast NRM also gave a commitment to house any of the storage items within the redeveloped building if the City could not find alternate appropriate storage.
8. In February 2010, Council resolved to surrender the existing lease and simultaneously replace with a new lease to South Coast NRM over the entire building and land (excluding the dog pound) for a term of 10 years with an option for a further five year term subject to:
 - The rental being determined by current market valuation prior to commencement of the new lease;
 - Rent reviews in line with Council's Policy - Property Management – Leases for this category of lease;
 - All costs associated with the proposed renovations, refurbishment and upgrade of premises be payable by South Coast NRM;
 - All costs associated with the preparation and implementation of the surrender and new lease be payable by South Coast NRM; and
 - Should Lottery West grant funding not be approved the existing lease will remain static until expiry.
9. In accordance with Council resolution a current market valuation was undertaken to determine the rental prior to commencement of the new lease.
10. The valuation determined the new rent to be \$84,150 plus GST per annum (excluding the 66 square metres City storage area).
11. Following meetings with City staff to discuss the increase in rental, South Coast NRM in September 2010 formally requested Council to consider delaying the introduction of the new lease rental until 21 January 2013 instead of applying upon commencement of the new lease.
12. At OCM 16 November 2010 Council declined South Coast NRM request to delay the introduction of new lease rental.
13. The surrender and new lease was put on hold pending further instructions from South Coast NRM.
14. In March 2011, South Coast NRM advised they wished to continue with the surrender of the remaining term in favour of a new lease but with an amendment to the term. South Coast NRM seek to vary the previously approved term of ten years with an option for a further five year term to one year and eight months with an option for a further five year term.
15. The reduced term request is a consequence of Lottery West advising that extended tenure is no longer an essential requirement of receiving funding and due to South Coast NRM overall funding arrangements they would prefer to retain the lease term in the existing agreement.
16. As a sublease cannot continue once a head lease has been surrendered South Coast NRM also seek consent to sublease a 40 square metres area in the rear undercover car parking area to CENRM for the purpose of storage. The term being in line with the head lease of one year and eight months with an option for a further five year term.

17. The CEO has delegated authority to process applications for a sublease, where there is a current lease in place. In this instance for transparency the South Coast NRM request has been submitted to Council for consideration in its entirety including the sublease request.

DISCUSSION

18. South Coast NRM is the leading regional organisation for natural resource management on the south coast of Western Australia with funding provided by the Australian and Western Australian Governments.
19. South Coast NRM provides activities and services associated with natural resource management and the emerging field of Green Business which incorporates environmental management, climate change and energy efficiency.
20. The organisation is currently involved in a range of activities which support communities across the South Coast region in on-ground work, information provision and community engagement activities relating to the Australian Government's 'caring for our Country' priority areas and covering Coastal marine, Land, Water, Biodiversity, Cultural Heritage and Regional Capacity.
21. It is anticipated the proposed Natural Resource Management Community Information Network and Learning Centre would become a one-stop-shop that provides information, services and education activities related to the care of the natural environment and associated Green Business preparedness
22. The centre would provide the facilities to enable South Coast NRM to offer a broader range of services to assist the communities across the South Coast Region and beyond.
23. South Coast NRM has successfully secured Lottery West funding inclusive of \$178,500 for improvements to the conference rooms, the library and reception areas of the building.
24. As the market rental valuation provided by Albany Valuation Services – Opteon in April 2010 to determine rent expired after 6 months, a current valuation has been provided at no additional cost to South Coast NRM.
25. Albany Valuation Services have updated their valuation and determined the rental as at 18 March 2011 to be \$86,130.00 plus GST per annum. This includes the 66 square metre storage area and excludes the dog pound area.
26. South Coast NRM has been made aware of the surrender and new lease process and has confirmed their agreement to the current market rental valuation of \$86,130.00 plus GST per annum.
27. The proposed new lease will be negotiated in line with Council's Policy – Property Management – Leases for this category of lease.

GOVERNMENT CONSULTATION

28. No government consultation is required.

PUBLIC CONSULTATION / ENGAGEMENT

29. Section 3.58 of the Local Government Act 1995 deals with the disposal of property including leased land and buildings.

30. This Section requires there to be local public notice of the proposal for a period of two weeks inviting submissions from the public. Any submissions are to be considered by Council and their decision with regard to those submissions, to be recorded in the minutes.
31. Section 30 of the *Local Government (Functions & General) Regulations 1996* deals with dispositions to which the advertising requirements of section 3.58 of the Act does not apply. Section 30 (2) (b & c) states that Section 3.58 of the Act is exempt if:
- (b) *The land is disposed of to a body, whether incorporated or not –*
 - (i) *The object of which are charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and*
 - (ii) *The members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;*
 - (c) (i) *a department, agency, or instrumentality of the Crown in right of State or the Commonwealth; or*
32. South Coast NRM is a not-for-profit organisation funded by the State and Federal Government to provide information, services and education, therefore exempt from the advertising requirements of Section 3.58 of the *Local Government Act 1995*.

STATUTORY IMPLICATIONS

33. Section 3.58 of the *Local Government Act 1995* deals with the disposal of property, including leased land and buildings.
34. Under the City's Town Planning Scheme 3, the land is 'Civic and Cultural'. The proposed use for Office and Natural Resource Management Community Information Network and Learning Centre is in accordance with the Scheme.

STRATEGIC IMPLICATIONS

35. This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

Community Vision:

Nil

Priority Goals and Objectives:

Goal 4: Governance... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.3 Deliver excellent community services that meet the needs and interests of our diverse communities.

City of Albany Mission Statement:

At the City of Albany we are accountable and act as a custodian with respect to Council Assets.

POLICY IMPLICATIONS

36. Council adopted a Property Management - Leases Policy in 2007. This policy aims to ensure that all requests for leases, for whatever purpose, will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.

37. The relevant section of Policy in relation to this Policy are:
- Commercial leases will be offered at a rental determined by an independent Valuer taking into account the current values of the business and rental structured in a way which provides maximum return to Council.
 - If a Lessee requests a variation to a lease, Council reserves the right to consider the variation only as part of a new lease for the enterprise.
 - The Lessee will reimburse all Council's costs associated with the development and implementation of the lease.
 - No sub-leasing arrangements are to be entered into without prior Landlord consent.
 - The City will insure the buildings that it owns and recover the cost of the premium from the Lessee.
38. The recommendation is consistent with Council's Policy.

RISK IDENTIFICATION & MITIGATION

Risk	Likelihood	Consequence	Risk Rating	Mitigation
New lease not approved	Possible	Major	High	Seek to negotiate terms to Council satisfaction Collaborate closely with South Coast NRM to assure them that the City will work towards mutually agreeable outcomes Seek alternative Lessee as last resort
New sublease not approved	Unlikely	Insignificant	Low	Collaborate closely with South Coast NRM to assure them that the City will work towards mutually agreeable outcomes

FINANCIAL IMPLICATIONS

39. All costs associated with the development, execution and completion of the surrender and new lease with sublease documentation including but not limited to legal, survey and market rental valuation will be borne by the proponent.
40. The new lease rental being \$86,130.00 plus GST per annum as determined by current market valuation provided by independent Certified Practising Valour, Albany Valuation Services – Option. Rent reviews being CPI applied annually with market valuation at the beginning of the option for a further five year term.
41. The new lease rental will be directed to COA 140530 Income – Misc Commercial.

ALTERNATE OPTIONS & LEGAL IMPLICATIONS

42. Council has the following options in relation to this item, which are:
 - a. Approve the South Coast NRM request to surrender and simultaneously replace with a new lease over portion of Lot 5 Mercer Road; and
 - b. Approve the request to sublease a 40 square metre area to CENRM for the purpose of storage, or
 - c. Decline the request to surrender and replace with new lease; and
 - d. Decline the request to sublease to CENRM.
43. Council has previously resolved to approve South Coast NRM request to surrender and replace with a new lease over the entire building and land (excluding the dog pound area) for a term of ten years with an option for a further five year term.
44. The difference between the previous Council resolution and current 2011 request being only the lease term and sublease consent.
45. Should Council decline the request to surrender and replace with a new lease for the reduced term, South Coast NRM may revert to previous Council resolution of 16 February 2010 and progress the new lease with approved term of ten years with an option for a further five year term.
46. Alternatively South Coast NRM may decide that the existing lease and sublease remain static and continue to operate under the existing terms and conditions until expiry of head lease on 20 January 2013.
47. Should Council decline the request to sublease South Coast NRM could resubmit the request once the surrender and new lease have been executed. The sublease request would be processed under delegated authority, however staff would recommend in accordance with Council's previous decision on the matter.

SUMMARY CONCLUSION

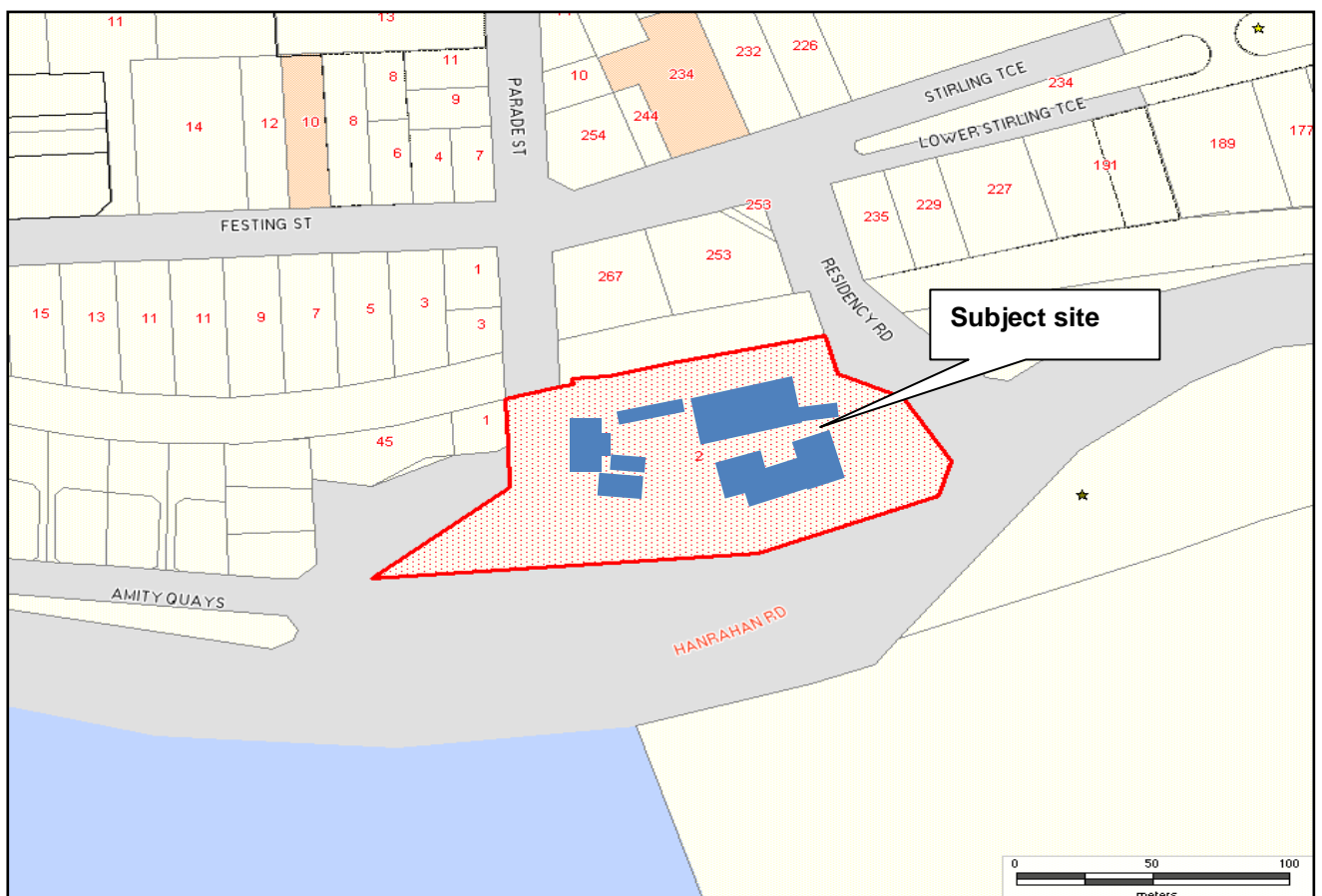
48. Given Council has previously resolved to approve South Coast NRM request to surrender and replace with a new lease and the opportunity to improve the amenity and community use of the building at no cost to Council, the request to surrender and replace with a new lease and sublease is recommended.

Consulted References	<ul style="list-style-type: none">• Council's Policy – Property Management – Leases• <i>Local Government Act 1995</i>
File Number (Name of Ward)	PRO351 Yakamia Ward)
Previous Reference	OCM 20.11.2007 Item 13.5.1 OCM 19.05.2009 Item 18.2.1 OCM 15.12.2009 Item 15.2.1 OCM 16.02.2010 Item 14.11.3 OCM 16.11.2010 Item 14.11.1

2.4: WESTERN AUSTRALIAN MUSEUM – SURRENDER AND NEW LEASE WITH SUBLEASE OVER PORTION OF RESERVE 4156

Land Description	: Lot B41 on Plan 213192 and being land contained in Certificate of Title LR3121 Folio 610 – Reserve 4156 Parade Street, Albany
Proponent	: Western Australian Museum
Owner	: Crown
Appendices	: Lease survey plan
Responsible Officer	: Acting Executive Director Corporate Services (P Wignall)

Maps and Diagrams:



IN BRIEF

- Consider request to surrender existing lease and simultaneously replace with a new lease to Western Australian Museum over portion of Reserve 4156 located at Lot 2 Parade Street, Albany.
- Consider Western Australian Museum request to sublease 90 square metre area of Residency Museum building for purpose of cafe.

CEO:

RESPONSIBLE OFFICER:

ITEM 2.4: RESPONSIBLE OFFICER RECOMMENDATION

The request from the Western Australian Museum to surrender the existing lease and simultaneously replace with a new lease and sublease over portion of Reserve 4156 be **APPROVED** subject to:

1. Lease surrender date being 31 May 2011.
2. Lease term being 21 years commencing 1 June 2011.
3. Lease purpose being for Museum and Cafe Operation.
4. Lease rental for the Museum area being equivalent to Minimum Land Rate as set by Council per annum. This is currently \$725.00 plus GST per annum.
5. Lease rental for cafe area to be determined by current market rental valuation provided by an independent Certified Practising Valuer.
6. Lease area being approximately 1132 square metres and being building footprints and car park only.
7. Western Australian Museum be responsible for maintenance of all of the buildings, improvements and infrastructure within the leased area.
8. All necessary approvals, including the Heritage Council of Western Australia, Development Approval under Town Planning Scheme No 1A, a Building Licence under the Building Code of Australia, and licensing / compliance under the Food Act 2008 being obtained prior to development of leased area.
9. Section 18 of the *Lands Administration Act 1997*, Minister for Lands' consent.
10. All costs associated with the development, maintenance and operations of the leased area to be payable by the proponent.
11. All costs associated with the development, execution and completion of the surrender and new lease with sublease to be payable by the proponent.

BACKGROUND

1. Reserve 4156 is under Management Order H603418 issued to the City of Albany with the power to lease, sublease or licence for the purpose of "Museum & Park" for any term not exceeding 21 years and subject to the consent of the Minister for Lands.
2. Reserve 4156 is located at 2 Parade Street, Albany and is adjacent to the Central Business District, overlooking Princess Royal Harbour.
3. In 1992 the former Town of Albany granted a lease to the Western Australian Museum over portion of Reserve 4156 for the purpose of Museum Operations.
4. The lease area incorporates the building footprints and car park within the Amity Heritage Precinct. The buildings include the Residency Museum building, Eclipse building, Police cottages, Mount Barker Cooperative demountable building, Torbay One Teacher School demountable building and car park.
5. The existing lease for a term of 21 years commenced on 14 April 1992 and expires on 13 April 2013 with rental being a nominal fee of \$10.00 plus GST per annum.

6. The Western Australian Museum maintains all of the buildings and infrastructure upon the leased portion of the Reserve.
7. The City of Albany is responsible for all the maintenance of all infrastructure, grounds and pathways not included in the leased area.
8. Western Australian Museum have requested to surrender the remaining lease term in favour of a new lease term for 21 years over 1132 square metre portion of reserve 4156 and a sublease a 90 square metre to allow a five year sublease term to be offered for cafe operations.
9. Western Australian Museum also holds an existing 21 year lease with the City over portion of Reserve 4156 for purpose of construction and maintenance of Albany Welcome Walls.
10. The lease commenced 1 August 2010 and expires 31 July 2031 returning a rental being the equivalent to Minimum Land Rate as set by Council per annum. This is currently \$725.00 plus GST per annum.
11. Western Australian Museum also leases the 634 square metre area of corridor land from Public Transport Authority of Western Australia ("PTAWA") for a term of 10 years commencing 1 January 2006.

DISCUSSION

12. The subject site has been awarded an 'A+' level of heritage significance within the City's Municipal Heritage Inventory. It is a permanent entry on the State Register of Heritage Places maintained by the Heritage Council of Western Australia. The site is also listed on the Register of the National Estate maintained by the Australian Heritage Commission. Any action on this site must consider the high level of heritage significance it holds.
13. The Western Australian Museum has recently redeveloped the main galleries within the Residency Museum building.
14. To further improve the facilities of the Museum and the Amity Heritage Precinct overall, the Museum wishes to incorporate a cafe development on the site.
15. The Amity Heritage Precinct Master Plan adopted by the Council in 2007 recommends, in the short term, the development of a cafe facility within the precinct.
16. The proposed sublease area of 90 square metres for cafe operations would be located in the western end of the Residency Museum building with both internal and external seating areas, including the use of the large deck recently created as part of the Welcome Wall lease.
17. The Museum has begun dialogue with the Heritage Council of Western Australia and is working with Howard & Heaver Architects in the development of the cafe area to ensure appropriate heritage approvals are obtained.
18. The subject site is zoned 'Clubs and Institutions' under the City of Albany Town Planning Scheme No 1A. The proposed cafe would fall under the definition of a restaurant, which is incidental to the predominant use of the land 'IP' within this zone. As such, the cafe use may be permitted.

19. While Council has been requested to reconsider the lease arrangements for the site, no application for planning consent or building approval has been lodged at this time.
20. The proposed cafe would also need to obtain the appropriate approvals for Food Premises under the *Food Act 2008*.
21. The Museum has been made aware of the surrender and new lease process including the requirement of a current market valuation to determine rental for the cafe area. The Museum has confirmed their agreement to these terms.
22. It is recommended the City of Albany continue to be responsible for maintenance of all grounds, infrastructure and pathways not included within the leased area in this vicinity due the location of the City's existing utilities including reticulation system and to maintain continuity of standards of the grounds given significance of the area as a tourist destination.
23. The Western Australian Museum will be responsible for maintenance of all of the buildings, improvements and infrastructure within the leased area.
24. The proposed new lease will be negotiated in line with Council's Policy – Property Management – Lease for this category of lease.

GOVERNMENT CONSULTATION

25. Section 18 (1) of the *Land Administration Act 1997* states that a person must not, without the prior approval in writing of the Minister assign, sell, transfer or otherwise deal with interests on Crown land.
26. As this is Crown land, under a Management Order H603418 issued to the City of Albany with the power to lease, sublease or licence for the purpose of "Museum & Park", Minister for Lands consent will be required.

PUBLIC CONSULTATION / ENGAGEMENT

27. Section 3.58 of the *Local Government Act 1995* deals with the disposal of property including leased land and buildings.
28. This Section requires there to be local public notice of the proposal for a period of 2 weeks inviting submissions from the public. Any submissions are to be considered by Council and their decision with regard to those submissions, to be recorded in the minutes.
29. Section 30 of the *Local Government (Functions & General) Regulations 1996* deals with dispositions to which the advertising requirements of section 3.58 of the Act does not apply. Section 30 (2) (b & c) states that Section 3.58 of the Act is exempt if:
 - (b) *The land is disposed of to a body, whether incorporated or not –*
 - (i) *the object of which are charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and*
 - (ii) *the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;*
 - (c) (i) *a department, agency, or instrumentality of the Crown in right of State or the Commonwealth; or*
30. The Western Australia Museum is a State Government organisation and therefore exempt from the advertising requirements of Section 3.58 of the *Local Government Act 1995*.

STATUTORY IMPLICATIONS

31. Section 18 (1) of the *Land Administration Act 1997* states that a person must not, without the prior approval in writing of the Minister assign, sell, transfer or otherwise deal with interests on Crown land.
32. Section 3.58 of the *Local Government Act 1995* deals with the disposal of property, including leased land and buildings.
33. The subject land has a current zoning as 'Clubs and Institutions' under the Town Planning Scheme No 1A. The subject land is also identified as a local reserve in the Albany Local Planning Strategy.
34. The Western Australian Planning Commission consent is not required as this is Crown land.

FINANCIAL IMPLICATIONS

35. All costs associated with the development, execution and completion of the surrender and new lease with sublease documentation including but not limited to legal, survey and market rental valuation will be borne by the proponent.
36. The new lease rental will be equivalent to Minimum Land Rate as set by Council per annum. This is currently \$725.00 plus GST per annum.
37. The new lease rental for the cafe area to be determined by current market rental valuation provided by an independent Certified Practising Valuer.
38. The new lease rental will be directed to COA 190430 Income – Other Leases.

STRATEGIC IMPLICATIONS

39. This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

Community Vision:
Nil

Priority Goals and Objectives:

Goal 4: Governance... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.3 Deliver excellent community services that meet the needs and interests of our diverse communities.

City of Albany Mission Statement:

At the City of Albany we are accountable and act as a custodian with respect to Council Assets.

POLICY IMPLICATIONS

40. Council adopted a Property Management - Leases Policy in 2007. This policy aims to ensure that all requests for leases, for whatever purpose, will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.

41. Relevant sections of the Policy in relation to this item are:
- Crown Reserve leases with or without City owned buildings on site, will incur a rental based on minimum land rate as set by Council per annum.
 - Lease to be for a term not greater than 21 years.
 - Maintenance of leased area is to be undertaken by the Lessee at the Lessee's cost.
 - No subleasing arrangements are to be entered into without prior Landlord consent.
 - Commercial leases will be offered at a rental determined by an independent Valuer taking into account the current value of the business and rental structured in a way which provides maximum return to Council.
42. The recommendation is consistent with Council's Policy.

RISK IDENTIFICATION & MITIGATION

Risk	Likelihood	Consequence	Risk Rating	Mitigation
New lease not approved	Unlikely	Moderate	Medium	Seek to negotiate terms to Council satisfaction Collaborate closely with Western Australian Museum to ensure them that the City will work towards mutually agreeable outcomes which supports Council's commitment to tourism
New sublease not approved	Unlikely	Insignificant	Low	Collaborate closely with Western Australian to ensure them that the City will work towards mutually agreeable outcomes which supports Council's commitment to tourism

ALTERNATE OPTIONS & LEGAL IMPLICATIONS

43. Council has the following options in relation to this item, which are:
- a. Approve the Western Australian Museum request to surrender and simultaneously replace with a new lease over portion of Reserve 4156; and
 - b. Approve the request to sublease a 90 square metre area for the purpose of cafe, or
 - c. Decline the request to surrender and replace with new lease; and
 - d. Decline the request to sublease for cafe.
44. Should Council decline the request to surrender and replace with a new lease, the Western Australian Museum would remain static and continue to operate under the existing terms and conditions of the existing lease until expiry on 13 April 2013.

45. The Western Australian Museum would not be able to offer a cafe operator a minimum five year lease term which is required under the *Tenancy Act 1985*.
46. Should Council decline the request to sublease for cafe operations, the Western Australian Museum would not be able to offer a cafe operator a sublease.

SUMMARY CONCLUSION

47. In view of the service and tourism benefit provided by the Western Australian Museum facilities to the Albany, Great Southern and wider communities at no cost to Council, the Western Australian Museum request to surrender existing lease and simultaneously replace with a new lease and sublease over portion of Reserve 4156 is recommended.

Consulted References	<ul style="list-style-type: none"> • Council's Policy – Property Management – Leases • Amity Heritage Precinct Master Plan • <i>Local Government Act 1995</i> • <i>Land Administration Act 1997</i>
File Number (Name of Ward)	PRO098 (Frederickstown Ward)
Previous Reference	OCM 01.01.1992

2.5: REQUEST TO ADOPT THIRD QUARTER 2010-11 BUDGET REVIEW

Attachments : Third Quarter 2010-11 Budget Review
Responsible Officer : Acting Executive Director Corporate Services (P Wignall)

IN BRIEF

- Adoption of the Third Quarter 2010-11 Budget Review.

**ITEM 2.5: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council ADOPT the Third Quarter 2010-11 Budget Review.

BACKGROUND

1. At the Special Council Meeting held on 29th June 2010, Council resolved at Item 6.1 (xii):
One month before the scheduled quarterly review, council convene a meeting for the purpose of managing the budget and overseeing its progressive implementation.
2. The Audit Committee met on 12 April 2011.
3. The Third Quarter Review of the 2010-11 Budget was presented and discussed at the 12 April 2011 Audit Committee meeting.

DISCUSSION

4. The net position of the Budget following the first quarterly 2010-11 Budget review is a surplus of **\$29,230**.
5. There were a number of required amendments resulting from changed circumstances since the Second Quarterly Review **was adopted**.

GOVERNMENT CONSULTATION

6. Nil

PUBLIC CONSULTATION / ENGAGEMENT

7. Nil

CEO:

RESPONSIBLE OFFICER:

STATUTORY IMPLICATIONS

8. Under the Local Government Act, 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

STRATEGIC IMPLICATIONS

9. This item relates to the following elements from the Albany Insight – Beyond 2010 Corporate Plan...

Community Vision:
Nil

Priority Goals and Objectives:

Goal 4: Governance... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.2 The City of Albany will manage the Municipal Assets to ensure they are capable of supporting our growing community.

City of Albany Mission Statement:

At the City of Albany we are accountable and act as a custodian with respect to Council Assets.

POLICY IMPLICATIONS

10. Nil

RISK IDENTIFICATION & MITIGATION

Risk	Likelihood	Consequence	Risk Rating	Mitigation
Council does not approve the Third Quarter 2010-11 Budget Review	Unlikely	Moderate	Medium	The existing Current Budget (Second Quarterly Review) would apply and proposed amendments would not apply.

FINANCIAL IMPLICATIONS

11. A summary of the proposed Third Quarter 2011-11 Budget Review follows:

	Original Budget	Current Budget	Proposed Q3 Budget	Variance from Current Budget
General Management	1,322,458	1,322,458	1,276,695	(45,763)
Corporate & Community Serv.	7,558,921	7,813,481	9,502,741	1,679,260
Development Services	1,751,112	1,769,612	1,859,119	89,507
Works & Services	13,799,472	13,740,471	13,557,541	(182,930)
General Purpose Income	(27,665,689)	(27,924,548)	(27,959,052)	(34,504)
Loans	3,233,726	3,233,726	1,733,726	(1,500,000)
Total (Surplus)/Deficit	0	(34,800)	(29,230)	5,570

LEGAL IMPLICATIONS

12. Nil

ALTERNATE OPTIONS

13. The Third Quarter 2010-11 Budget Review is not adopted by Council and the proposed re-allocation of budget line items therefore could not be applied.

14. The Third Quarter 2010-11 Budget Review may be adopted subject to specific changes directed by Council. The proposed small surplus would be affected by any changes directed by Council.

SUMMARY CONCLUSION

15. Nil

Consulted References	Adopted Budget 2010-11 Adopted Second Quarter 2010-11 Budget Review Local Government Act 1995
File Number (Name of Ward)	FM.BUG.2
Previous Reference	<ul style="list-style-type: none"> • Annual Budget – OCM 29th June 2010 • 1st Quarter 2010-11 Budget Review - OCM 12th October 2010 Item 2.3 • 2nd Quarter 2010-11 Budget Review - OCM 15th February 2011 Item 15.1

2.6: RE-FINANCING OF MATURING LOAN

Owner : City of Albany
Responsible Officer(s) : Acting Executive Director Corporate Services (P Wignall)

IN BRIEF

- Approval is sought to re-finance Loan 22A which is due to mature on 29 June 2011.

2.6: RESPONSIBLE OFFICER RECOMMENDATION VOTING REQUIREMENT: ABSOLUTE MAJORITY

THAT Council approve the re-financing of Loan 22A with a loan term of one year.

BACKGROUND

1. Loan 22 (for the amount of \$1,500,000) was taken out in June 2003 for the purpose of funding road works. The Loan matured in June 2010 and was re-financed in June 2010 in accordance with the adopted 2009-10 Budget.
2. The re-financed loan (Loan 22A) has a loan term of twelve months, expiring in June 2011.
3. The 2010-11 Budget included repayment of the principal amount of Loan 22A in June 2011 using funds from the sale of Cull Road lots.

DISCUSSION

4. Cull Road lots are currently being actively marketed. However, indications are that there will be insufficient funds available from the sale of Cull Road lots to repay Loan 22A when it matures on 29 June 2011.
5. The City has not considered the re-allocation of existing expenditure commitments in 2010-11 to the extent required to fund the loan repayment.
6. The loan facility is with the Western Australian Treasury Corporation (WATC). The process of rolling over the loan with WATC has commenced, although no commitment will be made without the approval sought in the above recommendation.

GOVERNMENT CONSULTATION

7. Nil

PUBLIC CONSULTATION / ENGAGEMENT

8. Nil

CEO:

RESPONSIBLE OFFICER:

STATUTORY IMPLICATIONS

9. *A local government has the power to borrow under the Local Government Act 1995 :*

6.20. **Power to borrow**

(1) *Subject to this Act, a local government may —*

- (a) *borrow or re-borrow money;*
- (b) *obtain credit; or*
- (c) *arrange for financial accommodation to be extended to the local government in ways additional to or other than borrowing money or obtaining credit,*

to enable the local government to perform the functions and exercise the powers conferred on it under this Act or any other written law.

(2) *Where, in any financial year, a local government proposes to exercise a power under subsection (1) (**power to borrow**) and details of that proposal have not been included in the annual budget for that financial year —*

- (a) *unless the proposal is of a prescribed kind, the local government must give one month's local public notice of the proposal; and*
- (b) *the resolution to exercise that power is to be by absolute majority.*

(3) *Where a local government has exercised a power to borrow and —*

- (a) *it does not wish to proceed with the performance of the function or the exercise of the power for which the power to borrow was exercised; or*
- (b) *after having completed the performance of the function or the exercise of the power for which the power to borrow was exercised, any part of the money borrowed, credit obtained or financial accommodation arranged has not been expended or utilized,*

the local government may resolve to expend the money or utilize the credit or financial accommodation for another purpose if one month's local public notice is given of the proposed change of purpose.*

** Absolute majority required.*

(4) *A local government is not required to give local public notice under subsection (3) —*

- (a) *where the change of purpose has been disclosed in the annual budget of the local government for the relevant financial year; or*
- (b) *in such other circumstances as are prescribed.*

(5) *A change of purpose referred to in subsection (3) is to be disclosed in the annual financial report for the year in which the change occurs.*

6.21. Restrictions on borrowing

- (1) *Where, under section 6.20(1), a regional local government borrows money, obtains credit or arranges for financial accommodation to be extended to the regional local government that money, credit or financial accommodation is to be secured only —*
- (a) *by the regional local government giving security over the financial contributions of the participants to the regional local government's funds as set out or provided for in the establishment agreement for the regional local government;*
 - (b) *by the regional local government giving security over Government grants which were not given to the regional local government for a specific purpose; or*
 - (c) *by a participant giving security over its general funds to the extent agreed by the participant.*
- (1a) *Despite subsection (1)(a) and (c), security cannot be given over —*
- (a) *the financial contributions of a particular participant to the regional local government's funds; or*
 - (b) *the general funds of a particular participant,*
- if the participant is not a party to the activity or transaction for which the money is to be borrowed by, the credit is to be obtained for, or the financial accommodation is to be extended to, the regional local government.*
- (2) *Where, under section 6.20(1), a local government borrows money, obtains credit or arranges for financial accommodation to be extended to the local government that money, credit or financial accommodation is only to be secured by giving security over the general funds of the local government.*
- (3) *The Treasurer or a person authorised in that behalf by the Treasurer may give a direction in writing to a local government with respect to the exercise of its power under section 6.20(1) either generally or in relation to a particular proposed borrowing and the local government is to give effect to any such direction.*

STRATEGIC IMPLICATIONS

10. This item relates to the following elements from the Albany Insight – Beyond 2010 Corporate Plan...

Community Vision:
Nil

Priority Goals and Objectives:
Goal 4: Governance... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.2 The City of Albany will manage the Municipal Assets to ensure they are capable of supporting our growing community.

City of Albany Mission Statement:
At the City of Albany we are accountable and act as a custodian with respect to Council Assets.

POLICY IMPLICATIONS

11. Nil

RISK IDENTIFICATION & MITIGATION

12.

Risk	Likelihood	Consequence	Risk Rating	Mitigation
Loan not approved By WATC	Unlikely	Severe	High	Re-allocation of 2010-11 expenditure commitments. Change of purpose of reserves.

FINANCIAL IMPLICATIONS

13. The Gross Debt to Revenue Ratio at 30 June 2011 would move from a budgeted 45.2% to a projected 50.2%. Contributing to the higher ratio is the higher than anticipated loan liability, resulting from re-financing the loan and lower than budgeted revenue resulting from the reinstatement of the differential rate. The projected Gross Debt to Revenue Ratio at 30 June 2011 compares to the actual Gross Debt to Revenue Ratio at 30 June 2010 of 56.9%.
14. Subject to 2011-12 budget deliberations, repayment of the refinanced loan in June 2012 would depend on the successful sale of Cull Road properties.

LEGAL IMPLICATIONS

15. Nil

ALTERNATE OPTIONS

16. Council could direct staff to re-allocated expenditure priorities in the last quarter to make funds available to re-pay the loan. This could have a significant impact on (most likely) capital works planned between now and 30 June 2011.
17. Council could approve a change of purpose of reserve funds and re-direct such funds to repayment of the loan. This would significantly deplete reserve balances.

SUMMARY CONCLUSION

18. Nil

Consulted References	
File Number (Name of Ward)	
Previous Reference	

3.1: BLUFF/NELSON/BATHURST LOCAL AREA TRAFFIC MANAGEMENT STUDY

Land Description	: Road Reserve – Bluff/Nelson/Bathurst intersection
Proponent	: City of Albany
Appendices	: Local Area Traffic Management Study
Councillors Workstation	: Road Safety Review (Franz Winkler TSC – Apr 2008), and Black Spot Project Review (Paul Robertson – Apr 2010) N:\WORKS.SERVICE\Shared\Council Agenda Items
Responsible Officer(s)	: Executive Director Works and Services (K Ketterer)

IN BRIEF

- Acceptance of Local Area Traffic Management Study – Bluff/Nelson/Bathurst Streets, Mira Mar.

ITEM 3.1: RESPONSIBLE OFFICER RECOMMENDATION VOTING REQUIREMENT: SIMPLE MAJORITY

THAT Council:

1. **RECEIVE** the Local Area Traffic Management Study – Bluff/Nelson/Bathurst, as tabled;
2. **ADVERTISE** for comment the Local Area Traffic Management Study – Bluff/Nelson/Bathurst to the public and adjoining residents and landowners for 21 days; and
3. **NOTE** that responses and subsequent proposed amendments to the Local Area Traffic Management Study – Bluff/Nelson/Bathurst will be brought to a future meeting of Council for consideration.

BACKGROUND

1. The intersection of Bluff, Nelson and Bathurst Streets received Black Spot funding as a result of a Road Safety Audit conducted in April 2008. The Road Safety Audit identified a number of safety issues requiring attention. Consultants acting under the direction of the City's engineering staff completed detailed design drawings and construction works were carried out by the City Works team in the summer of 2009/10.

CEO:	RESPONSIBLE OFFICER:
------	----------------------

2. As a result of expressions of concern regarding the new works from residents living in the vicinity of the problem intersection, a post construction project review was undertaken by Senior Road Safety Auditor Paul Robertson in April 2010. His report highlighted some serious safety issues that were not addressed by the construction works and which were also not picked up by the original Road Safety Audit. The Paul Robertson report stated that the initial Road Safety Audit and the design and construction process had neglected community consultation, which would have been beneficial. Another reason for the failure in adequately addressing the safety issues was the changeover of staff and consultants involved in the design process who each contributed to a revision in the scope of works.
3. As a result of Paul Robertson's report urgent corrective actions were taken to improve the safety of the intersection in June 2010, and a commitment was made to complete a Local Area Traffic Management (LATM) study including the intersection and the wider local road network in order to address ongoing safety and traffic network issues.
4. The LATM program began in August 2010 and data collection comprising the placing of traffic counters and a peak hour vehicle survey were completed in September and October. Consultation occurred with several adjoining residents during this period who reported the failure of the completed works to resolve the underlying safety issues. The City has also received customer service enquiries from others in the area over these continuing safety concerns. These have added to the gathering of data and identification of safety issues.

DISCUSSION

5. The LATM process is an Australian wide systematic and comprehensive approach which has as its objective the reduction of traffic volumes and speeds in local streets to increase liveability and improve safety.
6. A number of potential LATM schemes have been identified and considered in the study and associated reports but many have also been observed in those reports to produce new hazards or not adequately address the underlying issues that need to be targeted. These underlying issues are:-
 - Excessive speed through the reverse curve on Bathurst/Nelson Streets
 - Poor road geometry at the Bluff/Nelson/Bathurst intersection
 - Lack of sight distance for vehicles turning into Nelson/Bathurst from Bluff Street
 - Congestion at the Bathurst/Campbell intersection.
7. The Study recommends that from a road network design perspective the preferred solution would be to close Bathurst Street just before it meets the Bluff/Nelson intersection making it a 'no through road' and thereby reducing traffic congestion at the Bathurst/Campbell intersection. This would also modify the problem intersection at Bluff/Nelson Streets changing it into a simple turning movement incorporating a central median island which would likely reduce speeds and provide a safer pedestrian environment. This option is shown in Appendix C on pages 28 & 29 of the LATM study. Page 29 shows the proposed superimposed over the existing.

GOVERNMENT CONSULTATION

8. No government agency stakeholders have been identified in the study and government consultation has not been undertaken.

PUBLIC CONSULTATION / ENGAGEMENT

9. It is proposed that the LATM Study be advertised for a period of 21 days to seek community feedback. The document will also be sent to adjoining residents and landowners.
10. Comments received will be collated and the item returned to Council for consideration.

STATUTORY IMPLICATIONS

11. Under section 3.18 of the *Local Government Act 1995*, the City of Albany is to satisfy itself that the services and facilities it provides are managed effectively and efficiently.

STRATEGIC IMPLICATIONS

12. In accordance with Albany Insight ~ Beyond 2020 Strategic Plan

Item 4 Governance... 4.2 Manage our municipal assets to ensure they are capable of supporting our growing community.

POLICY IMPLICATIONS

13. There are no policy implications associated with this item.

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
A vehicle accident occurs because of unresolved safety issues increasing Council liability	High	Address the unresolved safety issues by completing the LATM process and installing identified treatment
An inappropriate LATM strategy is chosen and an accident occurs	Medium	Conduct a post design road safety audit to identify any outstanding issues

FINANCIAL IMPLICATIONS

15. The cost of the initiatives highlighted in the LATM Study will require a budget allocation in order to construct the proposed modifications and if approved will need to be considered for a future budget allocation. Estimates of cost have not been undertaken but would be within the range of \$50,000 - \$100,000.
16. Staff costs of undertaking work to date on the LATM Study is within the Works and Services budget.

LEGAL IMPLICATIONS

17. By following the LATM process to its conclusion with the installation of recommended traffic management treatments the City of Albany minimises liability issues.

ALTERNATE OPTIONS

18. The LATM puts forward several alternative options to resolving the traffic safety issues associated with Bluff, Nelson and Bathurst Streets. Some simple speed reduction alternatives are considered by the initial Road Safety Audit to generate additional hazards or to not resolve the underlying concerns contained in that Road Safety Audit report. Options 1 and 2 of the LATM study also contain unresolved safety issues as indicated in the study.

SUMMARY CONCLUSION

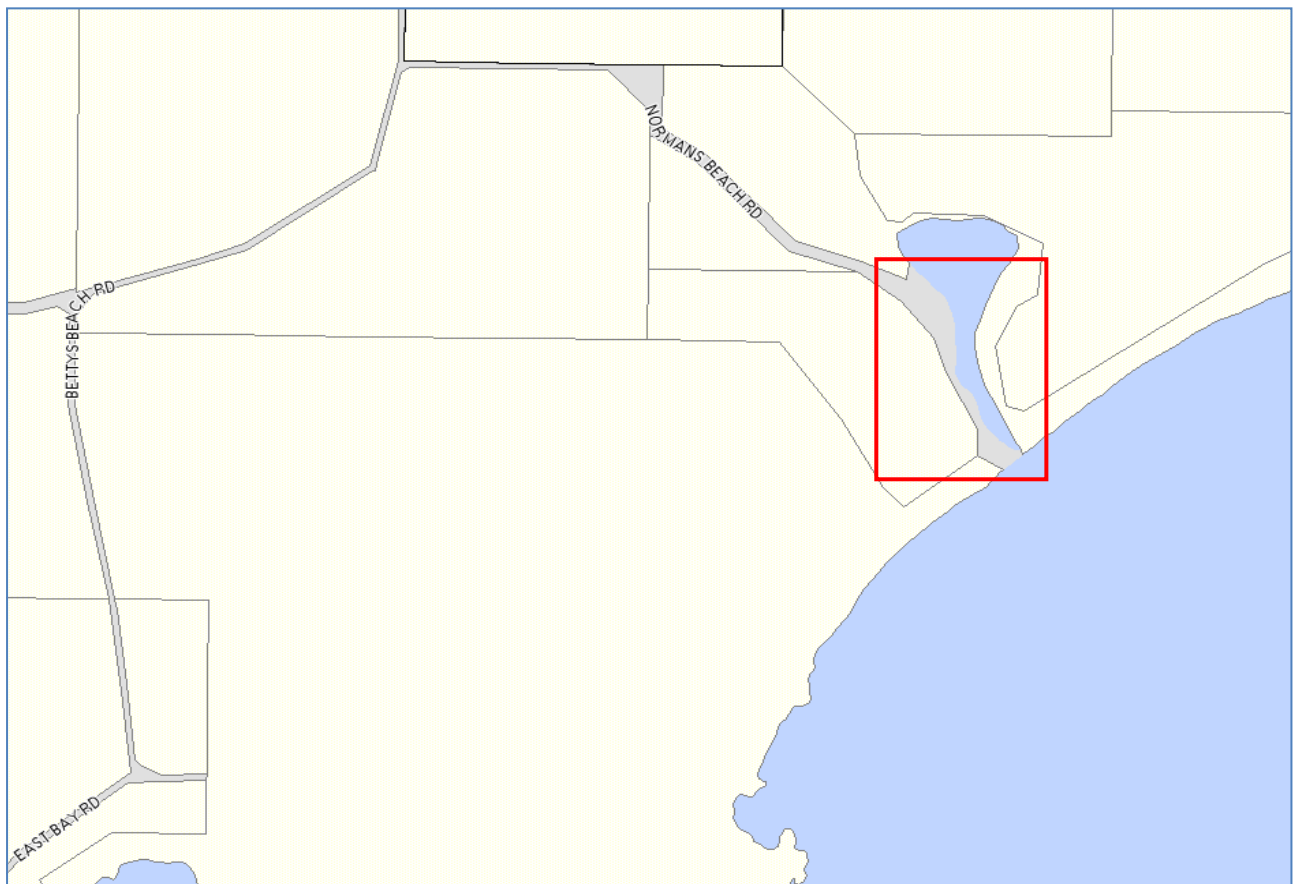
19. Receiving the LATM Study for the Bluff/Nelson/Bathurst intersection will enable further consultation to occur with a view to resolving a number of safety and road network issues. The preferred treatment option, as presented in the LATM study, is to provide a full road closure of Bathurst Street just prior to the intersection with Bluff and Nelson Streets making it a no through road ending in a cul-de-sac.

Consulted References	Local Government Act 1995
File Number (Name of Ward)	RD.PRG.2 (Breaksea & Frederickstown Wards)

3.2: PROPOSED PERMANENT CLOSURE OF PORTION OF NORMAN'S BEACH ROAD AND AMALGAMATION WITH RESERVE 2031

Land Description : Norman's Beach Road and Reserve 2031 Betty's Beach Road
Proponent : City of Albany
Owner : Crown
Attachment(s) : Map
Responsible Officer(s) : Executive Director Works and Services (K Ketterer)

Maps and Diagrams:



IN BRIEF

- Council's support is sought to close a portion of Norman's Beach Road to allow the subject land to be amalgamated with Reserve 2031, known as Betty's Beach Reserve, to better reflect the recreational use of the land.

CEO:	RESPONSIBLE OFFICER:
-------------	-----------------------------

ITEM 3.1: RESPONSIBLE OFFICER RECOMMENDATION

VOTING REQUIREMENT: SIMPLE MAJORITY

THAT Council, subject to receiving no objections::

- i) **SEEKS the Minister for Lands approval, under section 58 of the *Land Administration Act 1997*, to permanently close a portion of the Norman's Beach Road reserve (area subject to survey) that includes the Norman's Inlet camp site, walk trail and beach area;**
- ii) **AUTHORISE the Chief Executive Officer to forward the required applications to the Minister for Lands without the need for a further item to Council, should there be no objections received during the required advertising period (legislative requirement);**
- iii) **SEEKS the Minister for Lands approval, under Section 51 of the *Land Administration Act 1997*, that the boundary of Reserve 2031 (Betty's Beach Reserve) be amended to include the closed portion of Norman's Beach Road.**

BACKGROUND

1. In March 2010, Council adopted the Betty's Beach Reserve Management Plan. This Management Plan aims to manage Betty's Beach Reserve and Norman's Inlet camp site and walk trail in a more strategic and coordinated manner, allowing for the protection of the environmental values of the area while developing recreational uses in ecologically sustainable ways.
2. Norman's Inlet camp site and walk trail are currently included within the Norman's Beach Road Reserve. The road reserve continues on to the ocean's high water mark and abuts Betty's Beach Reserve 2031. Betty's Beach Reserve is a 'C' class reserve vested in the City of Albany for 'Parkland and Recreation' purposes.
3. The Betty's Beach Reserve Management Plan makes a number of recommendations for management actions. Action 2 of the Plan recommends that portion of the Norman's Beach Road reserve be closed and converted to a Crown Reserve for the purpose of 'Conservation, Recreation and Camping'.
4. This Action 2 supports a number of other recommendations contained within the Betty's Beach Reserve Management Plan for future recreational development and maintenance works in Betty's Beach Reserve and Norman's Inlet camp site and walk trail.
5. Recent application has been made to Lotterywest for their Trails Funding Program for upgrading works to the Norman's Inlet walk trail, in line with the recommendations of the Betty's Beach Reserve Management Plan. The proposed works include:

- a. Laying crushed limestone to provide a harder surface, improving access and safety for trail users;
- b. Construction and installation of a set of stairs and platforms down a steep sand dune, to provide a safe and environmentally friendly access to the beach;
- c. Closure of the end of the existing walk trail, as it currently travels around an unstable limestone cliff, which is a risk to trail users and the environment;
- d. Rehabilitation of the closed portion of the existing walk trail, using existing vegetation in the area; and
- e. Install a trail head sign and some small directional and interpretive signs along the trail.

DISCUSSION

6. Majority of Norman's Beach Road is a 40m road reserve until it widens to encompass the land adjoining Norman's Inlet. It is envisaged that the proposed road closure would allow the continuation of the 40m road reserve until the end of the constructed gravel road, which terminates at the camp site.
7. Prior to initiating any of the closure actions, the area will need to be surveyed to clearly identify the area that should be contained in the road reserve and the portion that is proposed to be amalgamated into the adjoining Reserve 2031.

GOVERNMENT CONSULTATION

8. Public utility service providers must be contacted as part of the consultation process and invited to comment on the proposal. The Department of Regional Development and Lands may also refer the proposal to various government agencies for comment.

PUBLIC CONSULTATION / ENGAGEMENT

9. Section 58 of the *Land Administration Act 1997* sets the procedure for permanently closing roads. It is a requirement of the Act that the proposed road closure be advertised in a local newspaper for a period not less than 35 days. Notification will also be sent to neighbouring landowners and to relevant public utility service providers. The City will also refer the proposal to any community groups operating in this area, to seek their views.

STATUTORY IMPLICATIONS

10. Section 41 of the *Land Administration Act 1997* grants the Minister for Lands to reserve Crown Land to the Crown for one or more purposes in the public interest.
11. Section 51 of the *Land Administration Act 1997* allows the Minister for Lands to cancel, change the purpose or amend the boundaries of a reserve.

12. Section 58 of the *Land Administration Act 1997* allows the local government to request the Minister for Lands to close a road.

STRATEGIC IMPLICATIONS

13. This item directly relates to the following element from the Albany Insight – Beyond 2020 Corporate Plan:

“4. Governance.....

4.2 Manage our municipal assets to endure they are capable of supporting our growing community.”

POLICY IMPLICATIONS

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

RISK IDENTIFICATION & MITIGATION

Risk	Likelihood	Consequence	Risk Rating	Mitigation
If road closure not obtained, usage of land is inappropriate.	Possible	Moderate – Infrastructure would not be provided for community use.	Medium	To amend land tenure for appropriate usage of reserve for recreation.

FINANCIAL IMPLICATIONS

15. The closure of portion of the Norman’s Beach Road reserve for amalgamation with the adjoining Betty’s Beach Reserve 2031 could be funded from the 2010/11 land acquisition budget. Those costs are estimated to be in the order of \$7,500, and can be accommodated in the current budget line item. This includes advertising, costs associated with surveying and subdivision / Landgate fees.
16. The costs associated with the proposed Norman’s Inlet walk trail upgrading works are not addressed in this report, as this item deals only with the land tenure issues.

LEGAL IMPLICATIONS

17. The permanent closure of a portion of Norman’s Beach Rd will address a recommendation in the Council adopted Betty’s Beach Reserve Management Plan, and legitimise the structures currently erected on the road reserve, which include the camp site, and walk trail.

ALTERNATE OPTIONS

18. While Council can decide to defer this item and not initiate the land tenure matters at this time, it is a recommendation of the Betty’s Beach Reserve Management Plan which was adopted by Council in March 2010. There is an implication that, through the preparation and adoption of this Plan, the recommendations contained within will be fulfilled at some stage. The request could be deferred to a future date.

SUMMARY CONCLUSION

19. The proposed closure of portion of Norman’s Beach Road reserve and amalgamation with the adjoining Betty’s Beach Reserve 2031 will reflect the current recreational use and environmental values of the land. It is considered necessary that appropriate land tenure be put in place to facilitate possible future upgrading works on the Norman’s Inlet camp site and walk trail. Council’s resolution to enact the road closure process and seek amendments to Reserve 2031 is sought to meet the requirements of the *Land Administration Act 1997*.

Consulted References	Land Administration Act 1997 Planning and Development Act 2005
File Number (Name of Ward)	RD.RDC.2 & GR.STL.39 (Kalgan Ward)
Previous References	OCM 16/03/10 Item 15.3.2

3.3: PROPOSED RURAL WASTE FACILITIES PASS SYSTEM FOR 11/12

Land Description	: Landfill Sites/Transfer Stations detailed at Paragraph 3
Proponent	: City of Albany
Owner	: N/A
Business Entity Name	: Transpacific Cleanaway Pty Ltd as per Waste Minimisation Contract (C02061) with City of Albany
Attachments	: N/A
Appendices	: N/A
Councillor Workstation	: N/A
Responsible Officer(s)	: Executive Director Works and Services (K Ketterer)

IN BRIEF

- Approval to introduce a Rural Waste Facilities Pass System as from 2011/2012

ITEM 3.3: RESPONSIBLE OFFICER RECOMMENDATION

VOTING REQUIREMENT: ABSOLUTE MAJORITY/SIMPLE MAJORITY

1. That the Council **APPROVE** a Rural Waste Facilities Pass system to be introduced from 2011/2012 Financial Year.
2. That a public communication process be **INITIATED** to inform all affected parties of the system

BACKGROUND

1. The City has rural waste transfer stations at the following sites, and each has recycling facilities available.
 - Hanrahan Landfill Site
 - Baker's Junction Landfill Site
 - Kronkup Transfer Station
 - Redmond Transfer Station
 - Manypeaks Transfer Station
 - Cheynes Beach Transfer Station
 - Wellstead Transfer Station

CEO:

RESPONSIBLE OFFICER:

2. At present, the record and control of the usage of these sites is very difficult as there is no accurate form of recording tonnage deposited and removed from each facility. This information is important for reporting, control, budgeting and management purposes. The current recording system is by means of a written record of vehicle registration numbers, estimated tonnages, and through the wave of a friendly hand to familiar local residents.
3. It is therefore proposed to introduce a Rural Waste Facilities Pass, as from July 2011/2012, for Rural Waste ratepayers. This pass will provide for each rural ratepayer to use the services of the transfer station, but in a controlled manner, with the usage recorded in an appropriate manner. Unauthorised use by residents of adjoining shires and from the urban area will be prevented through the introduction of the Pass system.

DISCUSSION

4. In practice the Pass is a clip card, providing for 52 tokens. This then will provide for each rural household to access the transfer stations on a weekly basis on average, for the deposit of the equivalent of a 140 litre mobile garage bin (MGB). This quantity is in addition to any recycled material placed in the recycle bins.
5. This Pass is envisaged to be a wallet sized, waterproof card which will be issued to rural waste ratepayers in June each year, prior to the rates assessments going out in July. When a ratepayer uses the Pass, the relevant token amounts will be punched, by the waste site attendant.
6. Each of the 52 tokens on the Pass will allow entry into any of the Council's controlled waste disposal sites. The tokens are valid for a three month period, to discourage the accumulation of rubbish in excess of the allowable amount for that period. If there is an excess on any occasion, extra tokens will be punched, thus lessening the quantity that can be dropped off in subsequent periods. Once all the tokens on the Pass have been used, charges will then start to apply. Once charges apply, these residents will no longer be able to utilise the transfer stations, as they do not collect money at these sites, but instead would need to go to Hanrahan or Baker's Junction Landfill Sites, where charging facilities are available.
7. The Rural Waste Facilities Pass will remain linked to the relevant rural property. If new owners take possession of a property, the Pass is to be handed over to them as part of the settlement process. A small number of extra Passes (estimated at 50) will be printed for those new properties that enter the system during the year.
8. If Passes are lost, no replacement Passes are to be issued, and the ratepayer will have to make use of the facilities at Hanrahan Rd or Bakers junction, and make payment for the quantities deposited.

FINANCIAL IMPLICATIONS

9. The Rural Waste Collection Charge has been recommended to be increased from the 2010/2011 amount of \$50 to \$60 in the 2011/2012 financial year. There are currently 1485 ratepayers that are paying the rural waste charge in their annual rates.
10. A quotation of \$1,245 (GST inc.) has been received, to print the estimated 1500 Passes in full colour with lamination. As there are currently five Transfer Stations plus Hanrahan and Baker's Junction, seven punch tools will need to be bought, at \$2.95 each totalling \$20.65. These should be the only added costs involved, and will be adequately covered by the Rate increase.
11. The figures from the 10/11 financial year show the following costs and income for the rural waste management

Income (budget \$85 000)	\$50 pa x approx 1500 households	\$75 000
Expenditure	Cleanaway service charge for Transfer Stations	\$455 000

This reduces to a cost of approximately \$300 pa per rural household, and a subsidy rate of approximately \$250 pa per household.

The introduction of the Pass will not necessarily increase income, but it should place a tighter management on illegal deposits in the rural transfer facilities. with resultant reduced costs for the removal of the waste by Cleanaway.

RISK IDENTIFICATION & MITIGATION

Risk	(L)	(C)	Risk Rating	Mitigation
If project not approved, continuation of unauthorised waste deposits at rural transfer station will continue.	Likely	Minor	Medium	Approval of the recommended Pass system

SUMMARY CONCLUSION

12. The Rural Waste Facilities Pass system will improve the efficiency of running Transfer Stations and ensure there is an improved monitoring of usage by eligible Rural Ratepayers. It will also alleviate the problem of non eligible members of the public using the Transfer Stations. The costs of the passes/tools are minimal and will be adequately covered by the increase in the Annual Rural Waste Collection fee.

File Number (Name of Ward)	WM.SPV.13
-----------------------------------	-----------

**3.4: \$1.4 BILLION REGIONAL DEVELOPMENT ASSISTANCE GRANT
FUNDING APPLICATION**

Proponent : City of Albany- Funding Opportunity
Business Entity Name : Government of Western Australia – Developing Regional
Western Australia
Attachments : Landcorp Regional Development Assistance Program –
Submission Information Guide
Responsible Officer(s) : Executive Director Works and Services (K Ketterer)

IN BRIEF

- To seek approval of Council's preferred project to be submitted to the Regional Development Assistance for funding.

**ITEM 3.4: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY**

THAT the Centennial Park project be APPROVED as the project to be included in round one of the Regional Development Assistance funding application, to the amount of \$11million.

BACKGROUND

1. The Federal Government has recently announced a five year funding stream for regional development, and applications have been invited for submission. The aim of the funding stream is to support regional infrastructure projects which will significantly improve economic and social outcomes and build on unique regional capabilities, capacities and potential.
2. Projects should support at least one of the following Commonwealth priorities:
 - Skilling Australia
 - Lifting productivity
 - Maximising the opportunities for broadband
 - Sustaining our environment
 - Social inclusion
 - Water and energy efficiency

CEO:

RESPONSIBLE OFFICER:

3. As part of the assessment advice required for the funding, advice from state, territory, local government and other bodies is sought. The Regional Development Australia (RDA) Great Southern WA Regional Plan 2010-2020 (draft) is a document prepared by the Regional Development Australia, Great Southern WA, which is sourced by the funding body to determine regional needs.
4. Funding is restricted to local authorities or incorporated non-for-profit organisations.
5. Funding is available between \$500,000 and \$25million (GST exclusive) per project.
6. Funding will only be considered for projects which are “investment ready”. It is expected that all planning, rezoning, environmental and/or native title approvals are in place.
7. Projects are to be commenced within six months of signing the funding agreement and completed by 2013-14, contribute to the national priority listing, and for projects over \$5 million, demonstrate a broader regional benefit and support other regional stakeholders.
8. Partner funding will be expected from other sources for all project grants, and those over \$5 million will be required to be matched on at least a dollar for dollar basis (excluding funding from other Australian Government sources).
9. Round one submission will close on 13 May 2011. Round two submissions closing date is yet to be specified, it is anticipated that the submission period will close end of 2011.

DISCUSSION

10. Departments have been requested to submit projects which they would consider to be relevant to this application. The following three projects are considered the most appropriate for consideration, fulfilling the above criteria.
 - **Centennial Park**
Funding Criteria/outcomes – regional sporting facilities
RDA – GS WA - Great Southern Regional Plan.
Outcomes:
 - Sustaining our environment
 - Social inclusion
 - Water and energy efficiency
 - Regional sporting facilities;
 - Development of a diverse sport and recreation system;
 - Ability to attract and retain volunteers;
 - Opportunity to link fitness services with government funded lifestyle modification programs;
 - Opportunity to co locate sporting facilities;
 - Encourage participation, develop talent and contribute to the health and wellbeing of residents within the region.

- Priorities for the actual spend of these funds should they be awarded will be determined by the sporting groupings which currently form the consultative committee on this project.
- The Department of Sport and Recreation (DSR) matched funding application will be submitted once the result of this RDA application is known, but the verbal indications from that Department are that should Federal funding be obtained, the DSR funding will be available.

Total	<u>\$11m</u>
RDA Contribution	\$3.2m
Royalties for Regions-Country Local Government Fund	\$2.67m
(NB Funding is confirmed as being available for the four year period, subject to approval of the business case still to be submitted, anticipated to be submitted in 11/12, after consultations with the community groupings have been concluded)	
Department of Sport and Recreation (DSR) matched funding	\$4.8m
(NB: the exact amount available from DSR will require confirmation, as this information was not available at the time of writing this report.)	
Council contribution (proposed from 2011/12 budget)	\$0.3m

- **Town Square construction, CBD road works and Town Hall improvements**

Funding Criteria/outcomes – social inclusion

RDA – GS WA - Great Southern Regional Plan.

Outcomes:

- Social inclusion;
 - Water and energy efficiency;
 - Skilling Australia;
 - Lifting productivity;
 - Link like-activities to enable the development of region wide projects;
 - Assist the arts to progress as an economic and social contributor to the region;
 - Hosting high quality art exhibitions;
 - Provide a focus for visual art activity in the region;
 - Professional development opportunities for artists and educational benefits for students and the wider community.
- Town Square - development and construction between the library and the Town Hall \$2.9m
 - Town Hall – removal of tiered seating and creation of flat floor, and repair to damaged historical structures and walls \$1.5m
 - York St upgrade – creation of median island parking and safe pedestrian crossing points in section between Serpentine Rd and Grey St, in front of Town Hall \$1.0m
 - Albany Highway upgrade – York St to Sanford Rd.
- undergrounding of electrical power, parking on median island and narrowing of lanes to one in each direction \$2.4m

Total	<u>\$7.8m</u>
Council contribution (proposed from 2011/12 budget)	\$3.9m

- **Albany Highway upgrade – Chesterpass Highway to Sanford Road**

Funding Criteria/outcomes – social inclusion

RDA – GS WA - Great Southern Regional Plan

Outcomes:

- Lifting productivity
- Social inclusion

The proposed work include the following elements -

- undergrounding of electrical overhead cables
- new street lighting
- provision of new pathways
- provision of cycle ways
- landscaping
- drainage improvements.
- road resurfacing as necessary

Total	<u>\$9.8m</u>
Council contribution(proposed from 2011/12 budget)	<u>\$4.9m</u>

11. The Centennial Park project is considered to be the most applicable, as:
 - a. There is a 2008 State Liberal government commitment of support the development of the Centennial Park redevelopment with a total contribution of \$8m. The Department of Sport and Recreation is tasked with managing this funding, based on a matching contribution arrangement. Of the funding amount, approximately \$3.2m has already been expended on the Albany Leisure and Aquatic Centre Stage 2 and North Road soccer fields.
 - b. The Royalties for Regions Country Local Government Fund-Regional Partnerships is a state funding opportunity, based on partnerships with adjoining local authorities for projects of regional significance. The Shire of Denmark and the City of Albany have entered into a Memorandum of Understanding for regional projects, one of which is Centennial Park Recreation Precinct Masterplan. At its February 2011 meeting, Council agreed to proceed with a joint funding application, using Royalties for Regions funding of \$2.67m (over a three year period from 2012/13 to 2014/15) and matching Department of Sport and Recreation funds totalling \$2.67m.
 - c. A co-contribution from Council of \$0.3m would supplement the cost of the project.
 - d. It builds on design and consultation work already in progress.
 - e. Addresses the broader regional benefits of providing a regional sporting precinct for the Great Southern region.

12. It is noted that while the funding co-contributions rely on other State government sources, each has already been consulted and, to determine their support for the Centennial Park Recreational Precinct. Formal application has been submitted to the Royalties for Regions Country Local Government Fund, while DSR are awaiting completion of an Albany Leisure and Aquatic Centre user group survey before prioritising the various projects within the Precinct proper.

13. The other two projects would require a Council contribution of a full 50 percent at the time of writing, as other potential contributors have not been identified.

GOVERNMENT CONSULTATION

14. With the three projects, each has required various levels of consultation with State government, to determine planning requirements, public utility conditions, etc to ensure the appropriate approvals are either in place, or are known for actioning, once the project proper is approved.

PUBLIC CONSULTATION / ENGAGEMENT

15. Approximately 12 months ago, Council consulted widely with community groups through the “Working Together” programme. The working together program identified community projects that could be progressed in future funding was made available and the funding criteria met. Even though the submission is 12 months old, they have been reviewed and are still regarded as valid.
16. Each project has been through a consultative process with its relevant stakeholders, to ensure the project has the support of its direct users and the input of affected ratepayers. The Centennial Park project has sought comment from its user group; the Town square project has sought feedback from the local community, while the Albany Highway Upgrade has been a long standing project seeking input from affected stakeholders.

STATUTORY IMPLICATIONS

17. An application for external funding does not require any legislative approvals, but should the funding be approved, the project itself may attract legislative conditions, such as planning approvals, building licences, environmental approvals, etc all of which would be attended to during the project life. The funding agreement may also require legislative conditions, such as Freedom of Information statements, or Record keeping conditions, as per the State records Act, but once again these would be adhered to, once approval for funding has been obtained.

STRATEGIC IMPLICATIONS

18. This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

Community Vision:
Nil

Priority Goals and Objectives:
Goal 4: Governance... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.3 Deliver excellent community services that meet the needs and interests of our diverse communities.

City of Albany Mission Statement:

At the City of Albany we are accountable and act as a custodian with respect to Council Assets.

POLICY IMPLICATIONS

19. There is no Council policy regarding external funding applications.

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
If funding not secured project would be delayed	Medium	If not successful on funding application, works will not able to be carried out as a total project unless alternative funding can be secured.
If delayed or not undertaken.	Medium	Project currently under consideration for R4R funding which has a high probability of success, under the MOU with the Shire of Denmark.

FINANCIAL IMPLICATIONS

20. There are no immediate financial implication in submitting this application, save for staff time and associated costs in the preparation of the application.
21. Should the funding application be successful, Council staff would be enlisted to project manage the approved project. The three funding sources provisions would form the core finances for the project, with Council to determine the source of its contribution of \$0.3m.
22. In the long term, the maintenance costs would become part of the ongoing budgetary process. It will be a condition of premises leased to sporting/community groups, that the maintenance and operating costs of the new facilities will be their responsibility.

LEGAL IMPLICATIONS

23. There are no legal implications in completing the funding application, but, should the funding be successful, Council will be required to sign an agreement for funding, which will include timelines, payment arrangements, acquittal conditions, etc.

ALTERNATE OPTIONS

24. The Council may decline the funding opportunity, and defer the project, until the Council is in a better financial position to progress the preferred project.

SUMMARY CONCLUSION

25. While there have been three projects identified that may be applicable to this funding opportunity, it is recommended that Council support the Centennial Park Recreation Precinct project as:

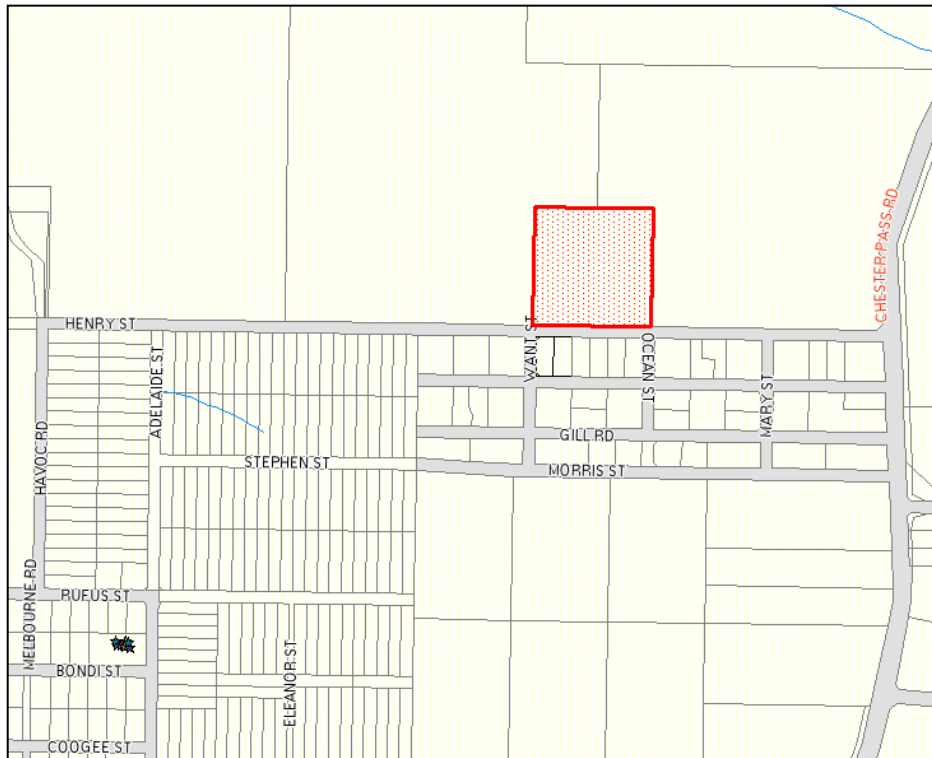
- It already has the support of State government;
- It has potential co-contributions from other funding sources;
- The co-contributions will help offset Council's financial burden for the development of a regional facility; and
- It addresses the broader regional benefits of providing a regional sporting precinct for the Great Southern region.

Consulted References	Department of Regional Australia, Regional Development and Local Government's Regional Development Australia Fund
File Number (Name of Ward)	GS.APC.3 (All Wards)
Previous Reference	OCM 15.12.09 item 15.2.2; kOCM 15.02.11 item 3.1

3.5: WIDENING OF HENRY STREET FROM LOT 6821 HENRY STREET, MILPARA

Land Description : Lot 6821 Henry Street, Milpara
Proponent : Department of Regional Development and Lands / City of Albany
Owner : Crown
Responsible Officer(s) : Executive Director Works & Services (K Ketterer)

Maps and Diagrams:



IN BRIEF

- Council previously considered the proposed management orders for Lot 6821 Henry Street, which is to be created two reserves for 'Recreation and Landscape Protection' and 'Respite Facility'. As part of this process, Council requested that Henry Street be widened to create a 40m road reserve;
- The Department for Regional Development and Lands has requested that Council formally resolve to seek the road widening under the provisions of the *Land Administration Act 1997* and indemnify the Minister for Lands accordingly.

CEO:	RESPONSIBLE OFFICER:
-------------	-----------------------------

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

THAT Council formally:

- i) SEEKS the Minister for Lands approval, under section 56 of the *Land Administration Act 1997*, to acquire a 20m wide strip of land from Lot 6821 Henry Street, Milpara, for the purposes of widening Henry Street to create a 40m road reserve;**
- ii) INDEMNIFIES the Minister for Lands from any claims for compensation, as is required under Section 56 of the *Land Administration Act 1997*; and**
- iii) REITERATES its previous advice to the Department for Regional Development and Lands that its preference is that Henry Street be widened to create a 40m road reserve to reflect the significance of this transport route as a major linkage and bypass road, diverting traffic from the city centre and network, noting the encroachment onto the reserve is only 20 m.**

BACKGROUND

1. Lot 6821 Henry Street is currently unallocated Crown Land and in January 2010, the Department of Regional Development and Lands wrote to the City regarding their decision to dispose of the land. On advice received from the Department of Environment and Conservation, it was then determined the land had environmental value and should be reserved to protect native vegetation and associated fauna.
2. During this time, the Department for Regional Development and Lands was also approached by Alzheimer's Australia WA and it was decided that the north-east corner of Lot 6821 Henry Street may be suitable for the development of a new respite facility.
3. The Department of Regional Development and Lands proposed an area of 7300m² of Lot 6821 Henry Street be reserved for the purpose of Respite Facility, which is to be managed by Alzheimer's Australia WA. The remainder of the reserve is to be for the purpose of 'Recreation and Landscape Protection'.
4. At its ordinary meeting held on 16 November 2010, Council resolved to:
 - a. ACCEPT the management order for the portion of Lot 6821 Henry Street (as per DRDL letter dated 13/10/10), for the purpose of "Recreation and Landscape Protection", managed by City of Albany;
 - b. SUPPORT the management order for the north eastern portion of Lot 6821 Henry Street (as per DRDL letter dated 13.10.10), for the purpose of 'Respite Facility,' managed by Alzheimer's Australia WA Ltd;

- c. SUPPORT The creation of a 40 metre road reserve along Henry St, excising portion of Lot 6821 and;
 - d. SUPPORT the request from Alzheimer's Australia WA Ltd to enter into a Memorandum of Understanding with the City of Albany for the group to maintain the bush reserve subject to point 1 of the Responsible Officer Recommendation.
5. Council's resolution was forwarded to the Department for Regional Development and Lands. This agency has since responded and advised of the following:
 - a. In order to comply with setback and fire safety requirements, it is proposed that the area allocated to the Respite Facility reserve be increased from 7300m² to 1.33ha. This increased requirement is partly because of the vulnerable nature of some of the people that will reside in the proposed facility;
 - b. The access leg has increased from 12m wide to 20m wide, again to meet hazard protection requirements;
 - c. The Department of Environment and Conservation has suggested that the road widening be limited to 10m, as opposed to the original 20m excision from Lot 6821 Henry Street previously sought by Council; and
 - d. The Department for Regional Development and Lands requires a formal resolution of Council for the proposed road widening, under the provisions of the *Land Administration Act 1997*, and indemnification of the Minister for Lands.

DISCUSSION

6. The Department for Environment and Conservation has objected to the excision of a 20m wide portion of land from Lot 6821 Henry Street for road widening and recommends that only a 10m wide strip be taken at this time to reduce the amount of good quality vegetation that may be lost through road works.
7. The Department for Environment and Conservation maintain that the road widening is being sought for long term road planning and is not required in the short term, however should it be required at some point in the future; it could easily be taken at this time.
8. While it is recognised that the vegetation on Lot 6821 Henry Street is of some significance, the widening of Henry Street has been identified in the City's future road planning as a necessary action.
9. Henry Street is proposed to form part of a major transport route, linking the areas at the entry to town through to Lower King Road. This provides traffic and resident an alternative to routes passing through the city centre and links the areas of residential expansion occurring along Lower King Road to CPHW and AHW. A 40m road reserve is considered the best width to accommodate a 4 lane road (2 lanes in each direction) and all of the associated infrastructure, including median strips, utilities, dual use paths etc.

10. While the City could agree to a 30m road reserve and take the additional 10m wide strip at some point in the future, it is noted that each road widening action is a cost for the Council and that there is no guarantee that in the future the processes will be available to acquire the land.

GOVERNMENT CONSULTATION

11. This process is being driven by the Department for Regional Development and Lands in consultation with a number of other government agencies, including the Department for Environment and Conservation.

PUBLIC CONSULTATION / ENGAGEMENT

12. Lot 6821 Henry Street, is currently unallocated Crown land, which is controlled by the Department of Regional Development and Lands. The Department has sought Council comment on its proposal to create two reserves, for the purposes of "Recreation and Landscape Protection" and "Respite Facility", in accordance with State legislation. Any decision to seek public consultation regarding this process would be handled by the Department.

STATUTORY IMPLICATIONS

13. Section 56 of the *Land Administration Act 1997* provides that, where land is acquired for use by the public as a road, the local government may request the Minister for Lands to dedicate that land as a road. In doing so, the Local Government must indemnify the Minister against any claim for compensation.
14. The creation of a road occurs through the subdivision process detailed under Part 10 of the *Planning and Development Act 2005*. Section 168 of this Act states all land shown on a diagram or plan of survey of a subdivision shown as a new road or road widening will be dedicated as a road.

STRATEGIC IMPLICATIONS

15. There are no strategic implications relating to this item. It is a legislative requirement to have this report presented to Council.

POLICY IMPLICATIONS

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

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Rating	Mitigation
If not successful on acquiring land for road widening, Council will subsequently be required to pay for land acquisition	Possible	Moderate – widening required for transport route in City's future road planning.	Medium	To acquire land for future road reserve purposes, at no cost to Council – objective of this item.

FINANCIAL IMPLICATIONS

18. It is not anticipated that the proposed road widening will be a cost for the Council, as the reserve is already being amended by the Department for Regional Development and Lands and the widening has been sought as part of this process.

LEGAL IMPLICATIONS

19. This item is presented to Council in order to obtain the formal resolution required under the *Land Administration Act 1997* and the appropriate indemnification of the Minister for Lands for the proposed widening of Henry Street

ALTERNATE OPTIONS

20. Council may not support the officer recommendation for the 40 metre widening of Henry St at this point, but this request would then need to be revisited in the future, when alternate road routes for residential expansion are required. To gain the required widening from the creation of the new reserves, at no cost to Council, is an ideal opportunity to maximise the acquisition of land for the proposed major transport route.

SUMMARY CONCLUSION

21. This item has been presented to Council in order to formally meet the requirements of the *Land Administration Act 1997* to achieve its resolution from the November 2010 meeting where a 20m widening of Henry Street was sought from Lot 6821 Henry Street.
22. It is recommended that Council reiterate its previous advice to the Department of Regional Development and Lands that a 40m road reserve for Henry Street is considered to be appropriate, given the significance of this transport route in the City's future road planning.

Consulted References	Land Administration Act 1997
File Number (Name of Ward)	GR.STL.39 (Kalgan)
Previous Reference	Item 3.5 OCM 16/11/2010

4.1.1: LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING MINUTES

File Number (Name of Ward) : ES.MEE.5 (All Wards)
Appendices : Local Emergency Management Committee Meeting Minutes-
 1 December 2010
Responsible Officer : A/Executive Director Corporate and Community Services
 (P Wignall)

IN BRIEF

- Receive the minutes of the Local Emergency Management Committee.

ITEM 4.1: RESPONSIBLE OFFICER RECOMMENDATION

THAT the following items be CARRIED en bloc:

- Item 4.1.1: Local Emergency Management Committee Meeting Minutes dated 01/12/10
- Item 4.1.2: Airport Emergency Management Committee Meeting Minutes dated 01/12/10
- Item 4.1.3: Seniors Advisory Committee Meeting Minutes dated 17/02/11

ITEM 4.1.1: RESPONSIBLE OFFICER RECOMMENDATION

THAT the CONFIRMED minutes of the Local Emergency Management Committee held on the 1 December 2010 be RECEIVED.

CEO:

RESPONSIBLE OFFICER:

4.1.2: AIRPORT EMERGENCY MANAGEMENT COMMITTEE MEETING MINUTES

File Number (Name of Ward) : ES.MEE.5 (All Wards)
Appendices : Airport Emergency Management Committee Meeting Minutes
- 1 December 2010
Responsible Officer : A/Executive Director Corporate and Community Services
(P Wignall)

IN BRIEF

- Receive the minutes of the Airport Emergency Management Committee.

ITEM 4.1.2: RESPONSIBLE OFFICER RECOMMENDATION

THAT the CONFIRMED minutes of the Airport Emergency Management Committee held on the 1 December 2010 be RECEIVED.

CEO:

RESPONSIBLE OFFICER:

4.1.3: SENIORS ADVISORY COMMITTEE

File Number (Name of Ward) : CR.MEE.2
Appendices : Minutes of the Seniors Advisory Committee meeting held on
17 February 2011
Responsible Officer : A/Executive Director Corporate Services (P Wignall)

IN BRIEF

- Receive the minutes of the Seniors Advisory Committee.

ITEM 4.1.3: COMMITTEE RECOMMENDATION

The CONFIRMED minutes of the Seniors Advisory Committee meeting held on Thursday 17 February 2011, be RECEIVED.

CEO:

RESPONSIBLE OFFICER:

4.2: CONSTITUTIONAL RECOGNITION OF LOCAL GOVERNMENT

Proponent	: City of Albany
Attachment	: Letter from the Western Australian Local Government Association (WALGA) RE: Campaign for constitutional Recognition dated 22 March 2011 (ICR1133084)
Responsible Officer	: Chief Executive Officer (F James)

IN BRIEF

- The Western Australian Local Government Association (WALGA) has requested Council to support a resolution to the conduct of a referendum to recognise local government in the Australian Constitution proposed by the Australian Local Government Association.

**ITEM 4.2: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY**

That Council receive the request from Australian Local Government Association requesting Council's support of calling for a referendum to recognise local government in the Australian Constitution and move a motion in response.

BACKGROUND

During 2008 Australian Local Government Association (ALGA) actioned a strategic approach aimed at securing a referendum which involved:

- some initial resource materials to assist Local Governments to conduct a conversation at the local level on the need for Constitutional recognition
- Zone or region level discussions, where appropriate, based on WALGA agenda items
- Statewide forum to determine a State Local Government position (resolved at Local Government Convention)
- A national experts forum a National Constitution Summit (Melbourne December 2008)

In 2009/10 ALGA focused advocacy around national political forums, political parties and key influential academics, while State Associations built up state profiling campaigns to improve the image and perception of their local government jurisdictions.

The ALGA Board further refined the national position in 2010 to focus specifically on financial recognition and the WALGA position was also aligned to this focus.

ALGA's position is that:

- The Federal Government has committed to a referendum on Constitutional recognition for Local Government, likely to be held in conjunction with the 2013 election.
- A national position was developed at the Local Government Constitutional Summit to be held in Melbourne in December 2008, and has been refined by the Australian Local Government Association (ALGA) Board to focus the referendum on financial recognition.
- ALGA has requested that all Local Governments formally resolve to support the conduct of the referendum.

CEO:

DISCUSSION:

On 24 March 2011, WALGA President, Mayor Troy Pickard, wrote to Council and requested Council:

- Support the ALGA campaign for the Constitutional recognition of local government;
- Call on the Federal Government to conduct a referendum to achieve the Constitutional recognition of local government at the 2013 federal election;
- Develop a local level campaign, in support of the national campaign, to inform the local community and garner its support;
- Acknowledge that funding implications need to be considered as part of the ongoing financial planning process.

A copy of the correspondence is attached.

GOVERNMENT CONSULTATION

No state government consultation has been conducted in response to this request.

PUBLIC CONSULTATION / ENGAGEMENT

No public consultation has been conducted in response to this request.

STATUTORY IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

4. Governance. The City of Albany will be an industry leader in good governance and service delivery.

4.1 The City of Albany will be a cohesive Council delivering ethical and responsible government committed to excellence in board governance.

POLICY IMPLICATIONS

WALGA's position is that the national policy position is consistent with the WALGA position and adoption of the recommendations will formalise Council's policy position and align it with the national campaign.

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
Activity not costed in current Budget.	Low	A budget line is allocated so Council clearly defines the City's costed involvement in this activity, which could include the items listed under Financial Implications.
Lack of community engagement	Low	Community consultation is conducted by the Federal Government as part of any referendum.

FINANCIAL IMPLICATIONS

The costs associated with any local level campaign will be contingent on its extent and complexity. Expenditures could involve expenses such as forum consultant, catering and administrative charges (i.e. telephone calls, printing) if the Council thinks necessary.

LEGAL IMPLICATIONS

There are no immediate legal implications related to this item; however, if the referendum was successful there would be a change to the Australian Constitution.

ALTERNATE OPTIONS

Council can either support, or not, the WALGA request.

SUMMARY CONCLUSION

The City of Albany is a member of the WA Local Government Association (WALGA).

Consulted References	Nil
File Number (Name of Ward)	GR.LRL.1 (All Wards)
Previous Reference	Local Government News Issue No. 7.11 - 21 February 2011

AGENDA – 19/04/2011

REFER DISCLAIMER



22 March 2011



Doc Ref: 05-074-03-0001\TP:VH



Mayor Milton Evans JP
City of Albany
(DX 60810) PO Box 484
ALBANY WA 6331

City of Albany Records
Doc No: ICR1133084
File: GR-STL 2
Date: 24 MAR 2011
Officer: MAYOR1

Attach:
Box: D3
Vol: 5
Box+Vol: D3*5

Dear Mayor Evans

Recently your Local Government will have received correspondence from ALGA President Cr Genia McCaffery inviting you to become directly engaged in the campaign for constitutional recognition by carrying resolutions supporting a 2013 referendum on financial recognition of our sector. She has outlined a number of avenues through which Councils can offer their support, including resolutions of Council and discussions with State and Federal members of parliament.

I encourage you to accept Cr McCaffrey's invitation and begin your local campaign as part of the broader national campaign effort.

I believe it is important that we make it very clear that this is not a campaign to encourage the Commonwealth to take over responsibility for Local Government, nor will constitutional recognition affect the current rights of the State Government regarding our sector.

Our campaign for constitutional recognition is about making sure that the Federal Government has the continuing legal capacity to do what it has been doing for a number of years – provide funding directly to Local Governments. Its ability to do so has been placed in serious doubt by the 2009 challenge by Mr Bryan Pape to the validity of the Commonwealth retail stimulus package. Although this challenge was defeated, it is seen by many legal experts to have effectively narrowed the Federal Government's power to act in this way, restricting its efforts to situations of national or international emergency. Clearly regular payments to Local Governments would have difficulty in meeting this threshold requirement. Therein lies the importance of achieving recognition for Local Government in the Australian Constitution.

Local Government in WA already receives, on average, approximately \$90million in direct Federal funding through the Roads 2 Recovery program and the Community Infrastructure Fund. The importance and effectiveness of this funding to the lives of people in West Australian communities is undeniable.

Local Government House
15 Altona Street
West Perth WA 600
PO Box 154
West Perth WA 687
Telephone: (08) 9213 2000
Facsimile: (08) 9322 261
Email: info@walga.asn.au
Website: www.walga.asn.au

The Voice of Local Government



Not only does direct Federal funding benefit Local Governments, it effectively benefits the State Government too, by enabling a greater spend of the national tax take within WA - extra funds that would not come to WA if it wasn't for the direct Local Government funding programs that make it possible.

An effective national "Yes" campaign will be built on the back of local and state based campaigns that raise the profile of Local Government within the broader community. It is these initial campaign efforts that will highlight the importance of Local Government to people's daily lives and underpin the logic of securing a fair share of the national tax take directly to those communities. We are in an enviable position here, with awareness amongst West Australian communities already increasing as a result of the television based promotional campaigns WALGA has been running over the past five years.

Local Governments can contribute to this important stage of the constitutional recognition campaign by passing a council resolution supporting the call for a 2013 referendum and continuing to raise awareness of the services delivered by Local Government and the benefits achieved for all communities from the current direct funding relationship with the Federal Government.

I urge you to carry an appropriate resolution and proclaim the case for constitutional recognition in your local community, and encourage you to contact Wayne Scheggia, Deputy Chief Executive Officer at the Association on 9213 2024 or at wscheggia@walga.asn.au should you need advice or assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read "Troy Pickard", is written over a circular stamp.

Mayor Troy Pickard
President

4.6: AUDIT COMMITTEE MEETING RECOMMENDATIONS – 1 MARCH 2011

Proponent : City of Albany
Responsible Officer : Chief Executive Officer (F James)

IN BRIEF

- Adopt the amended Audit Committee Terms of Reference

ITEM 4.3: COMMITTEE RECOMMENDATION VOTING REQUIREMENT: SIMPLE MAJORITY

(i) That the terms of reference for the audit committee be amended to read:

Audit Committee Terms of Reference

- The objective of the Audit Committee is to provide independent assurance and assistance to the City of Albany on risk management, control, governance, and external accountability responsibilities in addition to the legislated requirement to review the annual financial statements with the external auditor prior to Council adoption of annual accounts.
- Membership: Minimum of five elected members.
- Meeting schedule: Committee to meet at a minimum of four times per financial year.

(ii) That Council call for nominations for additional member/s of the Audit Committee.

BACKGROUND

At the 1 March 2011 Audit Committee, members considered and recommended amending the current Audit Committee Terms of Reference:

“To review annual results of the external auditor prior to Council adoption of annual accounts”.

DISCUSSION

The Local Government Act 1995 (the Act) and regulations prescribe the scope of the external audit of the annual financial statements of a local government.

CEO:

The Audit Committee is established under section 7.1A of the *Act*:

Section 7.1A. Audit committee

- (1) *A local government is to establish an audit committee of 3 or more persons to exercise the powers and discharge the duties conferred on it.*
- (2) *The members of the audit committee of a local government are to be appointed* by the local government and at least 3 of the members, and the majority of the members, are to be council members. * Absolute majority required.*
- (3) *A CEO is not to be a member of an audit committee and may not nominate a person to be a member of an audit committee or have a person to represent him or her as a member of an audit committee.*
- (4) *An employee is not to be a member of an audit committee.*

Previously Council resolved to increase the Audit Committee membership to five elected members in response to a recommendation made by the Minister for Local Government.

The *Local Government (Audit) Regulations 1996, Reg 16*, defines the function of the Audit Committee, as:

- Providing guidance and assistance to the local government:
 - as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and
 - as to the development of a process to be used to select and appoint a person to be an auditor; and
- May provide guidance and assistance to the local government as to:
 - matters to be audited;
 - the scope of audits;
 - its functions under Part 6 of the Act; and
 - the carrying out of its functions relating to other audits and other matters related to financial management.

GOVERNMENT CONSULTATION

Nil

PUBLIC CONSULTATION / ENGAGEMENT

Nil

STATUTORY IMPLICATIONS

Statutory implications are discussed in the discussion section of this report.

STRATEGIC IMPLICATIONS

This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

Goal 4. Governance. The City of Albany will be an industry leader in good governance and service delivery.

4.1 The City of Albany will be a cohesive Council delivering ethical and responsible government committed to excellence in board governance.

POLICY IMPLICATIONS

The adoption of the revised terms of reference will amend the Governance and Meeting Framework Policy.

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
Current lack of Audit Committee oversight and various functions not reflected in the Terms of Reference	Extreme	Council adopts the revised terms of reference, which better defines the functions of the Audit Committee.

LEGAL IMPLICATIONS

There are possible risks to the City of Albany arising from lack of appropriate Audit Committee oversight. Enhanced Terms of Reference will minimise that risk.

ALTERNATE OPTIONS

It is recommended that if the Committee's Recommendation is not supported that an alternate terms of reference is prepared by the Audit Committee in accordance with the Act and guided by the Local Government Operational Guidelines – Number 09, Audit Committees in Local Government.

SUMMARY CONCLUSION

Council consider change to the Audit Committee Terms of Reference.

Consulted References	Local Government Operational Guidelines – Number 09 Revised March 2006 – Audit Committees in Local Government
File Number (Name of Ward)	FM.MEE.1 (All Wards)
Previous Reference	OCM 15/03/2011 Item 4.1.5

4.4: PLANNING AND BUILDING REPORTS MARCH 2011

Responsible Officer : Chief Executive Officer (F James)
Attachment : Planning and Building Reports February 2011

IN BRIEF

- Receive the contents of the Planning and Building Report for March 2011.

ITEM 4.4: RESPONSIBLE OFFICER RECOMMENDATION

THAT the Planning and Building Report for March 2011 be RECEIVED.

CEO:

4.5: COMMON SEAL REPORTS

Responsible Officer(s) : Chief Executive Officer (F James)
Attachments : Common Seal Report

IN BRIEF

- Receive the Common Seal Report for March 2011, which include decisions made by Delegated Authority

ITEM 4.5: RESPONSIBLE OFFICER RECOMMENDATION

THAT the Common Seal Report for March 2011 be RECEIVED.

CEO:

4.6: WALGA ROADWISE PROGRAM

Proponents : Western Australian Local Government Association
(WALGA) Roadwise Officer

Responsible Officer(s) : Chief Executive Officer (F James)

IN BRIEF

- Receive the report and note the activities currently being undertaken by the WALGA RoadWise Program in the Great Southern Region and the involvement of the City of Albany.

ITEM 4.6: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

That Council NOTE the WALGA RoadWise Report.

BACKGROUND

The RoadWise Program is a WALGA Community Road Safety Program and has been in operation since 1994.

The aim of WALGA's road safety programs is, on a state-wide basis, to facilitate the active engagement and involvement of Local Governments and the community in effectively contributing to the adoption and application of the safe system approach and the implementation of specific initiatives of *Towards Zero*, Western Australian Road Safety Strategy 2008-2020.

The Program consists of five main areas:

- The community road safety network, supported by regional road safety officers who work with Local Government, RoadWise Committees, road safety partner agencies and the community;
- The Local Government Safe System Project;
- Local Government policy, advocacy and leadership.
- Administration of the Community Road Safety Grants Program; and
- Training and support for the state wide network of the Type I Child Car Restraint Fitting service.

The RoadWise Program is supported by the Road Safety Council of WA and is funded through the Road Trauma Trust Fund; which is sourced from one third of speed and red light camera infringement fees received in Western Australia.

Towards Zero reflects the long term vision of the Road Safety Council of WA of a road transport system where crashes resulting in death or serious injury are virtually eliminated. Realistically it is understood that it is not practical to achieve zero deaths and serious injuries by 2020, but *Towards Zero* does not accept that any death or serious injury is inevitable.

CEO:

The *Towards Zero* strategy is underpinned by the internationally recognised and adopted safe system approach to road safety. This approach considers the road transport system holistically, and acknowledges the need for responsibility for reducing risk to be shared by those who use the roads and those who design, maintain and operate all parts of the road transport system. This approach does not ignore risk taking behaviour, but acknowledges human fallibility and the need to make greater allowances when people simply make mistakes. Interventions in the safe system approach are aligned with the key cornerstones of safe roads and roadsides, safe speeds, safe vehicles, and safe road users.

DISCUSSION

Local Governments have a critical role in creating a safe road transport system for their communities. As road authorities, Local Governments in WA design, maintain and operate a road network in excess of 127,000 km, which represents 72% of the total road network. Between 2005 and 2009, 61% of all serious crashes (those resulting in death or serious injury) occurred on Local Government roads. Research undertaken by Austroads indicates that the serious crash risk on local roads, taking into account vehicle kilometres travelled, is double that of state roads.

Along with their role as a road authority, Local Governments also have the ability to influence road safety outcomes through their role as a planning authority, as an employer and fleet operator, and as leaders and influencers in their communities.

A network of Regional Road Safety Officers is based in all regions around the state, supported by a team of policy and development staff in Perth.

Unlike other regions, there are two RoadWise staff based in the Great Southern region. Kendra Green (Regional Road Safety Officer – Great Southern) is based at the Shire of Plantagenet, and works closely with Local Governments and the community across the region to facilitate engagement in the *Towards Zero* road safety strategy for WA 2008-2020. This includes providing support to five RoadWise Committees across the region, including the Albany RoadWise Committee.

The Albany RoadWise Committee is a long standing and valued member of the state wide community road safety network. The Committee meets monthly and provides an ongoing mechanism for engaging and involving local road safety stakeholders and the community in the dissemination and sharing of information and knowledge, and undertaking of frontline road safety activity. Membership of the Committee includes City of Albany staff, who join members representing WALGA RoadWise, Department of Health, WA Police, Main Roads, Department of Transport, Seniors Advisory Committee, and the community. The Committee works to plan, implement and evaluate community based road safety programs including:

- The annual Easter Fatigue Roadstop in conjunction with Great Southern Police;
- Regular roundabout education programs;
- White Ribbons for Road Safety Campaign; and
- Ongoing promotion of road safety issues in local media.

The Albany RoadWise Committee and City of Albany work closely to identify areas of concern on the local road network, and to recognise and act on opportunities which will be of mutual benefit. The Albany RoadWise Committee also links to the City of Albany Crime Prevention Committee.

****REFER DISCLAIMER****

A WALGA staff member is based at the City of Albany (3 days/week) and the Shire of Plantagenet (2 days/week) and works on the Local Government Safe System Project, which has been developed to support Local Governments as they work towards adopting and implementing the safe system approach to road safety.

The Local Government Safe System Project is working with Local Governments to build capacity, and identify and address the needs of the sector that will enable Local Governments to integrate road safety as part of their core business.

Local Governments around the state, including the City of Albany, have participated in the first phase of this project which has included a series of workshops designed to both increase knowledge and understanding of the safe system approach to road safety, and to identify the barriers and opportunities for Local Governments as they move towards this approach.

The second stage of this project is under development, and will include a range of opportunities for Local Governments to become further involved in enhancing the effectiveness of their road safety strategies and operations.

GOVERNMENT CONSULTATION

Not applicable.

PUBLIC CONSULTATION / ENGAGEMENT

Public consultation and engagement occurs regularly as part of the Albany RoadWise Committee activities. Extensive consultation with the public and stakeholders also occurred as part of the development of the *Towards Zero* road safety strategy for WA 2008-2020.

STATUTORY IMPLICATIONS

The City of Albany has a duty of care towards road users who use their road network. Local Governments must do what is reasonable to be aware of the deficiencies in their road network, to assess and prioritise them and have a system for remedying them as funds and time become available.

Vehicles are an extension of the workplace, and Local Governments should extend their health & safety management procedures to include employee's vehicles. This includes providing a safe workplace and systems of work, safety information, instruction, training and supervision for Local Government employees.

STRATEGIC IMPLICATIONS

This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

Goal 2. City Centre ... Albany's City Centre will be the most vibrant, safe, accessible and liveable in regional WA.

Goal 4. Governance. The City of Albany will be an industry leader in good governance and service delivery.

City of Albany Mission Statement: At the City of Albany we are results driven and accountable, and we foster leadership. We provide best value in applying council and community resources, apply Council funds carefully and develop and empower our people to deliver on expectations and promises.

POLICY IMPLICATIONS

Council may be presented with initiatives by WALGA RoadWise Program staff for consideration in the future.

RISK IDENTIFICATION & MITIGATION

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

Risk	Risk Analysis	Mitigation
Council does not participate in WALGA RoadWise Program initiatives.	Low	The City of Albany continues to work with the WALGA RoadWise Program towards the best road safety outcomes for the community.

FINANCIAL IMPLICATIONS

The WALGA RoadWise Program is funded by the Road Trauma Trust Fund and is available as a free service to Local Governments. RoadWise staff are a dedicated resource to assist Local Governments and the community to adopt and implement effective road safety programs and policies.

The Program is part of the service supplied by subscribing to WALGA. However, the City of Albany provides work station space for use by the Roadwise Officer at the North Road Administration building.

LEGAL IMPLICATIONS

There are no immediate legal implications related to this report.

ALTERNATE OPTIONS

Not applicable.

SUMMARY CONCLUSION

Local Governments play a critical role in achieving better road safety outcomes for their communities. WALGA's RoadWise Program offers support and resources for Local Governments. Two RoadWise staff are located in the Great Southern and are available to advise and support Local Government on road safety activities.

Consulted References	<ul style="list-style-type: none"> • <i>Towards Zero</i> WA Road Safety Strategy 2008-2020 (www.ors.wa.gov.au) • WALGA RoadWise Program (www.roadwise.asn.au) • Austroads Guide to Road Safety Part 4 (www.austroads.com.au)
File Number (Name of Ward)	RD.MEE.4 (All Wards)
Previous Reference	Not applicable

- XIV. MOTIONS OF WHICH NOTICE WAS GIVEN AT THE PREVIOUS MEETING
- XV. URGENT BUSINESS APPROVED BY DECISION OF THE MEETING
- XVI. REQUEST FOR REPORTS FOR FUTURE CONSIDERATION.

Nil.

- XVII. ANNOUNCEMENT OF NOTICES OF MOTION TO BE DEALT WITH AT THE NEXT MEETING.
- 17.1 REVOCATION OF PREVIOUS COUNCIL DECISION – CR LEAVESLEY

**NOTICE OF MOTIONS TO REVOKE A PREVIOUS DECISION OF COUNCIL
BY COUNCILLOR LEAVESLEY**

In accordance with Regulation 10(1a) of the *Local Government (Administration) Regulations 1996*, we the undersigned hereby move to have the restrictions imposed on the Albany Leisure & Aquatic Centre (ALAC) Gymnasium Operations detailed at report item 16.1 which was moved at an ordinary meeting of council held on the 16/01/07 (attached) and later detailed in the Memorandum of Understanding (MOU) made between the City of Albany and Local Health & Fitness Centre Operators (attached) be reconsidered.

_____	_____	_____
Name	Signature	Date
_____	_____	_____
Name	Signature	Date
_____	_____	_____
Name	Signature	Date
_____	_____	_____
Name	Signature	Date
_____	_____	_____
Name	Signature	Date

MOTION 1

That the restrictions imposed on the Albany Leisure & Aquatic Centre (ALAC) Gymnasium Operations detailed at report item 16.1 which was moved at an ordinary meeting of council held on 16/01/07 (attached) and later detailed in the Memorandum of Understanding (MOU) made between the City of Albany and Local Health & Fitness Centre Operators (attached) be reconsidered.

Reason: The current restrictions impinge upon the commercial viability of the gymnasium and if left in place increase the commercial risk (business unit failure).

MOTION 2

THAT the restriction imposed by the resolution of Council on 16/01/07, detailed at item 16.1, Points 2 & 3, being:

“2. That the operations of the gymnasium be undertaken as follows:

i) Like manner to existing gymnasium facility,

ii) Same number and functionality of exercise stations,

iii) No specific memberships to gymnasium allowed – access only by general membership to ALAC for all facilities or casual usage fee.

3. That the operations of the general purpose area be undertaken as follows:

i) Seniors/Wellness/rehabilitation service section programs,

ii) Workshops/meeting space for sporting and community group meetings, coaching/accreditation training sessions, general community space and allied health service delivery.”

be REVOKED.

(ABSOLUTE MAJORITY)

[Section 5.25 (1)(e) of the Local Government Act 1995 refers]

Reason:

The restrictions imposed by Council on the operation of the ALAC gymnasium are unrealistic and unfair.

The restrictions impinge upon the commercial viability of the gymnasium and if left in place increase the commercial risk (business unit failure).

The City gymnasium can operate without these mandated restrictions and comply with national competition policy.

MOTION 3

That the Memorandum of Understanding (MOU) for the Operation and Management of the gymnasium made between the City of Albany and the following business entities:

- **Body Studio (no longer operating);**
- **Bodycare Health Studio;**
- **Curves; and**
- **Fitness for Her (no longer operating),**

be CANCELLED.

XVIII. ITEMS TO BE DEALT WITH WHILE THE MEETING IS CLOSED TO MEMBERS OF THE PUBLIC

XIX. NEXT ORDINARY MEETING DATE

Tuesday 17 May 2011.

XX. CLOSURE OF MEETING

**STATUS REPORT ON DEFERRED ITEMS
FROM PREVIOUS MEETINGS**

Meeting Date	Item Number	Details/Status
15/06/2010	15.2.3	Lot 5 Rufus Street - Compensation for Subdivision Design Changes. WAITING ON ADVICE FROM LGIS.
16/11/2010	2.6	Surrender Lease over Hangar Site 2 at Albany Airport. REQUIRES FURTHER CONSIDERATION BY COUNCIL.
15/02/2011	4.11	Padre White Lookout Project. WAITING ON FURTHER CONFIRMATION FROM GSDC.