



MINUTES

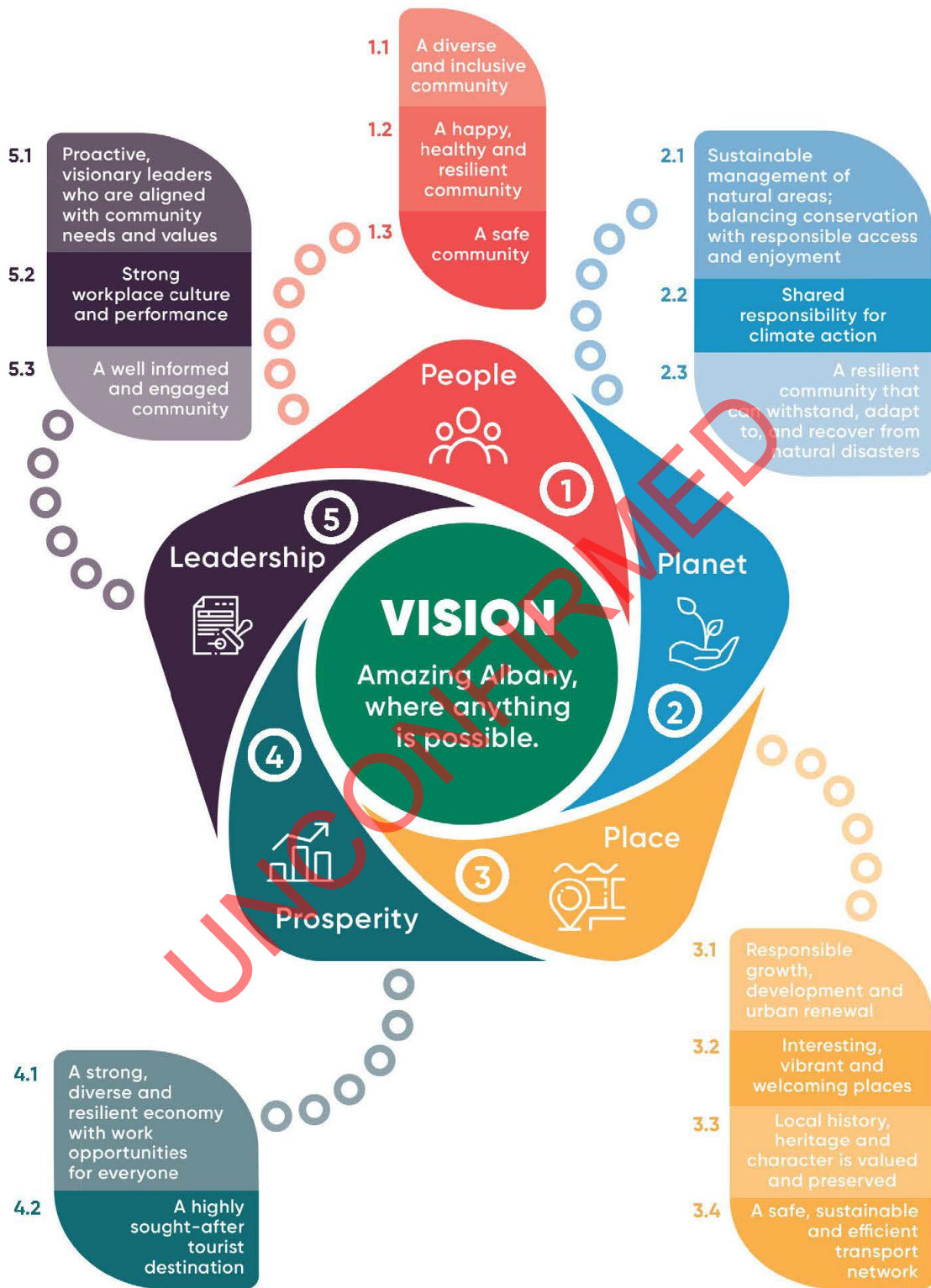
COMMUNITY AND CORPORATE SERVICES COMMITTEE

Tuesday 10 September 2024

6.00pm

Council Chambers

The Five Strategic Pillars



Community & Corporate Services Committee
Terms of Reference

Function:

This Committee is responsible for:

- Community Services: Achieving the outcomes outlined in the Strategic Community Plan, focusing on a diverse and inclusive community, happiness, health, and resilience, and community engagement.
- Corporate & Commercial Services: Delivering the outcomes outlined in the Strategic Community Plan, emphasizing safety, resilience, economic strength, tourism, visionary leadership, and workplace culture.
- Monitoring the City's financial health and strategies.
- Conducting internal reviews of service complaints.

It accomplishes this by:

- Developing policies and strategies.
- Creating progress measurement methods.
- Receiving progress reports.
- Considering officer advice.
- Debating current issues.
- Offering advice on effective community engagement and progress reporting.
- Making recommendations to Council.

Chairperson: City of Albany elected member, elected from the Committee.

Membership: Open to all elected members

Meeting Schedule: Monthly Meeting Location: Council Chambers

Directorates: Corporate & Commercial Services and Community Services

Executive Officer(s):

- Executive Director Corporate & Commercial Services
- Executive Director Community Services

Delegated Authority: None

COMMUNITY AND CORPORATE SERVICES COMMITTEE
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1. **DECLARATION OF OPENING**

2. **PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS**

“Heavenly Father, we thank you for the peace and beauty of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”

“We would like to acknowledge the Noongar people who are the Traditional Custodians of the Land.

We would also like to pay respect to Elders past, present and emerging”.

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

Mayor	G Stocks
Councillor	T Brough (Chair)
Councillor	M Traill
Councillor	D Baesjou
Councillor	S Grimmer (Deputy Chair)
Councillor	R Sutton
Councillor	L MacLaren
Councillor	P Terry
Councillor	M Lionetti

Staff:

Chief Executive Officer	A Sharpe
Executive Director Community Services	N Watson
Executive Director Corporate & Commercial Services	M Gilfellow
Manager Recreation Services	M Green
Meeting Secretary	H Bell
Observer	M Robson

Apologies:

Councillor	A Cruse
Councillor	C McKinley

There were 13 Members of the public in attendance.

4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest
Mayor Stocks	CCS661	<p>Impartiality: The nature of the interest being that Mayor Stocks is a member of the Albany Golf Club.</p> <p>Mayor Stocks remained in the chamber for the discussion and the vote.</p>
Cr Grimmer	CCS661	<p>Impartiality: The nature of the interest being that Cr Grimmer is a part time employee at Denmark Country Club working with the Albany Golf Club to promote Golf in the region.</p> <p>Cr Grimmer remained in the chamber for the discussion and the vote.</p>

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE Nil

6. PUBLIC QUESTION TIME

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

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

06:04pm Mr Tony Evers - Cuthbert
Summary of key points:

Mr Evers addressed Council regarding the Special Meeting of Electors held on the 26th of August 2024 in support that all voices were heard during the public question time.

06:07pm Mr Dan Northcott – Albany Golf Club
Summary of key points:

Mr Northcott addressed Council in support of the Authorising Officer Recommendation for Report item CCS661 - Community Sporting and Recreation Facilities Fund 2025/26 Forward Planning Grant Round Applications.

06:11pm Mr Phillip Douglass – Lange
Summary of key points:

Mr Douglass addressed Council regarding the sexual education books at Albany Public Library and his concerns about the adverse health effects of some of the practices detailed within the books.

What are the books educating children in?

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Answer provided by Mr Douglass – Lange:

One of the books is educating children in that (indicated with a hand gesture) and failing to give health warnings about the injuries that can result from that, which any father/husband accompanying his wife giving birth will know all about birthing injuries and some people who suffer PTSD for 28-years with consequences.

06:15pm Ms Michelle Kinsella – McKail – Keeping Children Safe
Summary of key points:

Ms Kinsella addressed Council regarding the concerns about sexual educational books at the Albany Public Library, motions being reasonable and to take into consideration of the outcome of the vote held at the Special Meeting of Electors on the 26th of August 2024.

7. **PETITIONS AND DEPUTATIONS Nil.**

8. **CONFIRMATION OF MINUTES**

RESOLUTION

MOVED: COUNCILLOR TRAILL
SECONDED: DEPUTY MAYOR TERRY

THAT the unconfirmed minutes of the Community and Corporate Services Committee meeting held on 13 August 2024, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

CARRIED 9-0

9. **PRESENTATIONS**

10. **UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS Nil.**

**CCS661: COMMUNITY SPORTING AND RECREATION FACILITIES
FUND 2025/26 FORWARD PLANNING GRANT ROUND
APPLICATIONS**

Proponent / Owner	: City of Albany
Attachments	: Correspondence and Project Assessment Sheet; Policy for Community Sport and Recreation Facilities Small Grant Funding Policy
Report Prepared By	: Manager Recreation Services (M Green)
Authorising Officer:	: Executive Director Community Services (N Watson)

The Committee agreed to change the order of business and bring forward agenda item CCS661 to be considered prior to CCS654.

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Pillar:** People.
 - **Outcome:** A happy, healthy, and resilient community.
 - **Objective:** Improve access to sport, recreation and fitness facilities and programs.

In Brief:

- To seek Council endorsement of the priority ranking for the submitted Community Sport and Recreation Facility Fund (CSRFF) Forward Planning Grant round.
- To seek Council support for funding assistance to this project in line with the Council's Community Sports & Recreation Facilities Funding Policy.

RECOMMENDATION

CCS661: COMMITTEE RECOMMENDATION 1

**MOVED: COUNCILLOR TRAILL
SECONDED: COUNCILLOR BAESJOU**

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS661: COMMITTEE RECOMMENDATION 2

**MOVED: DEPUTY MAYOR TERRY
SECONDED: COUNCILLOR TRAILL**

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS661: COMMITTEE RECOMMENDATION 3

MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR BAESJOU

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS661: AUTHORISING OFFICER RECOMMENDATION 1

That Council RANK this application in the following order for the Forward Planning grant application 2025/26 Funding Round.

- a) Albany Golf Club Redevelopment Stage 1 – Reticulation upgrade (Ranked 1 of 1).

CCS661: AUTHORISING OFFICER RECOMMENDATION 2

That Council:

1. APPROVE a total of \$600,000 (exc. GST) as the Council's commitment towards the CSRFF Forward Planning grant applications as follows:
 - a) Albany Golf Club (\$600,000), being \$400,000 allocated from 2024/25 budget and a further \$200,000 allocation from the 2025/26 budget;
 - b) This funding will remain allocated under the Community Sport and Recreation Facilities Fund Grant Policy even if the funding application is unsuccessful, providing applicants can demonstrate that projects will be completed and acquitted using funding from other sources; and
 - c) The funding amount does not exceed a total of \$600,000 (exc. GST).

CCS661: AUTHORISING OFFICER RECOMMENDATION 3

That Council AMEND the 2024/25 budget as follows:

- a) Re-allocate job number 3319 (Western Precinct – Lighting) totalling \$400,000 to the Albany Golf Club Project.

BACKGROUND

2. The Community Sport and Recreation Facilities Fund (CSRFF) administered by the Department of Local Government, Sport and Cultural Industries (DLGSCI) has three rounds of available funding:
 - Small Grant Funding Round (Summer);
 - Annual and Forward Planning Funding Round; and
 - Small Grant Funding Round (Winter).
3. The CSRFF program is now a \$20 million program. All three rounds are often oversubscribed, and clubs may need to reapply multiple times to be successful.
4. The CSRFF Annual and Forward Planning Grants Round targets community sport projects where the financial value of the total project is more than \$500,000 and can be claimed up to three financial years following the date of approval.
5. Under CSRFF guidelines it is not a requirement for the applicant to have secured funding at time of approval. The applicant has 3 years to secure funding and complete the project.

6. Applicants must be either a local government authority or a not-for-profit sport or community organisation incorporated under the WA Association's Incorporation Act 1987.
7. Clubs and local government authorities applying for funds must demonstrate equitable access to the public on a short-term and casual basis.
8. The land on which the facility is to be developed must be one of the following:
 - Crown reserve;
 - Land owned by a public authority;
 - Municipal property; or
 - Land held for public purposes by trustees under a valid lease, title or trust deed that adequately protects the interests of the public.
9. Whilst there is no obligation for local government to contribute to the community sporting projects, local government is viewed as a key funding partner in supporting improved community sporting amenities.
10. The City of Albany has a Community Sports & Recreation Facility Funding Policy to guide how it will allocate funding towards community sporting projects applying for CSRFF funding.
11. The DLGSC – Sport and Recreation application form requires applications to be initially submitted to the local government within which the project proposal is located.
12. The CSRFF funding application process requires local government to assess all relevant applications and to rank the applications in priority order for the municipality. The applications are then submitted to DLGSC on behalf of the applicants prior to September 30, 2024.
13. Once the assessment process from Local Government Authority is complete, all applications received from Western Australian organisations are assessed by the relevant State Sporting Association and the DLGSC – Sport and Recreation CSRFF Committee against a number of criteria, with the final decision on funding being at the discretion of the Minister for Sport and Recreation.

DISCUSSION

14. The DLGSC grant guidelines require Council to provide a ranking for the projects.
15. The DLGSC – Sport and Recreation provides guidelines for local government authorities to assess each submission. This assessment uses the following criteria and a project rating of satisfactory/unsatisfactory or not relevant:
 - Project justification;
 - Planned approach;
 - Community input;
 - Management planning;
 - Access and opportunity;
 - Design;
 - Financial viability;
 - Coordination;
 - Potential to increase physical activity; and
 - Sustainability.

With overall project rating, being:

- Well planned and needed by municipality;
- Well planned and needed by applicant;
- Needed by municipality, more planning required;
- Needed by applicant, more planning required;
- Idea has merit, more planning work needed; or
- Not recommended.

16. The type of projects which will be considered for funding through the CSRFF program include:
- New playing surfaces – ovals, courts, synthetic surfaces etc;
 - Floodlighting projects (must be to Australian standards);
 - Change rooms and ablutions; and
 - Sports storage.
17. Projects are ranked on the strength of the application, participation numbers, and ability to increase physical activity and potential impact as well as consultation with the Department of Local Government, Sport and Cultural Industries – Sport and Recreation and the applicant.
18. Projects that are directly related to the delivery of the sport (surface or grounds) or will increase participation (lighting) are usually ranked higher over those that support the sporting environment.
19. The City of Albany has received one (1) Annual and Forward Planning grant application this round. As there has only been one grant application received this round an independent peer review has not been required to assess the ranking process and subsequent ranking of projects.

20. The following additional information is provided about the project and funding application

Albany Golf Club – Redevelopment Stage 1 – Reticulation Upgrade

21. The funding application is for a Forward Planning Grant for Development Stage 1 – Reticulation Upgrade.
22. Stage 1 of the Albany Golf Club (AGC) Facilities Upgrade Project includes the design, supply, installation and commissioning of a new course reticulation system.
23. This project is critical to the ongoing sustainability of the club as the existing reticulation assets require immediate upgrade, which will also improve operational efficiencies and reduce reactive maintenance costs.
24. This project will ensure the club maintains its current membership and can continue to attract new members, visitors and host events.
25. Based on the initial design of a new reticulation system for AGC and comparisons with case studies, conservative water savings have been estimated at 20% per year. The upgraded system will include automated full valve head controls and facilitate increased monitoring and the ability to undertake targeted watering.
26. AGC is Western Australia's oldest golf club still located on its original site, with a proud 125-year history providing high quality facilities to members and visitors.
27. AGC is a not-for-profit organisation governed by a management committee and employs 22 staff locally. Facilities include an 18-hole championship links-style course that is heritage listed.
28. AGC is ranked 49th out of 100 among public access courses and 99th out of 100 of all courses in Australia.
29. AGC have 708 current members and attract over 7000 visitors to the region annually. Memberships at AGC have increased 8.8% in the past year. Junior programs have contributed to an increase of 600% in membership over the past three years.
30. By continuing to maintain facilities at a high level, AGC can consistently offer opportunities for active participation in golf. AGC's programs and competitions support year-round access for participants across all ages and skill levels.
31. AGC are committed to providing facilities that encourage participation in all levels of golf, supported by infrastructure that meets the needs of members and community.
32. The reticulation upgrade project will support the ongoing provision of high-quality greens and fairways for members and visitors, ensuring the course is attractive and playable all year round.

33. AGC has experienced considerable growth in membership over the past three years, and continues to provide many competitive, social and development options for non-members.
34. Come and try, beginner, junior and upskilling programs are well attended, providing the community with opportunities for physical activity and increased social interaction.
35. With a current membership base of 685 playing members and an annual course attendance by members and the public for over 37,000 rounds of golf, the ongoing provision of a high-quality course at the Club is necessary to maximise active participation.
36. The project is well planned and needed by the applicant. The application, installation and project will be managed by the AGC.
37. Department of Local Government, Sport and Cultural Industries – Sport and Recreation Great Southern Regional Manager has indicated that the project meets the criteria.

Rankings

38. The below ranking recommendation has been provided based on the applicant meeting the required criteria:

RANK	ORGANISATION	PROJECT DETAIL	OVERALL PROJECT RATING
1	Albany Golf Club	Redevelopment Stage 1 – Reticulation Upgrade	Well planned and needed by the applicant. This project meets the criteria for the Community Sports and Recreation Facility Funding Policy and CSRFF Guidelines. The project is a high priority and based on hierarchy of facilities this project is ranked 1 of 1.

GOVERNMENT & PUBLIC CONSULTATION

39. The DLGSC – Sport and Recreation Regional Manager for the Great Southern has been consulted regarding these applications by the City of Albany (June and July 2024).
40. The City of Albany has conducted a site visit for the project listed above (June and July 2024) with the Sport and Recreation Regional Manager for the Great Southern.

STATUTORY IMPLICATIONS

41. There is no statutory requirement.
42. Council officers assess each project and make a recommendation for the ranking of projects based on the DLGSC criteria and strategic overview.
43. The Council officers' ranking recommendations have not been independently peer reviewed as there was only one (1) application received.
44. It should be noted that the DLGSC – Sport and Recreation will make the final decision on funding allocation.

POLICY IMPLICATIONS

45. The Community Sports and Recreation Facility Funding Policy has been applied in the assessment and recommendations of this application.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
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Reputation & Community Property: <i>Failure to secure required funding may result in the condition of the amenities deteriorating to an unsafe or unusable condition.</i>	Possible	Minor	Medium	Council may choose to support the funding application, or work with City officers and the Club to source alternate funding streams.
People Health & Safety <i>Failure to secure required funding may result in the condition of the amenities deteriorating to an unsafe or unusable condition.</i>	Possible	Moderate	Medium	Council may choose to support the funding application, or work with City officers to source other funding streams.
Reputation & Financial <i>Failure to distribute the Council's Financial Support in an equitable and sustainable manner may result in community dissatisfaction or projects not going ahead.</i>	Possible	Moderate	Medium	Council may choose to support the officer's recommendation, or work with City officers to deliver an equitable allocation of funding that aligns with the Community Sport and Recreation Facility Funding Policy.

FINANCIAL IMPLICATIONS

Community Sport and Recreation Facilities Funding Policy

47. Under the Community Sport and Recreation Facilities Funding Policy, the Council makes annual budget allocations to a Capital Seed Fund to support CSRFF Small Grant Round (projects under \$500,000) applications.
48. The recently revised Policy also states that Council “will maintain the Parks and Recreation Reserve to assist with providing Council financial capacity to consider contributions towards community sporting club and association projects that are eligible for the Forward Planning Grants, or which exceed the funding capacity of the Capital Seed Fund”.
49. However, the Policy is clear in that Council will consider requests for funding for Forward Planning Grant Round applications “in its absolute discretion” and subject to budget capacity, Council priorities, and the project’s eligibility for CSRFF funding.
50. The Policy also limits the financial contribution towards a grant eligible project, stating it “will not exceed 33% (ex GST), to a maximum of \$600,000, of the total project cost”.

Financial contribution request

51. The total projected cost for the current Albany Golf Club application is \$2,565,036.50.
52. The club has requested the maximum \$600,000.00 contribution from the City of Albany, in line with the parameters of the above-mentioned policy.
53. With an announcement on the outcome of this application due within this financial year, and the project planned to commence in June 2025, Council has the ability to spread its contribution to the project over multiple financial years.
54. An amount of \$400,000 was allocated towards the Oval B Lighting Project as part of the 2024/25 Budget, however there remains a funding shortfall on this project and in consultation with stakeholder clubs, the lighting project is being deferred.
55. It is the officer’s recommendation that should the Albany Golf Club secure the funding required to draw down on Council’s financial commitment to the project, that a budget allocation across multiple years is considered.
56. Officers propose that Council re-allocate the \$400,000 Oval B budget (Job No 3319) towards the Albany Golf Club project and then a further \$200,000 commitment as part of the 2025/26 budget.
57. The following table provides the project budget detail and requests for financial support from each of the applications received:

Project	Total project cost (ex GST)	Applicant contribution (ex GST)	CSRFF Grant (ex GST)	Request for Council Financial Support (ex GST)
Albany Golf Club	\$ 2,565,036.50	\$1,110,024.50	\$ 855,012.00	\$600,000.00

58. The next CSRFF Annual Forward Grant round is 1st June 2025.

59. If the application is unsuccessful for CSRFF, the Albany Golf Club can reapply in the next round or demonstrate other ways to secure the additional funding required to draw down Council’s funding commitment to the project.

LEGAL IMPLICATIONS

60. Nil

ENVIRONMENTAL CONSIDERATIONS

61. Nil.

ALTERNATE OPTIONS

62. Council may choose not to provide funding assistance to the submitted project.

63. Council may choose to provide more, or less, funding assistance to this project.

64. Council may choose not to amend the 2024/25 Budget at this time and await the outcome of the funding application.

CONCLUSION

65. DLGSC – Sport and Recreation requires local government to assess received applications and to rank applications in priority order for the municipality.

66. The Albany Golf Club project meets the criteria provided by the DLGSC – Sport and Recreation and Council is required to rank the project.

67. The project also meets the criteria of the City of Albany Community Sports and Recreation Facility Funding Policy.

68. Council has total discretion in considering the requested financial contribution and may amend the officer’s recommendation.

69. DLGSC – Sport and Recreation requires a response from the City of Albany on the priority ranking order and financial contributions by 30 September 2024.

Consulted References	:	Community Sports & Recreation Facilities Grant Funding Policy
File Number	:	RC.SP.V.8
Previous Reference	:	OCM 27/08/2024 – Report Item CCS653

CCS654: MONTHLY FINANCIAL REPORT – JULY 2024

Proponent / Owner	: City of Albany
Attachments	: Monthly Financial Report – July 2024
Report Prepared By	: Manager Finance (S van Nierop)
Authorising Officer:	: Executive Director Corporate & Commercial Services (M Gilfellon)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Pillar:** Leadership.
 - **Outcome:** Strong workplace culture and performance

IN BRIEF

- Under the Local Government Financial Management Regulations, a local government is to prepare monthly a statement of financial activity and statement of financial position that is presented to Council.
- The City of Albany's Monthly Financial Report (inclusive of the statement of financial activity and the statement of financial position) for the period ending 31 July 2024 has been prepared and is attached.
- In addition, the City provides Council with a monthly investment summary to ensure the investment portfolio complies with the City's Investment of Surplus Funds Policy.
- The financial information included within the Monthly Financial Report for the period ended 31 July 2024 is preliminary and has not yet been audited.

RECOMMENDATION

CCS654: COMMITTEE RECOMMENDATION

**MOVED: DEPUTY MAYOR TERRY
SECONDED: COUNCILLOR TRAILL**

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS654: AUTHORISING OFFICER RECOMMENDATION

THAT the Monthly Financial Report for the period ending 31 July 2024 be RECEIVED.

DISCUSSION

2. To fulfil statutory reporting obligations, the Monthly Financial Report prepared provides a snapshot of the City's year to date financial performance. The report provides the:
 - (a) Statement of Financial Activity by nature classifications (satisfying Regulation 34 of the *Local Government (Financial Management) Regulations 1996*);
 - (b) Statement of Financial Position (satisfying Regulation 35 of the *Local Government (Financial Management) Regulations 1996*);
 - (c) Basis of Preparation;
 - (d) Explanation of material variances to year-to-date budget;
 - (e) Net Current Asset & Funding Position;
 - (f) Investment Portfolio Snapshot;

- (g) Receivables; and
 - (h) Capital Acquisitions.
3. Additionally, each year a local government is to adopt a percentage or value to be used in the Statement of Financial Activity for reporting material variances. Under Council item CCS647, Council approved that a variance between actual and budget-to-date of greater than \$100,000 is a material variance for reporting purposes in the Statement of Financial Activity for 2024/2025.
4. The Statement of Financial Activity and Statement of Financial Position may be subject to year-end adjustments and have not been audited.
5. It is noted that rounding errors may occur when whole numbers are used, as they are in the reports that follow. The 'errors' may be \$1 or \$2 when adding sets of numbers. This does not mean that the underlying figures are incorrect."

STATUTORY IMPLICATIONS

6. The *Local Government (Financial Management) Regulations 1996* stipulate that each month Local Governments are required to prepare and report a Financial Activity Statement (reg 34) and a Financial Position Statement (reg 35).
7. Each of these statements are to be presented at an ordinary meeting of the council within 2 months after the end of the relevant month, as well as recorded in the minutes of the meeting at which it is presented.

POLICY IMPLICATIONS

8. The City's 2024/25 Annual Budget provides a set of parameters that guides the City's financial practices.
9. The Investment of Surplus Funds Policy stipulates that the status and performance of the investment portfolio is to be reported monthly to Council.

FINANCIAL IMPLICATIONS

10. Expenditure for the period ending 31 July 2024 has been incurred in accordance with the 2024/25 budget parameters.
11. Details of any budget variation more than \$100,000 (year to date) is outlined in the Statement of Financial Activity. There are no other known events, which may result in a material non-recoverable financial loss or financial loss arising from an uninsured event.

LEGAL IMPLICATIONS

12. Nil.

ENVIRONMENTAL CONSIDERATIONS

13. Nil.

ALTERNATE OPTIONS

14. Nil.

CONCLUSION

15. The Authorising Officer's recommendation be adopted.
16. It is requested that any questions regarding this report are submitted to the Executive Director Corporate & Commercial Services by 4pm of the day prior to the scheduled meeting time. All answers to submitted questions will be provided at the Committee meeting. This allows a detailed response to be given to the Committee in a timely manner.

Consulted References	:	<i>Local Government (Financial Management) Regulations 1996</i>
File Number	:	FM.FIR.7

CCS655: LIST OF ACCOUNTS FOR PAYMENT – AUGUST 2024

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

STRATEGIC IMPLICATIONS

- This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - Pillar/Priority:** Leadership.
 - Outcome:** Strong workplace culture and performance.

IN BRIEF

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

RECOMMENDATION

CCS655: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR MACLAREN

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS655: AUTHORISING OFFICER RECOMMENDATION

THAT the list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 15 August 2024 totalling \$8,219,607.48 be RECEIVED.

DISCUSSION

- The table below summarises the payments drawn from the City's Municipal and Trust funds for the period ending 15 August 2024. Please refer to the Attachment to this report.

Fund	Transaction Type	Amount (\$)	%
Municipal	Electronic Funds Transfer	\$6,176,069.59	75.14%
Municipal	Payroll	\$2,019,987.40	24.58%
Municipal	Credit Cards	\$23,550.49	0.29%
Municipal	Cheques	\$0.00	0.00%
Trust	N/A	\$0.00	0.00%
TOTAL		\$8,219,607.48	100.00%

- Included within the Electronic Funds Transfers from the City's Municipal account are Purchasing Card transactions, required to be reported under Regulation 13(A), totalling: \$95,651.53.
- The table below summaries the total outstanding creditors as at 15 August 2024.

5.

Aged Creditors	Amount (\$)
Current	\$144,313.10
30 Days	\$339,654.32
60 Days	-\$7,759.65
90 Days	\$6,889.30
TOTAL	\$4,83,097.07

STATUTORY IMPLICATIONS

6. Regulation 12(1)(a) of the *Local Government (Financial Management) Regulations 1996*, provides that payment August 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.
7. The Chief Executive Officer has delegated authority to make payments from the municipal and trust fund.
8. 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.
9. As part of the Local Government Regulations Amendment Regulations 2023 (SL2023/106), additional reporting is now required by Local Governments. Regulation 13(A), a new regulation, requires Local Governments to report on payments by employees via purchasing cards.

POLICY IMPLICATIONS

Expenditure for the period to 15 August 2024 has been incurred in accordance with the 2024/2025 budget parameters.

FINANCIAL IMPLICATIONS

Expenditure for the period to 15 August 2024 has been incurred in accordance with the 2024/2025 budget parameters.

LEGAL IMPLICATIONS

10. Nil

ENVIRONMENTAL CONSIDERATIONS

11. Nil

ALTERNATE OPTIONS

12. Nil

CONCLUSION

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

Consulted References	:	<i>Local Government (Financial Management) Regulations 1996</i>
File Number	:	FM.FIR.2

CCS656: DELEGATED AUTHORITY REPORTS – 16 JULY 2024 to 15 AUGUST 2024

Proponent / Owner	: City of Albany
Attachments	: Executed Document and Common Seal Report
Report Prepared By	: PA to Mayor and Councillors (D Clark)
Authorising Officer:	: Chief Executive Officer (A Sharpe)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Pillar:** Leadership.
 - **Outcome:** A well informed and engaged community.

RECOMMENDATION

CCS656: COMMITTEE RECOMMENDATION

**MOVED: COUNCILLOR MACLAREN
SECONDED: COUNCILLOR BAESJOU**

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS656: AUTHORISING OFFICER RECOMMENDATION

THAT the Delegated Authority Reports 16 July 2024 to 15 August 2024 be RECEIVED.

BACKGROUND

2. In compliance with Section 9.49A of the *Local Government Act 1995* the attached report applies to the use of the Common Seal and the signing of documents under Council's Delegated Authority:
 - **Delegation: LG1.18 (D006)** – Sign Documents on Behalf of the City of Albany (Authority to Executive Deeds & Agreements and apply the Common Seal)
 - **Delegation: LG4.06 (D009)** – Provide Donations, Sponsorship, Subsidies & Authority to Apply for Grant Funding (Including the provision of sponsorship through the waiver of fees & charges)
 - **Delegation: LG5.05 (D018)** – Award Contracts (Supply of Equipment, Goods, Materials & Services)

**CCS657: ADOPTION OF THE BUDGET REVIEW FOR THE PERIOD
ENDING 31 JULY 2024**

Proponent : City of Albany
Attachments : Budget Review for the period ending 31 July 2024
Report Prepared by : Business Analyst/Management Accountant (D Harrison)
Authorising Officer : Executive Director Corporate & Commercial Services
(M Gilfellon)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Pillar:** Leadership.
 - **Outcome:** Strong workplace culture and performance.

In Brief:

- This review is for the period ending 31 July 2024, and therefore is outside the requirements of regulation 33A of the *Local Government (Financial Management) Regulations 1996*. A further budget review is required to satisfy this regulatory obligation.
- This budget review achieves a balanced budget inclusive of the proposed Carry Forward Budget Review amendments.

RECOMMENDATION

CCS657: COMMITTEE RECOMMENDATION

**MOVED: COUNCILLOR MACLAREN
SECONDED: COUNCILLOR GRIMMER**

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS657: AUTHORISING OFFICER RECOMMENDATION

THAT the Budget Review for the period ending 31 July 2024 be ADOPTED.

BACKGROUND

2. Local Governments are required to conduct a budget review between 1 January and the last day of February each financial year in accordance with regulation 33A(1) of the *Local Government (Financial Management) Regulations 1996*. The Department recommends a review of the budget early in the financial year to amend carry forward projects from forecast to actual.
3. Council adopted the FY2024/25 budget on 23 July 2024. The total adopted expenditure budget of \$156.3m comprised of:
 - a. \$59.0m capital works;
 - b. \$1.3m debt reduction; and
 - c. \$96.0m in operating expenditure.

4. Included within the \$156.3m budget was \$35.1m of carried forward projects. That is, projects that were not anticipated to be completed by 30 June 2024, and the estimated remaining expenditure relating to these projects was carried forward into the FY2024/25 budget.
5. At the time of preparing the budget, the amount remaining of these carried forward projects was not known, and hence an estimate was provided within the FY2024/25 budget.
6. Now that the financial accounts for FY2023/24 have been completed (although not yet audited), the remaining expenditure relating to the carried forward projects is realised, and the FY2024/25 budget is to be amended to reflect these corrected figures.
7. In addition to the carry forward adjustments this review proposes \$3.03m of variations (exclusive of budget amendments already addressed within the carry forward amendments).

DISCUSSION

8. After the completion of the FY2023/24 financial accounts, the City estimates expenditure of \$33,861,544 required to complete carried forward projects, equating to a decrease of \$1,257,862 relative to the figure estimated in the FY2024/25 budget adopted by Council.
9. The funding impact relating to the decrease in carried forward project of \$1,257,862 is as follows:
 - a. \$508,525: Increase in Grant Funding required.
 - b. \$(753,567): Decrease in Reserves Funding required.
 - c. \$(1,012,820): Decrease in Municipal Funds required (Opening balance adjustment).
10. Key elements of the general works and variations proposed in this budget review include:
 - a. An increase in funds required of \$3.03m to complete the proposed amendments, sourced as follows:
 - i. \$0.24m: Reduction in expenditure
 - ii. \$2.35m: Increase in grants and general revenue.
 - iii. \$0.41m: Increase in reserves funding required.
 - iv. \$0.03m: Increase in Opening Position
 - b. This Review Maintains Council's Budget in a Balanced Position as at 30 June 2025.
 - c. Total expenditure of \$159.8m in FY2024/25 inclusive of carry forward adjustments, comprised of:
 - i. \$62.2m capital works;
 - ii. \$1.3m debt reduction; and
 - iii. \$96.3m in operating expenditure.
11. A copy of the Budget Review for the period ending 31 July 2024 is attached.
12. Budget adjustments thereafter of an urgent nature will be brought to a Council Meeting as an item to be discussed when required and actioned outside of this review.

GOVERNMENT & PUBLIC CONSULTATION

13. Department of Local Government guidelines were followed in the preparation of this report.
14. City of Albany Executives, Managers and Officers with budget responsibility were consulted in the preparation of the Budget Review.

STATUTORY IMPLICATIONS

15. Under the *Local Government Act 1995*, section 6.8, a local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure:
- is incurred in a financial year before the adoption of the annual budget by the local government
 - is authorised in advance by a resolution (absolute majority required) or;
 - is authorised in advance by the Mayor in an emergency.
16. If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of 7 days and (a) its intention to do so; and (b) the date from which it is proposed the fees or charges will be imposed.
17. The voting requirement of Council is **Absolute Majority**.

POLICY IMPLICATIONS

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

RISK IDENTIFICATION & MITIGATION

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

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

FINANCIAL IMPLICATIONS

20. Please refer to the attachment: Budget Review for the period ending 31 July 2024.

LEGAL IMPLICATIONS

21. Nil.

ENVIRONMENTAL CONSIDERATIONS

22. Nil.

ALTERNATE OPTIONS

23. For the period ending 31 July 2024, Council may consider to:
- Adopt the Budget Review as recommended; or
 - Adopt the Budget Review with amendments (as specified by Council)

SUMMARY CONCLUSION

24. It is recommended that the Authorising Officer's Recommendation is adopted.

Consulted References		<ul style="list-style-type: none">• Adopted Budget 2024/2025• Local Government Act 1995
File Number	:	FM.BUG.12
Previous Reference	:	Adopted Budget 2024/2025 – OCM 23/07/2024 Resolution CCS647

UNCONFIRMED

CCS658: PROPOSED NEW LICENCE – DEPARTMENT OF FIRE & EMERGENCY SERVICES – TELECOMMUNICATIONS FACILITY WILLYUNG HILL

Land Description	:	Crown Reserve 43591, Lot 7727 on Deposited Plan 191134, the subject of Certificate of Title LR3123 Folio 726, Willyung
Proponent	:	FES Ministerial Body (Department of Fire & Emergency Services)
Owner	:	Crown (City of Albany under Management Order)
Report Prepared By	:	Team Leader Property & Leasing (T Catherall)
Authorising Officer:	:	Executive Director Corporate & Commercial Services (M Gilfellow)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2032:
 - **Pillar:** People.
 - **Outcomes:** A safe community.

Maps and Diagrams:



In Brief:

- Council is requested to approve a new licence to the Department of Fire and Emergency Services (DFES) to formalise their use of the City owned telecommunication facility on Crown Reserve 43591, located on Rocky Crossing Road, Willyung.
- DFES has been using part of the City's telecommunication hut and mast.
- DFES requests a term of 21 years, with annual peppercorn rent of \$10 + GST considering their community service role.
- The licence aligns with the City's Strategic Community Plan 2032 objective to improve community safety.
- It is recommended that the new telecommunication licence be approved.

RECOMMENDATION

CCS658: COMMITTEE RECOMMENDATION

**MOVED: COUNCILLOR SUTTON
SECONDED: COUNCILLOR MACLAREN**

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS658: AUTHORISING OFFICER RECOMMENDATION

THAT Council APPROVE the new licence over portion of Crown Reserve 43591 Willyung telecommunication facility to FES Ministerial Body (DFES), subject to the terms and conditions outlined in section 15 in this report.

BACKGROUND

2. Crown Reserve 43591 is under Management Order issued to the City for the purpose of "Navigational Aid and Telecommunications Site" with power to lease for a term not exceeding 21 years, subject to the approval of the Minister for Lands.
3. The 'C' class reserve, an area of 900m² on Willyung Hill houses the City owned telecommunications facility.
4. The telecommunications facility supports airport navigational aids, emergency bushfire and City depot radio communications.
5. Reserve 43591 is landlocked with access only through a third party private property.
6. The City has formal access arrangements with landowners and Holcim quarry to traverse the land to gain access to the facility.
7. Telstra and Optus also occupy the site under lease agreements with the City and have access agreements with third party landowners.
8. Additional power to the facility was installed by Telstra and also runs through private property.
9. DFES have requested a licence to formalise their use of the telecommunication facility.

DISCUSSION

Access to Site

10. DFES acknowledges the site is landlocked, and access and power are not guaranteed by the City.
11. DFES will be required to obtain access agreements with the landowners.

Lease terms

12. The City's Property Management – Leases and Licences Policy provides that the rent for Government leases are to be determined by market valuation provided by a licensed Valuer.
13. However, circumstances for a reduced rental apply where services provided benefit the community.
14. DFES requests a peppercorn rent of \$10 + GST per annum, reflecting their community service role. This aligns with their current lease for the City's Mt Melville telecommunication facility. Council's support is requested.
15. The table below summarises the essential terms of the proposed licence.

Item	Details
Tenant	FES Ministerial Body
Land Description	Part of Crown Reserve 43591, Lot 7727 on Deposited Plan 191134, the subject of Certificate of Title LR3123 Folio 726, Rocky Crossing Road, Willyung
Land Ownership	Crown (City of Albany under Management Order)
Licence Areas	Approx 4m ² - Small area within City telecommunication hut and mast
Permitted Use	Operating and Maintaining an Emergency Radio Network and Ancillary Purposes
Fee	\$10 + GST per annum
Term of Licence	21 years from commencement date
Outgoings	Tenant responsible for all outgoings, including insurance and utilities
Minister for Lands	Section 18 of the <i>Lands Administration Act 1997</i> , the Minister for Lands consent being obtained
Special Conditions	<p>Access to site</p> <ul style="list-style-type: none"> • Tenant acknowledges access to site is through private property, consent of landowners for ingress and egress will be required. • The Landlord will have no obligation to arrange access to the site. <p>Power to site</p> <ul style="list-style-type: none"> • The Tenant acknowledges power to the site is through private property with the consent of landowners. The landlord will have no obligation to provide power to the site.

16. DFES has agreed in-principle with the above terms, subject to Council and Minister for Lands approval.

GOVERNMENT & PUBLIC CONSULTATION

17. Section 3.58 of the *Local Government Act 1995* governs property disposal, including licenses.
18. Clause 30(2)(c) of the *Local Government (Functions and General) Regulations 1996* exempts certain disposal from public notice, including those to government entities.
19. The proposed licence is exempt from public notice requirements.

STATUTORY IMPLICATIONS

20. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including both leased and licensed land and buildings.
21. Section 18 of the *Land Administration Act 1997* provides that individuals cannot assign, sell, transfer or otherwise deal with interests in Crown land, create, or grant an interest in Crown land without the prior approval in writing of the Minister for Lands.

22. The proposed licence aligns with the requirements governing the disposal of property and dealings with Crown land.

POLICY IMPLICATIONS

23. The Property Management (Leases and Licences) Policy aims to support equitable access and efficient management of City owned and managed properties in line with statutory procedures.
24. The Policy provides that Government rents are to be market based. However a reduced rental can be applied where there is community benefit.
25. DFES has proposed a peppercorn rent given their community role and Council's support is requested.
26. All other terms of the licence agreements will be in line with the policy.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation: New Licence not approved	Unlikely	Moderate	Medium	Seek to negotiate terms to Council satisfaction.
Reputation: New Licence not approved – DFES radio communication services disrupted	Unlikely	Major	Medium	Seek to negotiate terms to Council satisfaction.
Opportunity: Continue to support DFES with essential radio communication services to aid in the delivery of emergency services to the community.				
Opportunity: Aligns with City's Strategic Community Plan 2032 objective to improve community safety.				

FINANCIAL IMPLICATIONS

28. All costs for licence documentation will be covered by DFES.

LEGAL IMPLICATIONS

29. The licence documentation will be prepared by DFES, reviewed by City's lawyers to ensure enforceable terms to minimise risks to the City and Minister for Lands.

ENVIRONMENTAL CONSIDERATIONS

30. There are no environmental implications.

ALTERNATE OPTIONS

31. Council may:
- a. Approve the licence to DFES; or
 - b. Support some elements of the new licence although not in its entirety; or
 - c. Decline the licence request.
32. Should Council decline the new licence, DFES radio services will be disrupted and impact community safety.

CONCLUSION

33. DFES has occupied part of the City's telecommunication facility at Willyung Hill for some years without a formal agreement.
34. A new licence is needed to formalise their use to continue providing essential radio communications for emergency services to the community.

35. The proposed licence term is 21 years with a peppercorn rental of \$10 + GST per annum to reflect their community service role.
36. The licence aligns with the City’s Strategic Community Plan 2032 objective to improve community safety.
37. It is recommended that the proposed new licence be approved.

Consulted References	:	<ul style="list-style-type: none"> • Council Policy – Property Management – Leases and Licences • <i>Local Government Act 1995</i> • <i>Land Administration Act 1997</i>
File Number	:	PRO476, A188652
Previous Reference	:	Nil

UNCONFIRMED

CCS659: SURRENDER & NEW REPLACEMENT LEASE – DK HOSPITALITY #2 PTY LTD – THREE ANCHORS

Land Description	: Portion of Crown Reserve 26149, Lot 651 on Deposited Plan 191343, the subject of Certificate of Title LR3119 Folio 892, Middleton Beach
Proponent	: DK Hospitality #2 Pty Ltd (ACN 608 713 677) Directors being David Steytler and Katie Sweetnam
Business Entity Name	: Three Anchors
Owner	: Crown (City of Albany under Management Order)
Report Prepared By	: Team Leader Property & Leasing (T Catherall)
Authorising Officer:	: Executive Director Corporate & Commercial Services (M Gilfellon)

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2032:
 - **Pillar:** 4. Prosperity. A thriving city with an abundance of opportunities.
 - **Outcomes:** 4.2. A highly sought-after tourist destination.

Maps and Diagrams:



In Brief:

- Council is requested to approve the surrender of the current lease and a replacement new lease to the current tenant DK Hospitality #2 Pty Ltd, trading as Three Anchors.
- In February 2024, the tenant advised the City they want to update their business model to better meet current market and customer needs. They propose to shift from a restaurant to a café and takeaway, which aligns with the existing Development Approval.
- The tenant plans a capital investment to re-model the premises at their own cost.
- The tenant is requesting a new lease term of 21 years, replacing their current lease which expires in December 2032.

- Department of Planning, Lands and Heritage (DPLH) supports the surrender and new lease as long as the rental income is kept in a reserve fund for maintaining the reserve.
- It is recommended that Council approve the lease surrender and the new lease.

RECOMMENDATION

CCS659: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR SUTTON
SECONDED: MAYOR STOCKS

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 9-0

CCS659: AUTHORISING OFFICER RECOMMENDATION

THAT Council APPROVE the surrender of the current lease and a replacement new lease over portion of Crown Reserve 26149 to DK Hospitality #2 Pty Ltd (Three Anchors), subject to the terms and conditions outlined in section 19 in this report.

BACKGROUND

2. Crown Reserve 26149 is under Management Order issued to the City for the purpose of 'Recreation' with power to lease for a term not exceeding 21 years, subject to the prior approval of the Minister for Lands.
3. City records show the premises on the reserve has been leased since 1997. Over the years the lease has been varied, transferred and renewed. The current 21 year lease is due to expire in December 2032.
4. The lease was transferred to the current tenant DK Hospitality #2 Pty Ltd in 2016. The annual rent under the current lease is \$94,312.24 plus GST.
5. In February 2024, the tenant informed the City that they are reviewing their current business model to better meet the current market and customer needs and sought City feedback on their proposed changes.
6. They propose to shift from operating as a restaurant to a café and takeaway. This change would involve the current bistro area being café/takeaway and converting the existing takeaway kiosk into a space focused on the tourist market including selling Binalup/ Middleton Beach branded items.
7. The tenant proposes capital investment to redevelop the premises at their own expense.
8. City staff met with the tenant to discuss the proposed changes. The Planning team confirmed that no amendments to the current Development Approval are needed.
9. The City referred this proposal to the DPLH to seek advice on the department's preferred tenure arrangement, given the location is Crown Reserve.
10. DPLH supports the surrender and new lease direct with the City, conditional on amendments to the Management Order over the reserve.
11. Following DPLH's in principle support the tenant formally requested the surrender of the current lease and a new replacement 21 year lease.

DISCUSSION

DPLH consultation and Management Order Amendment

12. DPLH evaluates all commercial activities on Crown Reserves on a case-by-case basis.
13. When consulting DPLH on the ongoing tenure arrangement, the strategic importance of Middleton Beach to Albany's identity as an iconic tourist destination was emphasised.
14. The City also highlighted its significant investment in the reserve, including upgrades to the precinct, and its ongoing commitment to maintaining and enhancing the area for public benefit.
15. Three Anchors is considered to play a crucial role in the visitor experience within this iconic tourism precinct.
16. DPLH supports the lease change with amendments to the current Management Order, to include the department's standard commercial conditions.
17. The conditions include rental from Three Anchors to be held in a reserve fund for the purpose of maintaining the reserve, including all buildings, structures and grounds. Any surplus funds at the end of each financial year are to be put towards any capital or major works on the reserve.
18. It is noted the lease income is already being used for maintenance and improvements in the area. Holding this income in a reserve fund will have no impact on current budget allocations.

Lease terms

19. The table below summarises the essential terms of the proposed lease.

Item	Details
Tenant	DK Hospitality #2 Pty Ltd
Land Description	Portion of Crown Reserve 26149, Lot 651 on Deposited Plan 191343, subject of Certificate of Title LR3119 Folio 892, Middleton Beach
Land Ownership	Crown (City of Albany under Management Order)
Lease Area	Approx 1,351m ² subject to survey
Permitted Use	Commercial Café & Restaurant
Rent	To be determined by a current market valuation provided by a licensed Valuer. Rent reviews every three years by market valuation with CPI applied for intervening years
Term of Lease	21 years from commencement date
Outgoings	Tenant responsible for all outgoings, including insurance and utilities
Minister for Lands	Section 18 of the <i>Lands Administration Act 1997</i> , the Minister for Lands consent being obtained
Special Conditions	Inclusion of coastal hazard provisions

20. Three Anchors has agreed in-principle to the above terms, subject to Council and Minister for Lands approval.

GOVERNMENT & PUBLIC CONSULTATION

21. Section 18 of the *Land Administration Act 1997* provides that interests in Crown land cannot be assigned, sold, transferred or otherwise dealt with without the prior written approval of the Minister for Lands.
22. DPLH has been consulted and has provided in-principle consent for the lease, subject to final approval from the Minister for Lands.
23. Section 3.58 of the *Local Government Act 1995* governs property disposal, including leases.
24. The Act requires the following:

- a. A local government must give local public notice of the proposed lease inviting submissions for a period of two weeks.
 - b. Council must consider any submissions and record their decisions in the minutes.
 - c. A local government can then proceed with the lease/licence.
25. The proposed lease will be advertised to comply with the requirements of the Act.
26. Community Engagement

Type of Engagement	Method of Engagement	Engagement Dates	Participation (Number)	Statutory Consultation
Consult	Advertise proposed lease in local newspaper and on the City's website inviting submissions from the public	A two-week period following Council endorsement of agenda item	Open to the public	Section 3.58 of the Local Government Act 1995

STATUTORY IMPLICATIONS

27. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including both leased and licensed land and buildings.
28. Section 18 of the *Land Administration Act 1997* requires Ministerial approval for any dealings with interests in Crown land, including lease agreements.
29. The lease agreement will be governed by the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.
30. The proposed lease complies with the statutory requirements for property disposal and interests in Crown land.

POLICY IMPLICATIONS

31. The Property Management (Leases and Licences) Policy supports equitable access and efficient management of City owned and managed properties in line with statutory procedures.
32. The Policy provides that commercial lease rents should be determined by market valuation.
33. The recommendation is consistent with the Policy.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation: Surrender and new lease not approved	Unlikely	Moderate	Medium	Negotiate terms that satisfy both Council and tenant
Reputation: Surrender and new lease not approved – reduced investment	Possible	Minor	Medium	Negotiate satisfactory terms
Reputation: Surrender and new lease not approved –tourism impact to area	Possible	Moderate	Medium	Negotiate satisfactory terms
Financial: Surrender new lease not approved – possible loss of commercial rental when current lease expires	Possible	Moderate	Medium	Negotiate satisfactory terms
Opportunity: Enhancing the precinct with an adaptable business model that meets the current market and customer needs ensuring continued success and vibrancy of Binalup/ Middleton Beach				
Opportunity: Aligns with City's Strategic Community Plan 2032 objective to create a competitive and sustainable tourism offer.				

FINANCIAL IMPLICATIONS

35. All costs for surrender of lease documentation will be covered by the tenant.
36. All costs associated with the development, execution and completion of the new lease documentation will be met by the City as per the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.

LEGAL IMPLICATIONS

37. The lease documentation will be prepared by City's lawyers to ensure enforceable terms to minimise risks to the City and Minister for Lands.

ENVIRONMENTAL CONSIDERATIONS

38. Three Anchors lease area is located within the Coastal Hazard Risk Management Plan (CHRMAP) area for Emu Point to Middleton Beach.
39. The new lease will include coastal hazard provisions, requiring the tenant to acknowledge and accept risks related to coastal erosion and/or inundation, sea level rises and other coastal processes.
40. Further indemnification clauses will be included to ensure that the City and Minister for Lands are not liable for any loss or damage resulting from coastal hazards.
41. Any future development must align with the Emu Point to Middleton Beach CHRMAP recommendations.

ALTERNATE OPTIONS

42. Council may:
 - a. Approve the surrender and new lease to DK Hospitality #2 Pty Ltd; or
 - b. Support selected elements of the new lease; or
 - c. Decline the lease request.
43. Should Council decline the lease the existing tenant may lose their opportunity to secure longer tenure.
44. Should Council decline the lease DPLH may reconsider the tenure arrangement possibly offering the tenant a direct lease with the Department.
45. Should Council decline the lease the current tenant may choose not to renew their lease in 2032.

CONCLUSION

46. DK Hospitality #2 Pty Ltd has requested to surrender their current lease and enter into a new 21 year lease as they modernise their business model to meet current market and customer demands.
47. DPLH supports the surrender and new lease, subject to amending the current Management Order to include the requirement that rental income from Three Anchors is kept in a reserve fund for maintaining the reserve, including all buildings, structures and grounds.
48. The lease income is already funding maintenance in the precinct so this new requirement will not affect the budget.
49. The new lease aligns with the City's Strategic Community Plan 2032 objective to create a competitive and sustainable tourism offer.
50. It is recommended that Council approve the proposed surrender and new lease.

Consulted References	:	<ul style="list-style-type: none">• Property Management (Lease and Licences) Policy• <i>Local Government Act 1995</i>• <i>Land Administration Act 1997</i>• <i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i>
File Number	:	PRO070, A223660
Previous Reference	:	OCM 19/03/2013 – 4.9 OCM 19/06/2012 – 4.4 SCM 01/05/2012 – 6.2 SCM 06/12/2011 – 6.1

UNCONFIRMED

CCS660: REVIEW OF CIVIC AFFILIATIONS

Attachments	: Civic Affiliations Review Paper
Report Prepared By	: Executive Director Corporate and Commercial Services (M Gilfellon)
Authorising Officer:	: Chief Executive Officer (A Sharpe)

STRATEGIC IMPLICATIONS

Nil.

In Brief:

- A review of the City of Albany's Civic Affiliations Policy was conducted at the August 2024 Strategic Briefing.
- The results of the Review of Civic Affiliations are now being presented to Council for decision.

RECOMMENDATION

CCS660: COMMITTEE RECOMMENDATION

**MOVED: DEPUTY MAYOR TERRY
SECONDED: COUNCILLOR TRAILL**

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 8-1

Record of vote:

Against the motion: Councillor Grimmer

CCS660: AUTHORISING OFFICER RECOMMENDATION

THAT Council:

1. ACCEPT the review of Civic Affiliations conducted during August 2024 as required under Council's Civic Affiliations Policy;
2. RESOLVE to continue the Civic Affiliations with:
 - a. Gallipoli (FRA000078)
 - b. Tomioka (FRA000076)
 - c. Peronne (FRA000077)
3. RESOLVE to conclude the Civic Affiliation with:
 - a. Linyi (FRA000081)

BACKGROUND

1. At the Ordinary Council Meeting held on 25 June 2024, Council resolved to adopt the revised Civic Affiliations Policy and conduct a review of existing Civic Affiliations at a Strategic Workshop no later than August 2024. Council resolved that a report detailing the review's outcome be presented to Council for consideration no later than September 2024.
2. An updated Civic Affiliations Policy was workshopped at the Strategic Briefing Session of Council in May 2024.
3. The policy was adopted by Council at the June 2024 ordinary Meeting of Council.
4. In line with the Decision of Council, a review of the civic affiliations was conducted at the August 2024 Strategic Briefing.

DISCUSSION

5. The Civic Affiliations policy sets out that a review of relationships should be based on the following criteria:
 - Assessment of the level and regularity of engagement;
 - Whether there have been positive outcomes in the period since the last review;
 - Shifting priorities by either the City of Albany or a civic affiliation.
6. The policy also requires that a review be conducted every five years or any time if:
 - There are no demonstrable outcomes of the relationship;
 - The essential criteria contained in the Civic Affiliations Policy are not met or are breached;
 - The relationship does not align with the City's Community Strategic Plan or the City's values; or
 - There is a lack of engagement or conclusion of trade or economic agreements.
7. The City of Albany has the following existing Civic Affiliations which are registered under the Foreign Arrangements Scheme:
 - Gallipoli (FRA000078)
 - Tomioka (FRA000076)
 - Peronne (FRA000077)
 - Linyi (FRA000081)
8. In addition, the City of Albany has a peripheral relationship with Nichinan and the Port of Abaratsu through an informal Friendship Agreement. This is not registered under the Foreign Arrangements Scheme.
9. The attached discussion paper provides information on the history and current state of the four registered Civic Affiliations.

GOVERNMENT & PUBLIC CONSULTATION

10. The RSL Albany Sub-Branch were consulted regarding the Civic Affiliations with Gallipoli and Peronne. They informed the City of the importance of the relationships.
11. Great Southern Grammar was consulted regarding a Student Exchange Program with Nichinan. The program ceased due to COVID and has not restarted. They are commencing discussions regarding this.

STATUTORY IMPLICATIONS

12. Nil.

POLICY IMPLICATIONS

13. Nil. The Civic Affiliations provides a guide for this decision however the policy will not be impacted by the decision.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation Risk: There is a risk that a decision to continue or conclude a Civic Affiliation may negatively affect the reputation of the City.	Unlikely	Minor	Low	The comprehensive process that has been followed will help to mitigate the risk.
Opportunity: There is an opportunity that a decision to continue or conclude a Civic Affiliation may positively effect the reputation of the City.				

FINANCIAL IMPLICATIONS

15. Nil.

LEGAL IMPLICATIONS

16. Nil

ENVIRONMENTAL CONSIDERATIONS

17. Nil

ALTERNATE OPTIONS

18. Council may choose to continue or conclude any of the Civic Relationships.

CONCLUSION

19. At the request of Council, a policy was developed to facilitate the review of the City's Civic Affiliations.

20. A review of Civic Affiliations was conducted at the August 2024 Strategic Briefing.

21. As a result of the review, it is recommended that Council decide to continue the Civic Affiliation with Gallipoli, Tomioka and Peronne and conclude from the Civic Affiliation with Linyi.

Consulted References	:	City of Albany Civic Affiliations Policy – Adopted 25 June 2024
File Number	:	ED.INR.1 ED.INR.3 ED.INR.4 ED.INR.6
Previous Reference	:	Strategic Briefing 20 August 2024 – Review of Civic Affiliations Discussion Paper

11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN – Nil.
12. MEETING CLOSED TO THE PUBLIC
13. CLOSURE 07:30pm

UNCONFIRMED