



# Council Agenda

## NOTICE OF MEETING

Notice is hereby given that an ordinary meeting of Council will be held in the

**Council Chamber – Glenelg Town Hall  
Moseley Square, Glenelg**

**Tuesday 10 April 2018 at 7.00pm**

Justin Lynch  
CHIEF EXECUTIVE OFFICER

Please note: This agenda contains Officers' reports and recommendations that will be considered by the Council. Any confidential items listed on the agenda will be circulated to Members separately.



## Ordinary Council Meeting Agenda

### 1. OPENING

*The Acting Mayor will declare the meeting open at 7:00pm.*

### 2. KAURNA ACKNOWLEDGEMENT

*We acknowledge Kaurna people as the traditional owners and custodians of this land.*

*We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kaurna People today.*

### 3. PRAYER

*Heavenly Father, we pray for your presence and guidance at our Council Meeting. Grant us your wisdom and protect our integrity as we carry out the powers and responsibilities entrusted to us on behalf of the community that we serve.*

### 4. APOLOGIES

4.1 Apologies Received

4.2 Absent

### 5. ITEMS PRESENTED TO COUNCIL

### 6. DECLARATION OF INTEREST

*If a Council Member has an interest (within the terms of the Local Government Act 1999) in a matter before the Council they are asked to disclose the interest to the Council and provide full and accurate details of the relevant interest. Members are reminded to declare their interest before each item.*

### 7. CONFIRMATION OF MINUTES

#### Motion

**That the minutes of the Ordinary Meeting of Council held on 27 March 2018 be taken as read and confirmed.**

Moved Councillor \_\_\_\_\_, Seconded Councillor \_\_\_\_\_

**Carried**

### 8. PUBLIC PRESENTATIONS

8.1 **Petitions** - Nil

8.2 **Presentations** - Nil

8.3 **Deputations** - Nil

**9. QUESTIONS BY MEMBERS**

9.1 **Without Notice**

9.2 **On Notice - Nil**

**10. MEMBER'S ACTIVITY REPORTS**

10.1 Members' Activity Report (Report No: 121/18)

**11. MOTIONS ON NOTICE**

11.1 Motion on Notice – Beach Activation at Glenelg – Councillor Bradshaw (Report No: 107/18)

11.2 CONFIDENTIAL – Motion on Notice – Alwyndor Aged Care – Councillor Aust (Report No: 115/18)

Pursuant to Section 83(5) of the *Local Government Act 1999* the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act,

a. pursuant to section 90(3)(a) of the Act, the information to be received, discussed or considered in relation to Report No: 115/18 Motion on Notice – Alwyndor Aged Care – Councillor Aust is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), being staff of Alwyndor Aged Care.

11.3 Motion on Notice – Painting of Mural on Glenelg Community Centre Wall – Acting Mayor Wilson (Report No: 119/18)

11.4 Motion on Notice – Review of Zoning Along South Esplanade and College Street Glenelg – Councillor Bouchee (Report No: 120/18)

**12. ADJOURNED MATTERS - Nil****13. REPORTS OF MANAGEMENT COMMITTEES, SUBSIDIARIES AND THE DEVELOPMENT ASSESSMENT PANEL**

13.1 Minutes – Alwyndor Management Committee 20 and 28 March 2018 (Report No: 109/18)

**14. REPORTS BY OFFICERS**

14.1 Items in Brief (Report No: 106/18)

14.2 2017 Annual Report from Audit Committee (Report No: 108/18)

14.3 Draft 2018-19 Annual Business Plan (Report No: 110/18)

14.4 New Delegations under the Fines Enforcement and Debt Recovery Act 2017 and Expiation of Offences Act 1996 (Report No: 111/18)

14.5 Sporting and Community Club Leasing Policy (Report No: 112/18)

14.6 New Management Agreement – Brighton Caravan Park (Report No: 113/18)

14.7 Road Reserve Sale Feasibility (Report No: 114/18)

**15. RESOLUTIONS SUBJECT TO FORMAL MOTIONS**

*Presented for the information of Members is a listing of resolutions subject to formal resolutions, for Council and all Standing Committees, to adjourn or lay on the table items of Council business, for the current term of Council.*

**16. URGENT BUSINESS – Subject to the Leave of the Meeting****17. CLOSURE**

**JUSTIN LYNCH  
CHIEF EXECUTIVE OFFICER**

Item No: **10.1**

Subject: **MEMBERS' ACTIVITY REPORTS**

Date: 10 April 2018

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## **SUMMARY**

These activity reports are presented for the information of Members.

After noting the report any items of interest can be discussed, if required with the leave of the meeting.

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## **RECOMMENDATION**

**That the following activity reports be noted:**

- **Councillor Aust**
- 

## **REPORT**

1. Councillor Aust

<b>Date</b>	<b>Activity</b>
24/1/18	Meeting of sculptures selection panel
28/1/18	Australia Day ceremony
31/1/18	Special Meeting of Alwyndor Management Committee
7/2/18	Meeting with Uniquity
15/2/18	Women's Breakfast
27/2/18	Meeting with a resident
13/1/18	Dorothy Cheater Award Ceremony at Alwyndor
15/3/18	Meeting with a resident
30/3/18	Workshop at Alwyndor
4/4/18	Staff formum at Alwyndor

Item No: **11.1**

Subject: **MOTION ON NOTICE – BEACH ACTIVATION AT GLENELG – COUNCILLOR BRADSHAW**

Date: 10 April 2018

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### **PROPOSED MOTION**

Councillor Bradshaw proposed the following motion:

**That, prior to authorising the use of a public beach for the purpose of Beach Activation as per the recent model with the Moseley Bar & Kitchen, Council receive a report on the event which includes the results of public consultation, consistent with our Public Consultation Policy, on whether the community supports or doesn't support the use of the beach for such a purpose.**

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### **BACKGROUND**

At its Meeting on the 14th of November 2017 Council provided in principle conditional support Motion C141117/967 to the Moseley Bar & Kitchen to occupy a portion of Glenelg Beach and license The Moseley Beach Club Event for a maximum of 350 people from January'18 to 31st of March '18.

The reaction from residents has been mixed and therefore I believe it's necessary for residents to have an opportunity to have their say on this matter.

### **ADMINISTRATION COMMENT**

It should be noted that the current community engagement regarding Open Space and Public Realm review is already providing an opportunity to specifically comment and provide feedback on the Moseley Beach Bar of which there has already been feedback

Item No: **11.3**

Subject: **MOTION ON NOTICE – PAINTING OF MURAL ON GLENELG  
COMMUNITY CENTRE WALL – ACTING MAYOR WILSON**

Date: 10 April 2018

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### **PROPOSED MOTION**

Acting Mayor Wilson proposed the following motion:

**That Council Admin approach the Glenelg Community Centre to work in partnership to develop a mural on the building to commemorate the Lifesaving World Championships occurring in November 2018. The mural should be an artwork of abstract representation of the surf, surf lifesaving, the beach and/or Glenelg for a total cost of \$12k (excludes paint).**

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### **BACKGROUND**

The Glenelg Community Centre will be a focal point for the world championships. They will be re painting the building. The current mural is tired and needs a refresh.

As the former Mayor, Stephen Patterson, took a leave of absence without pay there is approximately \$12,000 of unspent money that can be allocated.

Stephen was the patron of the Glenelg Life Saving Club and an active member. It would seem a fitting legacy to use this money to improve a Community Centre whilst promoting the life saving world championship. The preference is that it is not 'kids art'.

Item No: **11.4**

Subject: **MOTION ON NOTICE – REVIEW OF ZONING ALONG SOUTH ESPLANADE  
AND COLLEGE STREET GLENELG – COUNCILLOR BOUCHEE**

Date: 10 April 2018

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**PROPOSED MOTION**

Councillor Bouchee proposed the following motion:

**That the CEO initiate a letter to be signed by the acting Mayor addressed to the new Minister of Planning with a copy to the Member for Morphett requesting a review of the zoning that allows 12 storeys along the South Esplanade /College Street Glenelg instigated by the previous Minister for Planning Mr J Rau (2016/17) with the objective of reducing development density due to major impact on Council infrastructure, major increase in traffic in narrow heavily residential streets/lanes, power and stormwater.**

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Item No: **13.1**

Subject: **MINUTES – ALWYNDOR MANAGEMENT COMMITTEE – 20 AND 28 MARCH 2018**

Date: 10 April 2018

Written By: Personal Assistant, GM Alwyndor

General Manager: Alwyndor, Mr R Kluge

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### **SUMMARY**

The minutes of the Alwyndor Management Committee meeting held on 20 March 2018 and the Special Meeting held on 28 March 2018 are provided for information.

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### **RECOMMENDATION**

- 1. That the minutes of the Alwyndor Management Committee meeting on 20 March 2018 and the Special Meeting held 28 March 2018 be noted.**
  - 2. That having considered Attachment 2 to Report No: 109/18 Minutes – Alwyndor Management Committee – 20 March 2018 and 28 March 2018 in confidence under section 90(2) and (3)(b) of the Local Government Act 1999, the Council, pursuant to section 91(7) of the Act orders that Attachment 2 be retained in confidence for a period of 24 months and that this order be reviewed every 12 months.**
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### **COMMUNITY PLAN**

Community: Building a healthy, active and resilient community  
Community: Providing welcoming and accessible facilities  
Culture: Supporting excellent, efficient operations

### **COUNCIL POLICY**

Not applicable

### **STATUTORY PROVISIONS**

Not applicable

## **BACKGROUND**

This report is presented following the Alwyndor Management Committee Meetings.

The Alwyndor Management Committee was established to manage the affairs of Alwyndor Aged Care Facility. The Council has endorsed the Committee's Terms of Reference and given the Committee delegated authority to manage the business of Alwyndor Aged Care Facility.

## **CITY OF HOLDFAST BAY**

**Minutes of the meeting of the Alwyndor Management Committee of the City of Holdfast Bay held at Alwyndor Aged Care, Dunrobin Road, Hove on Tuesday 20 March 2018 at 7.00 pm.**

### **PRESENT**

#### **Elected Members**

Councillor R Aust  
Councillor S Lonie

#### **Independent Members**

Chairman – Mr D Royans  
Ms T Aukett  
Mr T Bamford  
Ms J Bonnici  
Ms J Cudsi  
Dr O Peters  
Ms L Wills

#### **Staff**

General Manager Alwyndor– Mr R Kluge  
Personal Assistant – Ms R Gordon  
Chief Financial Officer – Ms N Andjelkovic  
Home Support Services Manager – Ms N Jeffery  
Residential Services Manager – Ms S Wirth

### **1. OPENING**

The Chairman declared the meeting open at 7.15 pm.

### **2. KAURNA ACKNOWLEDGEMENT**

With the opening of the meeting the Chairman stated:

We acknowledge the Kurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kurna People today.

### **3. APOLOGIES**

- 3.1 For Absence - Nil
- 3.2 Leave of Absence - Mr I Pratt, Cr S Lonie

#### 4. DECLARATION OF INTEREST

Members were reminded to declare any interest before each item.

Ms Cudsi advised that her workplace is currently reviewing a claim made by a former Alwyndor employee. Ms Cudsi has no direct dealing with the case.

Mr Kluge left the meeting at 7.18pm

Mr Kluge re-joined the meeting at 7.21pm

#### 5. CONFIRMATION OF MINUTES

*A discussion took place around the format of minutes and requested that future minutes provide more notation of meeting discussion and that minutes to be circulated to all committee members prior to publication.*

##### Motion

**That the minutes of the Alwyndor Management Committee held on 20 February 2018 be taken as read and confirmed.**

Moved by Mr Peters, Seconded by Mr Bamford

Carried

#### 6. CONFIDENTIAL

##### 6.1 Monthly Financial Report – February 2018 (Report No: 15/18)

##### **Exclusion of the Public – Section 90(3)(d) Order**

##### Motion

- 1 That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider Report No: 15/18 Monthly Financial Report – February 2018 in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 15/18 Monthly Financial Report – February 2018 on the following grounds:
  - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be

expected to confer a commercial advantage on a third party of Alwyndor, in addition Alwyndor's financial position is reported as part of Council's regular budget updates.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

Moved Mr Peters, Seconded Ms Bonnici

Carried

**RETAIN IN CONFIDENCE - Section 91(7) Order**

5. That having considered Agenda Item 6.1 Monthly Financial Report – February 2018 (Report No: 15/18) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Alwyndor Management Committee, pursuant to section 91(7) of that Act orders that the Attachments and Minutes be retained in confidence for a period of 18 months and that this order be reviewed every 12 months.

Moved Mr Peters, Seconded Mr Bamford

Carried

- 6.2 Correspondence Regarding Business Proposal (Report No: 20/18)

**Exclusion of the Public – Section 90(3)(d) Order**

**Motion**

- 1 That pursuant to Section 90(2) of the *Local Government Act 1999* Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 20/18 Confidential Correspondence Regarding Business Proposal in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 20/18 Confidential Correspondence Regarding Business Proposal on the following grounds:
  - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information contained in the proposal.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Mr Bamford, Seconded Ms Cudsi

Carried

**RETAIN IN CONFIDENCE - Section 91(7) Order**

6. That having considered Agenda Item 6.2 Confidential Correspondence Regarding Business Proposal (Report No: 20/18) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report, attachment and minutes be retained in confidence for a period of 24 months and that they will be reviewed every 12 months by the Council.

Moved Mr Bamford, Seconded Ms Cudsi

Carried

- 6.3 Cessation of Contract with Resthaven (Report No: 16/18)

**Exclusion of the Public – Section 90(3)(e) Order**

**Motion**

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manage Staff in attendance at the meeting in order to consider Report No: 16/18 Cessation of Contract with Resthaven in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 16/18 Cessation of Contract with Resthaven on the following grounds:
  - e. pursuant to section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of employees of Alwyndor, as the potential impacts the cessation of the contract with Resthaven may have on staff will be discussed.

3. **The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.**

Moved Mr Bamford, Seconded Cr Aust

**Carried**

**RETAIN IN CONFIDENCE - Section 91(7) Order**

4. **That having considered Agenda Item 6.3 Cessation of Contract with Resthaven (Report No: 16/18) in confidence under section 90(2) and (3)(e) of the *Local Government Act 1999*, the Alwyndor, pursuant to section 91(7) of that Act orders that the Report and Minutes be retained in confidence for a period of 12 months and/or the Chief Executive Officer is authorised to release the documents when changes have been adopted and staff advised and that this order be reviewed every 12 months.**

Moved Cr Aust, Seconded Mr Bamford

**Carried**

**7. REPORTS/ITEMS OF BUSINESS**

**7.1 Home Support Services Update (Report No: 19/18)**

This report provides a summary of the activity undertaken by the Home Support Services Department for the provision of home support services to consumers of Alwyndor.

*The Home Support Services Manager confirmed a contract with the Southern Area Health Network had been signed for the provision of TCP and CAPs. TCP residential places will be available for palliative care CAPs. The concept allows Alwyndor to receive training and support for the provision of palliative care CAPs.*

*The Home Support Services Manager updated the Committee on the services provided to clients and the need to tighten and grow business as well as discussing the use of iCare and the mobile app.*

**Motion**

**That the Alwyndor Management Committee receives and notes the information provided in this report.**

Moved Mr Bamford, Seconded Ms Bonnici

**Carried**

Ms Jeffery left the meeting at 8.29pm

**7.2 Draft 2018/19 Budget (Report No: 17/18)**

Each year Alwyndor is required to develop an annual budget which reflects its income and expenditure for the following 12 months. The budget is based on historical

information and takes into account known changes to income and expenditure dependent on legislative change, community expectations and changes to service provision. The draft budget shows a favorable net position for the 2018/19 financial year. The City of Holdfast Bay will need to adopt Alwyndor's budget as recommended by the Alwyndor Management Committee and include the income and expenditure into its consolidated accounts.

*The Chief Financial Officer advised that some adjustments were made to the draft budget following discussions at the recent workshop. It was confirmed that costs have been factored into the budget in anticipation of recommendations from the Uniquity Review.*

### **Motion**

- 1. That the Alwyndor Management Committee endorse the draft budget and presents the draft budget to the City of Holdfast Bay for incorporation into the City's consolidated accounts.**
- 2. That the Alwyndor Management Committee approve the draft Capital Expenditure budget for direct care equipment and replacements.**
- 3. That the Alwyndor Management Committee approve in-principle strategic and investment initiatives up to \$625,900 subject to a business proposal being approved by the Alwyndor Management Committee.**

Moved Mr Peters, Seconded Ms Cudsi

**Carried**

Ms Andjelkovic left the meeting at 8.40pm

### **7.3 Minutes – Governance and Operations Committee – 6 March 2018 (Report No: 14/18)**

The minutes of the Governance and Operations Committee meeting held on 6 March 2018 are provided for information.

*The Committee confirmed support for information to be communicated to staff even though we don't have a lot of detail at present. A suggestion was made that the Committee consider circulating a 1-page monthly publication to staff providing an update on current activity. The need to develop a comprehensive communications, engagement and listening strategy and seek feedback from staff was also discussed.*

### **Motion**

- 1. That the minutes of the Governance and Operations Committee meeting held on 6 March 2018 be noted.**



2. **That the Chairperson of the Alwyndor Management Committee provide advice to staff on the changes to arrangements of with Resthaven.**

Moved Mr Peters, Seconded Mr Royans

**Carried**

7.4 **General Manager's Report (Report No: 13/18)**

These items are presented for the information of Members. After noting the report any items of interest can be discussed and, if required, further motions proposed.

*The Committee requested the addition of traffic lights to the WHS plan.*

*The panel for interviewing future AMC members was discussed and the Committee agreed that Mr Peters and Cr Aust would join the Chief Executive Officer on the interview panel.*

*The Committee discussed the priority areas for recruitment and new members and discussed the update of the AMC Terms of Reference.*

Cr Aust left the meeting at 9.05pm

Cr Aust re-joined the meeting at 9.06pm

Ms Cudsi left the meeting at 9.06pm

Ms Cudsi re-joined the meeting at 9.07pm

*The Residential Services Manager advised that although iCare is good for documentation, further work is required on the reporting functions. Staff will receive additional training on incident and wound reporting.*

Mr Bamford left the meeting at 9.21pm

*The General Manager spoke of Alwyndor's Risk Management requirements and processes and how to incorporate Alwyndor's clinical needs within Council's Risk Framework. The General Manager requested that Committee members consider the matrix ahead of further discussions at the April meeting of AMC.*

Ms Wirth left the meeting at 9.31pm

*The General Manager provided an update on current HR initiatives and will advise staff that there is an employee assistance program available. Interviews have been conducted for current vacancies and there have been outstanding candidates apply. Mentoring opportunities for staff was discussed and will be further explored when the new Residential Services Manager has reviewed current practices.*

**Motion**

1. **That the following items be noted and items of interest discussed:**
  1. **Meeting Dates and Task Schedule**

2. **WHS Implementation Plan**
3. **Interview Panel for AMC Member Selection**
4. **Analysis of Clinical Statistics**
5. **Risk Management**
6. **Current HR initiatives**

2. **That the Alwyndor Management Committee elect Mr O Peters and Cr R Aust to join Chief Executive Officer, Mr J Lynch, on the interview panel for future AMC member selection.**

Moved Ms Cudsi, Seconded Mr Peters

**Carried**

## **8. PRESENTATIONS**

### **8.1 Disability Accommodation**

The presentation from Alwyndor Management Committee member, Ms L Wills, was deferred to a future meeting of the committee.

## **9. URGENT BUSINESS – Subject to the leave of the meeting**

### **9.1 Uniquity Report**

Following the confidential briefing by Uniquity to AMC and Council Members the committee discussed the findings further.

#### **Motion**

**That the Alwyndor Management Committee hold a workshop within the next 3 weeks to discuss the Uniquity Report.**

Moved Mr Royans, Seconded Ms Aukett

**Carried**

## **9. DATE AND TIME OF NEXT MEETING**

The next meeting of the Alwyndor Management Committee will be held on Tuesday 17 April 2018 in the Meeting Room, Alwyndor Aged Care, 52 Dunrobin Road, Hove.

## **10. CLOSURE**

The meeting closed at 10.00 pm.

**CONFIRMED 17 April 2018**

**CHAIRMAN**

## CITY OF HOLDFAST BAY

**Minutes of the special meeting of the Alwyndor Management Committee of the City of Holdfast Bay held at Alwyndor Aged Care, Dunrobin Road, Hove on Tuesday 28 March 2018 at 6.28 pm.**

### **PRESENT**

#### **Elected Members**

Councillor R Aust

#### **Independent Members**

Chairman – Mr D Royans

Ms T Aukett

Mr T Bamford

Ms J Bonnici

Ms L Wills

#### **Staff**

General Manager Alwyndor – Mr R Kluge

Personal Assistant – Ms R Gordon

### **1. OPENING**

The Chairman declared the special meeting open at 6.28 pm.

### **2. KAURNA ACKNOWLEDGEMENT**

With the opening of the meeting the Chairman stated:

We acknowledge the Kaurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kaurna People today.

### **3. APOLOGIES**

3.1 For Absence - Nil

3.2 Leave of Absence - Mr O Peters, Mr I Pratt, Cr S Lonie and Ms J Cudsi

### **4. DECLARATION OF INTEREST**

Members were reminded to declare any interest before each item.

**5. BUSINESS OF THE SPECIAL MEETING****5.1 Alwyndor Management Committee Response to Council Regarding the Uniquity Report****Exclusion of the Public – Section 90(3)(a)(e) Order****Motion**

- 1** That pursuant to Section 90(2) of the *Local Government Act 1999* Alwyndor Management Committee hereby orders that the public be excluded from attendance at this meeting with the exception of the General Manager and Staff in attendance at the meeting in order to consider the Alwyndor Management Committee response to Council regarding the Uniquity Report in confidence.
- 2.** That in accordance with Section 90(3) of the *Local Government Act 1999* Alwyndor Management Committee is satisfied that it is necessary that the public be excluded to consider the information contained in Item No: 5.1 Alwyndor Management Committee response to Council regarding the Uniquity Report
  - a.** pursuant to section 90(3)(a) of the Act, the information to be received, discussed or considered in relation to the Alwyndor Management Committee response to Council regarding the Uniquity Report is information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead), because the Uniquity report will be discussed.
  - e.** pursuant to section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of residents and employees of Alwyndor.
- 3.** The Alwyndor Management Committee is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Mr Bamford, Seconded Cr Aust

**Carried****Motion****RETAIN IN CONFIDENCE - Section 91(7) Order**

- 2.** That having considered Alwyndor Management Committee Response to Council Regarding the Uniquity Report in confidence under section 90(2) and (3)(a) and (e) of the *Local Government Act 1999*, the Alwyndor

**Management Committee, pursuant to section 91(7) of that Act orders that the minutes be retained in confidence for a period of 12 months and that this order be reviewed every 12 months.**

Moved Mr Royans, Seconded Ms Bonnici

**Carried**

**6. CLOSURE**

The meeting closed at 8.16 pm.

**CONFIRMED 15 May 2018**

**CHAIRMAN**

Item No: **14.1**  
Subject: **ITEMS IN BRIEF**  
Date: 10 April 2018  
Written By: Personal Assistant  
General Manager: Business Services, Mr R Bria

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## **SUMMARY**

These items are presented for the information of Members.

After noting the report any items of interest can be discussed and, if required, further motions proposed.

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## **RECOMMENDATION**

**That the following items be noted and items of interest discussed:**

- 1. Libraries Board Visit to Glenelg Library**
  - 2. Occasional Closure of Jetty Road Glenelg**
  - 3. 2018 Tree Planting**
  - 4. Inaugural Dorothy Cheater Award**
  - 5. Approval to attend 2018 Council Next Practice Showcase – 12 April 2018**
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## **COMMUNITY PLAN**

Culture: Supporting excellent, efficient operations

## **COUNCIL POLICY**

Not applicable

## **STATUTORY PROVISIONS**

Not applicable

## **REPORT**

- 1. Libraries Board Visit to Glenelg Library**

The Libraries Board consists of eight members appointed by the Governor. One of the functions of the board is a continuing evaluation and review of South Australian

library services. To assess the operations of individual libraries the board carry out scheduled visits. The Libraries Board visited the Brighton Library in September 2015.

Prior to the Glenelg Library visit, the Board were issued with a briefing paper of performance statistics, including a KPI benchmark ranking of the library service against both Australian Library and Information Association (ALIA) standards and the performance of the other 19 metropolitan public libraries.

*Refer Attachment 1*

A copy of the KPI Dashboard 2016/2017 is available upon request.

The highest KPI ranking is 1 and the lowest score 20. The library service scored particularly highly in the following categories:

Population served per FTE [2]

Collection items per capita [2]

Library expenditure per capita per annum (excluding library materials) [4]

Membership as % of population [4]

Circulation (loans per capita per annum) [6]

It is also interesting to note that 44% of 5 to 9 year olds in our city and 40% of 10 to 14 year olds are members of the library. This may be attributed to the success of the 1001 books reading program.

## 2. **Occasional Closure of Jetty Road Glenelg**

At its meeting on 17 February 2017, Council passed a resolution to examine the opportunity to partially close Jetty Road to traffic on some weekends/occasional days as to facilitate a pedestrian mall.

This report has been deferred until after the outcomes of the public consultation for the Jetty Road Masterplan were completed and the Masterplan subsequently adopted by Council.

The first phase of consultation for the Masterplan contemplated a number of different scenarios for Jetty Road, Glenelg, including permanent closure, converting the street to a pedestrian and tram mall only; as well as partial closures. Feedback on the scenarios presented was mixed, with support for each of the options.

The Masterplan adopted by Council allows for a mixed use street with a shared 'slow zone' which supports the use by private and commercial vehicles, cyclists, public transport including the tram, and improved zones for pedestrian use. The future of upgrades of the street has been designed to make it easier for temporary closures.

Closure of the street for public events will continue to require consultation for each event with the impact on traders, Department of Transport Infrastructure and Environment, as well as vehicle and pedestrian movement to be considered.

Jetty Road traders have mixed views regarding the contribution that street closures make to their businesses.

DPTI require 12 months' notice for proposed Council events, as well as formal notification one month prior to the event.

The associated costs incurred by Council with an event road closure are as follows:

- Depot labour \$4,536 per event
- DPTI \$10,000 per closure  
(a conservative estimate by DPTI associated with tram and bus service modification, and tram service electrification)

The above costs can vary depending on the time and day of the proposed road closure. Importantly costs increase with the escalation of the Crowded Places, Hostile Vehicle Mitigation guidelines implementation, as required by SAPOL.

In the next financial year the following street closures have been planned:

1. City To Bay – September 2018
2. Adelaide Fashion Festival – October 2018 (Moseley Street to Gordon – first time)
3. Christmas Pageant – November 2018
4. New Year's Eve – December
5. Tour Down Under Street Party – January 2019 - followed by rolling closure for race start (still to be confirmed)\*\*

\*\*Depending on the outcomes of the recent request to once again host a start/finish of both the men's and women's events in the Tour Down Under, further street closures will be considered.

### 3. **2018 Tree Planting**

During the 2018 planting season, there are 540 trees planned to be planted within the streetscapes and open space areas. Streets have been selected in areas void of trees and in known "heat islands" to assist with cooling surface temperatures.

A summary is for information below:

#### Open Space areas include:

Bob Lewis Reserve, Glenelg North – various trees  
 John Miller Reserve, Somerton Park - *Araucaria heterophylla*  
 Mack Street (garden area – corner of Jervis Street and Tapleys Hill Road), Glenelg North - *Banksia integrifolia*  
 North Esplanade, Glenelg North - *Araucaria heterophylla*

#### Streets to be planted are:

Allen Terrace, Glenelg East - *Koelreuteria bipinnata*  
 Anzac Highway, Glenelg North and Glenelg East- *Franxinus angustifolia*  
 Bandon Terrace, Kingston Park - *Geijera parviflora*  
 Burke Street, Seacliff Park - *Eucalyptus leucoxylon 'Rosea'*



Cudmore Street, Somerton Park - *Brachychiton populneus x acerifolius*  
Derrick Avenue, Glenelg North - *Jacaranda mimosifolia*  
Durham Street, Glenelg - *Cupaniopsis anarcardioides*  
Fifth Avenue, Glenelg East - *Corymbia ficifolia* and *Geijera parviflora*  
High Street, Glenelg - *Pistacia chinensis*  
Inwood Avenue, Glenelg North - *Jacaranda mimosifolia*  
Marlborough Street, Brighton - *Cupaniopsis anarcardioides*  
Railway Terrace, Hove - *Geijera parviflora* and *Jacaranda mimosifolia*  
Repton Road, Somerton Park - *Cupaniopsis anarcardioides*  
Tarlton Street, Somerton Park - *Platanus acerifolia* and *Cupaniopsis anarcardioides*  
Tassie Street, Glenelg - *Pyrus ussuriensis*  
Tennant Street, Glenelg East - *Pistacia chinensis*  
Vincent Avenue, North Brighton and Somerton Park - *Koelreuteria bipinnata*

Residents will be notified by letterbox drop before commencement of planting.

#### 4. **Inaugural Dorothy Cheater Award**

In January 2018 an updated staff recognition policy, and values and expected behaviours policy were adopted and the inaugural Dorothy Cheater Award was launched to staff.

The award celebrates outstanding performance from within Alwyndor's staff and volunteers. Nominations were sought for staff who proudly delivered exceptional service to the Alwyndor community over the past year based on Alwyndor's values of: accountability; excellence; wellbeing; unique; and collaboration.

The inaugural Dorothy Cheater Award was presented to joint winners: Lifestyle Coordinator, S Lange, and Systems Support Officer, R Korda, at a morning tea held on 13 March 2018.

The award will be presented annually to an individual or team that has been recognised as consistently demonstrating the mission and values of Alwyndor. Nominations will be sought in January of each year and presented on or around 12 March, the anniversary of Dorothy Cheater's birth date.

#### 5. **Approval to attend 2018 Council Next Practice Showcase – 12 April 2018**

In accordance with the Elected Member Training and Development policy the Chief Executive Officer has approved the attendance of Councillor Aust to attend the Local Government Association's 2018 Council Next Practice Showcase being held on 12 April 2018.

**Library service** Holdfast Bay – Glenelg Branch Library Service

**Performance statistics and funding as at 30 June 2017**

<b>Population</b> <i>(Population served for grant calculation)</i>	37,263
<b>Registered active library members</b> <i>(last 3 years)</i>	14,002
<b>Total loans (2016/17)</b>	429,469
<b>Total number of physical visits (2016/17)</b>	221,267
<b>Total items available for loan</b>	95,434
<b>Transits received for a hold (borrower) (2016/17)</b> <i>(The number of holds filled by other libraries for Holdfast Bay Library Service)</i>	53,403
<b>Transits sent for a hold (lender) (2016/17)</b> <i>(The number of holds Holdfast Bay Library Service filled for other libraries)</i>	46,052
<b>Net borrower/lender rate (2016/17)</b> <i>(For every 100 items borrowed from another consortium library, the Holdfast Bay Library service lent 86 items to other libraries)</i>	116%
<b>Total Libraries Board funding</b>	\$104,171
<b>Operational funding from local council</b>	\$1,463,978

**Membership compared to Council population breakdown. (Provides an interesting snapshot of the age profile of the Council and library users).**

Five year age group (years)	Population as at 2015*	LMS membership 2016/17	%
0 to 4	1361	369	27
5 to 9	1503	657	44
10 to 14	1562	618	40
15 to 19	2008	380	19
20 to 24	2499	567	23
25 to 29	2255	769	34
30 to 34	2122	867	41
35 to 39	1776	953	54
40 to 44	2207	926	42
45 to 49	2260	888	39
50 to 54	2741	786	29
55 to 59	2770	804	29
60 to 64	2510	938	37
65 to 69	2292	1,066	47
70 to 74	1676	962	57
75 to 79	1197	658	55
80 to 84	1114	490	44
85 and over	1790	594	33
Age undefined		707	
<b>Total</b>	<b>37,263</b>	<b>13,999</b>	<b>38</b>

\* Figures obtained from Australian Bureau of Statistics – Region Data – five year age groups – most recent population figures available.



**Libraries Board of South Australia  
Libraries Board Tour  
- Briefing Paper -  
19 March 2018**



### Key personnel

Name:	Title:
Justin Lynch	Chief Executive Officer
Trish Aukett	General Manager Community Services
David Lambert	Manager Library Services
Tracy Glover	Branch Coordinator Glenelg – Programs Librarian
Alice Mariano	Branch Coordinator Brighton – Collections Librarian
Aaron McBride	Library Systems Coordinator

### Library service background

Holdfast Bay has two libraries located at Glenelg and Brighton open over a range of hours for our community:

Glenelg Library is open 7 days per week:

Monday, Tuesday, Thursday and Friday 9am-5pm  
Wednesday 9am-7pm  
Saturday 9am-1pm  
Sunday 1pm-4pm  
(49 hours per week)

Brighton Library is open 5 days per week:

Monday, Thursday and Friday 9am-5pm  
Tuesday 9am-7pm  
Saturday 9am-1pm  
(38 hours per week)

The Library Team have presented a business case for Wednesday opening as a new initiative for the 2018 -19 financial year. If successful this would increase the Brighton Library's weekly open hours by 21% to 46 hours.

The Glenelg Library received an average of 373 visitors per day from July 2015 to June 2016.

Glenelg Library door count July 2015 to June 2016 (131,251) in the same fiscal year as performance statistics and ALIA standards (above) for comparison (open 352 of 365 days).



### **Strategic focus for library service**

Focus One: Develop Library Service as the community's centre for digital literacy and digital learning

- Continue development of digital literacy programs

Measure: 5% annual increase in those attending library digital literacy programs in 2018-19

Focus Two: Develop a plan to increase community engagement with culture and heritage, including Aboriginal culture through participation at programs and events

- Provide programs and activities on culture and heritage

Measure: 5% annual increase in those attending library programs in 2018-19

Focus Three: Increase community participation in collection building

Promote customer request systems

Measure: Increase stock turnover rate in 2018-19



**Libraries Board of South Australia  
Libraries Board Tour  
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## Special features

### Christmas Holiday Service

Except for public holidays the libraries remaining open over the Christmas/New Year period.

Customers can pay rates, parking fines and register dogs at the Glenelg Library during the Christmas break when the Civic Centre is closed.

### Extreme Weather Opening

During extreme hot weather\* the Brighton Library opens on Wednesdays for those in the community that need to shelter from the heat.

\*Australian Bureau of Meteorology: The definition of a heatwave for Adelaide is five consecutive days at or above 35°C, or three consecutive days at or over 40°C.



Public libraries collect considerable data about their own performance based on membership, visits, loans, access to computers, provision of public programs and other measures. Comparing one library's performance against others can be both helpful and problematic, depending on how the data is used and the broader story regarding each library's council focus, the local community, the service delivery model and other variables.

With this caveat in mind the profession has developed a range of public library standards. There is a data set developed by the Australian Library and Information Association (ALIA) which can be found [here](#) and other various standards developed in several Australian States; see NSW [here](#) and Queensland [here](#). The ALIA standards were revised during 2016 and PLS has adopted this current set for the KPI calculations.

The Libraries Board of South Australia has decided to use the 2016 ALIA national standards to provide some comparative feedback to public libraries in South Australia. The Board has information which can be used to measure eleven of the ALIA standards, with standard 6 - age of each library's collections, standard 10 - website visits per capita per annum and standard 14 - internet downloads per capita per annum being the standards for which complete data is not currently available.

Attached is a Key Performance Indicator Dashboard which provides both some figures and commentary about how your Library Service currently performs against the ALIA benchmarks as well as providing some averages for metropolitan Adelaide and all public library in South Australia.

As well as providing the general performance information attached, your Library's ranking amongst its metropolitan peers is also provided below. While this is not intended to create a "league table" it does assist decision makers in interpreting their current performance in specific areas when compared to the other eighteen metropolitan libraries in Adelaide.

ALIA STANDARD	RANKING 14/15	RANKING 15/16	RANKING 16/17
S.1 Library Expenditure per Capita per annum (excl library materials)	1	5	4
S.2 Population served per FTE	2	2	2
S.3 Population served by qualified library position	9	7	10
S.4 Library Materials Expenditure per Capita	5	1	7
S.5 Collection Items per Capita	5	2	2
S.7 Population Served by internet device	18	16	17
S.8 Membership as % of population	5	5	4
S.9 Visits per capita per annum	6	6	5
S.11 Circulation (loans per capita per annum)	6	6	6
S.13 % of Population that Attended Library Events	7	6	13

Item No: **14.2**  
Subject: **2017 ANNUAL REPORT FROM AUDIT COMMITTEE**  
Date: 10 April 2018  
Written By: General Manager Business Services  
General Manager: Business Services, Mr R Bria

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### **SUMMARY**

The Audit Committee presents its annual report to Council for calendar year 2017.

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### **RECOMMENDATION**

**That Council receive and note the annual report for calendar year 2017 from the Audit Committee.**

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### **COMMUNITY PLAN**

A Place that Provides Value for Money

### **COUNCIL POLICY**

Audit Committee terms of reference.

### **STATUTORY PROVISIONS**

Local Government Act, Sec 126.

### **REPORT**

At its meeting on 4 April 2018 the Audit Committee endorsed presenting its 2017 annual report to Council. This is provided as Attachment 1.

*Refer Attachment 1*

### **BUDGET**

This report does not have any budget implications

### **LIFE CYCLE COSTS**

This report does not have any full life cycle cost implications.

## 2017 ANNUAL REPORT FROM AUDIT COMMITTEE TO COUNCIL

### Background

Clause 6.9.3 of the Audit Committee's terms of reference require that, the Audit Committee Presiding Member shall report annually to Council summarising the activities of the Committee during the previous financial year.

### Work program

The Audit Committee is required to meet at least once each quarter. In 2017 the Committee met 5 times. The attendance record for each member is as follows:

Councillor John Smedley (Presiding Member)	4
Councillor Sam Charlick	4
Ms Vicki Brown	1
Mr Sam Spadavecchia	5
Mr John Wood	5
Mr Sean Tu	4

The term of Mr Wood expired on 20 March 2016 and Council re-appointed him for a further 3 year term. Ms Brown's term expired on 20 February 2017 and Council appointed Mr Sean Tu for a 3-year term as from 28 February 2017.

The workload of the Committee during 2017 comprised:

1. Receiving and considering a 'Standing Items' report at each meeting that addresses:
  - a. Monthly financial statements
  - b. Internal control
  - c. Risk management
  - d. Whistleblowing
  - e. Internal audit
  - f. Economy and efficiency audits
2. Considering a new 3-year internal audit work program that addresses some of the identified risks as part of the Strategic Risk Survey.
3. Receiving and considering Quarterly Budget Updates concurrently with Elected Members and offering commentary and recommendations thereon, as necessary.
4. Receiving and considering reports from Council's Internal Auditor, at appropriate meetings on the internal audit program and activities and providing practical assistance including draft templates for risk and internal audit "action item" reporting, ensuring focus on high risk items.
5. Considering Council's draft annual business plan and budget for 2017/18, challenging assumptions and contributing comments back to Council, prior to its adoption of the Budget;



6. Considering two internal audit projects undertaken by Bentleys and monitoring the progress of subsequent actions. Those reports being:
  - a. Asset Management, and
  - b. Procure to Pay Implementation.
7. Considering a report on the outcomes of a Strategic Risk Workshop facilitated by Bentley's which included, key internal personnel, Chair of Alwyndor Management Committee, Chair of Audit Committee and an independent member. A Strategic Risk register was developed and internal audit plan developed addressing some of the identified risks.
8. Receiving a report on the costs and benefits of Council being a member of the Local Government Association of SA.
9. Receiving and considering the review of Council's loan impairments prior to Annual Accounts finalisation and making recommendations to Council.
10. Receiving from Bentley's an Internal Audit Recommendations Implementation Annual Report.
11. Receiving and consideration of a review of asset capitalisation thresholds and changes to accounting policies to reflect changes and making recommendations to Council.
12. Receiving the revaluation of land and building assets by Maloney Field Services.
13. Considering the 2017/18 annual financial statements including discussion with partner Geoff Edwards.
14. Considering and assessing a report reviewing Council's Risk Management Framework.
15. Receiving and considering the review of the Long Term Financial Plan.
16. Receiving the 2017 South Australian Local Government Risk Scheme Membership Summary.

### **Terms of reference**

The terms of reference was last reviewed and amended by Council on 12 September 2017. It is appropriate that they be reviewed regularly to ensure they continue to meet requirements of the *Local Government Act*, the needs of Council and reflect contemporary practice.

Item No: **14.3**

Subject: **DRAFT 2018-19 ANNUAL BUSINESS PLAN**

Date: 10 April 2018

Written By: Corporate Planning Officer

General Manager: Business Services, Mr R Bria

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### **SUMMARY**

The Draft 2018–19 Annual Business Plan is presented for endorsement and release for community engagement. It has been developed having regard to the “Our Place” 2030 Strategic Plan (Our Place) Asset Management Plans, Long Term Financial Plan and directions provided by Council.

The draft budget has been developed with a general rate increase of 2.7% and meets all the key financial targets set out in the Long Term Financial Plan.

The Draft 2018-19 Annual Business Plan has been reviewed by Council’s Audit Committee on 4 April 2018 and they have supported it for the purpose of consultation.

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### **RECOMMENDATION**

- 1. That, subject to minor alterations and design, the Draft 2018–19 Annual Business Plan contained in Attachment 1 be released for community consultation.**
  - 2. That the process for community consultation on the Draft 2018–19 Annual Business Plan, as described in this report, be endorsed.**
- 

### **COMMUNITY PLAN**

Culture: Being Financially Accountable

### **COUNCIL POLICY**

Not Applicable.

### **STATUTORY PROVISIONS**

Section 123 of the *Local Government Act, 1999* (the Act).

## **BACKGROUND**

The Draft 2018–19 Annual Business Plan has not been previously considered by Council although its development has been the subject of workshops with Elected Members.

## **REPORT**

### **Development of the Draft 2018–19 Annual Business Plan and Budget**

The Draft 2018–19 Annual Business Plan is provided to members as Attachment 1.

*Refer Attachment 1*

*The attachment will be sent out electronically under separate cover*

The Draft 2018–19 Annual Business Plan is Council’s statement of its intended program of activities and outcomes for the coming financial year. It is developed concurrently with the budget, which outlines proposed revenue sources and allocations of funds required to implement the Annual Business Plan.

The Draft 2018-19 Annual Business Plan has been reviewed by Council’s Audit Committee on 4 April 2018 and they have supported it for the purpose consultation.

### **Key Parameters and Assumptions**

- 2.7% general rate revenue increase (excluding separate rates/NRM levy).
- 0.5% rate revenue increase for new development growth.
- No change to existing services.
- 2.4% Local Government Price Index (LGPI) applied where applicable to revenue and expenditure. The LGPI was an estimate at the time of budget development. Since that time the LGPI for December 2016 – December 2017 was released and it is 2.9%.
- Alwyndor budget to be self-funding.
- Jetty Road Mainstreet budget – cost neutral with 0% rate increase.
- NRM Levy expected to increase by 7% (\$82,000). Levy is collected by Council on behalf of NRM Board. Proposed increase advised by the Board on 12 February 2018.
- Fees and charges have been reviewed and assessed in accordance with a user pays principle, taking LGPI into account.
- Anticipated indexation of 2.4% of the Local Government Financial Assistance Grants based on indexation in 2017-18.

- Roads-to-Recovery grant of \$300,000 which represents a 44.1% decrease on last financial years original budgeted funding. This grant is a tied grant. The Capital Works program has been developed to meet the requirements of the grant whilst recognising the capacity to deliver the program for the 2018–19 financial year. In addition to the Roads-to-Recovery grant, we have budgeted to receive \$188,000 from the Supplementary Roads Grant.
- Marina separate rate increased by 2% (\$2,000). Rate based on existing NPV model which considers cost of upkeep of boat lock and walkway.
- Heritage Rate Rebate reduced from \$50,000 to \$0 with an equivalent amount allocated to the Heritage and Shopfront council grant scheme.
- Interest rates are expected to remain at current low levels.
- Employment costs reflect agreed enterprise agreements.
- Depreciation as per asset plans incorporating an increase of \$410,000 for new assets.
- EPA landfill levy expected to increase from \$87 to \$100 per tonne (\$96,000 increase).
- Proposed operational new initiatives based on business cases included totaling \$1.16 million net.
- Capital renewal program based on Asset Management Plans totaling \$4.78 million included.
- Proposed capital new initiatives based on business cases included totaling \$7.37 million net.

### **Major Projects**

- Commencing the construction of the Minda Dunes section of Coast Park. This section is the final section of our city's coast park walkway. We have allocated \$1 million as well as receiving \$4.35 million of funding from the Department of Planning, Transport and Infrastructure to undertake the project.
- Commencing the construction of the Brighton Oval Sports Complex Masterplan. Stage 1 of the masterplan includes three new buildings for the tenant clubs to use, including additional uni-sex change rooms, additional public amenities (accessible public toilets) and enhanced spectator facilities. We were successful in securing \$2 million from the Government of South Australia and have allocated a further \$2 million for the first year of the multi-year implementation of the masterplan.

- Undertaking the construction of stage 1 of the Glenelg Oval Sporting Masterplan, focusing on the Holdfast Tennis Club, located on Williams Avenue, Glenelg East. This includes the demolition and development of the clubroom on site, installation of new lighting and fencing around 8 courts. We have allocated \$274,000 of funding and are seeking match funding from the Office of Recreation and Sport. The scope of the project is subject to successfully securing external funding. Further to this we are also seeking full funding of \$232,000, from the Office of Recreation and Sport to resize and resurface the tennis courts, to comply with Tennis Australia standards.
- Continuing to improve our stormwater systems across the city as part of our Stormwater Management Plan, to reduce the risk of flooding in our city. In 2018–19 we will spend \$2.35 million to improvements to our stormwater infrastructure across the city. As part of our capital program we have allocated \$350,000 for renewal works in Glenelg East and pits at a number of sites across the city. For new projects we have allocated \$1 million to undertake important stormwater works at key sites in Somerton Park, Brighton and North Brighton. This work is subject to obtaining external funding of \$1 million from the Government of South Australia’s Department of Environment, Water and Natural Resources’ Stormwater Management Authority.
- Beginning important repair work on the Glenelg Town Hall. As a result of the assessment by specialised heritage architects, a range of restoration works are required to be undertaken to this important, historic State Heritage listed building over a multi-year program. In 2018–19 we have allocated \$1.13 million to commence these repair works.
- Progressing the implementation of the Jetty Road Glenelg and Environs Masterplan. In 2018–19 we will undertake detailed designs and commence construction on aspects of the masterplan. We have allocated \$748,000 to develop designs for the Chapel Street section, which will transform this area into a new civic plaza and Coast stages 1 & 2, which includes the public open space along Colley Terrace from Hope St to Jetty Rd, as well as the entrances of both Durham Road and Moseley Street. Further to detailed design, we will commence the construction of the Chapel Street and Coast stage 1 (corner of Colley Terrace and Jetty Road). The construction will be a two year project, with a total budget of \$3.49 million. In 2018-19 we will allocate \$833,000 of Council funding and seek \$1.75 million of external funding from the Department of Planning, Transport and Infrastructure. The construction is subject to successfully receiving external funding.

## Financial Management

The formulation of the Draft 2018–19 Annual Business Plan is aimed to progress the objectives and directions of the Our Place Strategic Plan, Long Term Financial Plan and Asset Management Plans. These plans articulate the parameters that form the underlying assumptions upon which the Annual Business Plan and Budget have been developed, including:

- Council will continue to deliver a balanced budget with a modest operating surplus. In 2018–19 this operating surplus is to represent at least 0.5% of rate revenue.
- There will be a reasonable degree of stability and predictability in the overall rate burden.
- There will be a fair distribution of the cost of assets and services between current and future generations.

## Financial Performance and Position

The Draft 2018–19 Annual Business Plan contains a more detailed analysis of the projected financial performance for the coming year.

The draft budget features:

- a consolidated operating surplus of \$458,000 comprising of an operating surplus for Alwyndor of \$186,000 to be re-invested into its operations, and an operating surplus of \$272,000 for Council’s municipal activities;
- capital expenditure of \$23.45m comprising \$4.78m on renewal and replacement of existing assets; \$889,000 for the Alwyndor Aged Care Facility; \$16.96m for new and upgraded assets; \$816,000 on capitalised project management;
- Council’s key financial measures are all well within the targets set in our Long Term Financial Plan.

Key Financial Measures	Target	Draft 18/19 Budget	Comments
Operating Result Forecast for 2018/19 <i>Operating revenue less operating expenditure</i>	≥ 0	\$272,076	✓ Key Financial measure met
Operating Ratio Forecast for 2018/19 <i>Operating surplus as a percentage of total operating revenue</i>	≥ 0	0.58%	✓ Key Financial measure met
Net Financial Liabilities Ratio Forecast to 30 June 2019 <i>Total liabilities less financial assets as a percentage of total operating revenue (excluding NRM Levy)</i>	≤ 75%	49%	✓ Key Financial measure met
Interest Cover Ratio Forecast for 2018/19 <i>Net interest expense as a percentage of total operating revenue</i>	≤ 5%	1.54%	✓ Key Financial measure met

## **Fees and Charges**

In accordance with Section 188 of the Act, Council's fees and charges have been reviewed and included in the Draft 2018–19 Budget. The fees have been assessed in accordance with a user pays principle, taking consumer price index into account.

## **Impact on Rates**

The major variable determining the ability to meet the above program of works and financial targets is rate revenue which is budgeted to increase by 2.7% excluding separate rates, development growth (estimated at 0.5%) and the NRM Levy.

The Patawalonga Marina Separate Rate of \$70,000 has been calculated on the expected cost of Lock maintenance estimated for the next five years, adjusted to provide an annual maintenance cost and to provide a 50% discount to account for the general public's use of the lock. In future years the rate will be calculated in the same manner. This approach provides greater certainty for our ratepayers who are the subject of the Patawalonga Separate Rate.

The apportionment of rate revenue derived from industrial, commercial properties and vacant land will remain at 13.8%. The Differential Rate premium applied to these properties will be determined once land valuations are received by the Valuer-General. The premium applied to industrial, commercial properties and vacant land in the 2017-18 financial year is 57%.

Council will continue to phase out the Heritage Rate Rebate and continue the Shopfront Character and Heritage grant scheme to provide a more targeted incentive for owners of heritage properties to maintain, restore and preserve these premises. In 2018–19 the Heritage Rate Rebate will cease to continue and expand the scheme.

## **Community Engagement**

The Act sets out the minimum requirements for community engagement. Copies of the Draft 2018–19 Annual Business Plan will be made available at the commencement of a 26 day community engagement period, commencing Monday 16 April 2018 and concluding on Friday 11 May 2018. The consultation will include a scheduled meeting of the Council where public submissions and comments may be heard. Councils are also required to establish an interactive web page to facilitate community's comments and questions.

Copies of the Draft 2018–19 Annual Business Plan will be available from Monday 16 April 2018:

- On Council's main website, [holdfast.sa.gov.au](http://holdfast.sa.gov.au)
- On Council's engagement website, [yourviewholdfast.com/DABP18-19](http://yourviewholdfast.com/DABP18-19)
- At the Council's Civic Centre, 24 Jetty Road Brighton
- At the Council's Brighton and Glenelg libraries.

Our community will be able to provide comments by:

- writing to the Council addressed to the Corporate Planning Officer, PO Box 19 Brighton 5048, or by email address [mail@holdfast.sa.gov.au](mailto:mail@holdfast.sa.gov.au) until Friday 11 May 2018;
- a designated consultation interactive web page that will be accessed through [yourviewholdfast.com/DABP18-19](http://yourviewholdfast.com/DABP18-19) between Monday 16 April and Friday 11 May 2018. This website will allow our community to comment on, ask questions or seek clarification on the information in the Draft 2018–19 Annual Business Plan. Answers to any questions will be posted on the site within one working day of receipt;
- telephoning the Council’s Customer Service Centre on 8229 9999 during office hours between Monday 16 April and Friday 11 May 2018. All calls will be directed to the Corporate Planning Officer. Comments will be recorded and presented to Council at the end of the consultation period;
- making representations to Council at its meeting of Tuesday 8 May 2017;
- providing feedback and comments to their local Elected Member.

Details of how the community may participate in the consultation process or gain copies of the Draft 2018–19 Annual Business Plan will be advertised in the Messenger, and on Council’s website and social media pages.

Associated supporting documents including the Our Place Strategic Plan, Long Term Financial Plan, and Asset Management Plan will be contained or linked in the document library on the “Your View Holdfast” website. This allows interested community members the opportunity to assess the Draft 2018–19 Annual Business Plan in context with the underlining objectives, principles and directions articulated in these Strategic Management Plans.

## **BUDGET**

The cost of production of the 2018–19 Annual Business Plan and associated community engagement will be met within the current budget.

## **LIFE CYCLE COSTS**

This report does not have any direct full lifecycle cost implications.



Item No: **14.4**

Subject: **NEW DELEGATIONS UNDER THE FINES ENFORCEMENT AND DEBT RECOVERY ACT 2017 AND EXPIATION OF OFFENCES ACT 1996**

Date: 10 April 2018

Written By: Governance Coordinator

General Manager: Business Services, Mr R Bria

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### **SUMMARY**

A new enforcement regime under the *Fines Enforcement and Debt Recovery Act 2017* and the *Expiation of Offences Act 1996* will commence on 30 April 2018. Council needs to have new delegations in place before 30 April 2018 to ensure a seamless transition to the new enforcement regime.

This report presents these new and updated delegations to council for delegation to the Chief Executive Officer.

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### **RECOMMENDATION**

1. **The Council hereby revokes its previous delegations to its Chief Executive Officer of those powers and functions under the *Expiation of Offences Act 1996* to take effect from 30 April 2018.**
  2. **In exercise of the power contained in Section 44 of the *Local Government Act 1999*, the powers and functions under the following Acts and specified in the proposed Instruments of Delegation contained in Attachments 1 and 2 to Report No: 111/18, are hereby delegated this 10<sup>th</sup> day of April 2018 to the person occupying the office of Chief Executive Officer of the Council, to take effect from 30 April 2018, subject to the conditions or limitations indicated in the Schedule of Conditions contained in the proposed Instruments of Delegation:**
    - 2.1 **Expiation of Offences Act 1996 (Attachment 1)**
    - 2.2 **Fines Enforcement and Debt Recovery Act 2017 (Attachment 2)**
  3. **The powers and functions may be further delegated by Chief Executive Officer in accordance with Sections 44 and 101 of the *Local Government Act 1999*, as the Chief Executive Officer sees fit, unless otherwise indicated in the Schedule of Conditions contained in each such proposed Instrument of Delegation.**
-

**COMMUNITY PLAN**

Culture: Supporting excellent, efficient operations

**COUNCIL POLICY**

Not Applicable.

**STATUTORY PROVISIONS**

*Local Government Act 1999*

**BACKGROUND**

Council has not considered this matter previously. Council conducted its last review of its delegations in January 2018.

**REPORT**

The Fines Enforcement and Recovery Unit (FERU) came into effect in 2014 and is responsible for the management and collection of overdue expiation fees issued by Council.

The *Fines Enforcement and Debt Recovery Act 2017* (FEDR Act) has been passed by Parliament, consolidating into one Act the fines enforcement and recovery provisions which are currently in the *Criminal Law (Sentencing) Act 1999* and the *Expiation of Offences Act 1996*. The FEDR Act:

- addresses operational difficulties for the Fines Enforcement and Recovery Unit (Fines Unit)
- provides more options for vulnerable groups to address their overdue debts
- includes provisions for making debt recovery more efficient and equitable
- enables the Fines Unit to recover government civil debt
- changes the name of the Fines Enforcement and Recovery Officer to the Chief Recovery Officer

To ensure that the Council is able to continue to issue and refer overdue expiation fees to the FERU, the Council needs to make delegations to the Chief Executive Officer, under the FEDR Act and the *Expiation of Offences Act 1996* by 30 April 2018. The Chief Executive Officer may then further sub-delegate these powers to the relevant staff to ensure that the transfer of operations to the FEDR Act is seamless and operations continue as normal.

*Refer Attachments 1 and 2*

**BUDGET**

Not applicable.

**LIFE CYCLE COSTS**

Not applicable.

## ATTACHMENT 1

### **INSTRUMENT OF DELEGATION UNDER THE EXPIATION OF OFFENCES ACT 1996**

#### **NOTES**

1. Conditions or Limitations: conditions or limitations may apply to the delegations contained in this Instrument. Refer to the Schedule of Conditions at the back of this document.
2. Refer to the relevant Council resolution(s) to identify when these delegations were made, reviewed and or amended.

#### **POWERS AND FUNCTIONS DELEGATED IN THIS INSTRUMENT**

<b>1. Certain Offences may be Expiated</b>
1.1 The power pursuant to Section 5(1) of the Expiation of Offences Act 1996 ("the Act") to issue an expiation notice under the Act to a person alleged to have committed an offence under an Act, regulation or by-law, and the alleged offence may accordingly be expiated in accordance with the Act.
<b>2. Expiation Notices</b>
2.1 The power pursuant to Section 6(3)(b)(ii) of the Act to authorise a person in writing to give an expiation notice for an alleged offence.
<b>3. Review of Notices on Ground that Offence is Trifling</b>
3.1 The power pursuant to Section 8A(2) and (3) of the Act to require an alleged offender who is seeking a review of the notice on the ground that the offence is trifling:
3.1.1 to provide further information; and
3.1.2 to provide a statutory declaration verifying the information contained in, or supporting, an application for review.
3.2 The power pursuant to Section 8A(4) of the Act to determine an application for review before providing the Chief Recovery Officer with relevant particulars under Section 22 of the Fines Enforcement and Debt Recovery Act 2017 in respect of the offence to which the application relates.
3.3 The duty pursuant and subject to Section 8A(5) and (6) of the Act upon being satisfied the offence is trifling to withdraw the expiation notice in

**INSTRUMENT OF DELEGATION UNDER THE EXPIATION OF OFFENCES ACT 1996**

	respect of the offence by giving written notice to the alleged offender.
3.4	The power pursuant to Section 8A(6a) of the Act, if an enforcement determination made under section 22 of the Fines and Enforcement Debt Recovery Act 2017 is revoked on the ground that the alleged offender had not had a reasonable opportunity to apply for review of the notice under Section 8A of the Act, and the alleged offender makes an application under Section 8A of the Act within 14 days of being notified of the revocation, to withdraw the expiation notice under Section 8A of the Act.
<b>3A.</b>	<b>Deliberately left blank</b>
<b>4.</b>	<b>Expiation Reminder Notices</b>
4.1	The duty pursuant to Section 11(1) of the Act where an alleged offender has neither paid the expiation fee nor entered into an arrangement under Section 20 of the Fines Enforcement and Debt Recovery Act 2017 and the Council has not received a statutory declaration or other document sent to the Council by the alleged offender in accordance with a notice required by law to accompany the expiation notice, by the end of the expiation period, and before the Delegate takes any action under this Act or the Fines Enforcement and Debt Recovery Act 2017 to enforce the expiation notice, to give an expiation reminder notice in the prescribed form to the alleged offender.
<b>5.</b>	<b>Expiation Enforcement Warning Notices</b>
5.1	The duty pursuant to Section 11A(1) of the Act where the Council has received a statutory declaration or other document sent to the Council by the alleged offender in accordance with a notice required by law to accompany the expiation notice or expiation reminder notice, and before the Delegate takes action under this Act or the Fines Enforcement and Debt Recovery Act 2017 to enforce the expiation notice, to give an expiation enforcement warning notice, in the prescribed form, to the alleged offender.
<b>6.</b>	<b>Late Payment</b>
6.1	The power pursuant to Section 12 of the Act to accept late payment of the amount due under an expiation notice at any time before an enforcement determination is made under Section 22 of the Fines Enforcement and Debt Recovery Act 2017.
<b>7.</b>	<b>Deliberately left blank</b>
<b>8.</b>	<b>Withdrawal of Expiation Notices</b>

**INSTRUMENT OF DELEGATION UNDER THE EXPIATION OF OFFENCES ACT 1996**

8.1	The power pursuant to Section 16(1) of the Act, to withdraw an expiation notice with respect to all or any of the alleged offences to which an expiation notice relates where:
8.1.1	in the opinion of the Delegate the alleged offender did not commit the offence or offences, or that the notice should not have been given with respect to the offence or offences;
8.1.2	the Council as issuing authority receives a statutory declaration or other document sent to the Council by the alleged offender in accordance with a notice required by law to accompany the expiation notice or expiation reminder notice; or
8.1.3	the notice is defective; or
8.1.3A	in the opinion of the Delegate the alleged offender is suffering from a cognitive impairment that excuses the alleged offending; or
8.1.4	the Delegate decides that the alleged offender should be prosecuted for the offence or offences.
8.2	The power pursuant to Section 16(5) of the Act, where an expiation notice is withdrawn under subsection (1), to commence prosecution for an offence to which the notice related.
8.3	The duty pursuant to Section 16(6) of the Act, subject to Section 16(7) of the Act, to withdraw an expiation notice if it becomes apparent that the alleged offender did not receive the notice until after the expiation period, or has never received it, as a result of error on the part of the Council as issuing authority or failure of the postal system or failure in the transmission of an email.
8.4	The duty pursuant to Section 16(11) of the Act, where an expiation notice is withdrawn under Section 16 of the Act and the notice of withdrawal does not specify that the notice is withdrawn for the purposes of prosecuting the alleged offender, and if an enforcement determination has been made under Section 22 of the Fines Enforcement and Debt Recovery Act 2014, to inform the Chief Recovery Officer of the withdrawal of the notice.
<b>9.</b>	<b>Provision of Information</b>
9.1	The power pursuant to Section 18 of the Act to enter into an agreement with the Chief Recovery Officer in relation to:
9.1.1	the manner in which the Chief Recovery Officer is to provide information to the Council in relation to action taken by the Chief Recovery Officer under the Act in respect of an expiation

**INSTRUMENT OF DELEGATION UNDER THE EXPIATION OF OFFENCES ACT 1996**

notice issued by the Council; and	
9.1.2	the manner in which the Council is to provide information to the Chief Recovery Officer in relation to the issuing of an expiation notice by the Council or any other action taken by the Council in respect of an expiation notice so issued.

**SCHEDULE OF CONDITIONS**

**CONDITIONS OR LIMITATIONS  
APPLICABLE TO DELEGATIONS  
CONTAINED IN THIS INSTRUMENT**

Paragraph(s) in instrument to which conditions/limitations apply	Conditions / Limitations
NIL	NIL

## ATTACHMENT 2

### INSTRUMENT OF DELEGATION UNDER THE FINES ENFORCEMENT AND DEBT RECOVERY ACT 2017

#### NOTES

1. Conditions or Limitations: conditions or limitations may apply to the delegations contained in this Instrument. Refer to the Schedule of Conditions at the back of this document.
2. Refer to the relevant Council resolution(s) to identify when these delegations were made, reviewed and or amended.

#### POWERS AND FUNCTIONS DELEGATED IN THIS INSTRUMENT

<b>1. Amounts Due Under Expiation Notices may be Treated as Part of Pecuniary Sum</b>
1.1 The power pursuant to Section 9(2) of the Fines Enforcement and Debt Recovery Act 2017 ( <b>the Act</b> ) if a debtor requests the making of an aggregation determination but no enforcement determination has been made under Section 22 of the Act in relation to the expiation amount, to pay the prescribed fee.
<b>2. Arrangements as to Manner and Time of Payment</b>
2.1 The power pursuant to Section 20(4) of the Act to agree with the Chief Recovery Officer the manner in which the Chief Recovery Officer is to give the Council notice of an arrangement entered into under Section 20 of the Act.
2.2 The power pursuant to Section 20(18) of the Act to agree with the Chief Recovery Officer the manner in which, if an arrangement terminates under Sections 20(15) or (17) of the Act, the chief Recovery Officer is to give the Council notice of the termination and the amount then outstanding (taking into account, where the arrangement required the performance of community service, the number of hours of community service to be performed).
<b>3. Enforcement Determination</b>
3.1 The power pursuant to Section 22(1) of the Act to enforce an expiation notice against the alleged offender by providing to the Chief Recovery Officer the particulars determined by the Chief Recovery officer relating to:

<p>(a) the alleged offender; and</p> <p>(b) the offence or offences that remain unexpiated; and</p> <p>(c) the amount due under the notice; and</p> <p>(d) compliance by the council with the requirements of the Act and any other Act.</p>
<p>3.2 The power pursuant to Section 22(2) of the Act to pay the prescribed fee.</p>

**SCHEDULE OF CONDITIONS**

**CONDITIONS OR LIMITATIONS  
APPLICABLE TO DELEGATIONS  
CONTAINED IN THIS INSTRUMENT**

Paragraph(s) in instrument to which conditions/limitations apply	Conditions / Limitations
NIL	NIL



Item No: **14.5**

Subject: **SPORTING AND COMMUNITY CLUB LEASING POLICY**

Date: 10 April 2018

Written By: Acting Team Leader, Leasing & Commercial Operations

General Manager: City Assets & Services, Mr S Hodge

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## **SUMMARY**

Following the Council Workshop held Tuesday 1 August 2017, and the endorsement in principle of the draft Sporting and Community Club Leasing Policy (“Policy”), in accordance with Resolution C260917/914, Administration has undertaken consultation with relevant sporting & community clubs within the jurisdiction to discuss the implementation of the proposed policy.

As at the date of this report, Administration has meet with approximately 80% of existing clubs all of whom acknowledged that the policy sought to establish a methodical, transparent, and consistent approach towards leasing. Clubs were invited to submit written responses regarding their respective views on the proposed policy and only one submission was received which merely sought clarification on a policy definition.

It is the intention of this policy to support five year terms only as they are consistent with s 202 of the *Local Government Act 1999*, avoid often protracted consultation, and have a far greater operational benefit as they coincide with the Council’s Asset Management System and its scheduled audits and maintenance cycles.

It is not the intent of this policy to significantly increase revenue for Council, but to more evenly and transparently distribute rental and grounds maintenance fees across the tenants.

As a result of the club support, the draft policy is now resubmitted for Council’s consideration and endorsement.

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## **RECOMMENDATION**

**That Council endorses the draft Sporting and Community Club Leasing Policy.**

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## **COMMUNITY PLAN**

Community: Providing welcoming and accessible facilities

Community: Fostering an engaged and contributing community

**COUNCIL POLICY**

Not Applicable.

**STATUTORY PROVISIONS**

*Local Government Act 1999.*

*Retail and Commercial Lease Act 1995.*

**BACKGROUND*****Previous Relevant Reports & Decisions***

- Council Report No.: 330/17; Item No.: 14.7, *'Sporting & Community Club Leasing Policy*, 26 September 2017 (Resolution No.: C260917/914);

**REPORT**

Due to the significant discrepancies that exist across Council's community and sporting club leases, the need has arisen to establish a policy that outlines a clear set of operational leasing guidelines which reflect Council's principles toward community land and asset governance.

As such, on Tuesday 1 August 2017, the Sporting & Community Club Leasing Policy was presented to Council for consideration. At this meeting, Council endorsed the policy in principle and directed Administration to consult with community clubs about the proposed policy to seek their feedback.

As at the date of this report, Administration has met with approximately 80% of existing clubs, all of whom acknowledged that the policy sought to establish a methodical, transparent, and consistent approach towards leasing.

The policy is now submitted to Council for consideration and endorsement.

*Refer Attachment 1*

***Sporting & Community Club Leasing Policy***

Historically, lease rentals have been arbitrarily calculated on a case by case basis without a consistent guideline or approach. Similarly, varying lease terms have been implemented on an ad hoc basis.

The primary focus of the proposed Sporting & Community Club Leasing Policy is to establish a transparent and fair approach to rental fees for all future tenancy agreements, with the further view of ensuring long-term security of tenure to sporting, recreation and community organisations.

It is the intention of this policy to support five year terms only, in effect doing away with ad hoc extend terms of tenancy. Five year terms are consistent with s 202 (3) (a) of the *Local Government Act 1999*, is the maximum term we can give without having to go out to often protracted

consultation, and also have a far greater operational benefit as coincide with the Council's Asset Management System and its scheduled audits and maintenance cycles.

### Policy Principles

Central to the policy are its four guiding principles that provide the clear direction and basis for how Council will establish community leases and maximise the activation of community assets.

These principles are:

1. *Viability of Organised Sport and Recreation*  
When negotiating lease or licence agreements with a sporting club, recreation or community group, Council will balance the need of the community and long term viability and sustainability of individual clubs or community groups
2. *Public Use*  
Wherever practicable, Council will encourage community access to Council owned facilities, buildings, and playing fields through conditions within the leases/licences.
3. *Maximising Facility Usage*  
Council will offer additional incentives to groups which provide for multiple activities and sporting codes, which results in shared facilities, and increased use.
4. *Inclusion*  
Council encourages and supports the participation of all people in our community in both formal and informal sport and recreation, and other community activities. Therefore, Council will offer incentives to all clubs and groups who support a diverse range of participation in their clubs or programs.

It should be noted that for aligning with these principles, individual clubs will be rewarded in the form of incentive based rent reductions which will be calculated and applied at the point of lease negotiations.

### **Rental Assessment**

A key element of this policy is that lease and license rentals are calculated on an incentive based model consisting of two components: Property Rental, and Grounds Maintenance Fee.

It should be noted that while property rental and grounds maintenance fees are both addressed as separate contributing factors, they equate to the overall amount charged to the club (i.e. property rental + grounds maintenance = total amount charged).

### Property Rental

Property rental is charged for areas occupied by clubs on either an exclusive or non-exclusive basis. These areas include buildings, adjacent lands and/or playing field/surfaces.

The property rental calculation is based on 2.5% of the property valuation.

Example:

<i>Property Value</i> \$915,770.00	×	2.5%	=	<i>Property Rental</i> \$22,894.25
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A further 90% rebate is then applied to the property rental in Council’s recognition and support of community and sports clubs. This establishes the net rental.

Example:

<i>Property Rental</i> \$22,894.25	-	<i>CoHB Rebate</i> 90%	=	<i>Net Rental</i> \$2,289.43
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Further incremental discounts are applied to the net rental based on the club meeting certain pre-determined criteria outlined in the ‘*Sporting & Community Leasing Policy Incentive & Discount Schedule*’. Each criteria is allocated a percentage weighting, and within each criteria, a sliding scale is applied.

*Refer Attachment 2*

To achieve full or partial discount available to any particular rental discount, the clubs must provide satisfactory evidence showing the extent to which they meet or exceed the criteria.

*Grounds Maintenance Fee*

Recognising that service levels may vary between sites, and depending on the level of use of the ground, the sporting code, and grade of sport being played, ground maintenance service levels will be charged for the term of any lease or licence.

In principle Council will maintain turf playing surfaces to a public reserve standard in line with broader community expectations. Where additional services are required by the Club, partial cost recovery will be applied for the additional provision of maintenance services.

Example:

<i>Land Size (m<sup>2</sup>)</i> 10,537m <sup>2</sup>	×	<i>Land Charge (A)</i> 20c per m <sup>2</sup>	=	<i>Ground Maintenance Fee</i> \$2,107
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\*\*\* A = Local, AA = District, AAA = State and above.

### BUDGET

The budgeted revenue for the 2018/19 financial year totals **\$108,621** for all Sporting Club and Community Club leases. It should be noted that this figure is based on rental fees associated with **existing non-expired** leases and licences.

At this present time there are eighteen expired sporting and community leases. Based on the new policy rental formulas, preliminary calculations indicate that once these leases are renewed, an additional **\$34,010** (approximately) will be returned to council as revenue.

This in mind however, until such time that this policy is endorsed and applied to all community and sporting club leases, and all final rental calculations are undertaken, the impact on Council's budget are ultimately unknown.

It is not the intent of this policy to significantly increase revenue for Council, but to more evenly and transparently distribute rental and grounds maintenance fees across the tenants.

### LIFE CYCLE COSTS

The long term implications of this policy change will be known once the policy is finalised.

Classification:	Statutory Policy.
Trim Container	<b>TRIM Container Number</b>
Trim Document Number:	<b>TRIM Document Number</b>
First Issued / Approved:	<b>Date of first issue/approval</b>
Last Reviewed:	<b>Date of last review</b>
	<b>Resolution Number</b>
Next Review:	<b>Review Date</b>
Responsible Officer:	<b>Responsible Officer</b>
Date Placed on Web:	Date placed on the Web

**1. PREAMBLE**

This policy provides a framework for the leasing and licensing of Council owned community and sporting facilities within the City of Holdfast Bay.

**1.1 Background**

The City of Holdfast Bay provides a range of sport and recreation facilities and services to the community including sportsgrounds, clubrooms and community centres.

As the owner of community land, Council plays an important role in the provision of a diverse range of community, recreation and sports infrastructure, in collaboration with local clubs and associations, to meet the ever changing needs of our community.

Council also has a responsibility to ensure that it balances the costs of maintaining and improving its facilities in conjunction with a club or groups ability to maintain sustainable (and growing) membership and participation.

**1.2 Purpose**

The purpose of this policy is to provide a consistent and transparent process for the granting and renewal of a lease or license. The policy provides guiding principles for the negotiation of leases and licences, while further taking into account both the financial and community objectives of Council as outlined in “*Our Place 2030 Strategic Plan*”.

**1.3 Scope**

This policy extends to the leasing of all facilities to sporting and community clubs within the City of Holdfast Bay, with the exception of Kauri Community and Sport Centre.

# SPORTING AND COMMUNITY CLUBS LEASING POLICY

## 1.4 Definitions

- 1.4.1 *Community Land:*** means all local government land (excluding roads) owned or managed by Council as classified under Chapter 11 of the *Local Government Act 1999*;
- 1.4.2 *Council:*** means a council within the meaning of the *Local Government Act 1999*;
- 1.4.3 *Lessor:*** means lessor within the meaning of *Retail and Commercial Lease Act 1995*, but in the context of this policy additionally means *Council*;
- 1.4.4 *Lessee:*** means lessee within the meaning of *Retail and Commercial Lease Act 1995*;
- 1.4.5 *Lease:*** refers to a contract by which Council (as landlord) grants exclusive rights to occupy land and/or premises to a tenant for a specified time and under certain terms and conditions;
- 1.4.6 *Licence:*** refers to a contract by which Council (as licensor) grants non-exclusive contractual rights to occupy land and/or premises to a licensee, for a specified time and under certain terms and conditions;
- 1.4.7 *Outgoings:*** means all reimbursable tax charges, insurance premiums, utility, maintenance and repair costs that are associate with the operation of the premises.
- 1.4.8 *Tenant:*** means Lessee within the meaning of *Retail and Commercial Lease Act 1995*

## 1.4 Strategic Reference

Placemaking: Creating vibrant and safe places  
Placemaking: Developing walkable connected neighbourhoods  
Community: Building a healthy, active and resilient community  
Community: Celebrating culture and diversity  
Community: Providing welcoming and accessible facilities  
Community: Fostering an engaged and contributing community

## 2. PRINCIPLES

### 2.1. Viability of Organised Sport and Recreation

- 2.1.1** Council recognises that a number of factors impact the viability of organised sports and recreation. Some factors include, but are not restricted to: participation numbers/membership; population changes; a shift to participation in unstructured recreation; and leisure

## **SPORTING AND COMMUNITY CLUBS LEASING POLICY**

- 2.1.2** As populations and residential density increases, Council recognises that sporting and community clubs will continue to play a valuable role in the health and connectedness of our community;
- 2.1.3** As a result of this, when negotiating lease or licence agreements with a sporting club, recreation or community group, Council will balance the need of the community and long term viability and sustainability of individual clubs or community groups;

### **2.2 Public Use**

- 2.2.1** Wherever practicable, Council will encourage community access to Council owned facilities, buildings, and playing fields.
- 2.2.2** When it is necessary, because of the nature of the sport or building use, for access to be controlled or limited to club members only, then Council expects that those facilities will be made available to the community by way of hire or membership;
- 2.2.3** Where facilities are not made available to the community per sections 2.2.1 and 2.2.2 of this policy, Council reserves the right to apply occupancy terms and conditions that reflect exclusive use of the land and/or premises.

### **2.3 Maximising Facility Usage**

- 2.3.1** The monetary value of Council's sporting and community assets is considerable. Council supports the view that best community value of these assets is achieved where the facility or building use is maximised.
- 2.3.2** Council will offer additional incentives to groups which provide for multiple activities and sporting codes, which results in shared facilities, and increased use.
- 2.3.3** As joint use will be encouraged wherever practicable, to further support this principle, Council will continue to review its assets with an aim to ensure they are strategically located and provide for maximum community usage.

### **2.4 Inclusion**

- 2.4.1** Council encourages and supports the participation of all people in our community in both formal and informal sport and recreation. Therefore, Council will offer incentives to all clubs and groups who support a diverse range of participation in their clubs or programs. Reductions in rent deducted from the market rental figure will be offered where a club demonstrates and provides evidence of their alignment to the principles of the policy.
- 2.4.2** For the purpose of section 2.3.1 of the policy, these incentives, which align with State Government principles, include:



# SPORTING AND COMMUNITY CLUBS LEASING POLICY

**2.4.2.1** Diversity of ages in membership registration;

**2.4.2.2** Active participation in Federal or State Government Sports initiatives in order to encourage growth of the club within the City of Holdfast Bay.

## 3 LEASE TERM, RENTAL AND MAINTENANCE

- 3.1** Pursuant to section 202 of the *Local Government Act 1999* a maximum term of five (5) years will be applied to all future lease and licence agreements;
- 3.2** Accept when doing so is deemed to be inconsistent with Council decision and/or strategic direction, all five (5) year leases will include a subsequent five (5) year option to renew;
- 3.3** Rental will be based on the equity that Council and/or the Club has in the facility. Where a Club is deemed to have 100% equity in a building, maintains the building in line with relevant legislation and successfully complies with building audits, no building rent will be applied;
- 3.4** Where clubs have no equity in the building, all lease and licence agreements will incur annual rental fees based on a market appraisal of the property by an independent valuer;
- 3.5** When negotiating the terms and conditions of each respective community lease or licence agreement, Council, at their discretion, **may** incrementally reduce any applicable annual rental fee when a Lessee provides evidence of such services and/or initiatives outlined in section 2 of this policy;
- 3.5.1** Additional incentives may be offered to clubs who demonstrate they are well managed with a high level of governance and strategic planning. This includes but not limited to: attendance at Council club development workshops and participation in STARCLUB club development program.
- 3.6** Recognising that maintenance requirements may vary between sites depending on the condition of the asset, standard building maintenance responsibilities for Council and club will be defined and applied to all lease and licence agreements;
- 3.7** Leased premises shall be inspected by Council staff annually, or at such other times as considered appropriate. Any works identified in these inspections that is deemed to be the responsibility of the Club must be completed within an agreed timeframe by a licensed tradesperson. If the work is not completed within this timeframe Council will undertake the work and recoup all costs from the Club.
- 3.8** At the conclusion of a lease, and immediately prior to vacating the premises, the Tenant must complete all necessary repairs and/or maintenance on the premises required to restore the property to the reasonable satisfaction of Council.

# SPORTING AND COMMUNITY CLUBS LEASING POLICY

## 4 LAND RENT

- 4.1** Council is the custodian of community land for the use and enjoyment of the residents/ratepayers and visitors to the City. Therefore no rent will be charged for land associated with a sporting club or community group where that land is generally available to the community outside of scheduled activities;
- 4.2** However, similarly to sections 3.2 of this policy, where with Council's approval a Club chooses to enclose the land and restrict community access for the purpose of exclusive use, annual rental fees based on a market appraisal of the land will be imposed;
- 4.3** Clubs such as tennis, bowls, croquet and hockey which have 'fine turf' or 'artificial' surfaces, will receive the land component of any rent free of charge providing:
- 4.3.1** any playing service is maintained to a minimum, public reserve standard;
  - 4.3.2** club membership is open to all ages, genders and cultures; and
  - 4.3.3** the facilities are available for community use at a reasonable hire fee.

## 5 GROUND MAINTENANCE SERVICE LEVELS

- 5.1** Recognising that service levels may vary between sites, and depending on the level of use of the ground, the sporting code, and grade of sport being played, ground maintenance service levels will be defined and agreed upon with Clubs for the term of any lease or licence.
- 5.2** Council will maintain turf playing surfaces to a public reserve standard, in line with broader community expectations. Where additional services are required by the Club, partial cost recovery will be applied for the additional provision of maintenance services
- 5.3** Where multiple clubs contemporaneously use playing services that are maintained to a higher standard, the distribution of any partial recovery of costs will be determined by any seasonal use and/or degree of use each respective club has over the playing service.

## 6 ASSETS FOR THE FUTURE

- 6.1** Priority will be given to major facility upgrades that have strategic alignment to Council and are included in endorsed master plans and or strategic plans.
- 6.2** Where a building facility upgrade is requested by a Club or required due to non-compliance with the current legislation, Clubs may jointly fund or apply for third party grant funding, upgrades or Council may consider fully funding building upgrades that result in:
- 6.2.1** consolidation of assets;
  - 6.2.2** current legislation compliance;
  - 6.2.3** higher usage levels of fewer assets;
  - 6.2.4** multiple-use of facilities;

## **SPORTING AND COMMUNITY CLUBS LEASING POLICY**

- 6.2.5** increase range of activities, services and programs being offered; and
- 6.2.6** increased participation particularly by target groups e.g. children and teenagers, aged, disabled, women, people from culturally diverse backgrounds

**6.3** Where a substantial upgrade or new facility is to be developed, Clubs must demonstrate participation, membership, good Governance and financial sustainability. Submissions for building upgrades should include:

- 6.3.1** a statement of community benefit;
- 6.3.2** analysis of relevant trends in population, recreation and sport;
- 6.3.3** an assessment by the peak bodies of the relevant sporting codes, of the future building and sport facility requirements (for the codes involved) within the City over the next 20 years;
- 6.3.4** assessment of the financial capacity of the Clubs involved (including audited financial statements for the preceding three years of operation);
- 6.3.5** a five year forward Business Plan, including financial projections and projected growth in participation, membership to be achieved with the proposed redevelopment;

**6.4** Capital works undertaken and funded by Council on a building will be reflected in an increase in the percentage of equity Council holds in the building. All capital works undertaken on Council buildings will be approved and project managed by Council.

### **7 ANCILLARY FACILITY MAINTENANCE**

**7.1** Ancillary facilities (such as sports lighting, sight screens, scoreboards, sports fencing etc) will be the responsibility of the Clubs to fund and maintain, however, Council will consider applications for joint funding on a case by case basis. The facilities will be audited by Council and Clubs will be instructed of any actions required as a result of the audit;

**7.2** Where Clubs fail to undertake work specified in the audit, that is deemed the responsibility of the Clubs, Council will undertake the work and charge the Club accordingly;

### **8 PROFESSIONAL/COMMERCIAL CLUBS**

**8.1** Recreation and sporting clubs are finding it increasingly difficult to attract volunteers to help with coaching, administration and maintenance. Council acknowledges that some amateur clubs now offer players and volunteers some type of remuneration to cover expenses related to their services. If the profits gained from a commercial activity are not reinvested into the Club facilities or sport then the Club may be deemed as being commercial in nature, and a rent charged in accordance with the City of Holdfast Bay's Commercial Leasing Policy may apply.

### **9 NAMING RIGHTS**

**9.1** It is acknowledged that Council holds the naming rights to all community and sporting facilities on Council-owned land;

# SPORTING AND COMMUNITY CLUBS LEASING POLICY

**9.2** When clubs wish to encourage sponsorship through fixed signage, council consent must first be obtained.

## **10 SUB-LEASE / SUB-LICENCE**

**10.1** Where a Club wishes to enter into a sub-lease or licence arrangement for part or all of the premises to another club or commercial activity, approval must first be received from the Council prior to entering into the arrangement. The Council reserves the right to assist the sub-tenant in negotiating a sub-lease or licence fee based on the nature and quantum of the proposed agreement, and the head lease paid by the tenant club / association.

## **11 REFERENCES**

### **11.1 Legislation**

- *Associations Incorporations Act 1985.*
- *Local Government Act 1999.*
- *Retail and Commercial Leases Act 1995.*

### **11.2 Other References**

- Associated procedures, guidelines and policies.
- Appendix A: Sporting & Community Leas

Classification:	Statutory Policy.
Trim Container	TRIM Container Number
Trim Document Number:	TRIM Document Number
First Issued / Approved:	Date of first issue/approval
Last Reviewed:	Date of last review
	Resolution Number
Next Review:	Review Date
Responsible Officer:	Responsible Officer
Date Placed on Web:	Date placed on the Web

## 1. Community Organisation Discount

- 1.1 For the purpose of section 2.1 of this policy, in order to support clubs further achieve growth and remain sustainable for community benefit, Council will offer a discount of up to and including 90% of the recommended 'Market Rent'.
- 1.2 In accordance with section 8 of this policy to be eligible for the entirety of this discount, the club must provide reasonable evidence that their occupancy and any activities conducted onsite during their tenancy will not be deemed as being commercial in nature.

## 2 Lease Incentive Discounts

- 2.1 For the purpose of sections 2.2, 2.3, 2.4 and 3 of the this policy, and in addition to section 1 of this schedule, Council offers lease rental reductions to sporting clubs and community groups who can demonstrate the following initiatives and/or programs are incorporated into their operations:

INCENTIVE	REDUCTION	CRITERIA
<b>Public Access &lt;10%</b>	10%	<i>Facilities that are made available to the public via 'hire agreements'</i>
<b>Inclusion &lt;20%</b>	5%	<i>Diversity of age membership initiatives</i>
	5%	<i>Multicultural initiatives</i>
	5%	<i>Diversity of gender (both in membership and Committee / Board representation) initiatives</i>
	5%	<i>Alignment with State and Federal inclusion initiatives</i>
<b>Good Governance &lt;20%</b>	10%	<i>Demonstrated evidence/accreditation of sustainable strategic planning and ongoing volunteer training and management (e.g STARCLUB, Good Sports etc)</i>
	5%	<i>Regular attendance at club development initiatives and workshops</i>
	5%	<i>Annual Submission of relevant governance and financial reports, and attendance at club development workshops</i>
<b>Youth Programs &lt;10%</b>	5%	<i>Permanent Youth Programs and Facilities</i>
	5%	<i>Occasional Youth Programs (e.g. seasonal sporting programs)</i>
<b>Multi-code &lt;10%</b>	10%	<i>Evidence of continual multi-facility users</i>

DRAFT

Item No: **14.6**

Subject: **NEW MANAGEMENT AGREEMENT - BRIGHTON CARAVAN PARK**

Date: 10 April 2018

Written By: Acting Team Leader, Leasing & Commercial Operations

General Manager: City Assets & Services, Mr S Hodge

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### **SUMMARY**

On 1 July 2013 Council entered into a new Management Agreement ("*Agreement*") with FreeSpirit Resorts Pty Ltd ("*FreeSpirit*") to manage the Brighton Caravan Park. The term of the Agreement was five years and is now scheduled on expire on 30 June 2018.

During their term of management, FreeSpirit's industry knowledge and operational expertise has resulted in not only a positive turn around for the park, but also increased occupancy rates and in turn revenue returned to Council. It should be noted that FreeSpirit were also instrumental in assisting Council during the Stage 1 redevelopment of the park.

This in mind, and on the additional premises that the Stage 2 redevelopment of the park is expected to be undertaken within the next two years, it is recommended that Council enter into a subsequent two year term (under similar conditions as the existing Agreement), to coincide with the Stage 2 redevelopment.

At the expiration of this subsequent term, Council may wish to review and consider alternate management options for the park, which may include returning to the open market.

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### **RECOMMENDATION**

- 1. That Council enter into a subsequent Management Agreement with FreeSpirit Resorts Pty Ltd for a two year period commencing 1 July 2018;**
  - 2. That the management fee and associated conditions of the subsequent agreement emulate those conditions of the current Agreement (dated 24 October 2013)**
  - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute the Management Agreement.**
- 

### **COMMUNITY PLAN**

Community: Providing welcoming and accessible facilities

Economy: Supporting and growing local business  
Economy: Making it easier to do business  
Economy: Harnessing emerging technology  
Economy: Boosting our visitor economy

## **COUNCIL POLICY**

*Commercial Leasing Policy (2016).*

## **STATUTORY PROVISIONS**

*Local Government Act 1999.*  
*Retail and Commercial Lease Act 1995.*

## **BACKGROUND**

### ***Previous Relevant Reports & Decisions***

- Council Report No.: 197/13; Item No.: 14.7, '*Brighton Caravan Park – New Management Agreement*', 11 June 2013 (Resolution No.: C110613/951);

## **REPORT**

### ***Current Agreement***

In accordance with Resolution C110613/951, FreeSpirit commenced operation of the Brighton Caravan Park and Holiday Village on 1 July 2013. The term of the Management Agreement ("*Agreement*") was for a term of five years. The current Agreement expires on 30 June 2018.

The existing Management Agreement was structured so that all costs associated with the day-to-day operation of the park (including salaries, cleaning, maintenance, promotion etc) are budgeted costs absorbed by Council during each financial year of the Agreement.

### **Management Fee**

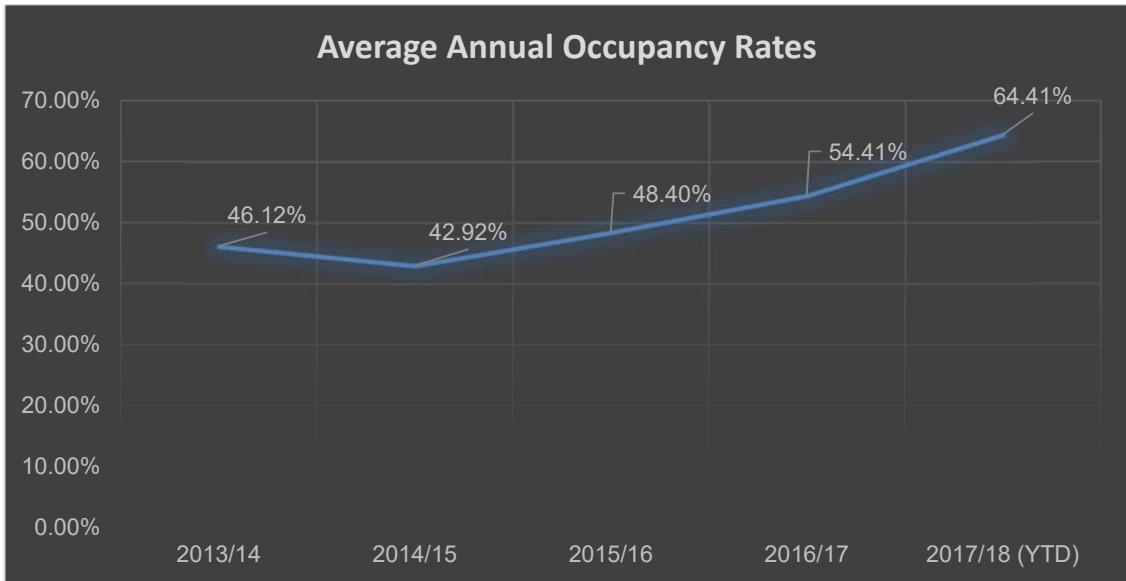
For operating the park, FreeSpirit receive a management fee of five percent (5%) of total gross income of park earnings ("*Base Service Fee*"). Additionally, FreeSpirit also receives an annual "Performance Service Charge of 25% of the annual Base Service Fee when meeting all relevant KPIs. A copy of the KPI schedule is attached for Council's reference.

*Refer Attachment 1*

### ***Occupancy Statistics 2013/14 – 2017/18 (YTD)***

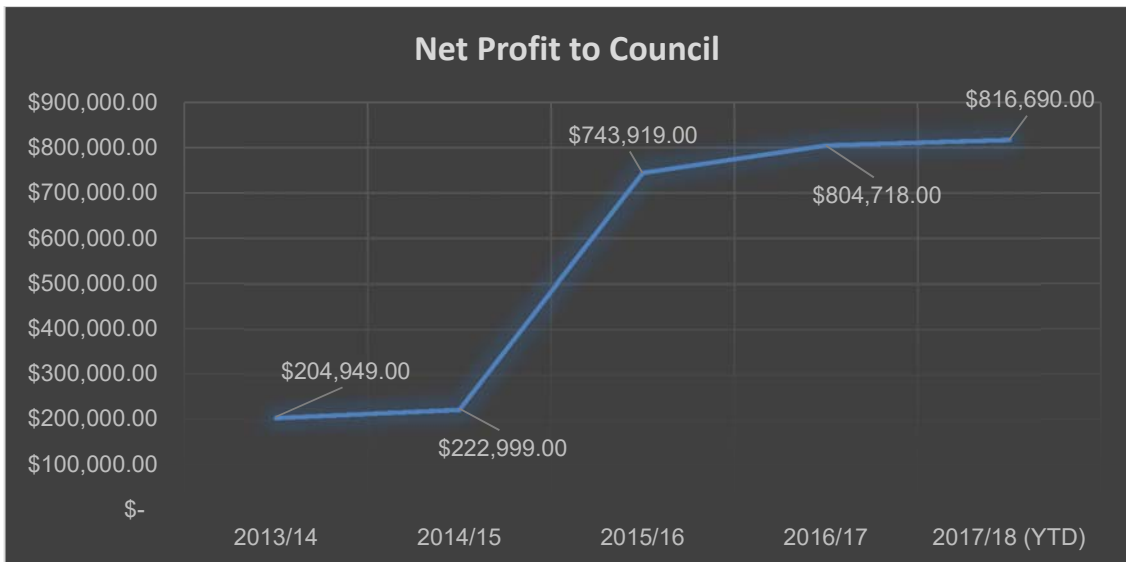
During their term of management, FreeSpirit have increased occupancy rates within the park each financial year since the commencement of 2014/15 (coinciding with the Stage 1 Redevelopment of the park).





**Revenue**

This ongoing increased occupancy rate in turn has seen exponential growth in the net profit returned to council.



**Conclusion**

Based on the proposed shorter two year period, and the ongoing positive performance of FreeSpirit and the park, it is recommended that the terms and conditions of the subsequent agreement emulate that of the current Agreement.

## **BUDGET**

A preliminary draft budget for the park has been submitted for the 2018/19 financial year which factors in the continued operational expenses of FreeSpirit.

Based on previous year's figures, Council can expect the return of similar revenue over the next two financial years if the continuation of the FreeSpirit's management Agreement is endorsed.

## **LIFE CYCLE COSTS**

As the park and its content is Council owned property, Council is responsible for the ongoing maintenance and replacement of the building & structures on site. This has been factored into the Asset Management System.

## KEY PERFORMANCE INDICATORS AND PERFORMANCE SERVICE CHARGE

The Performance Service Charge will be payable for each 12 month period (the first such period starting on the commencement date of the Term) only if the Manager achieves a KPI score above 75% in that 12 month period calculated in accordance with the following (as to which clause 60 will apply in the event of a dispute):

Title	Points	Measurement Details
<p><b>Satisfaction Survey</b></p>	<p>10 points awarded if satisfaction rating greater than 90%</p> <p>5 points awarded if satisfaction rating between 80% and 90%</p> <p>0 points awarded if satisfaction rating less than 80%</p>	<p>The Manager will encourage all visitors to the Facility to complete a satisfaction survey in a form approved by the Council. The results of the satisfaction surveys will be collated by the Manager and this KPI will be achieved if 90% or more of returned surveys rate the Facility as satisfactory. The Council may, at any time, undertake its own surveys, and if the results of those surveys differ substantially from the results reported by the Manager, the Council may, in the Council's discretion, substitute the Council's surveys for the results of the Manager's surveys.</p>
<p><b>Customer Complaints</b></p>	<p>10 points awarded if 0 validated complaints received by the Council less than 2% of total number of visitors to the Facility.</p> <p>0 points awarded if validated complaints received by the Council greater than 2% of total number of visitors to the Facility.</p>	<p>As recorded by the Council from time to time, and includes both unsolicited complaints and those received by the Council during any surveys.</p>
<p><b>Office Opening</b></p>	<p>10 points awarded if office opened as per agreement</p> <p>0 points awarded if any office opening times are missed</p>	<p>If the office in the Facility is not open once or more at any time during the times required by clause 2.5.1 of Annexure B, then no points will be awarded.</p>
<p><b>Operations - Securing</b></p>	<p>10 points awarded if 0 complaints from visitors to the Facility received by Council that park not open inside agreed times</p> <p>0 points awarded if Council is called to lock the site on more than 2 occasions in the prescribed period.</p>	<p>If Council is required to lock the site outside of normal operating hours on more than 2 occasions then no points will be awarded. For the purposes of this KPI, the agreed times are the times required by clause 2.5.1 of Annexure B.</p>

<b>Operations Maintenance</b>	<p>10 points awarded if 100% of maintenance of the Facility and other items is completed as per this Agreement.</p> <p>0 points awarded if less than 100 % of that maintenance is completed as per this Agreement</p>	For clarity, if the Manager breaches any of its obligations under this Agreement in relation to the maintenance of the Facility or any other items under this Agreement, this KPI is not achieved.
<b>Reporting</b>	<p>10 points awarded if all reports required by the Manager are received by the Council within the timeframes required by this Agreement.</p> <p>5 points awarded if up to 2 reports are missed and are not more than 7 days late.</p> <p>0 points awarded if any such reports received late.</p>	For clarity, if three or more required reports are received by the Council outside the timeframe required by this Agreement, this KPI is not achieved.
<b>Participation</b>	<p>10 points awarded if a nominated representative or nominated substitute of the Manager attends all meetings as required by this Agreement.</p> <p>0 points awarded if any such meetings are missed by such person/s.</p>	For clarity, if one or more meetings is missed by the Manager or the a nominated representative or nominated substitute of the Manager as required by this Agreement, this KPI is not achieved.
<b>Environmental</b>	<p>10 points awarded if bronze level Gumnut Award received.</p> <p>0 points awarded if bronze level Gumnut Award not received.</p>	If and when the bronze level Gumnut Award is received, this KPI will be deemed to have been satisfied in each subsequent year if the bronze level Gumnut Award is retained and kept current during the whole of the subsequent years.
<b>Marketing - Local</b>	<p>10 points awarded if one event held successfully at Brighton Caravan Park</p> <p>0 points awarded if no successful events held at Park</p>	For clarity, the Council, acting reasonably, will determine what constitutes a local event, and whether an event is successful, for the purposes of this KPI.
<b>Marketing - Activities</b>	<p>10 points awarded for 3 successful marketing activities</p> <p>5 points awarded for 1 or 2 successful marketing activities</p> <p>0 points awarded for no successful marketing activities</p>	For clarity, the Council, acting reasonably, will determine what constitutes a marketing activity, and whether a particular activity is successful, for the purposes of this KPI.
<b>Marketing website</b>	<p>10 points awarded for launching and keeping up to date new website</p> <p>0 points awarded, website not launched or up to date</p>	For clarity, the Council, acting reasonably, will determine what constitutes an up to date website for the purposes of this KPI.

<b>Scenario 1</b>	<p>10 points awarded if satisfaction rating greater than 90%</p> <p>10 points awarded if complaints received less than 2%</p> <p>10 points awarded if office opened as per agreement</p> <p>10 points awarded if 0 complaints received by Council that park not open inside agreed times</p> <p>10 points award if 100% of maint completed as per agreement.</p> <p>0 points awarded if any reports received late</p> <p>0 points awarded if any meetings missed</p> <p>10 points awarded if bronze level Gumnut Award received.</p> <p>10 points awarded if one event held successfully at Brighton Caravan Park</p> <p>10 points awarded for 3 successful marketing activities</p> <p>10 points awarded for launching and keeping up to date new website</p>	
<b>Scenario 2</b>	<p>0 points awarded if satisfaction rating less than 80%</p> <p>0 points awarded if complaints received greater than 2%</p> <p>10 points awarded if office opened as per agreement</p> <p>10 points awarded if 0 complaints received by Council that park not open inside agreed times</p> <p>10 points award if 100% of maint completed as per agreement.</p> <p>10 points awarded if all reports received on time</p> <p>10 points awarded if nominated representative or nominated substitute attends all meetings</p> <p>10 points awarded if bronze level Gumnut Award received.</p> <p>10 points awarded if one event held successfully at Brighton Caravan Park</p> <p>10 points awarded for 3 successful marketing activities</p> <p>10 points awarded for launching and keeping up to date new website</p>	
<b>Scenario 3</b>	<p>10 points awarded if satisfaction rating greater than 90%</p> <p>10 points awarded if complaints received less than 2%</p> <p>10 points awarded if office opened as per agreement</p> <p>10 points awarded if 0 complaints received by Council that park not open inside agreed times</p> <p>10 points award if 100% of maint completed as per agreement.</p> <p>10 points awarded if all reports received on time</p> <p>10 points awarded if nominated representative or nominated substitute attends all meetings</p> <p>10 points awarded if bronze level Gumnut Award received.</p>	

	<p>0 points awarded if one event held successfully at Brighton Caravan Park</p> <p>0 points awarded for 3 successful marketing activities</p> <p>0 points awarded for launching and keeping up to date new website</p>
<p><b>Scenario 4</b></p>	<p>0 points awarded if satisfaction rating less than 80%</p> <p>0 points awarded if complaints received greater than 2%</p> <p>10 points awarded if office opened as per agreement</p> <p>10 points awarded if 0 complaints received by Council that park not open inside agreed times</p> <p>10 points awarded if 100% of maint completed as per agreement.</p> <p>10 points awarded if all reports received on time</p> <p>10 points awarded if nominated representative or nominated substitute attends all meetings</p> <p>10 points awarded if bronze level Gumnut Award received.</p> <p>0 points awarded if one event held successfully at Brighton Caravan Park</p> <p>0 points awarded for 3 successful marketing activities</p> <p>0 points awarded for launching and keeping up to date new website</p>

Item No: **14.7**

Subject: **ROAD RESERVE SALE FEASIBILITY**

Date: 10 April 2018

Written By: Manager Development Services

General Manager: City Assets & Services, Mr S Hodge

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## **SUMMARY**

At its meeting held on 11 July 2017, Council resolved to extend a formal invitation for offers to purchase the road reserve linking Marlborough Street with the Brighton Central Shopping Centre, at the price of the formal valuation. Invitations were extended to the two landowners who had previously registered an expression of interest, but neither of the adjoining landowners were prepared to accept the conditions of the sale. One of the parties has now returned with an alternative offer for Council's consideration. It is recommended that should Council accept the revised offer as a starting point for negotiations, then all entitled parties are consulted and invited to submit an offer starting at a reserve amount.

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## **RECOMMENDATION**

**That having regard to the future development potential of the land and its surplus need as a Council asset, that the road reserve formally known as Lot 75 in Deposited Plan 2152 of Certificate of Title Volume 5909 Folio 25 is offered for sale to adjoining property owners, on the following basis:**

- 1. That Council advises the entitled adjoining property owners that Council will sell the road reserve, inviting offers starting at \$40,000 plus GST, or highest counter offer above the valuation price, with all associated conveyancing costs met by the purchaser.**
  - 2. That Council will include the right of an easement over the road reserve affording free and unrestricted vehicle access to all adjoining properties.**
  - 3. That Community Land status for the Road Reserve is revoked upon formal agreement on the purchase price and conditions of sale.**
- 

## **COMMUNITY PLAN**

Placemaking: Creating vibrant and safe places  
Culture: Supporting excellent, efficient operations

## COUNCIL POLICY

The City of Holdfast Bay has outlined its strategic priorities for public land via the 'Asset Management Policy'. The Policy (Part 2.1.1) outlines opportunities for ensuring that all assets are fit for their purpose, meet community needs and are provided in the most cost effective way. The periodic review of Council assets, including road reserves, represents an important way for determining whether such assets can be offered for sale without causing a negative impact on the community. It is also important to reduce Council's depreciation and maintenance costs on assets that are not of direct value.

## STATUTORY PROVISIONS

Local Government Act 1999  
Roads Opening and Closing Act 1991

## BACKGROUND

At the Council meeting on the 11 July 2017, Council resolved the following:

*Motion C110717/842*

- "1. That Council advises the interested property owners that Council will sell the road reserve, inviting offers starting at the valuation price of \$140,000 plus GST, or highest counter offer above the valuation price, with all associated conveyancing costs met by the purchaser.*
- 2. That Council will include the right of an easement over the road reserve affording free and unrestricted vehicle access to all adjoining properties.*
- 3 That Community Land status for the Road Reserve is revoked upon formal agreement on the purchase price and conditions of sale.*

Invitations were extended to the two landowners who had previously registered an expression of interest to purchase the road reserve, being the single residential property at 1 Marlborough Street, and the Brighton Central Shopping Centre at 519-531 Brighton Road (the third adjoining landowner, being Australia Post with premises at 515 Brighton Road, having already declared no interest in purchasing the land). The owner of 1 Marlborough Street did not respond to the invitation to purchase the road reserve, and the owners of the Brighton Central Shopping Centre responded but declared they were not able to make an offer at Council's asking price. With neither of the adjoining landowners prepared to accept the conditions of the invitation to purchase the road reserve, the parties were advised that the Council resolution could not be executed.

## REPORT

The owners of the Brighton Central Shopping Centre have now approached Council with an unsolicited counter offer of \$40,000 to purchase the road reserve.

*Refer Attachment 1*

The offer is considerably less than the land valuation amount of \$140,000. The current unsolicited offer is made in the absence of a land valuation, so the previous land valuation commissioned by the Council remains the only reliable indication of the road reserve's value. However, it is clear that the road reserve will not be sold for the determined valuation, particularly with the limited pool of buyers available.



*Refer Attachment 2*

In considering the current offer, it is worth reflecting on the current status of the road reserve following the redevelopment of the shopping centre, which saw the closure of 5 vehicle crossovers on Brighton Road and Edwards Street, and the creation of 2 new two-way crossovers, one on Brighton Road and one on Edwards Street, to service a reconfigured on-site car park. The development approval formally enabled the road reserve to provide access to the site via Marlborough Street, albeit only for the shopping centre as no other properties enjoyed vehicle access from the land (the former ANZ Bank site having already been amalgamated into the shopping centre site).

During the development assessment process for the redevelopment of the shopping centre land, the Department of Planning, Transport & Infrastructure (DPTI) highlighted that the road reserve served to release pressure on Edwards Street, being the only other alternative access for vehicles travelling south along Brighton Road, with a large number of vehicle movements to the shopping centre redirected through the road reserve. The road reserve therefore changed from a convenience to an indispensable access road.

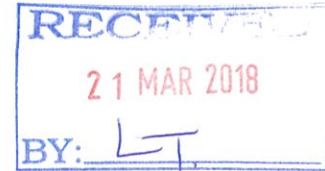
Having regard to the status of the laneway following the redevelopment of the Shopping Centre, the argument put forward by the proponent; the fact that the road reserve is surplus to need as a public road; and that the land's status as an unrestricted right of way will be preserved in perpetuity, it may be opportune to consider a sale of the asset before any further public expenditure on maintenance is required. Given that other adjoining landowners had also expressed an interest in purchasing the road reserve at the time of the previous consultation, it is recommended that Council again invite offers from all entitled adjoining landowners, starting at \$40,000 plus GST, or highest counter offer above the valuation price, with all associated conveyancing costs met by the purchaser. Also, having regard to the previous expressions of interest, and the explicit request from each of the interested parties to retain access over the road reserve irrespective of the outcome, the conditions of sale should also seek to preserve the laneway's function as an unrestricted right of way.

**BUDGET**

There are no budget implications in progressing this matter.

**LIFE CYCLE COSTS**

The ongoing maintenance costs to Council in retaining ownership of the road reserve are not exorbitant given that the road reserve is new, devoid of lighting, street trees, footpaths and drainage infrastructure. Divesting ownership of the land would of course eliminate any lifecycle costs, and may result in a slight increase in the annual rate return for the successful purchaser through the increased capital value of the land by the addition of the former road reserve.



19 March 2018

Mr Steve Hodge  
General Manager – City Assets & Services  
City of Holdfast Bay  
PO Box 19  
BRIGHTON SA 5048

By Email: [shodge@holdfast.com.au](mailto:shodge@holdfast.com.au)

Dear Steve

### MARLBOROUGH STREET LANEWAY

We refer to our recent discussions and Council's 2017 sale process in respect of the Marlborough Street laneway into the Brighton Central Shopping Centre (BCSC).

As discussed, we confirm that this land is not able to be developed as a result of the free and unrestricted right of way over the land. For this reason, the valuation of \$140,000 plus GST is not a price at which an acquisition by the owners of the BCSC could occur.

As you are aware, the shopping centre owners upgraded the laneway surface, drainage, etc during the redevelopment and will continue to maintain moving forward, saving Council the cost and time associated with this task.

We consider that Council agree that the owners of the BCSC have shown vision and foresight in the redevelopment of the shopping centre, creating an asset that will provide for the needs of the local community for many years to come.

Acquisition of the laneway by BCSC is about the owners longer term vision to improve carparking at the centre, to alleviate on-street parking congestion in the surrounding streets and to improve access/egress to the Centre from Marlborough Street, thereby reducing traffic pressure in Edwards Street.

Without ownership of the laneway, this long term vision will not be achievable.

As stated above, the land cannot be developed due to the right of way over it. The BCSC owners will have to deal with this issue before development can ever occur on the land.

We confirm that the owners of the BCSC are able to offer the sum of \$40,000 plus GST for the laneway, subject to Contract.

Yours sincerely  
**MRS PROPERTY**

ANDREW McINTYRE  
Director

Our Ref: SC/MC/4000(a)

15<sup>th</sup> June, 2017

Manager Development Services  
City of Holdfast Bay  
Brighton Civic Centre  
24 Jetty Road  
BRIGHTON SA 5048

Attention: Mr Anthony Maroncelli

Dear Sir,

RE: OPINION OF VALUE  
PROPERTY: LANEWAY – LOT 75 IN DEPOSITED PLAN 2152  
IN CERTIFICATE OF TITLE VOLUME 5909 FOLIO 25

Following on your instructions below is my opinion of value of the above property having regard to the following:

- that the lane is required to provide ongoing access to the Brighton Central Shopping Centre (an adjoining owner to the said lane) and which has expressed an interest in the purchase of the said lane.
- That the current registered proprietor of 1 Marlborough Street, who has expressed an interest in the purchase of the said lane but also seeks to ensure a free and unrestricted access to 1 Marlborough Street via the lane.
- That the subject land is currently a public road and would continue to serve a similar purpose whether transferred to private ownership or not.

In response to the above I have identified the following issues:

- 1) The subject land and the two parcels of lands adjoining the laneway, of which the registered proprietors have expressed an interest in purchasing the land, are all lands included within the District Centre Zone Centre.
- 2) That the sale of the laneway will be subject to an encumbrance viz., that a right of way for public access shall remain on the title either by way of a licence or registered interest;

The manner in which the right of way is recorded may have some future consideration, should the owners of Brighton Central Shopping Centre, continue to acquire contiguous lands including 1 Marlborough Street, whereupon, moving the location of the right of way may become critical to any future redevelopment. The passage of right of way will be retained albeit in a slightly different position so as to achieve a similar effect as is presently required.

**SAM CHRISTODOULOU F.A.P.I.**  
Grad. Dip. Town Planning

ABN 45 362 691 173

PROPERTY VALUER  
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222 STURT STREET  
ADELAIDE SA 5000

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TELEPHONE: 0417 839 245

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EMAIL: samchris@esc.net.au



- 2 -

- 3) In the event of the laneway being sold to Brighton Central, the laneway will in addition to having a public right of way will also be subject to a specific right of way and access to and from 1 Marlborough Street property.
- 4) In the event 1 Marlborough Street is the successful purchaser, the laneway will be subject to a public Right of Way.
- 5) Irrespective, the successful purchaser will be obliged to maintain the surface and security of the laneway; this being a further condition and encumbrance on the ownership of the laneway.
- 6) In the form that the laneway is to be transferred with all present property ownerships remaining intact, there appears to be little added benefit to either of the said parties purchasing the said laneway, except, that in theory, the owners of each of the adjoining properties will obtain greater development capacity of their respective properties.

That is to say as the areas of land holding of each property increases, the building development increases.

However in this instance neither property can be significantly further developed by the acquisition of the lane alone, which incidentally has a land area of some 283 square metres.

- 7) There is no known underground or above ground infrastructure existing or required over the subject land other than surface paving.

Recent sales evidence researched has indicated little increase in commercial land values along Brighton Road, in Hove – Brighton, over the past year. This is not surprising given that commercial and retail rental values have changed very little over the past three years.

1 Marlborough Street, though, is zoned District Centre, the current use with existing use rights is Residential.

Residential land values have continued to rise in the subject locality over recent years.

However both main road retail and commercial land values and residential land values in the immediate subject vicinity are currently on a par.

On that basis the value of the subject laneway is of equal value to both the Shopping Centre and the adjoining residential property. However greater demand is likely to vest with the Shopping Centre because of potential for expansion and slight re-configuration of property boundaries in the future. The subject lane provides the Shopping Centre minor flexible expansion possibilities.

Current land values reflect an analysed unencumbered market value of subject local commercial and residential land at the rate of \$1,000 per square metre.



Where land is encumbered for infrastructure e.g. underground pipes, power, drainage, or easements and rights of way, the land is discounted by 50%, to reflect the restricted use of the land affected.

With modern town-planning rules this affection may not be so vigorously applied if the same proportional density of development can still proceed, once the additional land area encumbered or otherwise is required. However whilst the same proportional increased development density may be achieved the desired design may be compromised and so again the discount applied.

To account for such unknowns the 50% discount on the unencumbered fee simple value is retained.

I have therefore adopted the analysed value rate to apply to the said encumbered land (depending on the final land area to be determined and transferred) to be of the amount of \$141,500 plus GST but rounded to \$140,000 plus GST expressed in the analysed rate of land value to be FIVE HUNDRED DOLLARS (\$500) per square metre plus GST if applicable.

A competitive tender, for the subject land, from the parties who have expressed an interest in purchasing same, may resolve in a higher bid.

This opinion does not constitute or address a structural, boundary, termite or wood rot, geotechnical or contamination soil or asbestos surveys.

This opinion is for the use only of the person to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of this opinion.

This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value.

Without limiting the generality of the above comment, we do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of 3 months from the date of the valuation, or such earlier date if you become aware of any factors that have any affect on the valuation.

This statement is a requirement of the Professional Indemnity Policy cover.

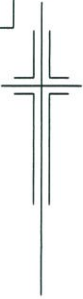
Yours faithfully



S. CHRISTODOULOU F.A.P.I.  
Property Valuer Consultant

A4

N



MARLBOROUGH

STREET

84°49'30"

7.62

4.31  
219°49'30"

FP 216569

DP 115271

354°49'30"

48.16

283m<sup>2</sup>

52.73

174°49'30"

FP 216569

84°49'30"

3.05

354°49'30"

7.62

DP 2152

DP 115271

7.62

264°49'30"

FP 160314

ALLSURV ENGINEERING SURVEYS

PTY LTD

ACN 050 166 133

ABN 27 473 091 176

8 BOWEN STREET, KENSINGTON SA 5068

Telephone: (08) 8364 2710 Fax: 8332 0805

SCALE:

1:300

PLAN DATE:

17/05/2017

AREA CALCULATED FROM  
DATA ON D2152 + D115271

BY DAVID PYPHER  
LICENSED SURVEYOR

INFO

PROJECT

AREA PLAN  
MARLBOROUGH STREET  
BRIGHTON

PROJECT REF: PL 8189 SHT: 1 OF 1 REV:0