



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 24 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.

AGENDA

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

5.1 Minister for Health and Wellbeing – Excellence in Public Health Awards 2018

The Cities of Holdfast Bay, Marion and Salisbury received a Certificate of Commendation at the Minister for Health and Wellbeing – Excellence in Public Health Awards 2018 in recognition of the outstanding contribution to public health initiatives for their community through the Inspiring Health Initiative.

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 10 April 2018 be taken as read and confirmed.

Moved Councillor _____, Seconded Councillor _____

Carried

8. PUBLIC PRESENTATIONS**8.1 Petitions**

- 8.1.1 Petition – Proposed Road Works to alter the Junction of King Street with The Crescent, Brighton (Report No: 148/18)

8.2 Presentations - Nil**8.3 Deputations- Nil****9. QUESTIONS BY MEMBERS****9.1 Without Notice****9.2 On Notice**

- 9.2.1 Question on Notice – Reporting of Hazards to Council (Report No: 149/18)

10. MEMBER'S ACTIVITY REPORTS - Nil**11. MOTIONS ON NOTICE**

- 11.1 Motion on Notice – Construction of a Climbing Wall at the Pump Track Reserve– Councillor Clancy (Report No: 127/18)

12. ADJOURNED MATTERS

- 12.1 Adjourned – Motion on Notice – Brighton Croquet Club Lease – Councillor Clancy [Report No: 87/18] (Report No: 128/18)
- 12.2 Adjourned Report – Sporting and Community Club Leasing Policy [Report No: 112/18] (Report No: 129/18)

13. REPORTS OF MANAGEMENT COMMITTEES, SUBSIDIARIES AND THE DEVELOPMENT ASSESSMENT PANEL

- 13.1 Minutes – Audit Committee – 4 April 2018 (Report No: 126/18)
- 13.2 Minutes – Jetty Road Mainstreet Committee – 11 April 2018 (Report No: 147/18)

14. REPORTS BY OFFICERS

- 14.1 Items in Brief (Report No: 131/18)
- 14.2 Budget Update – as at 31 March 2018 (Report No: 130/18)
- 14.3 Unsolicited Proposals Policy (Report No: 132/18)
- 14.4 Application for Landowner's Consent – Flambouron Philanthropic Society of South Australia (Report No: 133/18)
- 14.5 New Lease Agreement – Brighton Lacrosse Club (Report No: 134/18)
- 14.6 New Lease Agreement – Brighton Rugby Union Football Club (Report No: 135/18)
- 14.7 New Lease Agreement – Brighton Sports and Social Club (Report No: 136/18)

- 14.8 New Lease Agreement – Holdfast Bay Dog Owners’ Club Incorporated (Report No: 137/18)
 - 14.9 New Lease Agreement – Holdfast Tennis Club (Report No: 138/18)
 - 14.10 New Lease Agreement – Rotary Club of Holdfast Bay Incorporated (Report No: 139/18)
 - 14.11 New Lease Agreement – Rotary Club of Somerton Park Incorporated (Report No: 140/18)
 - 14.12 New Lease Agreement – Seacliff Community Recreation Association (Report No: 141/18)
 - 14.13 New Licence Agreement – Dover Square Tennis Club (Report No: 142/18)
 - 14.14 New Licence Agreement – Glenelg North Community Garden (Report No: 143/18)
 - 14.15 New Licence Agreement – Helmsdale Tennis Club (Report No: 144/18)
 - 14.16 New Licence Agreement – William Kibby VC Veterans Shed Association Incorporated (Report No: 145/18)
 - 14.17 New Lease Agreement – Brighton Croquet Club Incorporated (Report No: 146/18)
- 15. RESOLUTIONS SUBJECT TO FORMAL MOTIONS - Nil**
- 16. URGENT BUSINESS – Subject to the Leave of the Meeting**
- 17. CLOSURE**

**JUSTIN LYNCH
CHIEF EXECUTIVE OFFICER**

Item No: **8.1.1**

Subject: **PETITION – PROPOSED ROAD WORKS TO ALTER THE JUNCTION OF KING STREET WITH THE CRESCENT, BRIGHTON**

Date: 24 April 2018

Written By: Governance Coordinator

General Manager: Business Services, Mr R Bria

SUMMARY

A petition has been received requesting:

“We, the residents, are highly dissatisfied with the Council’s lack of consultation with residents on the proposed redesign. A review of traffic management in the area commenced with community consultation but this process has not continued. Residents were only advised of the decision by letter dated 3 April 2018 that construction is due to commence on Monday 16 April 2018, despite council having resolved on 12 September 2017:

‘that residents are notified of the traffic consultant’s recommendations, including the reconstruction of The Crescent and King Street intersection’

We, the residents, are highly concerned that the proposed redesign of the intersection will adversely affect safety by increasing the flow of traffic into King Street, increasing the speed of south bound traffic from The Crescent into King Street and increasing the congestion of traffic along King Street.

We, the undersigned, hereby request that the proposed works to alter the junction of King Street with The Crescent, Brighton be halted until further community consultation and evaluation has occurred.”

Not all of the pages of the petition meet the criteria outlined in the Council’s Code of Practice – Meetings Procedures as they do not include the petition’s request and the Head Petitioners contact details on each page of the petition in accordance with clauses 3.1.7 - 3.1.9 of the Code of Practice – Procedures at Meetings and are not taken into account when considering this petition.

RECOMMENDATION

That the petition from Mr T Brook of 19 King Street, Brighton containing 6 signatures be noted and the Council notes that petition contained 3 pages of signatures which did not meet the Council’s requirements for a petition.

COMMUNITY PLAN

Culture: Supporting excellent, efficient operations

COUNCIL POLICY

City of Holdfast Bay Code of Practice – Procedures at Meetings

STATUTORY PROVISIONS

Local Government Act 1999

Local Government (Procedures at Meetings) Regulations 2013

REPORT

The petition presented to Council by Mr Tim Brooks of 19 King Street, Brighton, does not meet all of the requirements for petitions which is contained in the Council's Code of Practice – Meeting Procedures which requires that petitions:

“10—Petitions

- (1) *A petition to the council must—*
 - (a) *Be legibly written or typed or printed; and*
 - (b) *Clearly set out the request or submission of the petitioners; and*
 - (c) *Include the name and address of each person who signed or endorsed the petition; and*
 - (d) *Be addressed to the council and delivered to the principal office of the council.*
- (2) *If a petition is received under subregulation (1), the chief executive officer must ensure that the petition or, if the council has so determined as a policy of the council, a statement as to the nature of the request or submission and the number of signatures or the number of persons endorsing the petition, is placed on the agenda for the next ordinary meeting of the council or, if so provided by a policy of the council, a committee of the council.*

Chapter Three – Supplementary Meeting Procedures

- 3.1.7 *Each page of a petition is to be presented by the head petitioner to Council's Administration and identify the name and contact details of the head petitioner.*
- 3.1.8 *Each page of a petition presented to the Council is to restate the whole of the request or submission of the petitioners.*
- 3.1.9 *Where a page of a petition does not comply with paragraph 3.1.8 above the signatures on that page are not to be taken into account by the Council when considering the petition.*
- 3.1.10 *On receipt of a petition a summary providing the statement as to the nature of the request or submission of the petitioners and the number of signatures the petition contains will be placed on the agenda for the next ordinary council meeting. A full copy of the petition is available for viewing upon request, but will not be placed on the agenda.*

3.1.11 Online petitions will be dealt with as above and must meet the following requirements for them to be presented to Council:

3.1.11.1 the petition must clearly set out the request or submission of the petitioners

3.1.11.2 the names and addresses of each signatory must be clearly identified (in the case of an address this must be by reference to at least a street and suburb)

3.1.11.3 the petition must be provided to council either by mail (including email) or in person.

The first page of the petition meets the requirements of Council's Code of Practice - Meeting Procedures as the first page of the petition contains the contact details of the head petitioner and the request of the petition. This page contains six signatures and these are counted as signatures on the petition.

The petition contains three more pages of signatures which do not meet the Council's requirements for a petition, namely

"3.1.8 Each page of a petition presented to the Council is to restate the whole of the request or submission of the petitioners."

In accordance with clause 3.1.9 as these three pages of the petition do not meet the requirements of the Code of Practice – Meeting Procedures are not taken into account when considering this petition.

A full copy of the petition has been made available to Elected Members electronically and in accordance with clause 3.1.10 of the Code of Practice – Meeting Procedures the petition is available for viewing upon request and is not attached to this agenda item.

BUDGET

Not applicable

LIFE CYCLE COSTS

Not applicable

Item No: **9.2.1**

Subject: **QUESTION ON NOTICE – REPORTING HAZARDS TO COUNCIL**

Date: 24 April 2018

QUESTION

Councillor Bradshaw asked the following question:

“Can you please advise the various options available to someone, if they perceive there is a Community Hazard in Holdfast Bay, including if it is possible to report any such issue online ”

Background

I note in a recent email from a resident who had sustained an injury, they subsequently found difficulty in reporting a potential "Community Hazard" to Council.

ANSWER – General Manager Community Services

The City of Holdfast Bay offers the community many ways to contact us, which includes:

- By email – sending an email to mail@holdfast.sa.gov.au
- By phone – contacting our Customer Experience Team on 8229 9999
- By letter – by sending correspondence to our address, PO Box 19, Brighton SA 5048
- In person – by coming in to the Customer Service Centres at Brighton and at the Glenelg Library during opening hours
- By fax – sending a fax to 8298 4561
- Posting a message on Facebook using the private message function
- By using our website – there is an icon on the homepage to Report a Problem, where the community can complete the online form to inform council of their issue or problem or the community can use the Contact Us, Report a Problem or Complaints options which are available on the bottom of each page of our website.

Item No: **11.1**

Subject: **MOTION ON NOTICE – CONSTRUCTION OF A CLIMBING WALL AT THE PUMP TRACK RESERVE – COUNCILLOR CLANCY**

Date: 24 April 2017

PROPOSED MOTION

Councillor Clancy proposed the following motion:

That Administration include the construction of a Climbing Wall play feature to be constructed within the Pump Track Reserve area on Commercial Rd, Brighton, at an estimated cost of \$50,000 in the 2018/19 Annual Budget.

BACKGROUND

Since the implementation of the Pump Track and with the advent of the new shade structure and BBQ area this reserve has been and will become even more popular, and the area lends itself to this type of entertainment for our younger residents.

Such a construction would not require any significant maintenance programs and would complement what is already on this site in the longer term.

ADMINISTRATION COMMENT

Before a Climbing Wall can be successfully constructed on the Pump Track Reserve a number of questions and conditions will need to be resolved. These include:

- Confirmation of an appropriate location on the site currently occupied by the pump track.
- Confirmation of cost. Detailed design will be required including engineering specifications before going to tender for construction.
- Risk. Council will need to understand the risks associated with a climbing wall and ensure that these risks are appropriately mitigated.
- Landlord consent. The site is owned by DPTI and Council have a license to occupy the site of the Pump Track.

Further to resolving the questions above, Council will need to consider the allocation of funding within the 2018/19 budget.

Item No: **12.1**

Subject: **ADJOURNED – MOTION ON NOTICE – BRIGHTON CROQUET CLUB
LEASE – COUNCILLOR CLANCY [REPORT NO: 87/18]**

Date: 24 April 2018

SUMMARY

Council at its meeting on 27 March 2018 resolved to adjourn Report No: 87/18 until the Council Meeting to be held on 24 April 2018 and further information is presented on the history of the lease.

This report represents the Motion on Notice and presents information regarding the history of the lease with the Brighton Croquet Club.

It should be recognised that under Section 202 of the *Local Government Act 1999* that the execution of a 20 year lease would require Council to undertake a public consultation process.

Debate on this motion on notice recommences at the point that it was adjourned and Councillors Clancy, Yates and Lonie have spoken to the motion. Before Council can consider any further motions on this matter it must determine the motion on notice which has been adjourned.

MOTION

From 27 March 2018 Council Meeting

That the Brighton Croquet Club have the lease renewed in accordance with the lease executed in 1996 for twenty years which would expire in 2036.

Moved Councillor Clancy, Seconded Councillor Yates

RECOMMENDATION – FROM REPORT NO: 146/18 AGENDA ITEM 14.17

- 1. That Council enters into a new Lease Agreement with the Brighton Croquet Club Incorporated over a portion of land at Brighton Oval for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$838 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

BACKGROUND

Council at its meeting on 27 March 2018 resolved to adjourn Report No: 87/18 until the Council Meeting to be held on 24 April 2018 and further information is presented on the history of the lease.

This report represents the Motion on Notice and presents information regarding the history of the lease with the Brighton Croquet Club.

Refer Attachment 1

FURTHER INFORMATION

Following ongoing discussions, at their meeting 9 May 1994 the Community Services and Recreation Committee adopted the Brighton Oval Advisory Committee's recommendations to purchase land located at 19 Keelara Street from the Brighton Croquet Club Incorporated for a price of \$220,000. As part of this purchase Council were to also relocate the Croquet Club to the Brighton Oval Complex.

Refer Attachment 2

These recommendations were also adopted by Council on 23 May 1994.

Refer Attachment 3

Following this and after further negotiation and research into the redevelopment of the Brighton Oval site, on 14 November 1994 the Community Services and Recreation Committee passed a motion for Council to support and execute the purchase of land known as 19 Keelara Street from the Brighton Croquet Club Incorporated.

Refer Attachment 4

This recommendation was supported, the purchase proceeded and over the course of the following two years, redevelopment of the Brighton Oval site continued while the Brighton Croquet Club sustained their tenanted occupancy at the Keelara Street site.

Refer Attachment 5

At their meeting 25 November 1996, the final Lease Agreement between the City of Brighton and the Brighton Croquet Club was presented to Council for execution, and was endorsed.

Refer Attachment 6

The endorsed Lease Agreement was backdated to commence 1 July 1995 for a term of 20 years; with the expiry date of 30 June 2016 (in accordance with Schedule 3 of the Agreement).

Refer Attachment 7

The Lease Agreement references the recommendations adopted by Council 9 May 1994 (Schedule 5 Special Condition 1 of the Agreement and refer Attachment 1).

Additionally, pursuant to Schedule 5 Special Condition 1, the Agreement included an Option to Renew for a subsequent 20 year period.

It must be noted that a 'right/option to renew':

- is not an entitlement;
- is not automatic;
- is subject to landowner consent and execution; and
- must be exercised before the expiration of the initial lease.

In accordance with the legal advice obtained by Administration in relation to this matter, on the basis that the option to renew was not pursued or exercised by the Club during the term of lease, it became null and void at the expiration of the original Agreement.

Administration has reviewed internal records and cannot locate any correspondence from the Club prior to 15 February 2018 which seeks to exercise the Option to Renew.

As Options to Renew cannot be executed retrospectively, a new lease agreement between Council and the Club is required.

Under Section 202 of the *Local Government Act 1999* the execution of a 20 year lease would require Council to undertake public consultation regarding the lease.

Item No: 11.1
Subject: MOTION ON NOTICE – BRIGHTON CROQUET CLUB LEASE –
COUNCILLOR CLANCY
Date: 27 March 2018

PROPOSED MOTION

Councillor Clancy proposed the following motion:

That the Brighton Croquet Club have the lease renewed in accordance with the lease executed in 1996 for twenty years which would expire in 2036.

BACKGROUND

The club made many attempts with the previous leasing officer to renew the lease prior to the expiry of the lease.

Now they have been informed that as the lease was not renewed prior to expiry of the lease the conditions no longer apply.

This is against all principles of fairness and according to legal advice the offer by council would not stand up in court.

ADMINISTRATION COMMENT

The Lease Agreement held between the City of Brighton and the Brighton Croquet Club commenced 1 July 1996 and expired 30 June 2016.

Special Condition 1 of Schedule 5 of the Agreement granted a 'right of renewal' for a subsequent twenty (20) term after the expiration of the initial term.

It should be noted however that a 'right of renewal':

- is in no way automatic as it is still subject to landowner consent and execution;
- must be exercised during the term of the initial lease (no less than three (3) months from the expiration date); and
- is the sole responsibility of the lessee to exercise.

On 5 December 2018 Administration met with the Brighton Croquet Club to discuss the proposed Sporting and Community Club Leasing Policy.

Following this meeting, on 15 February 2018 Administration received correspondence from the Brighton Croquet Club advising that they sought to exercise their right of renewal under the previously expired lease.

On 1 March 2018 Administration advised the Brighton Croquet Club that as a right of renewal can only be exercised when the original lease is current, cannot be exercised retrospectively, and that the Club failed to exercise this right accordingly, a new lease is now required.

The Brighton Croquet Club has been 'Holding Over' since the expiration of the lease term (30 June 2016). Once Council endorses the pending Sporting and Community Club Leasing Policy, a new lease will be negotiated in accordance with the terms and conditions of the policy. The policy is scheduled to be submitted to Council 10 April 2018.

Copy

BRIGHTON OVAL ADVISORY COMMITTEE

The Community Services Officer reported that the Brighton Oval Advisory Committee had met on Monday 18th April 1994 to discuss acquisition and use of the Brighton Croquet Club's land in Keelara Street, Brighton.

It was re-affirmed that a long term objective of the City of Brighton was to create a centrally located car park as an integrated part of the Brighton Civic Centre.

Relocation of the Brighton Croquet Club to the Brighton Oval Complex was also discussed together with associated works and re-organisation of the complex to allow the croquet facility to be constructed.

Rationalisation of existing under used and potentially more useable land was discussed and it was agreed that an in depth study should now be carried out on the Brighton Oval Complex.

The following Advisory Committee recommendations have been put forward for this committee's consideration.

1. That Brighton Council makes an offer to the Brighton Croquet Club Inc. of \$220,000 for their land holdings in Keelara Street, Brighton, which is to be credited to them for their relocation to the Brighton Oval Complex.
2. That this (\$220,000) be placed on the 1994/95 budget discussion papers.
3. That Brighton Council obtain quotes to construct the clubrooms as proposed by the Brighton Croquet Club.
4. That the Brighton Croquet Club shall be requested to provide Council with its last three years audited financial statements.
5. That Brighton Council adopt the plan to re-establish the Brighton Croquet Club onto the Brighton Oval Complex and the following estimates be placed on Council's 1994/95 budget for consideration.
 - A) \$220,000 (land acquisition/credit)
 - B) \$ 23,500 (relocation of existing Brighton Oval facilities)
 - C) \$ 49,000 (required upgrading of Brighton Oval Complex to allow the inclusion of croquet).

\$292,500
6. That the Administration prepare a report outlining the Brighton Bowling Clubs proposal, once received, for a future meeting of this Committee.
7. That an amount of \$375,000 be included in the 1994/95 budget as financial assistance for Brighton Bowling Club, on the condition that the Club transfers its total land holdings in Keelara Street, Brighton, to Council.
8. That Jan Cornish and Associates be engaged to do a total land use study of the Brighton Oval Complex, including possible rationalisation of any of the land within the facility.

9. BRIGHTON OVAL ADVISORY COMMITTEE (Cont'd)

Obviously further negotiations will be required with both Bowling and Croquet Clubs before these matters are finalised. Terms and conditions of Lease Agreements and land exchanges will require clear majority decisions from Special General Meetings of both Clubs, together with final ratification by Council.

Recommendations

1. That the report be received.
2. That the recommendations of the Brighton Oval Advisory Committee be adopted.

****Committee Recommendation****

Councillor Norton **MOVED** that the Recommendations be adopted,
Alderman MacLeod **SECONDED**.

CARRIED**10. REPORTS PENDING: Nil****11. MATTERS IN ABEYANCE:**

Brighton Croquet Club - Relocation of
Historical Resource Centre
Brighton Bowling Club

12. OTHER BUSINESS:**12.1 Brighton Croquet Club Inc. - Planning Approval**

Alderman MacLeod referred Members to Item 6.1 on the Agenda concerning the delays associated with the Planning application for the Brighton Croquet Club Inc. on Brighton Oval. He informed Members that the administration had supplied him with a copy of all relevant correspondence and it was apparent that the delay had occurred with the processing of the application by the Development Assessment Commission because almost eight weeks had passed between lodging it and receiving advice as to the procedure to be followed. He informed Members that he was following up this delay through the Local Member, Mr Wayne Matthew MP.

****Committee Recommendation****

Alderman MacLeod **MOVED** that the report be received.
Councillor Norton **SECONDED**.

CARRIED**12.2 Brighton Table Tennis Club Inc. - Extensions**

The Community Services Officer informed Members that the Brighton Table Tennis Club had commenced their extensions and were carrying out the construction work in three stages to ensure the greatest amount of safety possible for students attending the adjoining kindergarten. These stages are to coincide with school holidays in April, July and October 1994.

18. **OTHER BUSINESS** (Cont'd)**18.3 Susan Grace Benny House**

Councillor Gibson requested that the Administration prepare a report on the Susan Grace Benny House with the view to making the premises available to the South Australian Police Department on a rate equivalent rental basis for 3-5 years to establish a Police presence in Brighton for a minimum of 2 shifts per day.

Alderman Oldman **MOVED** that the Administration prepare a report for a future meeting of the Council which will show the pros and cons of the community use of Susan Grace Benny House for Police purposes.

Councillor Vaughan **SECONDED.**

CARRIED

18.4 Brighton Oval Advisory Committee

The City Manager reported that resulting from Recommendations of the Brighton Oval Advisory Committee a matter of a confidential nature involving the possible acquisition/purchase of land required to be discussed.

Recommendation

That Council, in terms of Section 62(2)(f) of the Local Government Act, (matters pertaining to the possible acquisition/purchase of land) discuss recommendations of the Brighton Oval Advisory Committee in confidence and that the Gallery be cleared.

Alderman Oldman **MOVED** that the Recommendation be adopted.

Councillor Swiderczuk **SECONDED.**

CARRIED

Councillor Gibson **MOVED** that Recommendations 1 to 7 of the Brighton Oval Advisory Committee meeting dated 9 May 1994 be adopted.

Councillor Norton **SECONDED.**

CARRIED

18.5 Hall Chadwick Report - Financial Feasibility

The City Manager referred to the Report (Selth Report) distributed to Members of Council on 12th May 1994.

Recommendation

That Council, in terms of Section 62(2)(a) of the Local Government Act (matters of Legal or professional advice) discuss the report in confidence and that the gallery be cleared.

Alderman MacLeod **MOVED** that the Recommendation be adopted.

Councillor Norton **SECONDED.**

CARRIED

Alderman MacLeod **MOVED** that an informal discussion be held at 7.30 p.m. on Monday, 20 June 1994 and that arrangements be made by the Administration for the Consultant to be present and provide further information in respect to his report.

Councillor Swiderczuk **SECONDED.**

CARRIED

3. CONFIRMATION OF MINUTES:**Recommendation:**

That the Minutes of the meeting held on Monday 10th October 1994 be confirmed.

****Committee Recommendation****

Councillor Swiderezuk **MOVED** that the Recommendation be adopted.
Councillor Clancy **SECONDED.**

CARRIED**4. CHAIRMAN'S REPORT/COMMUNICATIONS: Nil****5. DEFERRED ITEMS:****5.1 TRANSFER OF PROPERTY - Brighton Croquet and Bowling Clubs**

The Community Services Officer referred Members to the September meeting of this Committee where it was reported that the preparations of the documentation for the transfer of land currently owned by the Brighton Croquet and Bowling Clubs was under way.

Council's landbroker, Optima Conveyancing Group, has now finalised the necessary transfer forms. These have been forwarded to the relevant Clubs for signature and affixing of their Common Seal. In turn, these will be counter signed by the City Manager and His Worship the Mayor and also require the Common Seal of the City of Brighton.

In the case of Brighton Croquet Club, all required approvals have now been received and the Club has chosen a builder from tenderers. It is anticipated that the construction of the facility will commence in the near future.

Due to the finalisation of most of the issues affecting the transfer of both land parcels it is an appropriate time to reconvene the Brighton Oval Advisory Committee to discuss associated matters ie Civic Centre car park, rationalisation of open space, improvements to the traffic flows at the intersection of Keelara Street and Torr Avenue etc.

Recommendations

1. That the Report be received.
2. That the Council approves the signing and use of Council's Common Seal on the transfer forms for both Brighton Croquet and Bowling Clubs.
3. That the Brighton Oval Advisory Committee meet in the near future to discuss relevant issues resulting from the land transfers.

****Committee Recommendation****

Councillor Norton **MOVED** that the Recommendations be adopted.
Councillor Clancy **SECONDED.**

CARRIED*Clancy*

OPTIMA
Conveyancing Group

Adelaide Office
Phone (08) 224 0011
Fax (08) 232 1007

Our Ref: Y9801

13th December, 1994

City of Brighton
PO Box 19
BRIGHTON SA 5048

STATEMENT RE:
Purchase of Property - 19 Keelara Street, Brighton

	DR.	CR.
Purchase Price	220,000.00	
Conveyance fee for preparation of Transfer documents, settlement statement, attending to stamping, settlement and generally	300.00	
Stamp Duty on Transfer	7,630.00	
Registration of Transfer	789.00	
Recovery of Government charges for rating certificates and other inquiry fees, file maintenance costs and general disbursements	65.00	
State Government F I D and B A D Taxes	2.95	
BALANCE DUE BY YOU AT SETTLEMENT		228,786.95
	\$228,786.95	\$228,786.95

E & O E

Handwritten signature

OPTIMA
Conveyancing Group

Adelaide Office
Phone (08) 224 0011
Fax (08) 232 1007

Our Ref: Y9801

13th December, 1994

Brighton Croquet Club
19 Keelara Street
BRIGHTON SA 5048

STATEMENT RE:
Sale of Property - 19 Keelara Street, Brighton

	DR.	CR.
Sale Price		220,000.00
BALANCE DUE BY YOU AT SETTLEMENT	220,000.00	
	-----	-----
	\$220,000.00	\$220,000.00
	-----	-----

E & O E

[Handwritten signature]

13. DEFERRED ITEMS (Cont'd)**13.3 14 BURNHAM ROAD, KINGSTON PARK**

The City Manager reported that he was still awaiting the approval of the Minister for Local Government Relations to proceed with the compulsory acquisition of the above property, however Members should know that considerable activity has taken place in the last two weeks culminating in the issuing of the attached documentation to all signatories of the initial petition which went to Council in August 1996.

Members will note that the letter accompanying the documentation is unsigned although the City Manager is fairly certain from where it originated, nevertheless, the facts therein are considered to be fairly close to the truth and has resulted in, so far 6 residents are asking for their signatures to be withdrawn from that original petition.

A copy of the documentation has been sent to the Minister for Local Government Relations for his information.

The City Manager reported having received a further letter today signed by 38 persons relating to the property.

Recommendation

That the report be received.

Councillor Mathwin **MOVED** that the report be received and that the City Manager forward all details in respect to the request for compulsory acquisition and supporting documentation to the Hon. the Attorney-General, Hon Trevor Griffin MP and seek a deputation for Council with the Hon. Scott Ashenden MP, Minister for Local Government Relations.

Alderman Norton **SECONDED**

CARRIED

13.4 CLUB LEASES**13.4.1 CLUB & PROPERTY LEASES**

The City Manager referred Members to the meeting of the Council's Community Services & Recreation Committee held on Monday 11th November 1996 when a status report on the finalisation of Club leases was discussed.

All negotiations are now complete and only require approval by Council and a formal resolution to apply the Council seal to the finalised documents.

Brighton Surf Lifesaving Club Inc.,
Seacliff Tennis Club Inc.,
Seacliff Community Recreation Association Inc.,
South Brighton Community Association Inc.,
Brighton Croquet Club Inc. and
Girl Guides Association of South Australia Inc.,
have all signed and sealed their agreements.

Signatures are still required on three documents, however one concerning the City of Brighton Concert Band Inc., is to be signed and sealed once agreement on the maintenance of the Clubrooms is resolved. Mr Keith Jones, President of the Band has assured the Administration that this is the only issue needing a resolution before he will sign the document on behalf of the Concert Band.

13. DEFERRED ITEMS (Cont'd)
13.4 CLUB LEASES (Cont'd)
13.4.1 CLUB & PROPERTY LEASES (Cont'd)

A change of direction by the senior legal adviser Crown Solicitors Office, School Education, has resulted in the changing of the named "leasee" from the Seacliff Community Kindergarten Incorporated to the Minister for Education and Children's Services. This change was conveyed to the Administration by fax on the 15th November 1996 when the necessary alterations were carried out and then sent to Council's Solicitor Mr Wade Phillips for vetting. It is anticipated that this lease agreement will be finalised within the next fortnight.

Seacliff Uniting Church having finalised negotiations have now been advised by the head office of the Uniting Church of Australia that the agreement should, in addition, carry the name of their Property Trust. This has been arranged and also sent to Council's solicitor, Mr Wade Phillips and it is anticipated that this agreement will be signed within the next seven days.

An update of the status of these remaining documents will be provided at the meeting.

The Schedules for completed Leases/Agreements are distributed to Members for their information.

Recommendation

That the completed documents be approved and be signed and sealed by Council on the execution of the Lease/Agreement by the Lessees.

Note: Councillor Byers-Thomas sought leave to make a personal statement for inclusion in the Minutes.

"Following a request I made at a Council meeting held on the 26th August 1996, I refer to page 16, item 15 the following leases numbered 1, 8, 11, 12, 15, 18, 28 and 16 were minuted as being not completed with one expiry date as far back as 1992.

Again I note at a Council Meeting held on 14th March 1994, item 19 pages 14 to 18 inclusive, mentioned some of the earlier leases again with the expiry dates.

And again I noticed at a Council meeting held on 12th August, 1988, page 8 item 13.2 records -

"original leases cannot be found".

I am not blaming anyone in particular but as one Member of Council, I find this state of affairs unacceptable.

Stamp Duty penalties, no doubt, will be incurred on some."

13. DEFERRED ITEMS (Cont'd)**13.4 CLUB LEASES (Cont'd)****13.4.2 ALAN LANE'S TENNIS CENTRE – PROPERTY LEASE**

The City Manager reported that he had recently received a request from Mr Alan Lane of Alan Lane's Tennis Centre, 40 Wilton Avenue, Somerton Park for an extension to his lease agreement with Council of the Wilton Avenue Tennis Complex to enable him to apply for a State Government grant.

New grant funds have recently been made available by the State Government for a wide range of recreational and sporting purposes through the Office of Recreation, Sport and Racing. A number of local Clubs have indicated their intention to apply for a grant under this scheme. Where capital works are involved the applicant concerned must have a lease agreement for a minimum period of five years.

Mr Lane's lease current to 30th June 1997 was for a period of five years and his intention is to apply for capital improvements to his leased Council owned property. To enable this application to be made Council would need to grant Mr Lane a further extension of his lease for five years to 30th June 2002.

Recommendation

That Council approve the extension of the lease of the Tennis Court (Wilton Avenue) complex to Alan Lane of Alan Lane's Tennis Centre, 40 Wilton Avenue, Somerton Park for a further 5 years to 30th June 2002.

Councillor Gibson **MOVED** that the Recommendations pertaining to items 13.4.1 and 13.4.2 be adopted.

Alderman Goodier **SECONDED**

CARRIED

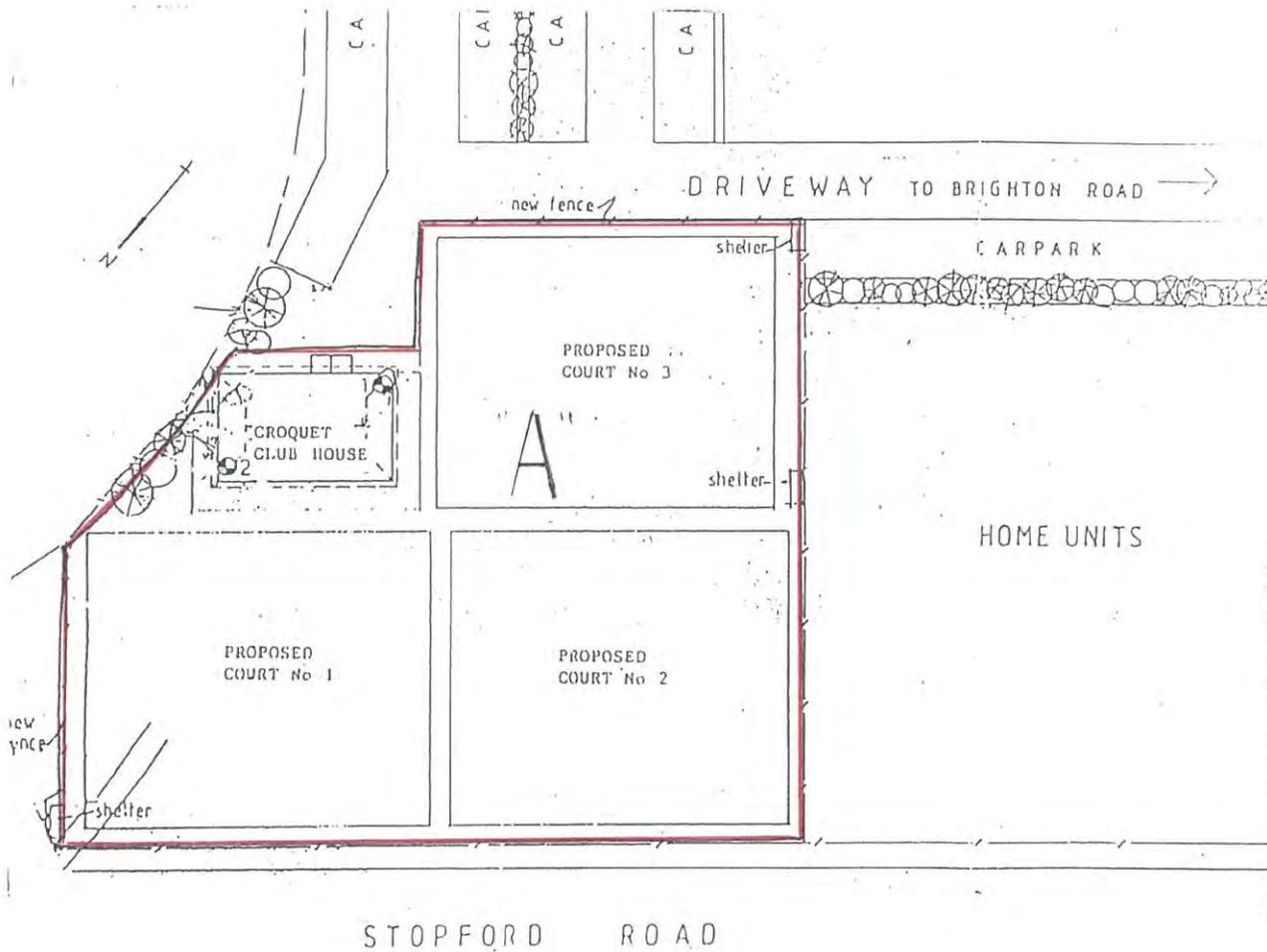
RAG

SCHEDULE 1

THE LESSEE: Brighton Croquet Club Incorporated
P O Box 584
BRIGHTON SA 5048

SCHEDULE 2

THE PREMISES: Portion of land and clubroom within the Brighton Oval Complex outlined in red and marked with an 'A' and on Volume 4066 Folio 715.



SCHEDULE 3

PERIOD
OF LEASE

This Agreement shall be for a period of twenty (20) years commencing on the 1st day of July, 1995 and concluding on the 30th day of June 2016.

SCHEDULE 4

MODE OF PAYMENT:

Commencing on the 1st day of July 1995 and concluding on the 30th day of June 2016 at a rental equal to the annual rates as set by Council annually.

SCHEDULE 5

SPECIAL CONDITIONS:

1. The grant of a long-term lease of twenty years, with right of renewal for a further twenty years.
2. Annual rental not to exceed the rate equivalent of the area used by Brighton Croquet Club on the Brighton Oval Complex.
3. The rearrangement of facilities at the Brighton Oval Complex as proposed in Council Minutes of May 9, 1994 to accommodate the Brighton Croquet Club facilities with reasonable comfort.
4. Continued occupation of the Keelara Street premises by Brighton Croquet Club until the new facilities on the Brighton Oval Complex site are ready for use.
5. Completion of plan for building, lawn and lighting to the satisfaction of the Brighton Croquet Club and within budget parameters.
6. The Brighton Croquet Club shall maintain through its state body (SA Croquet Association Incorporated) a current Public Liability Policy and provide Council annually with a copy of the Certificate of Currency in relation to Clause 2(f)(b) of this Agreement.

Item No: **12.2**

Subject: **ADJOURNED REPORT – SPORTING AND COMMUNITY CLUB LEASING POLICY [REPORT NO: 112/18]**

Date: 24 April 2018

Written By: Team Leader Leasing and Commercial

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Council at its meeting held 10 April 2018 resolved to adjourn Report No: 112/18 until the Croquet Club matter is determined and represented to Council for consideration at the same time in approximately 4 weeks' time.

The adjourned motion on notice regarding the Brighton Croquet Club is presented as item 12.1 on this agenda and as Council resolved to consider this report at the same time as the motion on notice is represented, Report No: 112/18 is represented for Council's consideration in Attachment 1.

Debate on this adjourned report is recommenced at the point of adjournment and the following members have spoken to the adjourned motion which include Councillors Lonie, Aust, Clancy, Bouchee and Yates. Before Council can consider any further motions on this matter it must determine the adjourned motion.

MOTION

From 10 April 2018 Council Meeting

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

Moved Councillor Lonie, Seconded Councillor Aust

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

Council at its meeting held 10 April 2018 resolved to adjourn Report No: 112/18 until the Croquet Club matter is determined and represented to Council for consideration at the same time in approximately 4 weeks' time.

The adjourned motion on notice regarding the Brighton Croquet Club is presented as item 12.1 on this agenda and as Council resolved to consider this report at the same time as the motion on notice is represented Report No: 112/18 is represented for Council's consideration in Attachment 1.

Refer Attachment 1

Debate on this adjourned report is recommenced at the point of adjournment and the following members have spoken to the adjourned motion which include Councillors Lonie, Aust, Clancy, Bouchee and Yates. Before Council can consider any further motions on this matter it must determine the adjourned motion.

REPORT

Following the comments made by Councillors during the debate on the policy, Administration had undertaken some minor drafting amendments to both section 8 of the Policy and section 2 of Appendix A.

A revised Policy which includes these amendments is attached for members' reference.

Refer Attachment 2 and 3

BUDGET

Not applicable.

LIFE CYCLE COSTS

Not applicable.

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

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.

RECOMMENDATION

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

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
---------------------------------------	---	------	---	---------------------------------------

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 (m²)</i> 10,537m ²	×	<i>Land Charge (A)</i> 20c per m ²	=	<i>Ground Maintenance Fee</i> \$2,107
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<p><i>Land Size (m²)</i> 10,537m²</p>	×	<p><i>Land Charge (AA)</i> 30c per m²</p>	=	<p><i>Ground Maintenance Fee</i> \$3,161</p>
<p><i>Land Size (m²)</i> 10,537m²</p>	×	<p><i>Land Charge (AAA)</i> 40c per m²</p>	=	<p><i>Ground Maintenance Fee</i> \$4,214</p>

*** 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.
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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. 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

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Responsible Officer:	Responsible Officer
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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*;
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- 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 2.4.1 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 2.2.3 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.

8.2 If however 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.

SPORTING AND COMMUNITY CLUBS LEASING POLICY

9 NAMING RIGHTS

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

APPENDIX A: SPORTING AND COMMUNITY LEASING POLICY INCENTIVE & DISCOUNT SCHEDULE

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
Public Access <10%	10%	<i>Facilities that are made available to the public via 'hire agreements'</i>
Inclusion <20%	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>
Good Governance <20%	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>
Youth / Aged Focused Programs <10%	5%	<i>Permanent Programs and Facilities</i>
	5%	<i>Occasional Programs (e.g. seasonal sporting programs)</i>
Multi-code <10%	10%	<i>Evidence of continual multi-facility users</i>

DRAFT

Item No: **13.1**

Subject: **MINUTES - AUDIT COMMITTEE – 4 APRIL 2018**

Date: 24 April 2018

Written By: General Manager Business Services

General Manager: Business Services, Mr R Bria

SUMMARY

The minutes of the meeting of the Audit Committee held on 4 April 2018 are presented to Council for information and endorsement.

RECOMMENDATION

That Council receives and notes the minutes of the meeting of the Audit Committee of 4 April 2018, namely:

1. **That the Audit Committee advises Council it has received and considered a Standing Items Report addressing:**
 - **Monthly financial statements**
 - **Internal control**
 - **Risk management**
 - **Whistleblowing**
 - **Internal audit**
 - **Economy and efficiency audits**
 2. **That the draft Unsolicited Proposals Policy be presented to Council for consideration and adoption.**
 3. **That the Audit Committee support the draft 2018-19 Annual Business Plan, as presented, for presentation to Council for the purpose of public consultation.**
-

COMMUNITY PLAN

A Place that Provides Value for Money

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Local Government Act 1999, Sections 41 and 126

BACKGROUND

The Audit Committee is established under Section 41 of the *Local Government Act 1999*, and Section 126 of the *Local Government Act 1999* defines the functions of the Audit Committee to include:

- reviewing annual financial statements to ensure that they present fairly the state of affairs of the council; and
- proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan; and
- proposing, and reviewing, the exercise of powers under section 130 A; and
- if the council has exempted a subsidiary from the requirement to have an audit committee, the functions that would, apart from the exemption, have been performed by the subsidiary's audit committee; and
- liaising with the council's auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis.

Minutes of the meeting of the Audit Committee of the City of Holdfast Bay held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 4 April 2018 at 6:30pm.

PRESENT

Members

Councillor S Charlick
Mr J Wood
Mr S Spadavecchia
Mr S Tu

Staff

General Manager Business Services – Mr R Bria
Manager Finance – Mr J Newton
General Manager Alwyndor Aged Care – Mr R Kluge
Chief Financial Officer Alwyndor Aged Care – Ms N Andjelkovic

1. APPOINTMENT OF ACTING PRESIDING MEMBER AND OPENING

In the absence of the Presiding Member, Councillor Smedley, the Audit Committee determined an acting presiding member for the meeting.

Motion

That the Audit Committee appoints Councillor Charlick as presiding member for this meeting.

Moved by Mr Wood, Seconded by Mr Spadavecchia

Carried

The acting presiding member declared the meeting open at 6:31 pm.

2. APOLOGIES

- 2.1 Apologies Received – Councillor J Smedley
- 2.2 Absent - Nil

3. DECLARATION OF INTEREST

Members were reminded to declare their interest before each item.

4. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit Committee held on 31 January 2018 be taken as read and confirmed.

Moved by Mr Spadavecchia, Seconded by Mr Wood

Carried

5. ACTION ITEMS

The Action Items were tabled and discussed.

6. REPORTS BY OFFICERS

6.1 Standing Items – April 2018 (Report No: 98/18)

The Audit Committee is provided with a report on standing items at each ordinary meeting.

Motion

That the Audit Committee advises Council it has received and considered a Standing Items Report addressing:

- **Monthly financial statements**
- **Internal control**
- **Risk management**
- **Whistleblowing**
- **Internal audit**
- **Economy and efficiency audits**

Moved Mr Wood, Seconded Mr Tu

Carried

6.2 Prudential Management Policy and Procedure (Report No: 102/18)

Section 48 of the Local Government Act (the Act) requires Council to develop policies, procedures and practices in relation to the assessment of projects to ensure that Council acts with due care, identifies risk, makes informed decisions and is accountable for the use of resources (prudential management).

A Prudential Management Policy has been developed to address the requirements of the Act. A Prudential Management Procedure has also been developed to provide more detail around how the Policy will be delivered. Together the documents outline the key requirements, purpose and scope in relation to Prudential Management.

The Policy was presented to Council for endorsement on 13 March 2018. The Procedure is presented to Council for information at the same meeting, and will be managed by the Senior Leadership Team.

The Policy and Procedure are presented to the Audit Committee for information and noting.

Motion

That the Audit Committee note the development of the Prudential Management Policy and Procedure.

Moved Mr Tu, Seconded Mr Spadavecchia

Carried

6.3 **Unsolicited Proposals Policy and Procedure** (Report No: 103/18)

The Unsolicited Proposals Policy is developed for the purpose of section 49 of the Local Government Act, providing a defined approach and record keeping process for entering into contracts through a process other than a tender. The Policy has been developed to address the receipt and assessment of unsolicited proposals.

An Unsolicited Proposals Procedure has also been developed to provide more detail around how the Policy will be delivered. Together the documents outline the key requirements in relation to the receipt, assessment and management of Unsolicited Proposals.

The Policy and Procedure are presented to Audit Committee for endorsement. Following the endorsement of these documents the Policy will be presented to Council for endorsement. The Procedure will be presented to Council for information, and will be managed by the Senior Leadership Team.

Motion

1. **That the draft Unsolicited Proposals Policy and Procedure be endorsed with minor amendments with linkages to other policies.**
2. **That the draft Unsolicited Proposals Policy be presented to Council for consideration and adoption.**

Moved Mr Wood, Seconded Mr Spadavecchia

Carried

6.4 **Governance and Compliance Frameworks** (Report No: 105/18)

The Governance and Compliance Frameworks have been prepared to demonstrate the Councils commitment to the principles of good governance and compliance, and the role that Governance and legislative compliance play in delivering effective and efficient operations.

The Governance Framework is an overarching summary of the governance structure that support Council operations. It will be used to educate new staff, and to clarify governance and operational matters.

The Governance and Compliance Frameworks are presented to Audit Committee to note and provide any relevant feedback.

Motion

That the Audit Committee note the Governance and Compliance Frameworks.

Moved Mr Wood, Seconded Mr Spadavecchia **Carried**

6.5 Internal Audit – Alwyndor Payroll Process (Report No: 101/18)

Council's Internal Auditor, Bentleys, have provided their Internal Audit Report on Alwyndor's Payroll Process and it is presented for discussion and noting.

Motion

That the Audit Committee notes the Internal Audit regarding Alwyndor's Payroll Process.

Moved Mr Tu, Seconded Mr Wood **Carried**

6.6 2017 Annual Report from Audit Committee (Report No: 99/18)

Under its terms of reference the Audit Committee is required to provide an annual report to Council.

A draft annual report for the calendar year ending 31 December 2017 is attached for the Committee's endorsement, so that it can be presented to Council.

A self-assessment questionnaire has been drafted to allow the Audit Committee to review its annual performance.

Motion

- 1. That the Audit Committee endorses the annual report contained in Attachment 1 to Report 99/18 for presentation to Council.**
- 2. That the Audit Committee note the self-assessment questionnaire and undertake to complete it prior to the next meeting.**

Moved Mr Tu, Seconded Mr Wood **Carried**

6.7 Draft 2018-19 Annual Business Plan (Report No: 100/18)

A first draft 2018-19 budget was presented to Council at a workshop on 6 March 2018. It was developed on the assumptions and parameters discussed at a Council workshop held on 6 February 2018. The draft budget satisfies Council's financial sustainability and performance measures.

Pursuant to its term of reference, the Audit Committee has an opportunity to review the assumptions, parameters and outcomes providing comments to Council in relation to the draft budget and associated Annual Business Plan.

Motion

That the Audit Committee support the draft 2018-19 Annual Business Plan, as presented, for presentation to Council for the purpose of public consultation.

Moved Mr Wood, Seconded Mr Spadavecchia

Carried

7. URGENT BUSINESS – SUBJECT TO THE LEAVE OF THE MEETING - Nil

8. DATE AND TIME OF NEXT MEETING

The next meeting of the Audit Committee will be held on Wednesday 6 June 2018 in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton.

9. CLOSURE

The Meeting closed at 8:21 pm.

CONFIRMED Wednesday 6 June 2018

CHAIRMAN

Item No: **13.2**

Subject: **MINUTES – JETTY ROAD MAINSTREET COMMITTEE –
11 APRIL 2018**

Date: 24 April 2018

Written By: General Manager, Community Services

General Manager: Community Services, Ms T Aukett

SUMMARY

The minutes of the meeting of the Jetty Road Mainstreet Committee meeting held on 11 April 2018 are attached and presented for Council's information.

Jetty Road Mainstreet Committee Agendas, Reports, and Minutes are all available on Council's website and the meetings are open to the public.

RECOMMENDATION

That Council receives and notes the minutes of the meeting of the Jetty Road Mainstreet Committee of 11 April 2018, namely:

- 1. That the Jetty Road Mainstreet Committee recommend to Council to write to the Minister regarding the deregulation of trading hours and its negative impact on Jetty Road Traders and community.**
 - 2. That the Jetty Road Mainstreet Committee recommends to Council that the term of appointment for the current Jetty Road Mainstreet Committee members is extended to 31 March 2019, to allow the Committee to continue operate during the 2018/19 summer period and allow for recruitment of new Committee members in 2019.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places
Community: Providing welcoming and accessible facilities
Economy: Supporting and growing local business
Economy: Making it easier to do business
Economy: Boosting our visitor economy
Culture: Being financially accountable
Culture: Supporting excellent, efficient operations
Culture: Being financially accountable

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Not Applicable.

BACKGROUND

The Jetty Road Mainstreet Committee (JRMC) has been established to undertake work to benefit the traders on Jetty Road Glenelg, using the separate rate raised for this purpose. Council has endorsed the Committee's Terms of Reference and given the Committee delegated authority to manage the business of the Committee.

REPORT

Minutes of the meeting of JRMC held on 11 April 2018 are attached for member's information.

BUDGET

Not Applicable

LIFE CYCLE COSTS

Not Applicable

CITY OF HOLDFAST BAY

Minutes of the meeting of the Jetty Road Mainstreet Committee of the City of Holdfast Bay held in the Glenelg Library Meeting Room, Colley Terrace, Glenelg on Wednesday 11 April 2018 at 6.00 pm.

PRESENT

Elected Members

Acting Mayor A Wilson – ex officio
Deputy Mayor Councillor A Bradshaw
Councillor S Charlick

Community Representatives

Mr M Faulkner, Chairman, Enve Hair and Beauty
Mr R Caruso, Caruso Fruit and Veg
Ms E Leenearts, Telstra Store Glenelg
Mr C Maios, Don Maios Investments
Mr T Beatrice, Cibo Espresso
Mr S Robinson, GU Film House,
Ms E Fassina, Fassina SA Family Liquor Stores

Staff

Ms T Aukett – General Manager Community Services
Ms M Lock – Manager City Activation
Ms V Miller – Business Development Partner
Ms A Brown – Jetty Road Coordinator

1. OPENING

The Chairman declared the meeting open at 6.00pm.

2. APOLOGIES

- 2.1 For Absence - Mr A Fotopoulos, Mr A Warren
- 2.2 Leave of Absence - Nil

3. DECLARATION OF INTEREST

Members were reminded to declare any interest before each item.

4. CONFIRMATION OF MINUTES**Motion**

That the minutes of the Jetty Road Mainstreet Committee held on 7 March 2018 be taken as read and confirmed.

Moved Mr C Maios, Seconded Ms E Fassina

Carried

5. QUESTIONS BY MEMBERS**5.1 Without Notice****5.1.1 Proposed Deregulation of Shop Trading Hours – Councillor Bradshaw**

Councillor Bradshaw asked a question regarding the impact of the proposed deregulation of shop trading hours, its impact on Jetty Road and what the committee has/proposes to do.

The Chairman, Mr M Faulkner answered Councillor Bradshaw's questions and the Committee discussed what actions they had taken to date to oppose the changes and what meetings they had planned with members of the Opposition and Legislative Council.

The Committee discussed the representations they have made and the other organisations which are involved in trying to block these changes. The Acting Mayor provided the committee an update of a meeting she had with the Lord Mayor of Adelaide who expressed an interest in working together to oppose this proposed deregulation.

Motion

That the Jetty Road Mainstreet Committee recommend to Council to write to the Minister regarding the deregulation of trading hours and its negative impact on Jetty Road Traders and community.

Moved Ms E Leenearts, Seconded Mr T Beatrice

Carried

5.2 With Notice - Nil**6. MOTIONS ON NOTICE - Nil****7. ADJOURNED ITEMS - Nil**

8. REPORTS/ITEMS OF BUSINESS**8.1 City of Holdfast Bay Economic Activation Plan 2018-2023 Presentation**

Ms V Miller, Business Development Partner made a presentation on development of the City of Holdfast Bay Economic Activation Plan 2018-2023 which will guide future prosperity and growth in Holdfast Bay and asked members of the committee to provide input into the development of the strategies. A short workshop discussing the key areas was conducted.

8.2 Monthly Finance Report (Report No: 121/18)

Jetty Road Mainstreet Committee March 2018 variance report as prepared by the Jetty Road Development Coordinator is presented for information of the members of the Jetty Road Mainstreet Committee.

The Committee discussed the new format of the Variance Report and commented on the improvement in the way the financial information is being presented to the Committee. The presentation of the marketing budget is still being developed.

Motion

That the Jetty Road Mainstreet Committee note the March 2018 variance report.

Moved Mr C Maios, Seconded Councillor S Charlick

Carried

8.3 JRMC Extension of Terms of Membership (Report No: 123/18)

In preparation for the 2018 Local Government Elections in November, the Jetty Road Mainstreet Committee wish to recommend to Council that it extend the terms of membership for the current Committee members to end on 31 March 2019, instead of concluding on 9 November 2018, to allow the committee to continue operating across the busy summer season and to allow for the advertising of vacant positions in January 2019.

Motion

That the Jetty Road Mainstreet Committee recommends to Council that the term of appointment for the current Jetty Road Mainstreet Committee members is extended to 31 March 2019, to allow the Committee to continue operate during the 2018/19 summer period and allow for recruitment of new Committee members in 2019.

Moved Mr C Maios, Seconded Mr T Beatrice

Carried

8.4 **Draft Jetty Road Retail Strategy 2018-2022** (Report No: 124/18)

At the 7 March 2018 JRMC meeting the JRMC endorsed the vision, strategic objectives and direction of the draft Jetty Road Retail Strategy 2018-2022. Presented for information of the JRMC is the high level public facing Jetty Road Retail Strategy Summary 2018-2022 document that is ready for consultation via the City of Holdfast Bay's Your View website throughout May 2018.

The Strategy will be provided to Council for their information at their meeting on 24 April 2018, and is attached to this Report.

The Manager City Activation provided the Committee with an update on the development of the draft Jetty Road Retail Strategy, the development and production of new marketing collateral and how the Retail Strategy comprises two documents – the public high level overview and a detailed supporting plan.

Committee discussed the draft document and agreed that the Committee members should have more time to provide feedback on the Draft Strategy presented as attachment 1 to Report 124/18.

Motion

That the Jetty Road Mainstreet Committee adjourns endorsing the draft Jetty Road Retail Strategy until the next meeting of the committee in May 2018 and that the Committee members are asked to provide any specific feedback on the draft document to the Manager City Activation by 20 April 2018 for incorporation into the draft document.

Moved Ms E Fassina, Seconded Mr C Maios

Carried

8.5 **Jetty Road Christmas Decorations – Verbal Report**

The Manager City Activation provided the committee with an update on the progress of the investigations into the Jetty Road Christmas Decorations for the Telstra Building and in Moseley Square.

To remain within the allocated budget the Committee will need to lease the decorations and equipment for both locations. The Committee discussed the feasibility of splitting the two different activities between the Winter Wonderland in July 2018 and Christmas.

The Committee discussed the impact of day light saving on the light installation on the Telstra building.

Motion**That Jetty Road Mainstreet Committee:**

1. **Lights the Telstra building as part of the Winter Wonderland promotion, and if successful, subject to available budget, consider incorporating this into the Jetty Road Christmas decorations at a maximum cost of \$17,000.**
2. **Proceed with the lease of the baubles for Moseley square Christmas decorations at a maximum cost of \$37,000.**

Moved Mr T Beatrice, Seconded Ms E Fassina

Carried

8.6 Marketing Project – New Visual Assets (Report No: 125/18)

At its Special Meeting on 21 February 2018, the JRMC approved the allocation of current 2017/18 budget savings of \$10,000 to be used for projects to develop new visual assets including photos and video of Jetty Road. The new suite of assets will be used for social media and to update the image library for upcoming marketing opportunities.

Motion

That the Jetty Road Mainstreet Committee note the update provided by the Jetty Road Development Coordinator on the new Visual Assets.

Moved by Mr T Beatrice, Seconded by Mr S Robinson

Carried

9. URGENT BUSINESS – Subject to the leave of the meeting**9.1 Moseley Beach Bar**

Mr Beatrice asked a question regarding the Moseley Beach Bar and the Committee discussed the positive outcomes from the operation of the beach bar and the survey which will be conducted by Council.

9.2 Bay/City and City/Bay Fun Run

Mr Caruso asked a question regarding the discussions regarding the fun run route coming down Jetty Road, Glenelg.

The Manager City Activation provided members with an update on the discussions with the organisers.

9.3 Mainstreet SA Conference – 10 and 11 May 2018

Mr Maios informed the committee that he has been asked to participate in a panel discussion at the upcoming Mainstreet SA Conference being held on 10 and 11 May 2018 in Port Pirie.

The Chairman advised the committee that at its next meeting the committee would confirm its delegates attending this conference.

9.4 Glenelg Jetty Rejuvenation Project – SATC Investor Delegation Briefing

The Manager City Activation informed the committee that the Jetty Road Mainstreet Committee and the Council had been selected to present the Glenelg Jetty Rejuvenation Project to a trade and investment delegation sponsored by the South Australian Tourism Commission on 7 May 2018. The delegation will have representatives from Hong Kong, Malaysia and Singapore.

10. DATE AND TIME OF NEXT MEETING

The next meeting of the Jetty Road Mainstreet Committee will be held on Wednesday 2 May 2018 in the Glenelg Library Meeting Room, Colley Terrace, Glenelg.

11. CLOSURE

The meeting closed at 7.30 pm.

CONFIRMED Wednesday 2 May 2018

CHAIRMAN

Item No: **14.1**
Subject: **ITEMS IN BRIEF**
Date: 24 April 2018
Written By: Personal Assistant
General Manager: Business Services, Mr R Bria

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.

RECOMMENDATION

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

1. **Licence Plate Recognition Car Parking Anzac Highway, Glenelg – Trial Results**
 2. **The Value in LGA Membership**
 3. **The Big Wedgie and Big Chukka – Response to Council Decision**
 4. **Montpellier MP3 – Food Act Prosecution**
-

COMMUNITY PLAN

Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Not applicable

REPORT

1. **Licence Plate Recognition Car Parking Anzac Highway, Glenelg – Trial Results**

Council approved in its new initiatives 2017/2018 budget the vehicle mounted parking management, licence plate recognition (LPR) system. This trial project was conducted in partnership with an external contractor. The trial period was for six months, October 2017 to March 2018. The trial days covered Friday, Saturday and Sundays plus public holidays throughout this period.

A vehicle mounted LPR system is the logical progression to cover pockets of high parking problem areas, managing the ever increasing parking demands on time resources. The LPR addresses this challenge by using technology to automate many of the time consuming functions such as chalking up vehicles.

The LPR reads every parked vehicle number plate recording its location and electronically “chalking” for each vehicle it passes and automatically alerts the officer to any offending vehicle after a second pass by and the parking restriction time limit has passed. The LPR can scan 1,000 vehicles per hour day and night in all weathers. The system creates and retains images for verification and offers greatly improved accuracy over manual methods while reducing time and resources.

The trial area covered the 62 public car parks in the centre island of Anzac Highway, Glenelg. These car parks had a time limit of three hours, those vehicles who over stayed the 3 hours were issued a fine.

Keeping in mind the limited car parking spaces (62) in the trial the following results were achieved:

- Total overstays identified by LPD – 266
- Total fines issued – 266
- Total fines issued for previous 6 months by administration - 9

The LPR system worked very well during the six months and there was no public issues using this intelligent data system in our car parks.

The new initiative budget for this trial was \$11,000.

The revenue received during the trial was \$14,458.

Monies to implement the LPR system have been included in the draft 2018/19 budget.

2. **The Value in LGA Membership**

An independent report by UHY Haines Norton on the Value of LGA Membership 2018 has been completed.

In July 2016 the LGA published a document designed to identify the financial benefits to Councils of their membership of the LGA. Assisted by LGA Queensland business analyst, the publication was circulated to Councils as “The Value Proposition of Membership of the LGA of SA.”

As a part of a process which allows for annual updating, the LGA commissioned an independent verification of the document. UHY Haines Norton was contracted to undertake this work with their first report published in March 2017.

In 2018, UHY Haines Norton has again reported on the value of LGA Membership and their findings were that the estimated total financial benefit of the LGA to the sector is \$139,443,633 and \$2,001,383 to councils directly.

A snap shot of the financial findings is below and the full comprehensive report is attached.

Refer Attachment 1

Initiative	Estimated Benefit to Sector	Estimated Benefit to Council
Advocate	\$48,997,033	\$700,937
Assist	\$17,142,600	\$283,200
Advance	\$73,304,000	1,017,246
Total March 2018	\$139,443,633	\$2,001,383
Total at March 2017	\$133,368,568	\$1,557,620
<i>Not all financial benefits are available to all councils</i>		
Financial Benefit		
Savings	\$70,705,600	\$1,079,255
Contributions	\$68,738,033	\$922,128
Total	\$139,443,633	\$2,001,383

3. **The Big Wedgie and Big Chukka – Response to Council Decision**

The Beachouse applied through their company The Big Wedgie Pty Ltd for an event license for Wigley Reserve to run their Big Chukka, Big Wedgie, Just Right Wedgie and The Little Wedgie from 15 December 2018 until 3 February 2019.

Council considered this request at its meeting of 27 March 2018, and applied an event license fee of \$60,000 plus a refundable bond of \$20,000. This fee has been rejected by the proprietor and a counter offer (in writing) of \$15,000 made. Based on Council's decision, this fee is considered unacceptable, and no further discussions have been entered into at this time, unless Council so wish.

4. **Montpellier MP3 - Food Act Prosecution**

In the Adelaide Magistrates Court, on Monday 16 April, 2018, the Magistrate accepted a plea of guilty by the Proprietor of the Montpellier MP3 Café, Mr B H Liang, on four counts of breaching Section 21 of the *Food Act 2001*, failing to comply with the Food Safety Standards that relate to pests, cleanliness, and maintenance. Fines in the amount of \$4,800 and costs of \$3,300 were awarded in Council's favour.

The Montepellier MP3 Café, at Jetty Road Brighton, has been subject to a high level of scrutiny, because of concerns regarding the food safety standards practiced by the Proprietor.

In November 2014 Council received a complaint, and the subsequent investigation resulted in the service of an Expiation Notice. A further complaint in September 2017, was the catalyst for a prosecution under the Food Act.

The September complaint prompted a series of inspections, in which it was confirmed there was a systemic failure to prevent and control an infestation of cockroaches, inadequate cleaning and maintenance were observed.

Enforcement action in addition to the prosecution included the service of Improvement Notices, requiring corrective actions related to:

- Pests
- Cleaning
- Maintenance
- Skills and Knowledge

The Montepellier MP3 Café is now pest-free, clean, and well maintained.

The community can be assured that food businesses in Holdfast Bay will continue to be subject to inspections, to confirm they meet Food Safety Standards.



LGA OF SOUTH AUSTRALIA VALUE OF MEMBERSHIP - 2018

Corinne Garrett
UHY Haines Norton

April 2018

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EXECUTIVE SUMMARY

Scope

UHY Haines Norton has been engaged by the Local Government Association of South Australia (LGA) to provide a report on the value of membership to the Local Government Association of South Australia.

Methodology

In undertaking this project, an initial workshop was held with the Leadership Management Team of the LGA, followed by interviews with LGA staff. The workshop identified key areas of value and interviews with staff identified further details on the services offered by the LGA.

Information contained in the Value Statement prepared for the LGA in 2017 was reviewed and expanded upon after interviews with staff in 2018.

Value has been determined by comparing the costs paid by councils to comparable alternative costs. Where external comparisons were not available, a realistic estimate of benefits has been provided. Where there is a sector benefit that is available to all councils, the total has been divided by the number of councils that have access to the benefit (usually 68) resulting in an estimated average.

It is important to note that averages mean that some councils will gain more, and others less than the average savings indicated.

Many services require staff resources of the LGA. If these services were undertaken by councils individually they too would require an allocation of staff resources. For the purpose of this report, staff resources were calculated on a professional level staff member rate of level 5 to 6 with responsibilities as detailed in the South Australian Municipal Salaried Officers Award. This estimated at a full-time salary (including on-costs such as superannuation and workers compensation insurance) costing a council approximately \$100,000 per year full time. (South Australian Employment Tribunal, 2017). (South Australian Employment Tribunal, n.d.). The estimated salary is taken as an average of a range of councils' Enterprise Bargaining Agreements for Level 5/6 staff.

A service can be valuable to members even if the value is not able to be quantified in financial terms. These types of services are included and discussed in this report.

Information about service areas has been provided by staff and from the LGA website.

Our report has been prepared for the LGA to assist understanding of the value of membership to the LGA and should not be used for any other purpose.

Service Areas Assessed

In 2017 the value of services was assessed on nine key service categories. They were;

- Insurance
- Banking
- Procurement
- Governance
- Workforce
- Online services
- Research Scheme
- Advocacy
- Council member support

For 2018, the services have been listed within the context of the LGA's three key initiatives that guide the organisation;

- Advocate
- Assist
- Advance

This report expands on the nine key service areas that were assessed in 2017 and each service area is set out under the relative key initiative.

Key Findings

S59 of the *Local Government Act 1999* sets out the roles of members of councils. Of relevance is sub section (iii) which sets out that one of the roles of a council member is;

“to keep the council’s resource allocation, expenditure and activities and the efficiency and effectiveness of its service delivery, under review.”

Our report demonstrates that there is a financial advantage for councils to be a member of the LGA. There is also a significant non-financial benefit of membership. Membership of the LGA therefore, is an important tool for councils and their councilmembers in seeking to commit to ongoing improvement in the efficiency and effectiveness of service delivery.

There are several services provided by the LGA which are difficult to quantify in financial terms yet provide indirect benefits to council members and staff in the sector. These services would be very difficult to arrange by individual councils with such a council having to go without the service or source a supplier at potential significant cost.

The following tables summarise the services provided by the LGA, their link to the Key Initiatives and the estimated value to the average council, both in financial and non-financial terms as well as the sector.

LGA Staff

The LGA secretariat is a small team of around 48 staff (a mix of permanent, contract and grant funded positions) servicing 68-member councils and has a culture strongly committed to providing value to members. Staff roles and responsibilities support the key initiatives of 'Advocate', 'Assist', and 'Advance' in delivering on the LGA mission.

The LGA Board, the Chief Executive Officer and the secretariat recognise that a strong organisational culture is critical in delivering both financial and non-financial benefits. Whilst it is not stated as a direct value to members, the work of the secretariat in building a people and performance culture is noted as a significant contribution to achieving outcomes for the sector.

Financial Benefit

Councils gained financial benefit from membership of the LGA in two ways;

- Savings - where councils are able to spend less on services due to their membership
- Contributions - where councils receive funding due to the work of the LGA

Summary

Initiative	Estimated Benefit to Sector	Estimated Benefit to Council
Advocate	\$48,997,033	\$700,937
Assist	\$17,142,600	\$283,200
Advance	\$73,304,000	\$1,017,246
Total March 2018	\$139,443,633	\$2,001,383
Total at March 2017	\$133,368,568	\$1,557,620
<i>Not all financial benefits are available to all councils</i>		
Financial Benefit		
Savings	\$70,705,600	\$1,079,255
Contributions	\$68,738,033	\$922,128
Total	\$139,443,633	\$2,001,383

Advocate

Service	Estimated Financial Benefit	
	Sector	Average Per Council
Awareness Campaign - Savings	\$3,400,000	\$50,000
Public Health funding - Contribution	\$161,700	\$2,378
Regional Youth Traineeship Program (Regional councils only) - Contribution	\$1,333,333	
Supplementary Road Funding - Contribution	\$20,000,000	\$294,118
State Local Government Infrastructure Partnership - Contribution	\$24,000,000	\$352,941
State Wage Case - Savings	\$102,000	\$1,500
Total Advocacy Benefit	\$48,997,033	\$700,937
HACC Funding commitment for 2018/19 - Contribution	Include in 2018/19	

Service	Non-Financial Benefit
ALGA Membership	Advocacy at the national level.
Advocacy in General	Being part of a united strong voice when dealing with State and Federal Governments. Financial benefits are shown separately.
Code of Conduct	Influencing state policy with strength of sector.
Economic Development Initiatives	United influence on State Government policy development and ability to unite to undertake major economic development projects.
Events – AGM/OGM Conferences	Promotion of sector and networking.
Statutory Fees and Charges	Updated knowledge of fees and charges.

Assist

Service	Estimated Financial Benefit	
	Sector	Average Per Council
Online Services - Savings	\$4,095,000	\$87,500
Building Upgrade Finance - Savings	\$680,000	\$10,000
Education and Training - Savings	\$4,467,600	\$65,700
Emergency Management - Savings	\$3,400,000	\$50,000
Energy Efficiency Audit - Savings	\$420,000	\$10,000
Legal Delegation Templates - Savings	\$680,000	\$10,000
Planning – Implementation of legislation changes - Savings	\$1,292,000	\$19,000
Policies and Guidelines - Savings	\$2,108,000	\$31,000
Research & Development Scheme \$1.5m distributed over programs described in this paper - Contribution		
Total Assist Benefit	\$17,142,600	\$283,200

Service	Non-Financial Benefit
Benchmarking	Simplified access to data.
Careers in Council	Improved candidate ability and response.
Climate Change	Resources to assist councils to address climate change risks.
Documents/Templates/ Policies and Guidelines and Information Papers	Assist staff and council members achieve better outcomes for their communities by having increased capability and expertise in undertaking their roles using best practice principles and ensuring compliance with legislation.
Enews	Improved understanding of sector issues.
Fund My Neighbourhood	Centralised, streamlined process.
Governance General Advice and Support	Increased staff and council member capability.
Governance Network	Avenue for dissemination and collection of information to improve staff knowledge.
Governance Panel	Independent panel for complaint assessment.
LGA Corporate Governance	LGA that effectively serves members.
LGA Website	Information source that increases capability of staff and council members.
Local Government Communicators Network	Increased staff capability.
Media Advice	Media resource and unified responses.
Media Coverage	Media resource and unified responses.
Networking	Competent staff delivering best practice services to communities and decrease in risk and potential cost of non-compliance.
Planning	Increased staff and council member capability.
Roads and Works Conference	Improve knowledge and outcomes in the management of road infrastructure.
Sector Morale and Leadership Program	Improved council member leadership.
Service Certificates and Awards	Promote sector and encourage leadership.
Social Media training	Increased staff capability.

Advance

Service	Estimated Financial Benefit – Current	
	Sector	Average per Council
LGA Procurement		
• Diesel Fuel Rebate -Savings	\$400,000	\$5,882
• Professional Development and Tools - Savings	\$680,000	\$10,000
• Tendering – General Tender Avoidance costs - Savings	\$3,870,000	\$56,912
• Tendering – General Contract Savings	\$13,500,000	\$198,529
• Tendering – Electricity Contract, tender avoidance and contract savings (64 councils) - Savings	\$9,100,000	\$142,188
• CWMS (not available to all councils) - Contribution	\$4,700,000	
Banking - Savings	\$7,427,000	\$109,221
Insurance Schemes	\$33,627,000	\$494,515
Total Advance Benefit	\$73,304,000	\$1,017,246

Service	Non-Financial Benefit
LGA Procurement	
• Commercial Activities	Potential future savings
• LGA Directory	One Stop source of information
• Professional Development & Tools	Competent staff and procurement processes
• Tendering – Fee for Service	Robust tendering process in line with public sector procurement principles

BACKGROUND

Local Government Associations

The first local government associations were founded in Europe in the early 1900's and continue to be set up all over the world. A Municipal Association was established in 1875 in South Australia.

The International Cooperation Agency of the Association of Netherlands Municipalities (VNG) is an organisation that seeks to strengthen democratic local government worldwide and their report 'Establishing a Local Government Association' discusses the value of local government associations and the benefits of membership.

The report states that local government associations worldwide provide the ability;

- For people involved in local government to share experiences;
- To learn from each other;
- To work together to find solutions for common obstacles; and
- Make their work more cost-effective.

The VNG makes several statements about membership of a local government association:

“By paying a membership fee, local governments demonstrate that the LGA matters to them, and they want to contribute to maintaining it.” (VNG International, 2007)

“Members need to understand that their LGA is as strong or as weak as they want it to be. An LGA with many active members, all paying their membership fees and contributing with information, knowledge, participation in working groups, etc., will be stronger than one with members who expect to get everything done for them without contributing anything themselves.” (VNG International, 2007)

The Council of Europe developed the ‘European Charter of Local Self-Government’ which states that *“local authorities are one of the main foundations of any democratic regime”* (Council of Europe, 1985). The Charter further discusses that whilst local government will work at the local level, each local government authority must work with a centralised government anywhere in the world and there will always be tension between central government and local government with both sides having their own perceptions and priorities, therefore requiring negotiation between the two.

In South Australia, a strong local government authority is important in providing a single voice to State Government instead of 68 individual voices and enabling the State Government to see the LGA and the local government sector as a partner while providing services and representation to members.

Australian Local Government Association

The LGA of South Australia is a member of the Australian Local Government Association (ALGA).

The Australian Local Government Association’s strategic priorities are:

- Strengthening local government finances
- Sustaining local roads, transport and other infrastructure
- Improving natural and built environmental outcomes
- Enhancing regional equity and regional development
- Building capacity and sustainability in local communities
- Connecting member associations and the Local Government sector
- “Engaging effectively in Australian Government processes.” (Australian Local Government Association, n.d.)

The ALGA is funded from State Association budgets. The ALGA has a small secretariat based in Canberra.

Local government in Australia is represented by the ALGA’s President on the Council of Australian Governments (COAG). This body includes the Prime Minister, state premiers, territory chief ministers and the ALGA President and provides local government with an important opportunity to sit at the table with Australian decision makers. At the time of writing this report, a South Australian Mayor (City of Prospect Mayor David O’Loughlin) who is also a member of the LGA of SA’s Board, is the President of ALGA. This provides additional profile and voice for South Australian councils in the federal arena. South Australian representation on the ALGA Board can only be drawn from members of the LGA of SA Board.

Local Government Association of South Australia

The LGA is the peak representative body for local government in South Australia. The LGA is supported by the Parliament of South Australia in Schedule 1 to the [Local Government Act 1999](#).

The mission of the LGA is to provide leadership to councils for the benefit of the South Australian community.

SERVICES

Advocate – Financial Benefits

Awareness Campaigns

This is an ongoing campaign on raising awareness of what councils do and the value of council services. In election years the focus increases with an aim to increase participation in council elections. The LGA also provides graphic design services for councils for all the awareness and election campaigns.

This service is enhanced by LGA membership surveys, sector wide research and brand segmentation.

If councils were required to manage this individually they would likely need the services of approximately 0.50 FTE staff member at a professional officer level estimated at \$50,000 including all employment on costs. This is an average estimate with election years requiring more than other years.

- **Estimated potential savings to each council of \$50,000.**
- **Estimated potential sector savings are \$50,000 x 68 = \$3,400,000.**

Public Health Program

The LGA has successfully negotiated a further 12-month extension of the Public Health Program funding to assist councils undertaking their functions under the South Australian Public Health Act (2011). This is a \$161,700 commitment in an agreement between the LGA and SA Health.

This is a significant year for public health because the Act is scheduled for review by the Social Development Committee of SA Parliament. Similarly, the State Public Health Plan – which sets the context for local councils' public health planning – is also being reviewed.

This is also the year when councils will be providing their biennial report to the Minister for Health concerning their public health actions. Securing this funding extension will ensure the voice of local government is stronger and clearly included in these reviews, reports and plans.

- **Sector benefit is a funding contribution of \$161,700.**
- **Average council contribution received is \$161,700 divided by 68 councils being \$2,378.**

Regional Youth Traineeship Program

The LGA partnered with Primary Industries and Regions SA to implement the LGA Regional Youth Traineeship Program as part of the State Government's \$10 million Jobs Accelerator Fund. These two year programs aim to assist unemployed young people in regional areas to participate in the labour market through paid full-time employment whilst undertaking a Certificate III qualification.

The programs increase regional youth workforce participation across regional South Australian and support council workforce development initiatives to address their ageing workforce and skill shortage areas. The programs provide a wage subsidy per trainee for up to two years filling 114 positions across South Australian regional governing bodies.

This funding was only available for councils in non-metropolitan Adelaide.

- **Sector benefit was a funding contribution of \$4,000,000 over 3 years being \$1,333,333 annualised.**
- **Benefit was only available to regional councils.**

Supplementary Road Funding

LGA involvement in advocacy was successful with the 2017/18 Federal budget providing \$40 million over two years to reinstate supplementary road funding for South Australian councils. This will ensure a fairer share of roads grant funding from the Commonwealth and will assist councils to maintain and upgrade the State's road network for the benefit of our communities.

- **Sector Benefit is funding contribution of \$40 million over two years being \$20 million per year.**
- **Average potential contribution to each council for one year is \$20 million divided by 68 being \$294,118.**

State Local Government Infrastructure Partnership

The LGA played an advocacy and direct distribution role for this State Government funding. The purpose of the funding was to accelerate infrastructure projects and enable councils to bring forward infrastructure projects planned for 2019 and beyond with a focus on jobs. Total grant funding is \$24 million paid for 31 projects across 26 councils.

The LGA's role in this partnership has been to borrow the money for the grants on behalf of the sector and to manage the three-way relationship involving the State, LGA and Local Government Finance Authority (LGFA), to aid councils when making applications for funding under the program and to manage the execution of the deeds required for the provision of funding to successful projects. The LGA is focussed on driving economic development and supporting additional jobs over the next three years of the program as a partner in government.

- **Sector contribution benefit is \$24 million.**
- **Estimated average potential contribution benefit per council is \$352,941.**

State Wage Case

The LGA prepares and represents councils in the Industrial Relations Commission on behalf of all councils as employers in South Australia. This involves data collection and submission to the Commission. If councils had to undertake this process individually it would likely cost at least \$1,500 per year based on the process undertaken by LGA officers.

- **Estimated savings to each council of \$1,500.**
- **Sector savings benefit is \$1,500 x 68 councils being \$102,000.**

Aged Care

The LGA prepared discussion papers and submissions in the review of aged care funding reforms (federal) and advocated to State Government to continue HACC funding while the South Australian roll out of NDIS is completed. This resulted in securing a \$27 million commitment from the former State Government to continue Home and Community Care (HACC) funding in 2018/19.

- **To be included in 2018/19.**
- **Sector contribution benefit will be \$27 million.**
- **Estimated average council benefit will be \$27 million divided by 68 councils being \$397,059.**

Advocate – Non-Financial Benefits

Australian Local Government Association (ALGA)

As previously mentioned the LGA of South Australia is a member of the Australian Local Government Association (ALGA) which gives South Australian councils the benefit of sector-wide advocacy at the national level. Since November 2016, the ALGA President has been a Mayor from South Australia's City of Prospect, Mayor David O'Loughlin. Mayor O'Loughlin's thorough understanding of uniquely South Australian issues has resulted, with support from the LGA, in securing additional road funding specifically for South Australia.

Many South Australian councils are represented at the ALGA National General Assembly each year where councils from across the country come together to discuss the sector's national advocacy agenda. The LGA adds value to members in this process by preparing a comprehensive briefing paper on the motions that have been submitted for debate, including information about current LGA policy positions, potential benefits and implications for South Australian councils and relevant work already underway at the state level.

- **Benefit to each council is advocacy at the national level.**

Advocacy in General

A key role of the LGA is advocacy on behalf of the local government sector to influence the State Government and the Federal Government through the Australian Local Government Association (ALGA) in local government matters.

Some recent advocacy examples are;

- Opposition to rate capping.
- State Election Policy Platform – informing and advocating political bodies on local government issues.
- Return of the Financial Assistance Grants (FAGS) indexation in the 2017/18 Federal Budget. Total FAGS grants received by South Australian councils in 2017/18 was \$156 million.
- Reinstatement of the Supplementary Road Funding.
- Aged Care reform securing ongoing Home and Community Care (HACC) funding.
- Influencing the implementation of the State's new planning system and input into the new Planning and Design Code.
- Changed the State Government's planned overhaul of Local Heritage protections.
- Extension of the Public Health Program funding.
- Relief for councils from SA Planning Portal contributions.
- Raising issues of Cost Shifting in South Australian Budget submissions.
- Input into State Budget each year.
- Economic Development.
- Memorandum of Understanding with the Environment Protection Agency (EPA).

- Service Agreement with Green Industries SA to improve waste management practices.
- Legislated agreement with State Government that underpins the role and functions of the Stormwater Management Authority.
- Local Government Reform.
- Submissions to State Government on legislation changes.
- Core Partners of Climate Knowledge, Innovation and Communities (Climate-KIC) (along with the State Government and some of Australia's most respected universities and a range of influential businesses, market leaders and Small to Medium Enterprises (SMEs).
- Coastal Climate Adaption, identifying ways to lobby, advocate and act on the increasing coastal climate risks being faced by councils along the entire South Australian coast.
- Advocating for a State Government support package for the waste industry and local government following implementation of China's Revised Waste Import Policy.

- **Benefit to each council is being part of a united strong voice when dealing with State and Federal Governments on matters that affect Local Government.**

Code of Conduct

This service involved consultation and forums with members to identify council views on the Code of Conduct and developing a submission and draft proposal to influence legislative change.

- **Benefit to each council is influencing state policy with the strength of sector advocacy.**

Economic Development Initiatives

This service works to assist councils to grow the GDP and employment in their areas. This is accomplished by coordinating submissions to parliamentary inquiries and participating in government and non-government committees.

Examples during 2016-2018 have been:

- China Engagement Strategy (investment attraction); 26 councils are involved in this project including nine metropolitan councils. The project seeks to identify local government as playing a key role in opening China's second and third tier markets for South Australia's small and medium enterprises.
- Future Towns Future Cities; exploring technology to inform the planning, budgeting, administration and operations of councils.
- Population; R&D funding for a study 'Developing the evidence base to support the LGA's Population Advocacy Position' to be used in advocacy with the State Government.

In general, LGA's Economic Development initiatives have resulted in;

- Representation of the sector influencing State Government tourism strategy, planning, marketing and resource allocation.
- Representing the sector to identify, simplify and/or reduce red tape.

- **Benefit to each council is being part of a united influence on State Government policy development. Additionally, this service allows councils to unite to undertake major economic development projects that would be difficult individually.**

Events

Major events are the LGA Conference and Annual General Meeting and the Showcase and Ordinary General Meeting. Other events include the Roads and Works Conference which is covered in the 'Assist' section.

- **Benefit to each council is promotion of Local Government sector and facilitation of networking between Council members.**

Special Local Roads Program

The LGA is a member of and provides secretariat support to the Local Government Transport Advisory Panel (LGTAP), who provides advice to the LGA Board for the recommendation of projects (under the Identified Local Road Grants and South Australian allocation of Roads to Recovery) to the Federal Minister for Local Government and Territories. Without the due process and prioritisation that the LGTAP provides, South Australian councils would be unable to provide a unified or cohesive ask to the Commonwealth Government for road funding. This would effectively put all these grants at risk.

- **Benefit to each council is a state-wide facilitation and coordination effort.**

Statutory Fees and Charges

Annual advice is given to councils of changes in statutory fees and charges. Advocacy for statutory fees and charges to be cost recovery based.

- **Benefit to each council is updated knowledge of statutory fees and charges changes.**

Assist – Financial Benefits

On-line Services

The LGA provides website software for councils. Alternative website software has been costed at between \$25,000 and \$50,000 more than the LGA service, being a potential average saving of \$37,500 (i.e. \$25,000 + \$50,000 divided by 2). The Unity software is used by 50 councils. Sector benefit is \$37,500 x 50 councils being \$1,875,000.

Alternative suppliers of website software provided for intranet and/or extranet (council member website) at an additional cost whilst the LGA's system is at no extra cost. This is a potential saving per council of \$20,000. Thirty five councils use this service resulting in a sector benefit is \$20,000 x 35 councils being \$700,000.

Alternative suppliers for an individual app for each council have been costed at \$20,000. There are no additional costs to councils for using the Local Services App. The app is used by 42 councils. Sector benefit is \$20,000 x 42 councils being \$840,000.

The candidate website is provided at no cost to individual councils and alternative commercial products have been costed at \$10,000 per council. Sector benefit is \$10,000 x 68 councils being \$680,000.

The LGA provides an online transaction facility for councils using Synergy Corporate Finance software which allows communities to make online payments via council websites. This is provided as a fee for service. This service supports 12 regional councils.

- **Potential savings benefit per council in using these services is approximately \$87,500. Not all councils use all the services, but they are able to.**
- **Sector savings benefit is \$4,095,000.**

Building Upgrade Finance (BUF)

The LGA developed a guide and decision-making tool for councils in understanding and working within this legislation. The tool addresses the policy, resourcing and risk considerations that councils should consider in deciding to opt in to a BUF.

The guide and tool will save councils when developing their business cases. Potential saving is estimated at \$10,000.

- **Savings benefit to councils for the guide and tool is potentially \$10,000.**
- **Sector saving benefit is \$10,000 x 68 councils being \$680,000.**

Education and Training Programs

This service provides training for elected members and council staff. Training is run in Adelaide and in country South Australia and on-line. All training is targeted to local government using relevant local government content. The training is responsive to training needs within the sector and emerging issues and needs.

This service mainly is funded by participants with some LGA projects including a training component which is free to members.

If councils were to undertake training separately to the LGA service, they would need to engage someone to develop and deliver a program specifically tailored to their council issues. An indicative quote from a South Australian training institution that delivers training to the State Public Service estimates that preparation and delivery of one-off specialist training to an individual council would be approximately \$7,000 per one-day course made up of \$4,800 for development and \$2,200 in delivery.

If the staff or council members of a council attended ten training days per year, that would be a cost of \$70,000 compared to \$430 for a full day training with the LGA, being \$4,300. The LGA also provides several free trainings so savings would likely to be at least \$65,700.

- **Benefit to councils is relevant training available for staff and elected members at potential savings per council of \$65,700.**
- **Sector savings benefit is \$65,700 x 68 councils being \$4,467,600.**

Emergency Management

The LGA advocated to ensure that State Government understood the importance of the LGA being part of emergency management discussions to ensure councils are heard at the state level for emergency management policy development. This has enabled the LGA to be represented on State committees and involved in the coordination of local government in an emergency.

This activity has resulted in a streamlining of information flow as it would be unworkable for 68 councils to work with the state individually. The LGA knows the issues facing the councils in the

state and is therefore able to provide councils with up to date, timely and best practice information as well as inform the state on issues about emergency management affecting councils.

The funding achieved from State Government assists councils in emergency management planning to improve preparedness.

State and Federal funding and the Local Government Association Mutual Liability Scheme contribute to the costs of LGA staff wages for this service.

If councils were required to manage this individually they would likely need the services of approx. 0.50 FTE staff member at a professional officer level estimated at \$50,000 including all employment on costs.

- **Estimated savings benefit to each council of \$50,000.**
- **Sector savings benefit is \$50,000 x 68 councils being \$3,400,000.**

Energy Efficiency Audit

The LGA conducted a high-level audit of Local Government energy efficiency activities. Each participating council received an individual report and a decision-making tool which incorporated a repository of sector-wide energy efficiency information. Forty two councils were involved, but all were eligible. It is estimated that councils would need to pay at least \$10,000 for this work to be undertaken individually, but without the benefit of access to state-wide information.

- **Estimated savings benefit to councils is \$10,000.**
- **Sector savings benefit is \$10,000 x 42 involved councils being \$420,000.**

Legal Delegations and Authorisations

The legal delegation templates relating to 27 pieces of legislation that governs local government has been developed by the LGA to assist councils with this legally required document. The LGA updates these delegations quarterly at a contracted legal cost of \$10,000 per year.

Councils would need to undertake this task individually if not provided by the LGA.

As well as the updates of the delegations, the LGA informs councils through the issue of circulars.

This service is provided at no additional cost to member councils.

- **Estimated savings benefit to each council is \$10,000.**
- **Sector savings benefit is \$10,000 x 68 being \$680,000.**

Planning – implementation of legislation

The LGA has been engaged in working with the sector on the implementation of changed legislation. This has included advocacy on a range of issues including the establishment of the CDAPs and developing the delegation templates to councils. Councils would have needed to develop this documentation themselves without membership at an estimated cost of \$5,000. The LGA has made submissions to the State Government on the Community Engagement Charter, Design Code and Accreditation Scheme and advocated on the eplanning portal resulting in a 12-month delay and a saving to councils of between \$4,000 and \$24,000. The LGA also commissioned a Cost Impact Report which established a benchmark to enable councils to identify the cost impact of the new system.

- **Estimated savings benefit to each council is \$5,000 for templates and the average of the range of \$4,000 to \$24,000 being \$14,000, an estimated total of \$19,000.**
- **Sector savings benefit is \$19,000 x 68 councils being \$1,292,000.**

Policies and Guidelines

The LGA has developed several policies and guidelines that relate to council governance topics including papers on authorisations, model policies, standard operating procedures (SOPs) and guidelines. There are 51 Policy and Guideline papers and nine SOPs.

The ongoing annual cost of updates is \$6,000 for external contractors of which \$5,000 is funded by the R&D Scheme and \$1,000 by the LGA. Staff resources are approximately 0.25 FTE.

If councils had to prepare and update this information individually they would likely need to pay similar costs and allocate similar staff resources costing potentially an estimated \$6,000 plus 0.25 FTE of \$100,000 (estimated professional wage). This would be an estimated \$31,000 per year.

- **Estimated savings benefit to councils is approximately \$31,000.**
- **Sector savings benefit is \$31,000 x 68 councils being \$2,108,000.**

Research and Development Scheme (R&D Scheme)

The R&D Scheme is funded by foregone taxation equivalent of the LGFA as required by legislation. Each year there is approximately \$1.5 million in funding. Numerous projects have been completed over the past ten years. This paper notes many services which have received R&D funding. A portion of the funding each year is also available to anyone with an interest in Local Government, including councils, for research projects that can benefit local government.

There has been a total of \$6,900,000 allocated to 176 projects over the past five years.

Expenditure for administering the scheme is funded within the scheme.

- **Benefit to all councils is \$1.5 million contribution per year of projects that increase knowledge and capability. Many of these projects are covered elsewhere in this document.**

Assist – Non-Financial Benefits

Benchmarking

The current benchmarking project is working to gather data held by the LGA, council websites and Grants Commission into one source. Outcomes will be a report on data collected, comparison between groups of councils, report on current spending and priorities of services for groups of councils and a database of supporting data.

This work will assist the LGA to identify areas of potential need in council groups and develop services to address these. The information will also be useful for council staff to consider areas that could be investigated further to improve cost and efficiencies.

- **Benefit to each council is simplified access to data.**

Careers in Councils

There is a job search page on the LGA website which is accessible by the public. It has an average of 55,000 hits per month. Each council's website has vacancy adverts when they arise with these linking to the LGA site. This results in a council's advert reaching a much wider audience.

- **Benefit to each council is expanded vacancy advertising leading to potentially improved candidate ability and response.**

Climate Change

The LGA has produced guidance notes and documents to inform councils on climate change risks and to assist councils in developing and implementing measures to address these risks. The LGA has also developed training sessions to assist council staff in using these tools.

- **Benefits to councils are guides, documents and training to assist councils in addressing climate change risks.**

Documents/Templates/Policies, Guidelines and Information Papers

The LGA has produced useful guides and resources for many of the professional areas of local government. Including;

- Key Dates
- Guide on Festivals and Events
- Guide on Mainstream Programs
- Governance manuals, codes and guidelines
- Information papers for financial sustainability including model policies and guidelines
- Model Financial Statements for South Australia which are recognised in legislation
- Information papers on council rates
- Information and updates on legislation
- Better Practice Model (Internal Financial Controls Framework)
- Asset Management Plan for use by small councils
- Operating procedures for council run airports
- Standard Operating procedures and templates for authorised officers
- Guidelines for sustainable management of recreation facilities
- Representation Quota updates
- Protocols on dealing with the Ombudsman
- Child safe environments
- Community engagement
- Developing and maintaining arts and culture
- Volunteer management

- **Benefits to each council is guides to assist staff and elected members to achieve better outcomes for their communities and to ensure compliance with key legislation and best practice procedures.**

Enews and Ecomms

This service provides council members and CEOs with weekly and fortnightly enews updates on LGA activities and issues relating to the sector. This includes media monitoring and software. No additional costs for councils.

- **Benefit to each council is improved understanding of sector issues.**

Fund My Neighbourhood

Fund My Neighbourhood was a State Government initiative that funded projects identified by the public. The LGA supported both State Government and councils to assist in the smooth running of the program and was a central point for 'Frequently Asked Questions'. The LGA provided advice to the State Government and councils and facilitated communication between councils and the state program team. The LGA also developed reporting templates for councils and the State Government to use. The State Government contributed to the LGA for administration time. Total funding by the State Government is \$40m over two years. In year one, 205 projects over all council areas have received funding.

- **Benefit to each council was a centralised, streamlined process.**

Governance General Advice and Support

Local Government operates within a legal framework established by the South Australian Parliament and the LGA provides a range of tools and expert staff to assist councils to meet their legislative obligations. This includes receiving and responding to many direct enquiries from staff and elected members, and the development and publication of many codes and guidelines relating to the roles and responsibilities of councils under the *Local Government Act 1999*. The LGA also provides advice and tools to assist councils to practice good governance, which encompasses the way in which councils are elected, the accountability of staff and elected members and the way in which councils report to their communities. More detail is included in the Documents/Templates/Policies, Guidelines and Information Papers section.

- **Benefit is increased staff and elected member capability.**

Governance Network

This is a network that is set up by council employees to further their knowledge in the governance area. LGA staff attend but do not provide support, however it is a useful avenue to provide advice, disseminate and collect relevant information.

- **Benefit to councils is an avenue for dissemination and collection of information to improve staff knowledge.**

Governance Panel

This service assists councils in addressing complaints about the conduct of council members under the Code of Conduct for Council Members Part 2 – Behavioural Code. For the period 1 April to 31 August 2017 the panel dealt with 12 referrals of alleged breaches of the Code.

Investigations by the panel are funded on a user pay basis.

- **Benefit to each council is access to an independent panel for complaint assessment.**

LGA Corporate Governance

The LGA is also an entity itself and has its own governance and management responsibilities. It is important that the LGA leads by example in these areas whilst supporting its members. This includes agendas and minutes for the Board, Audit Committee, records management, WHS etc.

- **Benefit to each council is a best practice organisation that can effectively service its members.**

LGA Website

The material within the website that is available to the public and the members section. The public section provides considerable information on current matters and local government in general. The members' only section is an in-depth resource for information on most topics that effect councils in South Australia.

- **Benefit to each council is an in-depth information source for their communities along with information for council staff and elected members to improve their own capability.**

Local Government Communicators Network (LGCN)

The LGA supports, provides advice, and provides network meetings for the LGCN. This is a network of council staff who are responsible for delivering their councils' and general local government information to their communities. The LGA covers the costs of the meetings and meetings are also provided online for regional South Australian councils. The meetings cover topics such as media, communication and community engagement. The LGCN website page provides council communication staff with resources, standard policies and guides to assist them.

- **Benefit to each council is increased staff capability.**

Media Advice

This service provides councils with advice on how to manage media enquiries. The LGA can develop a media statement or put councils in touch with neighbours that have similar enquiries. It also provides media advice on sector or industry issues. No additional charge to councils which access the service.

- **Benefit to each council is access to trained experience media personnel along with unified media response to sector wide issues.**

Media Coverage

This service is undertaken by the LGA President and/or CEO doing interviews either on topics which relate to the sector or in relation to individual councils. The outcome is that councils don't have to do media presentations themselves or not without support.

- **Benefit to each council is access to trained experience media personnel along with unified media response to sector wide issues.**

Networking

There are many networking groups that work both within and with the LGA.

Networking is an important professional development practice to assist in ensuring that staff are fully informed of legislative changes. Council staff work within a highly regulated framework

covering numerous pieces of legislation. Understanding of this legislation is constantly challenged by case law along with ongoing changes to the statutory law framework.

Local government is very complex with multiple business units and the delivery of multiple service types to the community. Networking assists in staff working towards the attainment of best practice principles.

By increasing legislative compliance and professional expertise, networking is a tool to help deliver better services to communities with potential for less cost in delivery and less cost and risk of non-compliance.

- **Benefit to each council is competent staff able to deliver compliant and best practice services to communities and decrease in risk and potential cost of non-compliance in a complex legislative environment.**

Planning

Local Government plays a key role in planning policy in the community. The LGA contributes project support and resources to councils to help them work collaboratively in this area. Planning and environmental policy are an important way in which the LGA supports councils to help build communities and equip councils for the future.

This service area provides resources, including codes, guidelines, policies and templates on;

- Planning and Development
- Stormwater
- Waste and Recycling
- Natural Resource Management

- **Benefit is increased staff and council member capability.**

Roads and Works Conference

The Roads and Works Conference is a forum where the latest technology is presented as well as government policy changes that effect councils' management of roads. Additionally, the Conference brings together in one place, major suppliers to Local Government infrastructure departments. The Conference also enables infrastructure staff to meet and network with others, enabling discussion on and potential solutions for common problems.

- **Benefit to each council is to improve knowledge and outcomes in the management of road infrastructure.**

Sector Morale and Leadership Program

This is an emerging program to improve sector morale and improve leadership capability. One anticipated outcome of the program is to demonstrate council member leadership with reduced complaints and associated costs for councils.

Strategies planned are; improve networking for council members, being responsive to leadership issues in the sector, building on and utilizing sector engagement and developing leadership capability, induction and peer support programs.

- **Benefit to each council is to demonstrate council member leadership with potential reduction of costly Code of Conduct issues.**

Service Certificates and Awards

This includes certificates for elected members to celebrate achieving key milestones of service and special awards such as the Joy Baluch, Jim Hullick and Jim Crawford awards.

There are also service certificates for staff for achieving service to Local Government ranging over ten, 20, 25, 30, 35, 40, 45 and 50 years of service.

- **Benefit to each council is to increase the profile of local government and to encourage leadership.**

Social Media Training

This training is 'video conferenced' and recorded making it available to councils in regional South Australia that would normally need to travel to attend. Training costs are covered by participants.

A suite of resources has also been developed by the LGA for council staff to use when dealing with the social media platform for their councils. The social media resources are provided through research and development funding.

- **Benefit to each council is increased staff capability.**

Advance – Financial Benefits

LGA Procurement

This is a commercial entity owned by the LGA and designed to support councils to deliver the best value for their communities. This is undertaken by identifying, developing and delivering value-added products and generating economies of scale through bulk purchasing, contract administration and e-commerce. LGA Procurement provides several contracts to councils that have been negotiated as a sector wide endeavour and is continuing to investigate additional contracts which would provide economy of scale savings to councils.

LGA Procurement also undertakes the tendering process for individual or groups of councils.

Diesel Fuel Rebate

LGA Procurement discovered that \$1.2 million collectively had been overpaid by councils. The average benefit per council is calculated as the total divided by 68 councils divided by three full years.

- **Estimated average savings benefit to councils annually is \$5,882.**
- **Sector savings benefit is \$1.2 million divided by three years being an annual average of \$400,000.**

Professional Development and Tools

LGA Procurement also provides training for council officers on a fee for service basis. Training is targeted to local government in South Australia. This ensures that staff are competent in procurement practices.

The LGA Procurement also provides tools and resources such as model policies, documentation and templates. LGA Procurement estimates the cost of annually maintaining these documents being \$10,000 per year. Councils would likely need to undertake this process individually if this service was unavailable.

- **Estimated savings benefit to councils is competent staff and procurement processes and \$10,000 per year.**
- **Sector savings benefit is \$10,000 x 68 councils being \$680,000.**

Tendering – Whole Sector

This is tendering for whole of sector contracts which provide savings to councils on the tendering costs and ability to tender in a bulk buy situation.

General tenders

The total spending through LGA Procurement in 2016/17 was \$46.9 million with estimated savings being \$13.5 million.

The number of tenders for the year was 258. LGA Procurement estimates the cost of tendering is \$15,000 per tender which would be borne by individual councils to achieve the same results. The estimated benefit is 258 x \$15,000 being \$3,870,000 for the sector.

Not all councils use the service, but it is available to all. LGA also places a weekly composite advert in the business section of the Advertiser and on SA Tenders website – this is a fee for service.

- **Sector benefit in savings on contracts was \$13.5 million.**
- **Estimated average benefit per council in savings on contracts is \$13.5 million divided by 68 councils being \$198,529.**

- **Sector benefit in tendering savings is \$3,870,000.**
- **Estimated average benefit per council annually in tendering avoidance is \$3,870,000 divided by 68 councils is \$56,912.**

Electricity

This is a \$43 million contract over two years. Sixty four councils are able to be involved in this contract. LGA Procurement estimate the cost of organising the electricity contracts to be \$50,000 which would otherwise be borne by councils individually.

LGA Procurement estimates the potential savings on the cost of electricity being at least \$15 million over the two year period for the sector.

- **Estimated benefit per council annually for arranging the contract is \$50,000 divided by two years = \$25,000.**
- **Estimated average benefit per council is \$15 million divided by 64 potential councils divided by two years = \$117,187.**

- **Sector savings benefit for organising the tender and contract is \$25,000 x 64 councils being \$1,600,000 with the savings benefit per council being \$25,000.**

- Sector savings benefit of contract savings is \$7.5 million per year with the savings benefit per council being \$7.5 million divided by 64 councils being \$117,188.
- Total sector savings benefit is \$1.6 million + \$7.5 million being \$9.1 million.
- Council savings benefit is \$25,000 + 117,188 being \$142,188.

Tendering – Individual Councils

LGA Procurement also undertakes the tendering process for individual councils on a fee for service basis. This service ensures a robust tendering process in line with public sector procurement principles.

- Benefit to councils is a robust tendering process in line with public sector procurement principles.

Community Wastewater Management Schemes (CWMS)

A new contract has been negotiated for \$47 million over ten years as a subsidy for the cost of building new schemes. This is only relevant to councils needing to build new CWMS. Many metropolitan councils would have SA Water providing sewerage schemes for their communities and would not need this service.

- Benefit is funding contributions of \$4.7 million per year as subsidy to councils building new CWMS.

Banking

The Local Government Finance Authority of South Australia (LGFA) exclusively serves South Australian Councils and Local Government Bodies. It was established in 1983.

In accordance with Section 24 of the *Local Government Finance Authority Act 1983*, the Treasurer of South Australia guarantees all of the Authority's liabilities, including monies accepted on deposit from clients.

Members who support the Authority with deposits and/or use the loan facilities, receive a share of annual distributions.

The LGFA makes payments equivalent to company income tax to the Research and Development Scheme administered by the LGA.

Banking	Benefit to Sector
Borrowings held by South Australian Councils at 31 January 2018	\$669,000,000
The difference in interest rates between alternative commercial products and the LGFA dependent on the type of borrowings undertaken by the minimum difference was a reduced rate of;	1.1%
Total savings per year for sector for borrowings	\$7,359,000
Average savings per Council (total divided by 68)	\$108,221
The LGFA investment accounts do not charge fees providing an average saving per council of:	\$1,000
Total savings per year for sector on bank fees	\$68,000
Average savings benefit per council	\$109,221
Total sector savings	\$7,427,000

Insurance

Local Government Risk Services provides councils in South Australia with a number of insurance products.

LGA Workers Compensation Scheme (LGAWCS)

Local Government in South Australia is self-funded and not part of the Return to Work SA (RTWSA) scheme that other South Australian businesses must register with. The LGAWCS provides members with a discounted registration cost compared to the RTWSA.

There are also a number of other benefits to councils that are listed in the table below;

LGA Workers Compensation Scheme	Benefit to Sector
Annual sector saving from self-Insurance compared to RTWSA - Savings	\$10,957,000
Special distributions paid to members - Contribution	\$3,000,000
Council Risk Incentive Program - Contribution	\$1,000,000
22.5% year on year reduction in Annual Workers Compensation Claims - Savings	\$2,718,000
15% year on year decrease in 'total days lost to injury' - Savings	\$159,000
Scheme Funded Health and Wellbeing Program 2,200 Health Checks and 3,000 Skin Screenings - Contribution	\$660,000
Access to Scheme Funded WHS & Risk Specialists and System Development and Training - Contribution	\$3,400,000
Annual Subscription Fee for Skytrust Risk Management Software - Savings	\$400,000
Investment income from Contributions and Surplus funds – Contribution	\$1,340,000
Total Sector Benefit	\$23,634,000

LGA Mutual Liability Scheme

This scheme provides councils in South Australia with a fully integrated risk, claims and legal services for the management of civil liabilities.

LGA Mutual Liability Scheme	Benefit to Sector
Special distributions paid to members in 2017/18 - Contribution	\$2,000,000
Council Risk incentive program - Contribution	\$800,000
Scheme funded Risk Specialists & Risk Programs - Contribution	\$1,500,000
Legal cost savings for the sector. Establishing precedents/ongoing management and maintenance of statutory immunities. Reducing Council legal costs & administration burden. - Savings	\$850,000
Investment income from Contributions and Surplus funds - Contribution	\$803,000
Total Sector Benefit	\$5,953,000

LGA Asset Mutual Fund

This scheme provides Councils in South Australia with broad cover of their physical assets integrated with a specialised claims management system.

LGA Asset Mutual Fund	Benefit to Sector
Performance Bonus issued to Member in 17/18 as a contribution reduction – Contribution	\$2,000,000
Special distributions paid to Members in 2017/18 - Contribution	\$1,000,000
Access to Funded Asset & Risk Management Programs - Contribution	\$600,000
Investment income from contributions and surplus funds - Contribution	\$440,000
Total Sector Benefit	\$4,040,000

- **Total sector benefit for all schemes is \$33,627,000.**
- **Average benefit per council (total divided by 68) is \$494,515.**

Advance – Non-Financial Benefits

Commercial Activities

This service seeks to expand commercial activities for the LGA which could provide new revenue streams and assist councils to find cost savings and efficiencies. Program recently commenced.

- **Benefit to each council of potential future savings.**

LGA Directory

LGA Procurement produces a directory of all councils and other important information each year.

- **Benefit to councils is updated 'one stop' information.**

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Item No: **14.2**

Subject: **BUDGET UPDATE – AS AT 31 MARCH 2018**

Date: 24 April 2018

Written By: Manager Finance

General Manager: Business Services, Mr R Bria

SUMMARY

This report covers the third update of Council's 2017/18 budget conducted as at 31 March 2018.

A comprehensive review of Municipal budgets has increased the forecast operating surplus by \$427,663 to \$925,234. A major favourable variance refers to the Government grant funding for the reinstated Supplementary Local Road program. Other positive variances include the Caravan Park, community events, planning fees, interest on investments and borrowings. This is been part offset by reduced revenue from regulatory services. Capital expenditure has increased by \$238,941 offset by \$196,600 of grant funding.

Alwyndor operations show a \$299,653 deficit increase in the forecast operating result. The major variances occurred in a recalculation of grants and increased employment costs due to growth in consumer directed care and transitional costs. Forecast capital expenditure has decreased by \$40,000.

Attached are financial reports as at 31 March 2018. They comprise a Funds Statement and a Capital Expenditure Report for Council's municipal activities and Alwyndor Aged Care, and a month by month variance report for Council's municipal activities. Commercial activity financial reports are also provided.

RECOMMENDATION

1. **That Council notes the third 2017/18 budget update for Council's municipal operations including:**
 - (a) **an increase in the forecast operating surplus for 2017/18 of \$427,663 from \$497,571 to \$925,234 (compared to an operating surplus of \$102,540 in the original budget);**
 - (b) **an increase in forecast capital expenditure of \$238,941 from \$13.944 million to \$14.183 million (compared with \$6.224 million in the original budget);**
 - (c) **an increase in forecast capital revenue of \$196,600 from \$1.838 million to \$2.035 million (compared with \$230,750 in the original budget);**

- (d) a decrease in forecast net financial liabilities of \$385,322 at 30 June 2018 from \$20.062 million to \$19.677 million (compared to a net financial liabilities amount of \$21.974 million in the original budget).
2. That Council notes the third 2017/18 budget update for Alwyndor operations including:
- (a) an increase in the forecast operating deficit for 2017/18 of \$299,653 from a previous break-even forecast (compared to \$464,475 operating surplus in the original budget);
 - (b) a decrease in forecast capital expenditure of \$40,000 from \$741,663 to \$701,663 (compared with \$741,663 in the original budget);
 - (c) a decrease in the forecast funding surplus of \$259,653 from \$155,316 surplus to \$104,337 deficit (compared with \$619,791 surplus in the original budget).
-

COMMUNITY PLAN

Culture: Being financially accountable

COUNCIL POLICY

Not applicable.

STATUTORY PROVISIONS

Local Government (Financial Management) Regulations 2011, Regulation 9.

BACKGROUND

The Local Government (Financial Management) Regulations 2011 require three specific budget performance reports to be prepared and considered by Councils including:

1. Budget Update (at least twice per year);
2. Mid-year Budget Review (once per year); and
3. Report on Financial Results (after completion and audit of annual financial statement of previous financial year).

The three reports collectively are intended to provide a comprehensive reporting process that allows Council to track performance against the financial targets it established in its annual budget.

REPORT

The current forecast projections comprise the original budget adopted by Council at its meeting on 13 June 2017 and items carried forward from 2016/17 adopted by Council on 22 August 2017, and budget updates adopted by Council on 24 October 2017 and 23 January 2018. Following a comprehensive review of these budgets a number of proposed variations have been identified.

Further details of the amounts and notes along with funding statements for both Council Municipal and Alwyndor operations have been prepared and are attached to this report.

Refer Attachment 1

The statements comprise six columns:

- The 2017/18 original full year budget.
- The current year to date revised forecast.
- Actual to 31 March 2018.
- Year to date variance to 31 March 2018.
- The current approved full year revised forecast comprising the original budget and items carried forward from 2016/17.
- Proposed budget forecasts variances arising from this budget update.
- Note references

Major year-to-date variances have been accounted for as part of this budget update. The remaining year-to-date variances are the result of budget timings.

Major variance areas

Major operational variances have occurred in the following areas:

- Federal Government Grant – Supplementary Local Roads Program untied funding \$188,000.
- Brighton Caravan Park – net increase in revenue - \$110,000.
- Increased interest on investments and reduced interest on borrowings - \$98,000.
- Increased planning and land division fee income - \$45,000.
- Increased community event income - \$40,000.
- Decreased regulatory services parking income - \$107,000.

The major capital variances include additional funding for Angus Neill Playground, Brighton Community Garden and drainage works at Leak and Blackburn Avenues.

For Alwyndor operations there has been a net increase in operating costs due to reduction in operating grants combined with an increase in employment costs due to the growth of the Consumer Directed Care and transitional arrangements.

Financial Assistance Grant - timing

In May 2017 the Federal Government announced that it would bring forward the payment of 50 percent of the 2017-18 Financial Assistance Grants. Council received \$569,900 advance payment on 9 June 2017. The timing of this payment required it to be recorded as income in the 2016/17 financial year. The effect of this will be a corresponding reduction in the operating result for 2017/18. Advice has not been received on whether the 2018/19 Financial Assistance Grant will be brought forward and paid in June 2018 and as such no budget adjustment has been included for this item.

Commercial Activities

Comparative financial reports to 31 March have been provided for councils major commercial activities including Brighton Caravan Park, Partridge House and Partridge Street carpark. The Brighton Caravan Park surplus forecast has been increased by \$110,000 in this budget update to reflect the improved position.

Refer Attachment 2

Financial Indicators

Financial indicators have been prepared including an operating surplus ratio, net financial liabilities ratio and asset sustainability ratio.

The operating surplus ratio is determined by calculating the operating surplus/(deficit) before capital amounts as a percentage of total operating revenue.

The net financial liabilities ratio is determined by calculating total liabilities less financial assets as percentage of total operating revenue.

Another relevant measure of ability to service debt is the interest cover ratio. The interest cover ratio is measured by calculating net financial interest as a percentage of the total operating revenue. A ratio of 5 per cent indicates that for every \$100 of revenue \$5 is spent in net interest payments. The current interest cover ratio indicates that Council is in a strong financial position to manage debt.

The asset sustainability ratio is determined by calculating capital expenditure on the renewal or replacement of existing assets, excluding new capital expenditure as a percentage of depreciation. This ratio measures the extent to which existing infrastructure and assets are being replaced.

The following tables provide updated forecasts for these and other major ratios for Council, Alwyndor and the consolidated result for both entities at 31 March 2018.

Municipal Funds	Target – from 2017/18 Annual Budget/LTFP	Current Budget Forecast	Revised Budget Forecast
Operating Result *	≥ 0	\$497,571 surplus	\$925,234 surplus
Operating Ratio**	$\geq 0\%$	1.1%	2%
Net Financial Liabilities ratio ***	$\leq 75\%$	44%	42%
Interest Cover Ratio ****	$\leq 5\%$	2%	1.8%
Asset Sustainability Ratio *****	90% -110%	84%	86%

***Operating Result** is the result from total operating income less total operating expenses before asset disposals, amounts received for assets and changes in the valuations of assets.

****Operating Ratio** expresses the operating result as a percentage of total operating income.

*****Net Financial Liabilities Ratio** expresses total liabilities less total financial assets as a percentage of total operating income.

******Interest Cover Ratio** expresses finance costs including interest on borrowings less interest on investments as a percentage of total operating revenue excluding interest on investments.

*******Asset Sustainability Ratio** is defined as net capital expenditure on the renewal and replacement of existing assets expressed as a percentage of depreciation.

Ratio – Alwyndor Funds	Target – from 2017/18 Annual Budget/LTFP	Current Budget Forecast	Revised Budget Forecast
Operating Result	≥ 0	Break-even	(\$299,653) Deficit
Net Financial Liabilities ratio	NA	79%	81%
Asset Sustainability Ratio	90% -110%	83%	78%

Ratio – Consolidated Funds *	Target – from 2017/18 Annual Budget/LTFP	Current Budget Forecast	Revised Budget Forecast
Operating Result	≥ 0	\$497,571 Surplus	\$625,581 Surplus
Operating Ratio	$\geq 0\%$	0.8%	1%
Net Financial Liabilities ratio	$\leq 75\%$	54%	53%
Interest Cover Ratio	$\leq 5\%$	0.9%	0.5%
Asset Sustainability Ratio	90% -110%	84%	85%

*Amounts and ratios include Alwyndor operations.

Additional financial indicators have been identified for Alwyndor operations which give a better measure of financial performance. These measures and indicators have been included in the table below as at 31 March 2018.

Additional Alwyndor Performance Indicators	Target	Actual to 31 March 2018	Notes
Bed occupancy rate – year-to-date average	98.0%	98.49%	
Cash Liquidity Level – ability to refund bonds/refundable accommodation deposits (RAD's)	Minimum of \$2m	\$6.1m @ call	1
Accommodation Bond/RAD Level – to ensure it is increasing to provide financial reserves for future capital expenditure	\$28.5m	\$33.2m (13% increase)	
Cash to total revenue	6%	3.57%	2
Percentage of full pension funded beds – this determines eligibility for Federal Government refurbishment supplement funding	55 beds – 41%	54 beds – 40%	3
Resident Financial Position – surplus/(deficit) position per resident	\$6.94 surplus per resident per day	\$13.29 deficit per resident per day	4

Notes

1. To enable refund of Accommodation Bonds due in April and receiving resident admissions earlier than expected. Excess funds to be invested in April.
2. Due to operating deficit.
3. Ratio will be increased as more full pension funded residents are admitted.
4. Deficit is a result of not achieving targeted Government funding combined with additional transition costs and miscalculation of the supplement grant income in the original budget.

BUDGET

The content and recommendation of this report indicates the effect on the budget.

LIFE CYCLE COSTS

The nature and content of this report is such that life cycle costs are not applicable.



City of Holdfast Bay Municipal Funds Statement as at March 2018

2017 - 2018 Original Budget \$'000	Year to Date				2017 - 2018 Adopted Forecast \$'000	Proposed Forecast Adjustment \$'000	Note
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000				
(737)	(573)	(627)	54	Administrative Services	(737)	(37)	1
1,659	782	969	(188)	FAG/R2R Grants	1,659	188	2
(1,058)	(783)	(779)	(4)	Financial Services	(1,031)	37	3
(8,623)	(6,581)	(6,543)	(38)	Financial Services-Depreciation	(8,773)	-	
(241)	-	-	-	Financial Services-Employee Leave Provisions	(241)	-	
(1,070)	(347)	(302)	(45)	Financial Services-Interest on Borrowings	(961)	61	4
230	-	-	-	Financial Services-SRWRA	230	-	
33,187	33,447	33,434	13	General Rates	33,187	(12)	
(633)	(371)	(322)	(50)	Human Resources	(650)	-	
(3,659)	(3,179)	(2,916)	(263)	Strategic and Commercial Services	(3,959)	54	5
(644)	(417)	(388)	(29)	Strategy and Policy	(539)	-	
(522)	(380)	(372)	(8)	Business Development	(519)	-	
(952)	(729)	(613)	(116)	Community Development	(959)	-	
(340)	(246)	(259)	13	Community Engagement Admin	(340)	-	
(848)	(677)	(581)	(96)	Community Events	(807)	40	6
(299)	(225)	(212)	(13)	Community Services Administration	(302)	-	
(135)	(96)	(89)	(7)	Community Transport	(135)	-	
(59)	(46)	67	(112)	Community Wellbeing	(77)	15	
(517)	(385)	(383)	(2)	Customer Service	(517)	-	
-	110	130	(20)	Jetty Road Mainstreet	(37)	-	
(1,337)	(939)	(930)	(9)	Library Services	(1,313)	6	
4	51	128	(77)	Lifelinks	(38)	23	7
(310)	(232)	(236)	4	Tourism & Marketing Admin	(310)	-	
(1,471)	(982)	(919)	(63)	Asset Management	(1,471)	(30)	8
(1,422)	(703)	(689)	(15)	Assets and City Services	(1,098)	5	
30	10	77	(67)	Cemeteries	30	-	
612	767	615	152	City Regulation	598	(107)	9
878	730	1,001	(270)	Commercial - Brighton Caravan Park	878	110	10
(15)	(3)	(22)	19	Commercial - Partridge House	(15)	-	
436	327	287	41	Commercial - Recreational Clubs Leases	439	-	
(865)	(581)	(485)	(96)	Development Services	(822)	45	11
(633)	(362)	(467)	106	Environmental Services	(654)	36	12
(373)	(292)	(278)	(14)	Infrastructure Maintenance	(373)	-	
(18)	(12)	(7)	(6)	Property Maintenance	(18)	-	
(7,432)	(5,168)	(4,758)	(410)	Public Spaces	(7,325)	(6)	
(3,519)	(2,315)	(2,284)	(31)	Waste Management	(3,399)	-	
-	-	122	(122)	Net Gain/Loss on Disposal of Assets - non cash item	-	-	
796	-	-	-	Less full cost attribution - % admin costs capitalised	796	-	
103	9,601	11,370	(1,769)	=Operating Surplus/(Deficit)	498	428	
-	-	(122)	122	Net Gain/loss on disposal of assets	-	-	
8,623	6,581	6,543	38	Depreciation	8,773	-	
8,623	6,581	6,421	160	Plus Non Cash Items in Operating Surplus/(Deficit)	8,773	-	
8,726	16,182	17,791	(1,609)	=Funds Generated from Operating Activities	9,271	428	
-	1,119	1,205	(86)	Amounts Received for New/Upgraded Assets	1,534	197	13
231	248	191	57	Proceeds from Disposal of Assets	304	-	
231	1,367	1,396	(29)	Plus Funds Sourced from Capital Activities	1,838	197	
(5,090)	(4,067)	(3,094)	(972)	Capital Expenditure on Renewal and Replacement	(6,271)	(126)	
(1,134)	(5,069)	(4,535)	(534)	Capital Expenditure on New and Upgraded Assets	(7,672)	(113)	
(6,224)	(9,136)	(7,630)	(1,506)	Less Total Capital Expenditure	(13,943)	(239)	14
209	198	247	(50)	Plus:Repayments of loan principal by sporting groups	209	-	
209	198	247	(50)	Plus/(less) funds provided (used) by Investing Activities	209	-	
2,941	8,610	11,804	(3,194)	= FUNDING SURPLUS/(REQUIREMENT)	(2,626)	385	
Funded by							
1,360	4,741	4,741	-	Increase/(Decrease) in Cash & Cash Equivalents	(630)	385	
-	3,024	6,093	(3,069)	Non Cash Changes in Net Current Assets	-	-	
-	-	-	-	Less: Proceeds from new borrowings	(3,577)	-	
1,581	845	970	(125)	Plus: Principal repayments of borrowings	1,581	-	
2,941	8,610	11,804	(3,194)	=Funding Application/(Source)	(2,626)	385	

Note 1 – Administrative Services - \$37,000 unfavourable

Professional services \$29,600 (Council resolution C230517/787), revised forecast for postage \$7,000.

Note 2 – Financial Assistance Grants (FAG) - \$188,000 favourable

Supplementary Local Road Funding program reinstated by Federal Government for 2017-18 and 2018-19. Payment received in January 2018.

Note 3 – Financial Services - \$37,000 favourable

Positive cash flow and investment of \$4.8m from Dept. of Planning, Transport and Infrastructure for Minda Coast Park project received on 16 March 2018 has resulted in additional \$41,800 forecast interest on investments. Part offset by reduced rate search income \$5,000.

Note 4 – Financial Services – Interest on Borrowings \$61,000 favourable

Positive cash flow and timing of capital expenditure has resulted in reduced reliance on short term cash advance borrowings. This has resulted in a saving on interest on borrowings.

Note 5 – Strategic and Commercial Services \$54,000 favourable

Jetty Road Glenelg Master Plan \$50,000 less than the allocated budget. Remaining \$4,000 favourable variance due to reallocations between various functions and projects including risk, information technology and Seacliff DPA.

Note 6 – Community Events - \$40,000 favourable

Additional income from Moscow Circus \$6,500, Moseley Beach Bar \$11,000 any other city activation activities.

Note 7 – Lifelinks - \$23,000 favourable

Transfer funds to capital budget for electronic display boards.

Note 8 – Asset Management - \$30,000 unfavourable

Additional gas monitoring required at redeveloped Kauri Parade Community and Sport complex site.

Note 9 – City Regulation - \$107,000 unfavourable

Reduced parking fines \$60,000 due to reassigning patrols to Glenelg foreshore surveillance including breakwater precinct. Reduced off-street parking revenue \$50,000 reflecting actual patronage.

Note 10 – Brighton Caravan Park - \$110,000 favourable

Net increase in hire fees reflecting patronage. Refer also separate Caravan Park analysis attached.

Note 11 – Development Services – \$45,000 favourable

Additional planning and lodgement fee income.

Note 12 – Environmental Services - \$36,000 favourable

Timing of receipt of grant funding for NRM officer.

Note 13 – Amounts received for New/Upgraded Assets - \$ 197,000 favourable

- \$100,000 – State Govt. “Fund My Neighbourhood” Grant – Angus Neill Playground.
- \$50,000 – State Govt. “Fund my Neighbourhood” Grant – Brighton Community Garden.
- \$47,000 – Environment Protection Authority funding – Leak/Blackburn Avenue.

Note 14 – Capital Expenditure - \$239,000 increase

- \$47,000 – Stormwater drainage projects including Leak/Blackburn Avenue.
- \$100,000 – Angus Neill Reserve playground.
- \$50,000 – Brighton Community Garden.
- \$22,560 – Lifelinks reallocation – electronic display boards.
- \$26,000 – Reallocation from operational budgets for depot IT capital equipment.
- Remaining balance net saving on completed projects.



City of Holdfast Bay
Capital Expenditure Summary by Budget Item to March 2018

2017-18 Original Budget \$'000	Year to Date				2017-18 Adopted Forecast \$'000	Proposed Forecast Adjustment \$'000
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000			
(796)	-	-	-	- Full Cost Attribution	(796)	-
-	-	(1)	(1)	1 Corporate Services - Administration	-	-
(370)	(529)	(491)	(38)	(38) Information Technology	(577)	(26)
(10)	(10)	-	(10)	(10) Commercial and Economic Enterprises	(10)	-
-	(11)	(12)	(1)	1 Tourism	(11)	-
(91)	(69)	(83)	(15)	15 Brighton Library	(95)	(6)
-	-	-	-	- Home and Community Care	-	(15)
(90)	-	-	-	- Sport and Recreation	(90)	-
-	-	-	-	- Life Links to SRF Facilities	(7)	(23)
(35)	(17)	(2)	(15)	(15) Depot and Stores	(35)	-
(793)	(960)	(747)	(213)	(213) Machinery Operating	(1,119)	-
(1,152)	(757)	(408)	(349)	(349) Road Construction and Re-seal Program	(1,152)	23
(150)	(80)	(1)	(79)	(79) Car Park Construction	(150)	-
(98)	(78)	(29)	(49)	(49) Footpath Program	(98)	-
(300)	(2,330)	(2,347)	16	16 Stormwater Drainage Program	(2,817)	(47)
(60)	(99)	(50)	(50)	(50) Traffic Control Construction Program	(118)	-
(523)	(437)	(350)	(86)	(86) Kerb and Water Table Construction Program	(545)	-
(30)	(30)	-	(30)	(30) Other Transport - Bus Shelters etc.	(30)	-
(361)	(1,653)	(1,369)	(284)	(284) Reserve Improvements Program	(1,931)	(109)
(1,295)	(1,082)	(849)	(234)	(234) Land, Buildings and Infrastructure Program	(2,099)	(23)
(70)	(103)	(104)	1	1 Streetscape Program	(155)	7
-	(768)	(768)	(1)	(1) Foreshore Improvements Program	(1,987)	(21)
-	(121)	(19)	(102)	(102) Caravan Park - General	(121)	-
(6,224)	(9,136)	(7,630)	(1,506)	Total	(13,943)	(239)



Alwyndor Aged Care Funds Statement as at 31 March 2018

2017-18 Original Budget \$	Year to Date				2017-18 Adopted Forecast \$	Proposed Forecast Adjustment \$	Note
	Adopted Forecast \$	Actual YTD \$	Variance \$				
3,979	2,984	2,670	314	User Charges	3,474	86	1
10,486	7,811	7,537	275	Operating Grants and Subsidies	10,206	(147)	2
374	206	344	(137)	Investment Income	414	64	3
1,670	1,285	1,729	(444)	Reimbursements	2,110	144	4
1,121	862	1,247	(385)	Other Income	1,494	95	5
501	376	224	152	Alwyndor Donations and Contributions	501	(202)	6
18,131	13,525	13,749	(225)	Operating Revenue	18,199	40	
(11,746)	(9,063)	(9,711)	648	Salaries	(12,308)	(648)	7
(1,199)	(899)	(781)	(118)	Wages	(1,139)	168	8
(2,213)	(1,660)	(1,701)	41	Contractual Services	(2,243)	2	
(1,056)	(738)	(762)	24	Materials	(1,056)	43	9
(80)	(60)	(93)	33	Finance Charges	(80)	(10)	10
(897)	-	(626)	626	Depreciation	(897)	65	11
(476)	(405)	(336)	(69)	Other Expenditure	(476)	41	12
(17,665)	(12,825)	(14,010)	1,186	Less Operating Expenditure	(18,199)	(339)	
464	700	(261)	961	=Operating Surplus/(Deficit)	-	(299)	
897	-	626	(626)	Depreciation	897	-	
-	-	(2)	2	Provisions	-	-	
897	-	624	(624)	Plus Non Cash Items in Operating Surplus/(Deficit)	897	-	
1,361	700	363	337	=Funds Generated from Operating Activities	897	(299)	
(742)	-	(266)	266	Capital Expenditure on New and Upgraded Assets	(742)	40	13
(742)	-	(266)	266	Less Total Capital Expenditure	(742)	40	
620	700	98	602	= Funding SURPLUS/(REQUIREMENT)	155	(259)	
Funded by							
1	1	-	1	Increase/(Decrease) in Cash & Cash Equivalents	155	-	
620	700	98	602	=Funding Application/(Source)	155	(259)	

Alwyndor Aged Care – Notes

- 1 User Charges - To be read in conjunction with Operating Grants.
- 2 Operating Grants and Subsidies - Aged Care Funding Instrument (ACFI) funding later than initially expected and miscalculation of Grant Supplement Income.
- 3 Investment Income - Increased investment income as a result of achieving a higher interest rate on investments than originally budgeted.
- 4 Reimbursements - Increase in Consumer Directed Care services being provided as a result of achieving higher than anticipated growth in the number of Home Care packages signed up.
- 5 Other Income - Increase in Consumer Directed Care administration and case management fees as a result of achieving higher than anticipated growth in the number of Home Care packages signed up.
- 6 Alwyndor Donations and Contributions - To be read in conjunction with Operating Grants and Investment Income.
- 7 Salaries - The budget adjustment for Salaries is partially related to providing increased support hours as a result of the growth in Consumer Directed Care. There has been a small increase to the budget to allow for actual training hours which is higher than originally budgeted. The balance of the budget adjustment is due to transition costs.
- 8 Wages - Agency utilisation has been reduced.
- 9 Materials - Decrease due to minor savings on various budget expenditure, including cleaning and domestic products and utilities.
- 10 Finance Charges - Increase due to the delay with Grants of Probate for Accommodation Bond refunds.
- 11 Other Expenditure - Insurance rebate received.
- 12 Depreciation - Capital items purchased later in the year resulting in lower than anticipated depreciation.
- 13 Capital Expenditure on New and Upgraded Assets - Capital items not required.



Alwyndor Aged Care
Capital Expenditure Summary by Budget Item to March 2018

2017-18 Original Budget \$'000	Year to Date				2017-18 Adopted Forecast \$'000	Proposed Forecast Adjustment \$'000
	Adopted Forecast \$'000	Actual \$'000	Variance \$'000			
(731)	-	(6)		6 Hostels	-	-
(11)	(387)	(260)	(127)	Hospitality Services	(742)	40
(742)	(387)	(266)	(121)	Total	(742)	40



**City of Holdfast Bay
Municipal Funds Statement as at March 2018**

	July		August		September		October		November		December		January		February		March		YTD	Revised	Actual
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Budget	YTD
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
Administrative Services	(12)	(30)	(98)	(88)	(72)	(79)	(45)	(74)	(42)	(38)	(63)	(55)	(37)	(51)	(36)	(43)	(168)	(168)	(573)	(627)	
FAG/R2R Grants	-	-	142	142	-	-	-	-	368	368	-	-	-	188	239	142	33	130	782	969	
Financial Services	(47)	(48)	(79)	(75)	(260)	(261)	(49)	(54)	(57)	(54)	(73)	(72)	(37)	(47)	(80)	(61)	(101)	(107)	(783)	(779)	
Financial Services-Depreciation	-	-	-	-	(2,173)	(2,195)	(25)	(0)	-	-	(2,215)	(2,199)	-	-	-	-	(2,169)	(2,149)	(6,581)	(6,543)	
Financial Services-Employee Leave Provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Financial Services-Interest on Borrowings	3	87	69	(11)	(2)	(2)	(16)	(17)	(322)	(250)	(94)	(95)	22	(8)	(7)	(7)	1	1	(347)	(302)	
Financial Services-SRWRA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General Rates	34,269	34,266	(289)	(288)	(9)	(5)	0	6	(285)	(289)	21	18	4	(0)	4	(295)	(269)	22	33,447	33,434	
Human Resources	(140)	20	58	(59)	(93)	(66)	46	42	(70)	(56)	(62)	(50)	45	(8)	(58)	(52)	(97)	(94)	(371)	(322)	
Net Gain/Loss on Disposal of Assets - non cash item	-	-	-	-	-	70	-	-	-	-	-	16	-	-	-	-	-	36	-	122	
Strategic and Commercial Services	(551)	(796)	(421)	(193)	(347)	(258)	(246)	(246)	(465)	(409)	172	(189)	(491)	(305)	(436)	(284)	(394)	(237)	(3,179)	(2,916)	
Strategy and Policy	(32)	(20)	(43)	(43)	(150)	(75)	3	(48)	(47)	(18)	(46)	(46)	(6)	(36)	(39)	(41)	(58)	(63)	(417)	(388)	
Business Development	(104)	(134)	39	52	(83)	(58)	10	(46)	(64)	(31)	(16)	(40)	(62)	(54)	(45)	(19)	(56)	(44)	(380)	(372)	
Community Development	(44)	(40)	(67)	(56)	(97)	(71)	(67)	(76)	(75)	(70)	(92)	(74)	(71)	(69)	(71)	(60)	(145)	(97)	(729)	(613)	
Community Engagement Admin	(13)	(34)	(44)	(21)	(36)	(46)	(25)	(21)	(24)	(26)	(23)	(20)	(25)	(35)	(21)	(28)	(34)	(28)	(246)	(259)	
Community Events	(24)	(40)	(37)	(26)	(118)	(32)	(43)	(40)	(68)	(62)	(12)	(39)	(156)	(145)	(162)	(139)	(55)	(58)	(677)	(581)	
Community Services Administration	(16)	(14)	(23)	(19)	(36)	(68)	(22)	(19)	(22)	(21)	(24)	(15)	(43)	2	(5)	(19)	(35)	(39)	(225)	(212)	
Community Transport	(8)	(8)	(10)	(5)	(12)	(12)	(9)	(8)	(9)	(6)	(13)	(11)	(8)	(13)	(13)	(10)	(14)	(17)	(96)	(89)	
Community Wellbeing	142	171	(76)	(47)	(124)	(79)	163	151	(75)	(70)	(76)	(71)	188	150	(81)	(48)	(105)	(91)	(46)	67	
Customer Service	(30)	(33)	(39)	(39)	(57)	(56)	(40)	(39)	(39)	(38)	(41)	(34)	(41)	(39)	(39)	(45)	(58)	(60)	(385)	(383)	
Jetty Road Mainstreet	468	461	29	49	(105)	(62)	(50)	(55)	(86)	(25)	9	(46)	(68)	(112)	(67)	(30)	(20)	(50)	110	130	
Library Services	(82)	(82)	(122)	(110)	(164)	(163)	(110)	(6)	25	(73)	(112)	(120)	(94)	(110)	(111)	(110)	(168)	(156)	(939)	(930)	
Lifelinks	49	61	(21)	(17)	(81)	(27)	65	58	(22)	(18)	55	(23)	(13)	58	(21)	(17)	41	53	51	128	
Tourism & Marketing Admin	(18)	(19)	(23)	(22)	(35)	(38)	(23)	(26)	(26)	(24)	(23)	(25)	(24)	(24)	(24)	(23)	(36)	(35)	(232)	(236)	
Asset Management	(54)	(47)	(154)	(97)	(106)	(138)	(116)	(139)	(115)	(61)	6	(71)	(158)	(103)	(166)	(126)	(119)	(138)	(982)	(919)	
Assets and City Services	(30)	(76)	(156)	(81)	(161)	(149)	(101)	(121)	(99)	(95)	(92)	225	222	(104)	(107)	(101)	(181)	(188)	(703)	(689)	
Cemeteries	11	12	(3)	0	5	(5)	1	17	(1)	16	15	(17)	(4)	10	(0)	10	(14)	35	10	77	
City Regulation	364	356	22	(10)	9	(63)	(15)	105	26	69	89	28	184	98	67	48	22	(16)	767	615	
Commercial - Brighton Caravan Park	(29)	91	26	(110)	68	89	60	162	60	97	175	155	208	256	67	95	96	165	730	1,001	
Commercial - Partridge House	5	7	(3)	(0)	(3)	(27)	1	4	0	(2)	(0)	(5)	1	10	(1)	(0)	(3)	(8)	(3)	(22)	
Commercial - Recreational Clubs Leases	53	33	23	32	37	28	37	29	35	33	25	28	35	36	46	36	37	33	327	287	
Development Services	(28)	11	(36)	(37)	(162)	(110)	(57)	(58)	(28)	(18)	(17)	(69)	(24)	(72)	(92)	(26)	(136)	(107)	(581)	(485)	
Environmental Services	26	(11)	(38)	(39)	(68)	(68)	(32)	(65)	(80)	19	(9)	(46)	(9)	(43)	(50)	(60)	(102)	(155)	(362)	(467)	
Infrastructure Maintenance	(7)	(19)	(32)	(31)	(26)	(19)	(24)	(47)	(81)	(62)	(27)	(15)	(21)	(42)	(32)	(37)	(45)	(6)	(292)	(278)	
Property Maintenance	(1)	-	(1)	-	(1)	(0)	(1)	(2)	(1)	(1)	(1)	(1)	(2)	-	(1)	(2)	(1)	(2)	(12)	(7)	
Public Spaces	(868)	(476)	(79)	(419)	(647)	(582)	(663)	(632)	(512)	(452)	(516)	(424)	(706)	(560)	(528)	(512)	(648)	(700)	(5,168)	(4,758)	
Roads to Recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste Management	(27)	(37)	(303)	(269)	(319)	(304)	(219)	(238)	(307)	(235)	(252)	(285)	(339)	(347)	(261)	(288)	(259)	(2,315)	(2,284)		
Less full cost attribution - % admin costs capitalised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
=Operating Surplus/(Deficit)	33,226	33,613	(1,792)	(1,937)	(5,427)	(4,931)	(1,613)	(1,503)	(2,510)	(1,901)	(3,335)	(3,684)	(1,528)	(1,516)	(2,131)	(2,176)	(5,289)	(4,594)	9,601	11,370	
Net Gain/loss on disposal of assets	-	-	-	-	-	(70)	-	-	-	-	-	(16)	-	-	-	-	-	(36)	-	(122)	
Depreciation	-	-	-	0	2,173	2,195	25	0	-	-	2,215	2,199	-	-	-	-	2,169	2,149	6,581	6,543	
Plus Non Cash Items in Operating Surplus/(Deficit)	-	-	0	2,173	2,125	25	0	-	-	-	2,215	2,183	-	-	-	-	2,169	2,113	6,581	6,421	
=Funds Generated from Operating Activities	33,226	33,613	(1,792)	(1,937)	(3,254)	(2,806)	(1,589)	(1,503)	(2,510)	(1,901)	(1,120)	(1,501)	(1,528)	(1,516)	(2,131)	(2,176)	(3,120)	(2,482)	16,182	17,791	
Amounts Received for New/Upgraded Assets	-	43	-	0	-	76	6	-	421	321	(91)	423	100	-	635	369	21	1,119	1,205		
Proceeds from Disposal of Assets	-	-	74	33	-	55	51	-	2	-	8	54	77	69	-	17	-	248	191		
Plus Funds Sourced from Capital Activities	-	43	74	33	-	131	57	-	423	321	(83)	477	177	69	635	369	37	1,367	1,396		
Capital Expenditure on Renewal and Replacement	(9)	(119)	(582)	(376)	(454)	(551)	(695)	(289)	(517)	(129)	157	(384)	(445)	(294)	(1,289)	(484)	(234)	(469)	(4,067)	(3,094)	
Capital Expenditure on New and Upgraded Assets	(6)	(13)	(185)	(243)	(196)	(154)	(511)	(275)	(781)	(397)	434	(557)	(1,415)	(1,644)	(1,033)	(93)	(1,376)	(1,159)	(5,069)	(4,535)	
Less Total Capital Expenditure	(15)	(132)	(767)	(619)	(650)	(705)	(1,207)	(564)	(1,298)	(526)	591	(941)	(1,859)	(1,938)	(2,322)	(577)	(1,610)	(1,628)	(9,136)	(7,630)	
Plus:Repayments of loan principal by sporting groups	-	-	6	60	4	4	168	167	8	11	2	-	-	-	6	1	4	4	198	247	
Plus/(less) funds provided (used) by Investing Activities	-	-	6	60	4	4	168	167	8	11	2	-	-	-	6	1	4	4	198	247	
= FUNDING SURPLUS/(REQUIREMENT)	33,212	33,523	(2,480)	(2,463)	(3,901)	(3,376)	(2,571)	(1,900)	(3,800)	(1,992)	(206)	(2,525)	(2,910)	(3,277)	(4,378)	(2,117)	(4,357)	(4,069)	8,610	11,804	
Funded by																					
Increase/(Decrease) in Cash & Cash Equivalents	33,141	(2,001)	(2,518)	4,031	(3,929)	851	(2,607)	(1,679)	(4,189)	807	(416)	389	(2,945)	(1,924)	(4,414)	(143)	(4,360)	4,411	7,765	4,741	
Non Cash Changes in Net Current Assets	-	36,162	-	(7,236)	-	(4,314)	-	(401)	-	(3,142)	-	(3,124)	-	(1,364)	-	(2,005)	-	(8,482)	-	6,093	
Less: Net Proceeds from Cash Advance Debentures	-	(650)	-	650	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Plus: Principal repayments of borrowings	70	11	37	91	28	88	36	180	389	343	210	210	35	12	36	31	3	3	845	970	
=Funding Application/(Source)	33,212	33,523	(2,480)	(2,463)	(3,901)	(3,376)	(2,571)	(1,900)	(3,800)	(1,992)	(206)	(2,525)	(2,910)	(3,277)	(4,378)	(2,117)	(4,357)	(4,069)	8,610	11,804	

BRIGHTON CARAVAN PARK	Actual \$	
	01/07/16 to 31/03/17	01/07/17 to 31/03/18
Revenue From Cabins and Sites		
Oceanview Spa Villas	98,312	97,442
Waterview Villas	227,578	242,685
Seaside Cabins	117,290	128,525
Budget Cabin - No Ensuite	39,850	57,991
Special Access Hillside Cabin	22,355	23,305
Hillside Cabins	48,802	57,037
Powered Grass Sites	174,875	251,386
Unpowered Sites	17,338	19,179
Premium Powered Sites	72,047	101,130
Powered Slab Sites	242,873	299,296
Beachfront Powered Grass Sites	94,160	97,828
Sea Breeze Cabins	366,262	437,787
Miscellaneous Income	33,147	22,114
	1,554,887	1,835,705
Operational Costs		
Management costs	(554,695)	(616,714)
Repairs and Maintenance	(103,098)	(49,270)
Marketing/Website	(29,985)	(18,880)
Site Operational Costs	(37,269)	(39,175)
Office Operational Costs	(23,410)	(34,123)
Water	(24,311)	(24,554)
Electricity	(51,065)	(36,721)
Gas	(13,092)	(15,654)
Insurance	(3,759)	-
	(840,685)	(835,092)
Earnings Before Interest, Tax and Depreciation (EBITD)	714,202	1,000,613
Depreciation	(120,690)	(120,690)
Earnings Before Interest and Tax (EBIT)	593,512	879,923
EBIT Margin	38.2%	47.9%

OCCUPANCY RATES	Actual %	
	01/07/16 to 31/03/17	01/07/17 to 31/03/18
Accommodation Type		
Cabins	59.80%	67.69%
Sites	47.81%	61.82%
Average Total	55.51%	65.59%

PARTRIDGE HOUSE	Actual \$	
	01/07/16 to 31/03/17	01/07/17 to 31/03/18
Revenue From Functions and Room Hire		
Wedding Ceremony Only	19,545	18,491
Wedding Ceremony with Reception	10,909	11,419
Wedding Reception Only	1,364	-
Catering Contract	6,777	182
Catering - Internal	8,845	13,246
Funeral Service	15,534	23,323
Private Function	17,543	17,893
Corporate Meeting	2,144	1,823
Community Benefit Group	32,770	28,068
Equipment Hire	3,705	5,990
	119,136	120,434
Operational Costs		
Employment Costs	(75,014)	(86,347)
Repairs and Maintenance	(4,503)	(12,609)
Marketing/Website	(655)	(7,449)
Property Operational Costs	(11,097)	(13,913)
Office Operational Costs	(5,211)	(4,621)
Electricity	(4,711)	(5,393)
	(101,191)	(130,332)
Earnings Before Interest, Tax and Depreciation (EBITD)	17,945	(9,898)
Depreciation	(27,817)	(27,817)
Earnings Before Interest and Tax (EBIT)	(9,871)	(37,715)
EBIT Margin	(8.3%)	(31.3%)

NUMBER OF EVENTS BY TYPE	Actual No.	
	01/07/16 to 31/03/17	01/07/17 to 31/03/18
Event Type		
Wedding *	31	42
Funeral	53	71
Community Function	330	327
Private Function	25	42
Conference/Meeting	25	27
Total Number of Events	464	509
* Wedding income received on a prepayment basis		

PARTRIDGE STREET CAR PARK	Actual \$ 01/07/16 to 31/03/17	Actual \$ 01/07/17 to 31/03/18
Car Parking Revenue	68,069	80,090
Operating Costs	(59,887)	(68,580)
Operating Costs - Property	(28,997)	(21,744)
Earnings Before Interest, Tax and Depreciation (EBITD)	(20,815)	(10,234)
Depreciation	(89,111)	(89,111)
Earnings Before Interest and Tax (EBIT)	(109,926)	(99,345)
EBIT Margin	(161.5%)	(124.0%)

CAR PARK USAGE	Actual No. 01/07/16 to 31/03/17	Actual No. 01/07/17 to 31/03/18
Car Park		
Eastern Car Park - No. of Transactions	156,901	121,768
Western Car Park - No. of Transactions	97,351	101,298
Total No. of Transactions	254,252	223,066

Item No: **14.3**

Subject: **UNSOLICITED PROPOSALS POLICY**

Date: 24 April 2018

Written By: Team Leader Governance

General Manager: Business Services, Mr R Bria

SUMMARY

The Unsolicited Proposals Policy is developed for the purpose of section 49 of the Local Government Act, providing a defined approach and record keeping process for entering into contracts through a process other than a tender. The Policy has been developed to address the receipt and assessment of unsolicited proposals.

An Unsolicited Proposals Procedure has also been developed to provide more detail around how the Policy will be delivered. Together the documents outline the key requirements in relation to the receipt, assessment and management of Unsolicited Proposals.

The Policy and Procedure were presented to the Audit Committee on 4 April 2018, which resolved to present the Unsolicited Proposal Policy to council for consideration and adoption.

The Policy is presented to Council for endorsement. The Procedure is presented to Council for information, and will be managed by the Senior Leadership Team.

RECOMMENDATION

- 1. That Council endorse the Unsolicited Proposals Policy.**
 - 2. That Council note the development of the Unsolicited Proposals Procedure to support the implementation of the Unsolicited Proposals Policy.**
-

COMMUNITY PLAN

Culture: Being financially accountable
Culture: Supporting excellent, efficient operations
Economy: Supporting and growing local business
Economy: Making it easier to do business
Economy: Harnessing emerging technology

COUNCIL POLICY

Disposal of Assets Policy
Privately Funded DPA Policy
Procurement Policy
Prudential Review Policy

STATUTORY PROVISIONS

Local Government Act 1999

BACKGROUND

Following the issues faced by the State Government during the Gillman Land sale, and the subsequent legal proceedings, the LGA developed and released model guidelines for the receipt and assessment of Unsolicited Proposals in 2016.

As Council has received unsolicited proposals in the past, such as the Glenelg Cinema and Car Park, it would be best practice for Council to adopt an Unsolicited Proposals Policy. Having a policy position will ensure that Proposals are managed in a manner that is transparent, fair and ethical.

Section 49 of the Local Government Act (the Act) requires Council to develop policies on procurement as well as the disposal of land and assets. The Unsolicited Proposal process is designed to manage proposals resulting in contracts, which do not meet the requirements of the Procurement or Disposal of Assets Policies.

The Policy and Procedure were presented to the Audit Committee on 4 April 2018, which resolved to present the Unsolicited Proposals Policy to Council for consideration and adoption.

REPORT**Unsolicited Proposals Policy**

The Unsolicited Proposals Policy is developed for the purpose of section 49 of the Local Government Act, providing a defined approach and record keeping process for entering into contracts through a process other than a tender. The Policy has been developed to address the receipt and assessment of unsolicited proposals.

The Policy will promote the development of innovative ideas, whilst ensuring that benefits for the community are maximised and value for money is achieved. The Policy will apply to proposals greater than \$500,000 in value, for the purchase, lease or development of Council land or assets or the provision of goods, services or infrastructure. Proposals may progress through up to three stages including Initial Proposal, Detailed Proposal and Contract Negotiation.

Refer Attachment 1

Unsolicited Proposals Procedure

The Unsolicited Proposals Procedure details the processes around how the Policy will be delivered. The Procedure details the criteria that a proposal must meet in order to be considered under the Policy, and the nomination of an Unsolicited Proposals Coordinator to manage the assessment of the proposal.

The Proposal details the processes to be followed for each of the three assessment stages, namely the Initial Proposal, Detailed Proposal and Contract Negotiation. A report would be presented to Council for consideration at the conclusion of each of these stages.

Refer Attachment 2

BUDGET

There are no budget implications with the development of these documents.

LIFE CYCLE COSTS

There are no life cycle costs associated with this report.

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. PREAMBLE

1.1 Background

As facilitators and enablers of economic growth, it is reasonable for Council to work with the private and not-for-profit sectors to pursue innovative ideas that will create jobs, contribute to the best use of public assets and deliver high quality services.

This policy provides a defined process for new and innovative ideas to be brought to Council. It also gives confidence to investors and their community that unsolicited proposals will be considered in a consistent, transparent and lawful manner to deliver the highest standards of public value.

1.2 Purpose

Council has adopted this policy for the purpose of section 49 of the Local Government Act 1999. The following objectives will guide Council’s consideration of unsolicited proposals:

- 1.2.1 promoting the development of innovative ideas by the private and community sectors to support the Council’s role and functions, and broad objectives as outlined in its Strategic Plan;
- 1.2.2 ensuring that unsolicited proposals are received and assessed through a transparent and fair process that involves high standards of probity and public accountability;
- 1.2.3 ensuring that the unsolicited proposals process is not used to circumvent the Council’s regular procurement processes;
- 1.2.4 ensuring value for money for the Council and the community is achieved from any unsolicited proposal;
- 1.2.5 maximising the benefits from unsolicited proposals for the Council and the community; and
- 1.2.6 ensuring the Intellectual Property of a party submitting an unsolicited proposal is appropriately protected.

1.3 Scope

This policy applies to any unsolicited proposal that a proponent submits to the Council.

UNSOLICITED PROPOSALS POLICY

1.4 Strategic Reference

Culture: Being financially accountable
Culture: Supporting excellent, efficient operations
Economy: Supporting and growing local business
Economy: Making it easier to do business
Economy: Harnessing emerging technology

2. UNSOLICITED PROPOSALS

- 2.1 An unsolicited proposal is a new and innovative proposal from the private and non-government sector that could assist the Council to achieve its strategic objectives or satisfy a community need, which has not been requested by the Council through its regular procurement processes.
- 2.2 An unsolicited proposal may include a proposal for:
- the purchase, lease or development of Council owned or managed land (see also the Privately Funded DPA Policy);
 - the delivery of goods or services to or on behalf of the Council; or
 - the provision of infrastructure for the community.
- 2.3 The minimum financial threshold for an unsolicited proposal under this policy is \$500,000.
- 2.4 Where an unsolicited proposal involves more than one council, the relevant councils may resolve to adopt any one of their unsolicited proposals policies, with any required variations, to apply to that proposal in place of their individual policy.

3. PERIOD OF EXCLUSIVITY

- 3.1 Council may, in its absolute discretion, enter into a period of exclusive negotiation with a proponent. Council recognises that circumstances may arise where it is beneficial to deal exclusively with one party in relation to a particular proposal that has been submitted. These circumstances include where a party's Intellectual Property should be protected.
- 3.2 The criteria that Council will consider to determine if a period of exclusivity should be entered into are:
- No competing proposals
 - Community need/Council priority
 - Uniqueness
 - Value for money
 - Capacity and capability of proponent

4. PROCESS FOR RECEIPT AND CONSIDERATION OF UNSOLICITED PROPOSALS

4.1 Pre-lodgement meeting

Before formally submitting an unsolicited proposal, the proponent may request a pre-lodgement meeting with Council's Unsolicited Proposals Coordinator.

UNSOLICITED PROPOSALS POLICY

4.2 Receipt and assessment process

There is a three stage process for managing unsolicited proposals:

Stage 1 – Initial Proposal

Stage 2 – Detailed Proposal

Stage 3 – Contract Negotiation

4.3 Intellectual Property Rights

Council acknowledges unsolicited proposals may contain Intellectual Property of the proponent and/or third parties. If Council declines to consider, or ends its consideration of an unsolicited proposal, and elects to approach to the market in relation to the subject matter of the proposal, Council will respect any Intellectual Property rights of the proponent and/or third parties as legally required.

4.4 Publication of Details of Unsolicited Proposals

When an unsolicited proposal enters Stage 3, Contract Negotiation, Council will publish details of the proposal on its website.

5. GENERAL TERMS

5.1 No legal relationship

Council is under no contractual or other legal obligation to the proponent with respect to the receipt, assessment, consideration, acceptance or rejection of any proposal or the failure to receive, assess, consider or accept any proposal.

5.2 Legislative obligations

Council may have legislative obligations that it needs to comply with in relation to a particular proposal and nothing in this policy is intended to override or circumvent those obligations.

5.3 No soliciting or outside discussions

5.3.1 All queries or communications in relation to unsolicited proposals must be directed to the Unsolicited Proposals Coordinator to ensure consistency and transparency in the unsolicited proposals process.

5.3.2 Council reserves the right to discontinue the process if the proponent discusses the proposal with members of Council staff or Elected Members other than as directed by the Unsolicited Proposals Coordinator.

5.4 Conflict of interest

Proponents must inform Council of any circumstances or relationships which will constitute a conflict or potential conflict of interest if the proponent is successful in negotiating a contract. If any conflict or potential conflict exists, the proponent must advise Council how it proposes to address this.

5.5 Costs of proposal

A proponent bears its own costs of preparing, discussing and negotiating any unsolicited proposal with the Council.

UNSOLICITED PROPOSALS POLICY

5.6 Interaction with other Council policies

- 5.6.1 Unless specifically stated in this policy or determined by Council, this policy is not intended to override any other policy of Council that may apply to an unsolicited proposal.
- 5.6.2 Council's Disposal of Asset Policy and Procurement Policy do not apply to an unsolicited proposal that is covered by this policy, to the extent of any inconsistency with this policy.

5.7 Council's General Rights

Council may:

- 5.7.1 at any stage of the process if it assesses that a proposal does not meet the criteria to be considered or considered further, make an approach to the market in respect of the subject matter of the proposal and end consideration of the proposal and withdraw from any negotiation with the proponent in relation to it;
- 5.7.2 amend, vary or revoke and replace this policy at any time;
- 5.7.3 accept or reject any unsolicited proposal;
- 5.7.4 subject to any period of exclusivity, negotiate with any person in relation to the subject matter of an unsolicited proposal;
- 5.7.5 accept all or part of an unsolicited proposal;
- 5.7.6 discontinue negotiations with any proponent; and
- 5.7.7 include any proponents name in council reports and, subject to any period of exclusivity and any agreement with a proponent to the contrary, make them public.

5.8 Departure from Policy

The Council may, by resolution, where it is justified in the circumstances, determine that this policy will not apply to a particular unsolicited proposal.

6. REFERENCES

6.1 Legislation

Local Government Act 1999 (SA)

6.2 Other References

Disposal of Assets Policy
Privately Funded DPA Policy
Procurement Policy
Prudential Review Policy

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1. PREAMBLE

1.1 Background

This procedure describes the process for receipt and assessment of new and innovative ideas. This procedure ensures that unsolicited proposals will be considered in a consistent, transparent and lawful manner to deliver the highest standards of public value.

1.2 Purpose

The Council will consider unsolicited proposals in accordance with the objectives outlined in the Unsolicited Proposals Policy. This procedure provides further detail as to the processes that must be followed.

1.3 Scope

This procedure applies to any unsolicited proposal that a proponent submits to the Council.

1.4 Strategic Reference

Culture: Being financially accountable
 Culture: Supporting excellent, efficient operations
 Economy: Supporting and growing local business
 Economy: Making it easier to do business
 Economy: Harnessing emerging technology

2. UNSOLICITED PROPOSALS

2.1 An unsolicited proposal may include a proposal for:

- the purchase, lease or development of Council owned or managed land;
- the delivery of goods or services to or on behalf of the Council; or
- the provision of infrastructure for the community.

2.2 The minimum financial threshold for an unsolicited proposal under this procedure is \$500,000.

UNSOLICITED PROPOSALS PROCEDURE

3. PERIOD OF EXCLUSIVITY

The Council may, in its absolute discretion, enter into a period of exclusive negotiation with a proponent who has submitted an unsolicited proposal. The criteria that the Council will consider to determine if a period of exclusivity should be entered into with a particular proponent are:

3.1 No competing proposals

The Council will consider whether the subject matter of an unsolicited proposal is already the subject of existing or proposed procurement processes. If the subject matter of an unsolicited proposal is already being considered or proposed to be considered by the Council in this way, then it is unlikely that an unsolicited proposal will pass Stage 1.

3.2 Community need/Council priority

An unsolicited proposal must promote the Council's role and functions, be broadly consistent with the Council's objectives outlined in its Strategic Plan and provide an economic, social or environmental outcome for the Council.

3.3 Uniqueness

It is imperative that an unsolicited proposal demonstrates how and why it is unique to justify the Council considering the proposal under this policy rather than through its usual procurement processes.

A proponent may be able to establish the uniqueness of its proposal by demonstrating that:

(a) its proposal cannot be readily delivered by competitors at all or within the timeframes proposed by the proponent;

(b) the proponent owns something that would limit other parties from being able to deliver the proposal (for example, Intellectual Property, strategic landholdings);

(c) that the proponent has unique finance arrangements that enable it to deliver the proposal where other parties would not be able to; or

(d) a combination of factors which may not stand alone as being unique but which together create a unique proposal.

3.4 Value for money

The proposal must represent value for money for the Council. 'Value' can include financial, economic and community benefits.

3.5 Capacity and capability of proponent

The proponent must have the skills, experience and resources required to enable it to deliver the proposal.

4. PROCESS FOR RECEIPT AND CONSIDERATION OF UNSOLICITED PROPOSALS

4.1 Unsolicited Proposals Coordinator

The Chief Executive Officer will nominate a member of Council staff to act as the Unsolicited Proposals Coordinator for the purposes of this procedure.

UNSOLICITED PROPOSALS PROCEDURE

4.2 Pre-lodgement meeting

Before formally submitting an unsolicited proposal via the process detailed below, the proponent may request a pre-lodgement meeting with the Unsolicited Proposals Coordinator. This meeting is not mandatory but it may assist the proponent to determine if their proposal is one that may be considered under this policy.

Proponents are encouraged to bring a draft completed Application Form with them to this meeting.

Nothing that is discussed at the pre-lodgement meeting binds the Council or the proponent and the proponent may continue with lodgement of its proposal notwithstanding any feedback that it may receive at or following the pre-lodgement meeting.

4.3 Receipt and assessment process

The process by which the Council will receive and consider unsolicited proposals is a three state process, as outlined below.

4.4 Stage 1: Initial Proposal

- 4.4.1 The objective this stage is for the proponent to provide the Council with a high level overview of its proposal, to enable the Council to form a preliminary view as to whether the proposal may be considered under this policy and if the proposal should be considered further.
- 4.4.2 A proposal should include a completed Application Form (available on Council's website) and may include other details from the proponent.
- 4.4.3 A proposal must be lodged electronically to: mail@holdfast.sa.gov.au
- 4.4.5 Once a proposal has been submitted and the Unsolicited Proposals Coordinator determines that there is sufficient information to consider the proposal, the Unsolicited Proposals Coordinator will convene a meeting with staff from relevant Council departments, depending on the subject matter of the proposal (Steering Committee).
- 4.4.6 The Steering Committee will determine whether the proposal meets the criteria to be considered. To make its decision, the Steering Committee may consult with other staff and professional advisers as necessary.
- 4.4.7 If the Steering Committee determines that the proposal should proceed to the next stage of the process, a recommendation and report will be prepared for consideration of the Council's Elected Members.
- 4.4.8 If the Steering Committee recommends that the proposal not be accepted or the Council Elected Members do not endorse the proposal, the proponent will be notified in writing of this outcome by the Unsolicited Proposals Coordinator.
- 4.4.9 Where the Council Elected Members endorse the proposal, it will proceed to Stage 2. The proponent will be provided with notification that the proposal has been approved to proceed to Stage 2 together with a copy of the Council's resolution.

UNSOLICITED PROPOSALS PROCEDURE

- 4.4.10 The anticipated timeframe for the completion of Stage 1, commencing from when the Unsolicited Proposals Coordinator determines that it has all of the information it needs to consider the proposal, is 60 Days.
- 4.4.11 Any endorsement of a proposal at Stage 1 is “in principle” endorsement only so that the proposal may proceed to Stage 2 consideration.

4.5 Stage 2: Detailed Proposal

- 4.5.1 At the commencement of Stage 2, Council will enter into a Heads of Agreement with the Proponent to outline the fundamental principles to be agreed and included in any subsequent contract.
- 4.5.2 Stage 2 will be an interactive process between the Council and the proponent within a framework established by the Council.
- 4.5.3 The Council will establish a framework for Stage 2 to clearly outline the process that will be followed including probity requirements, timeframes and assessment criteria.
- 4.5.4 The matters that the Council will consider during Stage 2 are:
 - (a) the value for money proposition for the Council
 - (b) if the proposal is legally, technically and financially feasible
 - (c) how the proposal should be structured to deliver the best outcome
 - (d) a cost/benefit analysis and Prudential Review where required
 - (e) whether the proposal or any part of it would more appropriately be the subject of a competitive bidding process;
 - (f) the appropriate allocation of risk; and
 - (g) the proposed delivery method.
- 4.5.5 During Stage 2, the Unsolicited Proposals Coordinator will:
 - (a) convene meetings of the Steering Committee with any other subject matter experts and professional advisers and obtain reports and further information for the Council’s consideration of the proposal as required
 - (b) convene meetings with the proponent and request further information as required
- 4.5.6 During Stage 2, a proponent must develop a detailed proposal, provide additional information as required, and make themselves available to participate in meetings and respond to communications from the Unsolicited Proposals Coordinator.
- 4.5.7 At the end of Stage 2, a report and recommendation will be prepared for the Council Elected Members’ consideration and the proponent will be advised of the Council’s resolution that all or part of the proposal:
 - (a) will proceed to Stage 3 on an exclusive consideration basis
 - (b) will not continue to be considered on an exclusive basis but that the proposal warrants a competitive bidding process
 - (c) is not suitable for further consideration and its consideration is now at an end.

UNSOLICITED PROPOSALS PROCEDURE

4.6 Stage 3: Contract Negotiation

- 4.6.1 Once a proposal enters Stage 3, Council will publish details of the proposal on its website.
- 4.6.2 Stage 3 allows the Council and the proponent to negotiate a suitable contract or contracts for the implementation of the proposal.
- 4.6.2 At the commencement of Stage 3, the Unsolicited Proposals Coordinator will advise the proponent of the process and protocols for the development of a contract.
- 4.6.3 Once a contract has been agreed in principle between the Council Administration and the proponent, the contract will be submitted to the Council Elected Members to seek their approval for the Contract to be executed. The Unsolicited Proposals Coordinator will then advise the proponent in writing that the Council:
 - (a) agrees to the terms and conditions of the contact and will proceed to execute it;
 - (b) agrees to the contract, subject however to specified variations or conditions;
 - (c) does not agree to enter into the contract but instead determined to pursue or consider pursuing the unsolicited proposal through another process, including a competitive bidding process; or
 - (d) does not agree to enter into the contract and that its consideration of the proposal under this policy is now at an end.

5. PROBITY FRAMEWORK

It is a primary objective of this procedure to ensure the probity of the processes employed by the Council to consider unsolicited proposals. Probity principles and protocols when dealing with proponents in relation to their unsolicited proposals will ensure:

- (a) that proposals are received, assessed and negotiated, and decisions are made, through an approved and transparent framework.
- (b) that decisions are made through a robust framework and so that they will deliver the best outcomes for the Council and its community.
- (c) that confidential information is protected.
- (d) that any perceived conflict of interest, bias or misconduct is eliminated.
- (e) The Council may, at any Stage, engage a probity adviser or auditor.

6. GENERAL TERMS

6.1 No legal relationship

- 6.1.1 No legally binding contract is existing or is to be implied between Council and the proponent unless and until a formal contract document is signed by both parties.

UNSOLICITED PROPOSALS PROCEDURE

- 6.1.2 Council is under no contractual or other legal obligation to the proponent with respect to the receipt, assessment, consideration, acceptance or rejection of any proposal or the failure to receive, assess, consider or accept any proposal.

6.2 Legislative obligations

- 6.2.1 Council may have legislative obligations that it needs to comply with in relation to a particular proposal and nothing in this procedure is intended to override or circumvent those obligations.
- 6.2.2 Processes established by this procedure are separate from, and do not override, other legislative approval processes that a proponent may need to participate in, in order to progress its proposal (for example, development approval or rezoning).

6.3 No soliciting or outside discussions

- 6.3.1 All queries or communications in relation to unsolicited proposals must be directed to the Unsolicited Proposals Coordinator to ensure consistency and transparency in the unsolicited proposals process.
- 6.3.2 Council reserves the right to discontinue the process if the proponent discusses the proposal with members of Council staff or Elected Members other than as directed by the Unsolicited Proposals Coordinator.

6.4 Conflict of interest

Proponents must inform Council of any circumstances or relationships which will constitute a conflict or potential conflict of interest if the proponent is successful in negotiating a contract. If any conflict or potential conflict exists, the proponent must advise Council how it proposes to address this.

6.5 Costs of proposal

A proponent bears its own costs of preparing, discussing and negotiating any unsolicited proposal with the Council.

6.6 Change in circumstances

A proponent must inform the Council promptly in writing of any material change to any of the information contained in the proponent's submission.

6.7 Use of documents

Any documents provided by the Council to a proponent must only be used for the purpose of progressing a proposal in accordance with this policy and must be returned to the Council at the end of the process on request.

6.8 Review of guidelines

This procedure will be reviewed regularly by the Council to ensure that the objectives remain relevant and are met.

UNSOLICITED PROPOSALS PROCEDURE

6.9 Council's General Rights

In considering an unsolicited proposal Council:

- (a) makes no representations or undertakings that it will enter into any agreement or contract with any proponent in respect of the subject matter of any unsolicited proposal;
- (b) may undertake 'due diligence' checks on any proponents;
- (c) will not be responsible for any costs or expenses incurred by a proponent arising in any way from the preparation, submission or negotiation of a proposal;
- (d) accepts no responsibility for any proponents failing to undertake any investigations or understanding any matters that may impact on its proposal;
- (e) will not be liable for or pay any expenses or losses incurred by a proponent, in the preparation of a proposal or prior to the signing of any agreement relating to a proposal or otherwise;
- (f) will not be bound by any verbal advice given or information furnished by any member, officer or agent of Council except written advice or information provided by the Unsolicited Proposals Coordinator.

7. REFERENCES

7.1 Legislation

Local Government Act 1999 (SA)

7.2 Other References

Disposal of Assets Policy
Procurement Policy
Privately Funded DPA Policy
Prudential Review Policy

Item No: **14.4**

Subject: **APPLICATION FOR LANDOWNER'S CONSENT – FLAMBOURON PHILANTHROPIC SOCIETY OF SOUTH AUSTRALIA**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

The Flambouron Philanthropic Society of South Australia ("*Society*"), located at 18 Fulton Street Glenelg North, has recently been successful in procuring funding through the Government's Multicultural Infrastructure Grant program. The Society's [now funded] project seeks to construct an access ramp adjacent to the front of the building to accommodate the increasing number of facility users that are either frail older people or people with disabilities.

Due to the configuration of the property frontage, the access ramp is expected to encroach onto council's footpath by approximately 600mm; leaving a 1.7m public thoroughfare. As a result, the Society has now approached Administration seeking landowner's consent to build the ramp over community land prior to lodging a Development Application.

It should be noted that full engineering specifications will be sought as part of the Development Application assessment.

RECOMMENDATION

- 1. That Council give Landowner's Consent so that the Flambouron Philanthropic Society of South Australia can lodge a Development Application with Development Services;**
 - 2. That Consent be given on the basis that the Flambouron Philanthropic Society of South Australia indemnifies Council against any claims, losses, suits etc that may arise from this project;**
 - 3. That subject to the final Development Approval Administration enters into a new 'Encroachment Permit' with the Flambouron Philanthropic Society to allow the ramp to be constructed over Community land;**
 - 4. That an annual Encroachment Fee of \$1 payable on demand be charged;**
 - 5. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this permit.**
-

COMMUNITY PLAN

Placemaking: Creating lively and safe places

COUNCIL POLICY

Encroachments Policy (2017).

STATUTORY PROVISIONS

Local Government Act 1999 [s 202 and 221].

BACKGROUND***Previous Relevant Reports***

No previous reports have been submitted to Council regard the Flambouron Philanthropic Society of South Australia and a proposed access ramp over community land.

REPORT

The Flambouron Philanthropic Society of South Australia ("*Society*"), located at 18 Fulton Street Glenelg North, has been successful in procuring funding through the Multicultural Infrastructure Grant program and now wish to construct a disabled access ramp adjacent to the front of the building in order to accommodate the growing number of the facility users that are reliant on mobility devices. A preliminary design of the proposal is attached for member's reference.

Refer Attachment 1

Due to the raised entry way adjacent to the property boundary, the access ramp will encroach onto Council's footpath by approximately 600mm. The current footpath width from the inside of the kerb to the property boundary is approximately 2.3m. If the ramp is constructed in accordance with the specified encroachment, the remaining thoroughfare will be 1.7m. As the preferred minimum footpath width is 1.5m (with an absolute minimum of 1.2m) the remaining footpath width is considered to be sufficient.

BUDGET

An annual budget allocation is provided to Council's City Assets and Services Department for the review and implementation of property leases, as well as development assessment. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

As the ramp will be the responsibility of the Flambouron Philanthropic Society, no further long-term costs will be incurred by Council as part of this application.



Please Note: Image taken from google maps and diagram is an approximation and not to scale. **Actual dimensions regarding structure to be provided for approval at a later date.

Access Ramp requirements:

1. Removal of the existing 2 cement steps for the length of the access ramp & the 2 existing banister rails.
2. Install a curved edge rubber threshold ramp for the 100mm high door step.
3. Install 2 x banister rails (900mm high) far-right side of the verandah to aid public access **(This is an estimated encroachment of 300mm on public walk way)**
4. Install a cement landing, ramp and curbing to cater for the 535mm high step as above **(This is an estimated encroachment of 600mm on public walk way)**
5. Install 2x banister rails 900mm high with mid rail at 450mm (mid rail not identified above) either side of the access ramp structure accordingly.

Item No: **14.5**

Subject: **NEW LEASE AGREEMENT – BRIGHTON LACROSSE CLUB**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Brighton Lacrosse Club ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant sporting group for their exclusive and non-exclusive use of a portion of Brighton Oval.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will: be for a period of five years commencing 1 July 2018; and include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$4,858 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

1. **That Council enters into a new Lease Agreement with the Brighton Lacrosse Club Incorporated over a portion of land comprised in Certificate of Title Volume 5750 Folio 187 for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 2. **That a commencing annual rent of \$4,858 (plus GST) be charged to the Lessee;**
 3. **That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Council Report No.: 455/12; Item No.: 14.7, 'Brighton Lacrosse Club – Lease', 13 November 2012 (Resolution No.: C131112/721).

REPORT

Following the 2017 expiration of the lease agreement held between the City of Holdfast Bay and the Brighton Lacrosse Club ("*Club*"), discussions have been held with the Brighton Lacrosse Club ("*Club*") for the purpose of entering into a new lease agreement for their exclusive use of a portion of Brighton Oval.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Club commenced on 1 October 2012 for a term of five years. In accordance with the Agreement, the commencing annual rent was \$4,310 (plus GST) and was subject to annual CPI increases. The rental in the final year of the lease was \$4,852.

The initial lease term expired on 30 September 2017, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Club will occupy the existing Lacrosse Club Building on an exclusive basis, and the adjacent playing field on a non-exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term, Rental, and Ground Maintenance Fee

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$2,458 (plus GST) is to be charged for the exclusive use of the Lacrosse club premises.

A portion of the leased area utilised by the club includes a grassed playing surface adjacent to the club approximately 8,000 m² in size. As this area is maintained by Council, an additional amount of \$2,400 is to be charged to the club annually during the term of the lease.

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). With this in mind, the total commencing annual rent charges to the club will be **\$4,858 (plus GST)**.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

In addition to establishing a maintenance fund for the premises, the lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$4,858 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Roads
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Property
- Property Miss Matches
- CHB Aerial (2018) - 7.5cm



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BRIGHTON LACROSSE CLUB
LEASE

11/04/2018

1:968



Item No: **14.6**

Subject: **NEW LEASE AGREEMENT – BRIGHTON RUGBY UNION FOOTBALL CLUB**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Brighton Rugby Union Football Club ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant sporting group for their exclusive and non-exclusive use of a portion of Brighton Oval.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will be for a period of five years commencing 1 July 2018, includes an Option to Renew for a subsequent five year term, and will incur an annual commencing rent of \$4,000 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Brighton Rugby Union Football Club Incorporated over a portion of land at Brighton Oval for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$4,000 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

*Sporting and Community Club Leasing Policy (pending) ("*Policy*")*

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Council Report No.: 438/12; Item No.: 14.9, 'Brighton Rugby Union Club – Lease', 13 November 2012 (Resolution No.: C131112/722).

REPORT

Following the 2017 expiration of the lease agreement held between the City of Holdfast Bay and the Brighton Rugby Union Football Club ("*Club*"), discussions have been held with the Club for the purpose of entering into a new lease agreement for their use of a portion of Brighton Oval.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Club commenced on 1 July 2012 for a term of five years. In accordance with the Agreement, the commencing annual rent was \$2,887 (plus GST) and was subject to annual CPI increases. The rental in the final year of the lease was \$3,077.

The initial lease term expired on 30 June 2017, and in accordance with the terms and conditions of the Agreement, the Club has been in Hold Over since that time.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Club will occupy the existing Rugby Club Building on an exclusive basis, and the adjacent playing field on a non-exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term, Rental, and Ground Maintenance Fee

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$2,200 (plus GST) is to be charged for the exclusive use of the Brighton Rugby club premises.

A portion of the leased area utilised by the club includes a grassed playing surface adjacent to the club approximately 6,000 m² in size. As this area is maintained by Council, an additional amount of \$1,800 is to be charged to the club annually during the term of the lease.

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). With this in mind, the total commencing annual rent charges to the club will be **\$4,000 (plus GST)**.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

In addition to establishing a maintenance fund for the premises, the lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

The Lessee will be responsible for marking out the playing field and absorbing all associated costs.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$4,000 (plus GST).

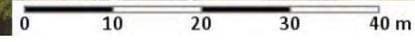
An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



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BRIGHTON RUGBY UNION
FOOTBALL CLUB

12/04/2018

1:800



Item No: **14.7**

Subject: **NEW LEASE AGREEMENT – BRIGHTON SPORTS & SOCIAL CLUB**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Brighton Sports & Social Club ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant sporting group for their exclusive and non-exclusive use of a portion of Brighton Oval.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will: be for a period of five years commencing 1 July 2018; include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$8,482 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Brighton Sports & Social Club Incorporated over a portion of land comprised in Certificate of Title Volume 5750 Folio 187 for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$8,482 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Economic & Corporate Committee Report No.: 115/07; Item No.: 8.6, '*Lease Brighton Sports & Social Club*', 27 March 2007 (Resolution No.: EC270307/020).
- Council Report No.: 167/15; Item No.: 14.4, '*Brighton Sports & Social Club – Request for Rent Relief*', 26 May 2015 (Resolution No.: C260515/112).

REPORT

Following the 2016 expiration of the lease agreement held between the City of Holdfast Bay and the Brighton Sports & Social Club ("*Club*"), discussions have been held with the Club for the purpose of entering into a new lease agreement for their use of a portion of Brighton Oval.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Club commenced on 1 July 2011 for a term of five years. In accordance with the Agreement, the commencing annual rent was \$11,450 (plus GST) and was subject to annual CPI increases. The rental in the final year of the lease was \$12,345.

However, on 26 May 2015 the Club submitted a request for rent relief. In accordance with Resolution C260515/112, Council endorsed this request and the rent was reduced to \$7,707 (plus GST) per year.

The lease term expired on 30 June 2016, and in accordance with the terms and conditions of the Agreement, the Club has been in Hold Over since that time.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Club will occupy the existing Sports & Social Club Building on an exclusive basis, as well as the grandstand and adjacent playing field on a non-

exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term, Rental, and Ground Maintenance Fee

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$3,982 (plus GST) is to be charged for the use of the Sports & Social Club premises and the grandstand.

A portion of the leased area utilised by the club includes a grassed playing surface adjacent to the club approximately 15,000 m² in size. As this area is maintained by Council, an additional amount of \$4,500 is to be charged to the club annually during the term of the lease.

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). With this in mind, the total commencing annual rent charges to the club will be **\$8,482 (plus GST)**.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

In addition to establishing a maintenance fund for the premises, the lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$8,482 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



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BRIGHTON SPORTS & SOCIAL CLUB LEASE

12/04/2018

1:1120



Item No: **14.8**

Subject: **NEW LEASE AGREEMENT – HOLDFAST BAY DOG OWNERS’ CLUB INCORPORATED**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Holdfast Bay Dog Owners’ Club Incorporated (“Club”), it is recommended that Council enters into a new lease agreement with the long-term tenant group for their exclusive use of a portion of Brighton Oval.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will be for a period of five years commencing 1 July 2018, includes an Option to Renew for a subsequent five year term, and will incur an annual commencing rent of \$2,950 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Holdfast Bay Dog Owners’ Club Incorporated over a portion of land comprised in Certificate of Title Volume 5750 Folio 187 for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$2,950 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Council Report No.: 15/13; Item No.: 14.9, 'Holdfast Bay Dog Owners' Club Inc – Lease', 22 January 2013 (Resolution No.: C260313/829).

REPORT

Following the 2017 expiration of the lease agreement held between the City of Holdfast Bay and the Holdfast Bay Dog Owners' Club Incorporated ("*Club*"), discussions have been held with the Club for the purpose of entering into a new lease agreement for their exclusive use of a portion of Brighton Oval.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Club commenced on 1 February 2013 for a term of five years. In accordance with the Agreement, the commencing annual rent was \$2,500 (plus GST) and was subject to annual CPI increases. The rental in the final year of the lease was also \$2,840 (plus GST).

The lease term expired on 30 June 2017, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Club will occupy the existing dog club facilities on an exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$2,950 (plus GST) is to be charged for the exclusive use of the premises.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$2,950 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
 - Az Arterial
 - Az Sub-Arterial
 - Az Collector
 - Az Local
 - Az Track 2-Wheel Drive
 - Az Undefined
- Roads
 - Arterial
 - Sub-Arterial
 - Collector
 - Local
 - Track 2-Wheel Drive
 - Undefined
- Property
- Property Miss Matches
- CHB Aerial (2018) - 7.5cm



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HOLDFAST BAY DOG OWNER'S CLUB

13/04/2018

1: 400



Item No: **14.9**

Subject: **NEW LEASE AGREEMENT – HOLDFAST TENNIS CLUB**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Holdfast Tennis Club ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant sporting group for their exclusive use of facilities located on Williams Avenue Glenelg East.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will: be for a period of five years commencing 1 July 2018; include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$2,249 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Holdfast Tennis Club Incorporated over a portion of land comprised in Certificate of Title Volume 5869 Folio 949, for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$2,249 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

REPORT

Following the 2012 expiration of the lease agreement held between the City of Holdfast Bay and the Holdfast Tennis Club ("*Club*"), discussions have been held with the Club for the purpose of entering into a new lease agreement for their exclusive use of the Tennis Club facilities on Williams Avenue.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Club commenced on 1 July 2002 for a term of five years and included an option to renew for a subsequent five years. In accordance with the Agreement, the commencing annual rental was \$1,278 (plus GST) and was subject to annual CPI increases. The rental in the final year of the licence was \$1,978 (plus GST).

The licence term expired on 30 June 2012, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement***Leased Area***

Under the proposed new Lease Agreement, the Club will occupy both the existing clubrooms and the adjacent tennis courts on an exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term, Rental, and Ground Maintenance Fee

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$2,249 (plus GST) is to be charged for their occupation of the premises.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this licence agreement will have a positive financial impact the 2018/19 budget to the amount of \$2,249 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



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HOLDFAST BAY TENNIS CLUB LEASE



Item No: **14.10**

Subject: **NEW LEASE AGREEMENT – ROTARY CLUB OF HOLDFAST BAY INCORPORATED**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Rotary Club of Holdfast Bay Incorporated ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant community group for their exclusive use of a portion of Kibby Reserve.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will: be for a period of five years commencing 1 July 2018; include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$74 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Rotary Club of Holdfast Bay Incorporated over a portion of land comprised in Certificate of Title Volume 553 Folio 244 for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$74 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Economic & Corporate Committee Report No.: 525/07; Item No.: 8.6, '*Rotary Club of Holdfast Bay – Lease*', 27 November 2007 (Resolution No.: EC271107/547).

REPORT

Following the 2017 expiration of the lease agreement held between the City of Holdfast Bay and the Rotary Club of Holdfast Bay ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant community group for their continued exclusive use of a portion of Kibby Reserve.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Club commenced on 1 November 2007 for a term of five years and included an option to renew for a subsequent five years.

In accordance with the Agreement, the commencing annual rent was \$1 per year payable on demand. There has been no annual variation in rent during the term of the Lease.

The initial lease term expired on 31 October 2017, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Association will occupy the existing Shed/Building on an exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$74 (plus GST) is to be charged to the club.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

In addition to establishing a maintenance fund for the premises, the lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$74 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
 - Az Arterial
 - Az Sub-Arterial
 - Az Collector
 - Az Local
 - Az Track 2-Wheel Drive
 - Az Undefined
- Roads
 - Arterial
 - Sub-Arterial
 - Collector
 - Local
 - Track 2-Wheel Drive
 - Undefined
- Property
- CHB Aerial (2018) - 7.5cm



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ROTARY CLUB OF HOLDFAST
BAY

12/04/2018

1:294



Item No: **14.11**

Subject: **NEW LEASE AGREEMENT – ROTARY CLUB OF SOMERTON PARK INCORPORATED**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Rotary Club of Somerton Park Incorporated ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant community group for their exclusive use of a portion of Brighton Oval.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will: be for a period of five years commencing 1 July 2018; include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$241 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Rotary Club of Somerton Park Incorporated over a portion of land comprised in Certificate of Title Volume 5750 Folio 187 for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$241 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

REPORT

Following the 2017 expiration of the lease agreement held between the City of Holdfast Bay and the Rotary Club of Somerton Park ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant community group for their continued exclusive use of a portion of Brighton Oval.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Club commenced on 1 August 2015 when a Deed of Assignment was executed between the Club and the Rotary Club of Brighton. In accordance with the Agreement, the annual rent is \$284.

The lease term expired on 30 June 2017, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement***Leased Area***

Under the proposed new Lease Agreement, the Club will occupy the existing Shed/Building on an exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$241 (plus GST) is to be charged to the club.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$241 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
 - Az Arterial
 - Az Sub-Arterial
 - Az Collector
 - Az Local
 - Az Track 2-Wheel Drive
 - Az Undefined
- Roads
 - Arterial
 - Sub-Arterial
 - Collector
 - Local
 - Track 2-Wheel Drive
 - Undefined
- Property
- Property Miss Matches
- CHB Aerial (2018) - 7.5cm



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ROTARY CLUB OF SOMERTON PARK

13/04/2018

1: 400



Item No: **14.12**

Subject: **NEW LEASE AGREEMENT – SEACLIFF COMMUNITY RECREATION ASSOCIATION**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Holdfast Bay and the Seacliff Community Recreation Association (*"Association"*), it is recommended that Council enters into a new lease agreement with the long-term tenant community group for their exclusive use of a property located at 32 Yacca Road Seacliff.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will: be for a period of five years commencing 1 July 2018; include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$1,237 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Seacliff Community Recreation Association Incorporated over the property located at 32 Yacca Road Seacliff for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$1,237 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Council Report No.: 112/12; Item No.: 14.3, '*Seacliff Community Recreation Association – Renewal of Lease*', 24 April 2012 (Resolution No.: C240412/474).

REPORT

Following the 2017 expiration of the lease agreement held between the City of Holdfast Bay and Seacliff Community Recreation Association ("*Association*"), discussions have been held with the Association for the purpose of entering into a new lease agreement for their exclusive use of the property located at 32 Yacca Road Seacliff.

Previous Lease Agreement

The previous lease held between the City of Holdfast Bay and Association commenced on 2 October 2006 for a term of five years and included an option to renew for a subsequent five years. In accordance with the Agreement, no annual commencing rent was charged to the tenants. However, at the commencement of the renewal period (1 July 2012) \$660 (plus GST) was charged and by the end of the lease term, \$790 (plus GST) per year was charged.

The initial lease term expired on 31 June 2017, and in accordance with the terms and conditions of the Agreement, the Association has been in a Hold Over period since that time.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Club will occupy the property located at 32 Yacca Road Seacliff on an exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of **\$1,237** (plus GST) is to be charged for the exclusive use of the property.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$1,237 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Roads
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Property
- CHB Aerial (2018) - 7.5cm



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SEACLIFF COMMUNITY RECREATION ASSOCIATION

12/04/2018

1:600



Item No: **14.13**

Subject: **NEW LICENCE AGREEMENT – DOVER SQUARE TENNIS CLUB**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the licence agreement held between the City of Holdfast Bay and the Dover Square Tennis Club ("*Club*"), it is recommended that Council enters into a new licence agreement with the long-term tenant sporting group for their non-exclusive use of facilities adjacent to Dover Square.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Licence Agreement will: be for a period of five years commencing 1 July 2018; include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$975 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

1. **That Council enters into a new Licence Agreement with the Dover Square Tennis Club Incorporated over a portion of land comprised in Certificate of Title Volume 5558 Folio 563 and Volume 5805 Folio 398, for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 2. **That a commencing annual rent of \$975 (plus GST) be charged to the Lessee;**
 3. **That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Council Report No.: 384/13; Item No.: 14.8, 'Dover Square Tennis Club Inc – Renewal of Lease', 26 November 2013 (Resolution No.: C261113/1085).

REPORT

Following the 2016 expiration of the licence agreement held between the City of Holdfast Bay and the Dover Square Tennis Club ("*Club*"), discussions have been held with the Club for the purpose of entering into a new licence agreement for their non-exclusive use of the Dover Square Tennis Club facilities.

Previous Lease Agreement

The previous licence held between the City of Holdfast Bay and Club commenced on 1 January 2012 for a term of five years. In accordance with the Agreement, the commencing annual rent was \$515 (plus GST) and was subject to annual CPI increases. The rental in the final year of the lease was \$701 (plus GST).

The initial licence term expired on 31 December 2016, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement

Leased Area

Under the proposed new Licence Agreement, the Club will occupy both the existing hall and the adjacent tennis courts on a non-exclusive basis (subject to scheduled times). It should be noted that this is the same area occupied by the club under the previous licence.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Licence Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual licence fee of \$975 (plus GST) is to be charged for their occupation of the premises.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The licensee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this licence agreement will have a positive financial impact the 2018/19 budget to the amount of \$975 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Roads
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DOVER SQUARE TENNIS CLUB
LEASE

12/04/2018

1:459



Item No: **14.14**

Subject: **NEW LICENCE AGREEMENT – GLENELG NORTH COMMUNITY GARDEN**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the licence agreement held between the City of Holdfast Bay and the Glenelg North Community Garden Incorporated (“GNCG”), it is recommended that Council enters into a new licence agreement with the long-term tenant community group for their non-exclusive use of a portion of Kibby Reserve.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Licence Agreement will be for a period of five years commencing 1 July 2018, includes an Option to Renew for a subsequent five year term, and will incur an annual commencing rent of \$277 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

1. **That Council enters into a new Licence Agreement with the Glenelg North Community Garden Incorporated over a portion of land comprised in Certificate of Title Volume 5553 Folio 244 for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 2. **That a commencing annual rent of \$277 (plus GST) be charged to the Lessee;**
 3. **That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- Council Report No.: 329/14; Item No.: 14.6, 'Kibby Reserve In Licence', 14 October 2014 (Resolution No.: C141014/1261).

REPORT

Following the 2016 expiration of the licence agreement held between the City of Holdfast Bay and the Glenelg North Community Garden Incorporated ("*GNCG*"), discussions have been held with the GNCG for the purpose of entering into a new licence agreement for their continued non-exclusive use of a portion of Kibby Reserve.

Previous Lease Agreement

The previous licence held between the City of Holdfast Bay and Association commenced on 1 August 2014 for a term of two years. In accordance with the Agreement, the commencing annual rent was \$136 (plus GST). The rental in the final year of the lease remained at \$136.

The licence term expired on 31 July 2016, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Club will occupy the existing Community Garden on a non-exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual licence fee of \$277 (plus GST) is to be charged.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The lessee will be responsible for the general maintenance of the site in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$277 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
- Az Arterial
- Az Sub-Arterial
- Az Collector
- Az Local
- Az Track 2-Wheel Drive
- Az Undefined
- Roads
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Property
- CHB Aerial (2018) - 7.5cm

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GLENELG NORTH COMMUNITY
GARDEN

12/04/2018

1:294



Item No: **14.15**

Subject: **NEW LICENCE AGREEMENT – HELMSDALE TENNIS CLUB**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the licence agreement held between the City of Holdfast Bay and the Helmsdale Tennis Club ("*Club*"), it is recommended that Council enters into a new licence agreement with the long-term tenant sporting group for their non-exclusive use of facilities located at Sanderson Reserve.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Licence Agreement will: be for a period of five years commencing 1 July 2018; include an Option to Renew for a subsequent five year term; and will incur an annual commencing rent of \$829 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Licence Agreement with the Helmsdale Tennis Club Incorporated over a portion of land comprised in Certificate of Title Volume 5852 Folio 722, for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$829 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND***Previous Reports, Applications and Decisions***

- Council Report No.: 10/13; Item No.: 14.8, '*Helmsdale Tennis Club Inc – Lease*', 22 January 2013 (Resolution No.: C220113/792).

REPORT

Following the 2016 expiration of the licence agreement held between the City of Holdfast Bay and the Dover Square Tennis Club ("*Club*"), discussions have been held with the Club for the purpose of entering into a new licence agreement for their non-exclusive use of the facilities located at Sanderson Reserve.

Previous Lease Agreement

The previous licence held between the City of Holdfast Bay and Club commenced on 1 January 2007 for a term of five years and included an option to renew for a subsequent five years. In accordance with the Agreement, the commencing annual licence fee was \$570 (plus GST) and was subject to annual CPI increases. The rental in the final year of the licence was \$777 (plus GST).

The licence term expired on 31 December 2016, and in accordance with the terms and conditions of the Agreement, the Club has been in a Hold Over period since that time.

New Lease Agreement***Leased Area***

Under the proposed new Licence Agreement, the Club will occupy both the existing clubhouse and the adjacent tennis courts on a non-exclusive basis (subject to scheduled times). It should be noted that this is the same area occupied by the club under the previous licence.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Licence Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual licence fee of \$829 (plus GST) is to be charged for their occupation of the premises.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The licensee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this licence agreement will have a positive financial impact the 2018/19 budget to the amount of \$829 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Roads
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Property
- CHB Aerial (2018) - 7.5cm



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HELMSDALE TENNIS CLUB

12/04/2018

1:400



Item No: **14.16**

Subject: **NEW LICENCE AGREEMENT – WILLIAM KIBBY VC VETERANS SHED ASSOCIATION INCORPORATED**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

The licence agreement held between the City of Holdfast Bay and the William Kibby VC Veterans Shed Association Incorporated (*"Association"*) is scheduled to expire 30 June 2018. It is recommended that Council enter into a new licence agreement with the long-term tenant community group for their non-exclusive use of a portion of Kibby Reserve.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Licence Agreement will be for a period of five years commencing 1 July 2018, includes an Option to Renew for a subsequent five year term, and will incur an annual commencing rent of \$93 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Licence Agreement with the William Kibby VC Veterans Shed Association Incorporated over a portion of land comprised in Certificate of Title Volume 5553 Folio 244 for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$93 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND***Previous Reports, Applications and Decisions***

- Council Report No.: 102/14; Item No.: 14.4, 'Kibby Reserve Glenelg North – Licence', 8 April 2014 (Resolution No.: C080414/1082).

REPORT

The current licence agreement held between the City of Holdfast Bay and the Glenelg North William Kibby VC Veterans Shed Association Incorporated ("*Association*") is currently schedule to expire 30 June 2018. It is proposed to that Council enter into a new licence agreement so that the Association can continue their non-exclusive use of a portion of Kibby Reserve.

Previous Lease Agreement

The current agreement held between the City of Holdfast Bay and Association commenced on 1 July 2013 for a term of two years and is due to expire 30 June 2018.

In accordance with the Agreement, the commencing annual rent was \$1 per year payable on demand. There has been no annual variation in rent during the term of the Licence.

New Lease Agreement***Leased Area***

Under the proposed new Licence Agreement, the Club will occupy the existing Veteran's Shed on a non-exclusive basis. It should be noted that this is the same area occupied by the association under the previous licence.

Refer Attachment 1

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Licence Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual licence fee of \$93 (plus GST) is to be charged.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The lessee will be responsible for the general maintenance of the building in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$93 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.



- Az Property Address Labels
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- Az Undefined
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- Property
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William Kibby VC Veterans Shed
Association Licence

12/04/2018

1:250



Item No: **14.17**

Subject: **NEW LEASE AGREEMENT – BRIGHTON CROQUET CLUB INCORPORATED**

Date: 24 April 2018

Written By: Team Leader, Leasing and Commercial Operations

General Manager: City Assets and Services, Mr S Hodge

SUMMARY

Following the expiration of the lease agreement held between the City of Brighton and the Brighton Croquet Club Incorporated ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant sporting group for their exclusive use of a portion of Brighton Oval.

Pursuant to the provision set out in the Sporting & Community Club Leasing Policy, the new Lease Agreement will be for a period of five years commencing 1 July 2018, includes an Option to Renew for a subsequent five year term, and will incur an annual commencing rent of \$838 (plus GST) which will be subject to annual CPI increases.

Full details of the proposal are outlined within this report.

RECOMMENDATION

- 1. That Council enters into a new Lease Agreement with the Brighton Croquet Club Incorporated over a portion of land at Brighton Oval for a period of five years commencing 1 July 2018, with an Option to Renew for a subsequent five years;**
 - 2. That a commencing annual rent of \$838 (plus GST) be charged to the Lessee;**
 - 3. That the Acting Mayor and Chief Executive Officer be authorised to execute and seal any documents required to give effect to this lease.**
-

COMMUNITY PLAN

Placemaking: Creating vibrant and safe places

Community: Fostering an engaged and contributing community

COUNCIL POLICY

Sporting and Community Club Leasing Policy (pending) ("Policy")

STATUTORY PROVISIONS

Local Government Act 1999.

Retail and Commercial Leases Act 1995.

BACKGROUND

Previous Reports, Applications and Decisions

- City of Brighton - Council Report Item No.: 13.4.1, '*Club & Property Leases*', 25 November 1996.

REPORT

Following the 2016 expiration of the lease agreement held between the City of Brighton and the Brighton Croquet Club Incorporated ("*Club*"), it is recommended that Council enters into a new lease agreement with the long-term tenant sporting group for their continued exclusive use of a portion of Brighton Oval.

Previous Lease Agreement

On 25 November 1996 the City of Brighton endorsed a lease for the Brighton Croquet Club.

Refer Attachment 1

Though executed in 1996, the lease term commenced 1 July 1995 for a term of twenty years; which expired on 30 June 2016.

In accordance with Special Condition 1 of Schedule 5 of the Agreement, the lease included an 'Option to Renew' for a subsequent twenty years. However, this option was not pursued or exercised by the Club during the term of lease.

It must be noted that a 'right/option to renew':

- is not an entitlement;
- is not automatic;
- is subject to landowner consent and execution;
- must be exercised before the expiration of the initial lease; and
- cannot be executed retrospectively.

Therefore, as the Club failed to exercise this condition of the lease prior to the expiration of the initial Agreement, the option became null and void at the expiration of the lease. Due to this, a new lease agreement between Council and the Club is required.

New Lease Agreement

Leased Area

Under the proposed new Lease Agreement, the Club will occupy the existing Croquet Club Building on an exclusive basis. It should be noted that this is the same area occupied by the club under the previous lease.

Refer Attachment 2

Leased Term & Rental

Pursuant to the provisions outlined in section 3 of the Policy, the new Lease Agreement will be based on an initial term of five years, with an Option to Renew for a subsequent five year term.

In accordance with the most recent valuation of the property (2017), and in accordance with the rental calculation processes and incentive based discounts outlined in the policy, a commencing annual rental of \$838 (plus GST) is to be charged for the exclusive use of the Croquet Club facilities.

General Lease Terms and Condition

Notwithstanding any other provision of the Lease, the Lessee will be responsible for the payment of Outgoings applicable to their respective area.

The lessee will be responsible for the general maintenance, repair and replacement of all fixtures, fittings and chattels in accordance with the Building Maintenance Schedule of the Lease Agreement.

BUDGET

The execution of this lease agreement will have a positive financial impact the 2018/19 budget to the amount of \$838 (plus GST).

An annual budget allocation is provided to City Assets and Services for the review and implementation of property leases. This budget includes the engagement of legal advice and services when and where necessary.

LIFE CYCLE COSTS

Under the terms of the Lease, Council will be responsible for the structural maintenance of the facilities, the costs of which is included in both the long term financial and asset management plans.

13. DEFERRED ITEMS (Cont'd)

13.3 14 BURNHAM ROAD, KINGSTON PARK

The City Manager reported that he was still awaiting the approval of the Minister for Local Government Relations to proceed with the compulsory acquisition of the above property, however Members should know that considerable activity has taken place in the last two weeks culminating in the issuing of the attached documentation to all signatories of the initial petition which went to Council in August 1996.

Members will note that the letter accompanying the documentation is unsigned although the City Manager is fairly certain from where it originated, nevertheless, the facts therein are considered to be fairly close to the truth and has resulted in, so far 6 residents are asking for their signatures to be withdrawn from that original petition.

A copy of the documentation has been sent to the Minister for Local Government Relations for his information.

The City Manager reported having received a further letter today signed by 38 persons relating to the property.

Recommendation

That the report be received.

Councillor Mathwin **MOVED** that the report be received and that the City Manager forward all details in respect to the request for compulsory acquisition and supporting documentation to the Hon. the Attorney-General, Hon Trevor Griffin MP and seek a deputation for Council with the Hon. Scott Ashenden MP, Minister for Local Government Relations.

Alderman Norton **SECONDED**

CARRIED

13.4 CLUB LEASES

13.4.1 CLUB & PROPERTY LEASES

The City Manager referred Members to the meeting of the Council's Community Services & Recreation Committee held on Monday 11th November 1996 when a status report on the finalisation of Club leases was discussed.

All negotiations are now complete and only require approval by Council and a formal resolution to apply the Council seal to the finalised documents.

Brighton Surf Lifesaving Club Inc.,
Seacliff Tennis Club Inc.,
Seacliff Community Recreation Association Inc.,
South Brighton Community Association Inc.,
Brighton Croquet Club Inc. and
Girl Guides Association of South Australia Inc.,
have all signed and sealed their agreements.

Signatures are still required on three documents, however one concerning the City of Brighton Concert Band Inc., is to be signed and sealed once agreement on the maintenance of the Clubrooms is resolved. Mr Keith Jones, President of the Band has assured the Administration that this is the only issue needing a resolution before he will sign the document on behalf of the Concert Band.

13. DEFERRED ITEMS (Cont'd)
13.4 CLUB LEASES (Cont'd)
13.4.1 CLUB & PROPERTY LEASES (Cont'd)

A change of direction by the senior legal adviser Crown Solicitors Office, School Education, has resulted in the changing of the named "leasee" from the Seacliff Community Kindergarten Incorporated to the Minister for Education and Children's Services. This change was conveyed to the Administration by fax on the 15th November 1996 when the necessary alterations were carried out and then sent to Council's Solicitor Mr Wade Phillips for vetting. It is anticipated that this lease agreement will be finalised within the next fortnight.

Seacliff Uniting Church having finalised negotiations have now been advised by the head office of the Uniting Church of Australia that the agreement should, in addition, carry the name of their Property Trust. This has been arranged and also sent to Council's solicitor, Mr Wade Phillips and it is anticipated that this agreement will be signed within the next seven days.

An update of the status of these remaining documents will be provided at the meeting.

The Schedules for completed Leases/Agreements are distributed to Members for their information.

Recommendation

That the completed documents be approved and be signed and sealed by Council on the execution of the Lease/Agreement by the Lessees.

Note: Councillor Byers-Thomas sought leave to make a personal statement for inclusion in the Minutes.

"Following a request I made at a Council meeting held on the 26th August 1996, I refer to page 16, item 15 the following leases numbered 1, 8, 11, 12, 15, 18, 28 and 16 were minuted as being not completed with one expiry date as far back as 1992.

Again I note at a Council Meeting held on 14th March 1994, item 19 pages 14 to 18 inclusive, mentioned some of the earlier leases again with the expiry dates.

And again I noticed at a Council meeting held on 12th August, 1988, page 8 item 13.2 records -

"original leases cannot be found".

I am not blaming anyone in particular but as one Member of Council, I find this state of affairs unacceptable.

Stamp Duty penalties, no doubt, will be incurred on some."

13. DEFERRED ITEMS (Cont'd)**13.4 CLUB LEASES (Cont'd)****13.4.2 ALAN LANE'S TENNIS CENTRE - PROPERTY LEASE**

The City Manager reported that he had recently received a request from Mr Alan Lane of Alan Lane's Tennis Centre, 40 Wilton Avenue, Somerton Park for an extension to his lease agreement with Council of the Wilton Avenue Tennis Complex to enable him to apply for a State Government grant.

New grant funds have recently been made available by the State Government for a wide range of recreational and sporting purposes through the Office of Recreation, Sport and Racing. A number of local Clubs have indicated their intention to apply for a grant under this scheme. Where capital works are involved the applicant concerned must have a lease agreement for a minimum period of five years.

Mr Lane's lease current to 30th June 1997 was for a period of five years and his intention is to apply for capital improvements to his leased Council owned property. To enable this application to be made Council would need to grant Mr Lane a further extension of his lease for five years to 30th June 2002.

Recommendation

That Council approve the extension of the lease of the Tennis Court (Wilton Avenue) complex to Alan Lane of Alan Lane's Tennis Centre, 40 Wilton Avenue, Somerton Park for a further 5 years to 30th June 2002.

Councillor Gibson **MOVED** that the Recommendations pertaining to items 13.4.1 and 13.4.2 be adopted.

Alderman Goodier **SECONDED**

CARRIED

RAG



- Az Property Address Labels
- Az House Numbers
- Holdfast Bay
- Az Roads Name
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Roads
- Arterial
- Sub-Arterial
- Collector
- Local
- Track 2-Wheel Drive
- Undefined
- Property
- Property Miss Matches
- CHB Aerial (2018) - 7.5cm



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BRIGHTON CROQUET CLUB

16/04/2018

1: 600

