

Please note: These minutes are yet to be confirmed as a true record of proceedings

CITY OF BUSSELTON

MINUTES FOR THE COUNCIL MEETING HELD ON 12 JUNE 2019

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MINUTES

MINUTES OF A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN THE COUNCIL CHAMBERS, ADMINISTRATION BUILDING, SOUTHERN DRIVE, BUSSELTON, ON 12 JUNE 2019 AT 5.30PM.

1. DECLARATION OF OPENING ACKNOWLEDGEMENT OF COUNTRY / ACKNOWLEDGEMENT OF VISITORS / DISCLAIMER / NOTICE OF RECORDING OF PROCEEDINGS

The Presiding Member opened the meeting at 5.31pm.

2. ATTENDANCE

Presiding Member:

Cr Grant Henley Mayor

Members:

Cr Coralie Tarbotton
Cr Ross Paine
Cr Paul Carter
Cr Robert Reekie
Cr Kelly Hick
Cr Lyndon Miles

Officers:

Mr Mike Archer, Chief Executive Officer
Mr Oliver Darby, Director, Engineering and Works Services
Mr Paul Needham, Director, Planning and Development Services
Mrs Naomi Searle, Director, Community and Commercial Services
Mr Tony Nottle, Director, Finance and Corporate Services
Ms Sarah Pierson, Manager, Governance and Corporate Services
Mrs Emma Heys, Governance Coordinator

Apologies:

Cr John McCallum Deputy Mayor

Approved Leave of Absence:

Cr Rob Bennett

Media:

“Busselton-Dunsborough Times”
“Busselton-Dunsborough Mail”

Public:

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3. PRAYER

The prayer was delivered by Reverend Wayne Warfield of St Mary’s Anglican Church.

4. APPLICATION FOR LEAVE OF ABSENCE

Nil

5. DISCLOSURE OF INTERESTS

Nil

6. ANNOUNCEMENTS WITHOUT DISCUSSION**Announcements by the Presiding Member**

Nil

7. QUESTION TIME FOR PUBLIC

Nil

Response to Previous Questions Taken on Notice

Nil

8. CONFIRMATION AND RECEIPT OF MINUTES**Previous Council Meetings****8.1 Minutes of the Council Meeting held 22 May 2019****COUNCIL DECISION**

C1906/091 Moved Councillor P Carter, seconded Councillor R Reekie

That the Minutes of the Council Meeting held 22 May 2019 be confirmed as a true and correct record.

CARRIED 7/0

Committee Meetings**8.2 Minutes of the Policy and Legislation Committee Meeting held 14 May 2019****COUNCIL DECISION**

C1906/092 Moved Councillor K Hick, seconded Councillor R Reekie

That the Minutes of the Policy and Legislation Committee Meeting held 14 May 2019 be noted.

CARRIED 7/0

8.3 Minutes of Finance Committee Meeting held 16 May 2019**COUNCIL DECISION**

C1906/093 Moved Councillor C Tarbotton , seconded Councillor R Reekie

That the Minutes of the Finance Committee Meeting held 16 May 2019 be noted.

CARRIED 7/0

9. RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS**Petitions**

Nil

Presentations

Nil

Deputations

Nil

10. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN (WITHOUT DISCUSSION)**11. ITEMS BROUGHT FORWARD****For the convenience of the Public**

Nil

Adoption by Exception Resolution

At this juncture the Mayor advised the meeting that with the exception of the items identified to be withdrawn for discussion, that the remaining reports, including the Committee and Officer Recommendations, will be adopted en bloc, i.e. all together.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1906/094 Moved Councillor C Tarbotton , seconded Councillor P Carter

That the Committee and Officer Recommendations in relation to the following agenda items be carried en bloc:



- 12.1 Policy and Legislation Committee - 14/05/2019 - PROPOSED COUNCIL POLICY - HONORARY FREEMAN OF THE CITY OF BUSSELTON
- 12.2 Policy and Legislation Committee - 14/05/2019 - PREPARATION OF BUSSELTON CITY CENTRE ACTIVITY CENTRE PLAN
- 12.5 Finance Committee - 16/05/2019 - LIST OF PAYMENTS MADE APRIL 2019
- 17.1 COUNCILLORS' INFORMATION BULLETIN

CARRIED 7/0

EN BLOC

12. REPORTS OF COMMITTEE

12.1 Policy and Legislation Committee - 14/05/2019 - PROPOSED COUNCIL POLICY - HONORARY FREEMAN OF THE CITY OF BUSSELTON

SUBJECT INDEX:	Council Policy
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Governance Coordinator - Emma Heys
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Proposed Policy  Attachment B Current Policy 

This item was considered by the Policy and Legislation Committee at its meeting on 14 May 2019, the recommendations from which have been included in this report.

PRÉCIS

This report presents a proposed Council Policy ‘Honorary Freeman of the City of Busselton’ (the Policy) (Attachment A) for Council approval, and recommends the rescission of Council Policy 003 ‘Community Recognition - Honours And Significant Events’ (the Current Policy) (Attachment B), as part of the City’s overall review of its Council policies, having regard to the recommendations of the Governance System Review (GSR) carried out by Mr John Woodhouse in 2017.

BACKGROUND

In November 2014 the requirements of Council Policy 003 “Well Wishes” were combined with Policy 035 “Community Recognition Honours and Events” to become the Current Policy 003 “Community Recognition – Honours and Significant Events” Policy (C1411/297).

The Current Policy was last reviewed as part of the City’s policy review process and re-adopted in May 2017, with some minor amendments that included adding the ability of the Deputy Mayor and CEO to consider nominations received for various awards.

In August 2017 the CEO commissioned a high level independent review of the City’s governance systems – the Governance Systems Review (GSR). The GSR made the following recommendations with respect to the City’s policy and procedure framework:

- 1. There should be a review of the Council Policies with the intent that a Council Policy:*
 - a. Should deal with higher level objectives and strategies;*
 - b. Should not deal with operational matters, employee matters, or other matters which are the responsibility of the CEO; and*
 - c. Should, where appropriate provide sufficient direction to the CEO to develop OPPs which deal with the implementation of the Council Policy or other detailed matters.*
- 2. As part of that review, any existing Council Policy should be deleted where it could, more sensibly, be dealt with by an OPP adopted by the CEO.*
- 3. Consideration should be given to developing a new Council Policy which sets out the ‘framework’ for Council Policies, OPPs and other procedures. The new Policy would explain the role to be played by each level of document. It could, for example, be called a Policy Framework Policy.*

Prompted by the findings of the GSR and the ongoing requirement to periodically review Council policies, the Current Policy has again been reviewed by officers and it is recommended that the provisions of the High Honours Awards and Recognition Process be further developed into a new Council Policy (the Policy) and the Current Policy be rescinded, due to it being more administrative in nature.

STATUTORY ENVIRONMENT

In accordance with Section 2.7(2)(b) of the Local Government Act 1995 (the Act) it is the role of the Council to determine the local government's policies. The Council does this on the recommendation of a Committee it has established in accordance with Section 5.8 of the Act.

RELEVANT PLANS AND POLICIES

The City has a policy framework which was developed and endorsed by Council in response to the recommendations of the GSR. The framework sets out the intent of Council policies, as opposed to operational documents such as Staff Management Practices and operational procedures.

FINANCIAL IMPLICATIONS

Adoption of the Policy has no financial implications.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Adoption of the Policy has no long term financial plan implications.

STRATEGIC COMMUNITY OBJECTIVES

The officer recommendation primarily aligns with the following Key Goal Area and Community Objective of the City of Busselton's Strategic Community Plan 2017:

Key Goal Area 6 – LEADERSHIP: Visionary, collaborative, accountable

6.1 Governance Systems, processes and practices are responsible, ethical and transparent.

RISK ASSESSMENT

There are no risks identified of a medium or greater level associated with the officer recommendation, with the proposed Policy maintaining Council's support of an awards system in recognition of outstanding and meritorious service by individuals to the City of Busselton.

CONSULTATION

No external consultation was required or undertaken in relation to this matter.

OFFICER COMMENT

The purpose of the proposed Policy is to provide guidelines for the nomination, selection and awarding of the prestigious title of Honorary Freeman of the City of Busselton to an individual. Officers felt that given the high honour associated with this type of award, it is appropriate to develop an individual Council Policy to manage the eligibility and process provisions of this particular award.

Upon reviewing the Current Policy, it was identified that the General Awards and Recognition Process and Significant Events Recognition provisions are currently managed at an administration level and are proposed to be captured in an operational practice document. Further, it was identified that the eligibility criteria applicable to awarding the Honorary Freeman award required further clarity and development.

Council have been briefed on the proposal to develop a new Council Policy and were provided with several example policies on the same topic that detailed the types of criteria a policy of this nature may include.

CONCLUSION

The Policy seeks to make clear the eligibility criteria and process of awarding an Honorary Freeman of the City of Busselton and in doing so, ensures the important guidelines of doing so are maintained in a Council Policy.

Further, it is recommended that Council Policy 003 "Community Recognition – Honours and Significant Events", having had the provisions of High Honours Awards and Recognition Process moved to a new Council Policy, be rescinded.

OPTIONS

Council could require amendments to the proposed Policy, choose to not rescind the Current Policy, or require further amendments to be made to the Current Policy.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The officer recommendations will be effective immediately upon adoption.

OFFICER RECOMMENDATION

1. That the Council adopts the Honorary Freeman of the City of Busselton policy as per Attachment A; and
2. Rescinds Council Policy 003 "Community Recognition – Honours and Significant Events" (Attachment B).

COMMITTEE RECOMMENDATION

C1906/095 Moved Councillor C Tarbotton, seconded Councillor P Carter

1. That the Council adopts the Honorary Freeman of the City of Busselton policy as per Attachment A, inclusive of the following Committee changes;
 - i. Remove paragraph 5.3.
 - ii. Delete "...have made a contribution which can be seen to stand above the contributions made by most other people" from paragraph 5.5 and replace with "...have made a contribution that is considered extraordinary".
 - iii. Replace paragraph 5.9 with the following:

"5.9 In bestowing the title of Honorary Freeman of the City of Busselton, the following nomination procedure is to be observed:



- a. Nominations must be made in the strictest confidence without the nominees knowledge;
 - b. Any resident or elector of the City of Busselton may make a nomination;
 - c. Nominations must clearly outline in chronological order the history of service to the community of the person being nominated;
 - d. Nominations must be made in writing to the Chief Executive Officer. A nomination must be supported in writing by at least one third of the total number of Elected Members of Council; and
 - e. On receiving a conforming nomination, the nomination is to be submitted as a confidential report for consideration at an Ordinary Meeting of Council.”
- iv. Delete “...has accepted the nomination...” from paragraph 5.11 and replace with “...has approved the award...”.
2. Rescinds Council Policy 003 “Community Recognition – Honours and Significant Events” (Attachment B).

CARRIED 7/0

EN BLOC

Reason: The Committee felt that amendments to the wording would improve readability of the policy and the reordering of paragraph 5.9 would better reflect sequential flow.

12.2 Policy and Legislation Committee - 14/05/2019 - Preparation of Busselton City Centre Activity Centre Plan

SUBJECT INDEX:	Town & City Centres
STRATEGIC OBJECTIVE:	Creative urban design that produces vibrant, mixed-use town centres and public spaces.
BUSINESS UNIT:	Strategic Planning
ACTIVITY UNIT:	Strategic Planning
REPORTING OFFICER:	Principal Strategic Planner - Louise Koroveshi
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Busselton City Centre Conceptual Plan  Attachment B Proposed Extent of Busselton Activity Centre Plan and Urban Design Guidelines 

This item was considered by the Policy and Legislation Committee at its meeting on 14 May 2019, the recommendations from which have been included in this report.

PRÉCIS

The Council is requested to endorse the proposed preparation of an Activity Centre Plan (ACP) and Urban Design Guidelines (UDG) for the Busselton City Centre to guide future land uses, development opportunities and improvements to facilitate greater activation and vibrancy to the District's most important commercial, recreational, employment and administrative centre. This report details the rationale for doing so and proposes a programme, including public consultation, for preparing the ACP and UDG over the next 2 years.

BACKGROUND

The City is working towards establishing a practical and robust planning framework to provide and facilitate incentives for the ongoing rejuvenation and future development of the Busselton City Centre. Over the last five years the City has been actively planning to facilitate improvements to the function, attractiveness and vitality of the Busselton City Centre. This process has included a review of past planning instruments, adoption of the Busselton Traffic Study, the Busselton City Centre façade refurbishment subsidy programme, as well as car parking management, control and supply (including land purchased by the City for that purpose). Consultation has also occurred with landowners and the broader community. This work culminated in the adoption of the Busselton City Centre Conceptual Plan (BCCCP) in January 2014 (provided at **Attachment A**).

Subsequently, the City has progressed various projects identified in the BCCCP including Amendment 1 (Omnibus 1) and draft Amendment 29 (Omnibus 4) to Local Planning Scheme 21. Amendment 1 (Gazetted on 4 August 2017) introduced a range of significant changes to planning controls for the Busselton City Centre as well as a number of recommendations of the City's Local Commercial Planning Strategy and Local Cultural Planning Strategy, including the –

- i. Introduction of an RAC-3 coding to support residential diversity and mixed use development;
- ii. Introduction of a range of incentives (including increased plot ratio) to support mixed use development and increased density;
- iii. Introduction of Additional Use areas fringing the City Centre to provide low impact business/commercial opportunities and a transitional area between land uses in the centre and adjoining residential areas; and
- iv. Relaxation of building height controls.

Amendment 29 proposes provisions to be incorporated into the Scheme for the Busselton City and Dunsborough Town Centres, to provide guidance for development within a new 'Regional Centre' zone (for Busselton) and new 'Centre' zone (for Dunsborough) in place of the current 'Business' zone, and including new controls on drive-through facilities within the two centres. The provisions have been derived from existing City and State policies and relate to:

- Setbacks;
- Articulation;
- Cross-overs;
- Openings;
- Glazing;
- Minimum ceiling heights; and
- Signage.

At the time of writing this report, the Gazettal of Amendment 29 was imminent.

STATUTORY ENVIRONMENT

The key elements of the statutory environment relevant to the preparation of the Busselton ACP are set out in the *Planning and Development (Local Planning Schemes) Regulations 2015* and Local Planning Scheme 21. Each is discussed under appropriate subheadings.

Planning and Development (Local Planning Schemes) Regulations 2015

The preparation of an ACP should be consistent with the procedure set out in Schedule 2, Part 5 of the Regulations. The Regulations specify that an ACP may be prepared if required under a State Planning Policy or where the WAPC considers it necessary for the purposes of orderly and proper planning. The City sought the consent of the WAPC to prepare an ACP for the Busselton City Centre and received endorsement on 23 September 2016.

Local Planning Scheme 21

The area to be included within the proposed Busselton ACP is provided at **Attachment B**. The proposed Busselton ACP area is generally bound by Peel Terrace, West Street, Marine Terrace and Brown Street and includes land currently zoned 'Business' (noting that Gazettal of Amendment 29 will change the zoning to 'Regional Centre'), 'Reserve for Public Purposes' and 'Reserve for Recreation'. The 'Business' zoned land has a residential density coding of R-AC3.

The proposed UDG will be prepared as a local planning policy in accordance with Part 2, deemed provisions of the Regulations 2015.

RELEVANT PLANS AND POLICIES

The key policy implications with respect to the proposal are set out in the following and are discussed below under appropriate subheadings –

- i. State Planning Policy 7.0 – Design of the Built Environment (2019)
- ii. Liveable Neighbourhoods 2009 (draft 2015)
- iii. Draft City of Busselton Local Planning Strategy (2016)
- iv. Local Commercial Planning Strategy (2011)
- v. Busselton City Centre Conceptual Plan (2014)

State Planning Policy 7.0 – Design of the Built Environment

SPP 7.0 is the lead policy that establishes the requirement for design quality across the whole built environment to be considered as part of assessing planning proposals and will be applied to the preparation of the Busselton ACP.

SPP 7.0 (and supporting policies) apply to and provide guidance for apartment (multiple dwellings) development and residential components of mixed use development. This type of development is anticipated to become more prevalent within the Busselton City Centre subsequent to the introduction of favourable provisions in the Scheme. SPP 7.0 excludes general commercial development and the City's local planning framework will need to specifically address this element of the City Centre.

Liveable Neighbourhoods 2009 (draft 2015)

Liveable Neighbourhoods (LN) is a policy of the WAPC and sets out extensive planning direction relevant to consideration of proposed urban development. LN currently exists in two relevant forms, the adopted 2009 version (LN 2009) and the draft 2015 version (LN 2015) which has been advertised and should be 'seriously entertained'. Whilst LN generally applies to structure plans (and other subsidiary planning instruments such as activity centre plans and local development plans) and applications for subdivision approval, it does set out the WAPC overall direction for planning of urban areas, including urban design, and therefore provides useful advice when considering urban design requirements for the Scheme.

Draft City of Busselton Local Planning Strategy (2016)

The draft City of Busselton Local Planning Strategy (LPS) was adopted by the Council for final approval in September 2016 and is currently pending endorsement from the WAPC.

Theme 2 of the LPS 'Activity centres and economy' includes the following relevant objective and strategy –

Objective (d) – “The continued growth of the Busselton City Centre and the Dunsborough Town Centre as the main centres of the economic, social and cultural life of the District.”

Strategy (c) – “Support and proactively plan for activity centre development as set out in the established activity centre framework , with activity centres, including new activity centres and significant expansions of existing activity centres, to be developed as centres of the social and cultural life of their communities and not just as shopping centres. All new activity centres and significant expansion of existing activity centres shall be accompanied by an ‘Activity Centre Plan’ and ‘Retail Sustainability Assessment’ and be developed along predominantly ‘main-street’ lines, with activated public streets and high levels of pedestrian amenity, with a mix of public spaces (parks and piazzas), shop, office, café/restaurant/bar/entertainment, tourism and community uses. Opportunities for delivery of medium or high density housing and tourist accommodation within and around all activity centres shall be pro-actively planned for.”

Strategy (d) – “Significant office development should be located within or adjacent to the Busselton City Centre, Dunsborough Town Centre of Ambergate North Town Centre.”

State Planning Policy 4.2 – Activity Centres for Perth and Peel (SPP 4.2)

While not directly applicable, SPP 4.2 serves as a useful reference for the preparation of an ACP for the Busselton City Centre as it identifies the range of planning considerations relevant to activity centres and the general policy position of the WA Planning Commission.

SPP 4.2 provides recommendations on such matters as the desirable hierarchy of centres, the integration of infrastructure and services, the concentration of commercial activities, and the assessment of retail needs and sustainability.

The preparation of an ACP and UDG for the Busselton City Centre will occur in general alignment with the principles of SPP 4.2.

Local Planning Policy 4B – Busselton Town Centre Urban Design Provisions (LPP 4B)

LPP 4B is an existing policy that provides development standards and design guidelines for the Busselton City Centre. The policy contains a range of principles that generally reflect good urban design but there is scope to update and expand the policy as part of the overall Busselton ACP project.

FINANCIAL IMPLICATIONS

The Busselton ACP project will be coordinated and substantially delivered in-house. Some limited specialised consultancy services will be required that is not realistically available in-house, such as retail/commercial analysis, transport and parking studies and potentially valuations and legal advice. Consideration of this has been included as part of the Strategic Planning Business Plan 2019-20/2022-23 and the 2019/20 budget.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no long term financial plan implications associated with the officer recommendation.

STRATEGIC COMMUNITY OBJECTIVES

Officers consider that the recommendation of this report reflects community objective 2.3 of the Strategic Community Plan 2017 –

‘2.3 Creative urban design that produces vibrant, mixed-use town centres and public spaces.

e) Continue to revitalise and activate the Busselton and Dunsborough town centres.’

Proactively planning for the revitalisation and activation of the Busselton City Centre underpins a range of other City priorities such as the development of attractive community places and supporting the development, promotion and success of local businesses.

RISK ASSESSMENT

Officers have undertaken an assessment of the potential implications of carrying out the Officer Recommendation using the City's risk assessment framework. The assessment identifies 'downside' risks only, rather than 'upside' risks as well. The implementation of the Officer Recommendation will involve endorsement of the preparation of an ACP and urban design guidelines for the Busselton City Centre. In this regard, there are no significant risks identified.

CONSULTATION

The requirement to advertise a draft ACP is set out in the *Planning and Development (Local Planning Schemes) Regulations 2015*. Advertising is required, along with referral to relevant government agencies and advice to the WAPC. A draft ACP would be advertised for a minimum of 28 days.

The requirement to advertise a proposed local planning policy (the City's preferred format for UDG) is outlined in the Regulations. A proposed local planning policy is to be made available for public comment for a minimum of 21 days.

Two internal workshops have already been held for relevant staff and Councillors.

Officers propose to undertake preliminary consultation during the initial preparation and drafting phases as follows –

- Consult with the Economic Development Working Group sub-committee of the City's Economic Development Taskforce in order to ensure alignment of objectives, identify relevant issues and potentially to provide ongoing project reference;
- Meet with the Busselton Chamber of Commerce and Industry to brief the group on the project and identify common aspirations and issues of importance.

Formal public consultation with our community and stakeholders is proposed to include:

- Consultation with focus groups;
- Public workshops;
- Newspaper advertising;
- Website notification and engagement via 'Your Say'; and
- Notification (via letter) of directly affected land and business owners.

Other avenues of public consultation may also be identified as the project is progressed.

Responses received through the public consultation process will be considered in the finalising of the proposed ACP and UDG, which is expected to be submitted to the Council for consideration and endorsement in late 2020.

OFFICER COMMENT

In support of the recently introduced Scheme provisions in gazetted Amendment 1, and those proposed in Amendment 29, the preparation of an ACP and UDG is to be undertaken in order to provide guidance and direction for the future development of the Busselton City Centre. Officers consider this to be the next step in considering and addressing future land use and development opportunities and improvements to help bring greater activation and vibrancy to our City Centre, along with greater diversity, connectivity, interest, attractiveness and local business success.

The principal purpose of the ACP is to provide guidance and direction for better management and integration of traffic, parking, laneway and pedestrian networks as well as desirable urban forms in the interface between private development and the public realm and the most appropriate planning controls and incentives through which these can be provided.

The proposed ACP will also include consideration and assessment of –

- Better management and integration of traffic, parking, laneway and pedestrian networks and opportunities;
- Strategies to support and encourage the introduction of diverse residential housing opportunities into the City Centre, especially through apartment development above active commercial street frontages;
- Future community infrastructure and servicing requirements and the function and utilisation of publicly managed land;
- Strategies to support economic diversity and robustness in the local commercial sectors; and
- Strategies to support better engagement and communication, energy and interest in the utilisation of streetscapes, public areas (including place-making opportunities) and more diverse built design and structural outcomes.

The ACP will effectively supersede the BCCCP and will be prepared with a finer level of detail, be more orientated towards providing guidance for new development on private land, and will carry a greater level of statutory weight. The ACP will consider significant recent planning documents such as the draft LPS and relevant statutory and policy decisions.

The preparation of the ACP will consider the general matters set out in the Regulations 2015, where relevant to an existing and established centre, including reporting on the attributes and context of the Busselton City Centre and expectations for its population and commercial growth and development.

The Busselton ACP project will also focus on reviewing the scope and content of Local Planning Policy 4B - Busselton Town Centre Urban Design Provisions (LPP 4B) to supplement the provisions and controls to be incorporated in the Scheme.

CONCLUSION

The proposed preparation of an ACP and accompanying UDG for the Busselton City Centre is seen as a logical and necessary step towards providing a local planning framework that gives appropriate guidance and direction for future development. The support of the Council for initiating this process is recommended.

OPTIONS

The Council may consider other options, including:

1. Not progressing the preparation of an ACP, UDG, or both at this time for reasons to be identified.
2. Providing specific direction on the matters to be considered within the proposed ACP and/or UDG.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the Officer Recommendation be supported, preliminary consultation, scoping of consultancy requirements for technical assessments and initial drafting as outlined in this report will commence within two months of the Council's resolution.

COUNCIL DECISION / COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION


C1906/096 Moved Councillor C Tarbotton , seconded Councillor P Carter

That the Council endorses the preparation of an Activity Centre Plan and Urban Design Guidelines (as a Local Planning Policy) for the Busselton City Centre, as proposed.

CARRIED 7/0

EN BLOC

12.5 Finance Committee - 16/05/2019 - LIST OF PAYMENTS MADE APRIL 2019

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Acting Manager Financial Services - Jeffrey Corker
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A List of Payments Made - April 2019 

This item was considered by the Finance Committee at its meeting on 16 May 2019, the recommendations from which have been included in this report.

PRÉCIS

This report provides details of payments made from the City's bank accounts for the month of March 2019, for noting by the Council and recording in the Council Minutes.

BACKGROUND

The Local Government (Financial Management) Regulations 1996 (Regulations) require that when the Council has delegated authority to the Chief Executive Officer to make payments from the City's bank accounts, that a list of payments made is prepared each month for presentation to, and noting by, Council.

STATUTORY ENVIRONMENT

Section 6.10 of the Local Government Act and more specifically, Regulation 13 of the Regulations refer to the requirement for a listing of payments made each month to be presented to the Council.

RELEVANT PLANS AND POLICIES

Not Applicable.

FINANCIAL IMPLICATIONS

Not Applicable.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Not Applicable.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Leadership' and more specifically Community Objective 6.1 - 'Governance systems, process and practices are responsible, ethical and transparent'.

RISK ASSESSMENT

Not Applicable.

CONSULTATION

Not Applicable.

OFFICER COMMENT

In accordance with regular custom, the list of payments made for the month of March 2019 is presented for information.

CONCLUSION

The list of payments made for the month of March 2019 is presented for information.

OPTIONS

Not Applicable.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Not Applicable.

COUNCIL DECISION / COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION


C1906/097 Moved Councillor C Tarbotton , seconded Councillor P Carter

That the Council notes payment of voucher numbers M116780 – M116843, EF064339 – EF064794, T007441 – T007443, and DD003748 – DD003776 together totalling \$7,009,730.78.

CARRIED 7/0

EN BLOC

17.1 COUNCILLORS' INFORMATION BULLETIN

SUBJECT INDEX:	Councillors' Information Bulletin
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Executive Assistant to Council - Katie Banks
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A State Administrative Tribunal Reviews 

PRÉCIS

This report provides an overview of a range of information that is considered appropriate to be formally presented to the Council for its receipt and noting. The information is provided in order to ensure that each Councillor, and the Council, is being kept fully informed, while also acknowledging that these are matters that will also be of interest to the community.

Any matter that is raised in this report as a result of incoming correspondence is to be dealt with as normal business correspondence, but is presented in this bulletin for the information of the Council and the community.

INFORMATION BULLETIN

17.1.1 State Administrative Tribunal Reviews

Attachment A is a list showing the current status of State Administrative Tribunal Reviews involving the City of Busselton.

17.1.2 Recent Correspondence

16 April 2019 – Public Sector Commission

The Public Sector Commissioner is keen to build and consolidate the Commission's relationship and engagement with the local government sector. A range of online resources are available from the Commission in relation to meeting requirements of the *Corruption, Crime and Misconduct Act 2003*, *Part IX of the Equal Opportunity Act 1984* and the *Public Interest Disclosure Act 2003*.

16 April 2019 – WALGA Employee Relations Alert: State Industrial Relations System

The final report of the Ministerial Review of the State Industrial Relations System has been released. The State Government's view is that Local Government should be regulated by the State industrial relations system and not the industrial relations system. The WALGA Employee Relations alert details the proposed reforms.

26 April 2019 – Local Government Professionals Australia

In the lead up to the Federal election, LG Professionals Australia were advocating for an increase in funding for the local government sector with a focus on disappointment in the allocation of Financial Assistance Grants.

06 May 2019 - Department of Communities

Has provided confirmation that the City's Disability Access and Inclusion Plan for 2018-2022 meets the requirements of the Disability Services Act 1993.

07 May 2019 – Department of the Premier and Cabinet - South West Native Title Settlement: Creation of the Noongar Land Estate

The Western Australian Government has reached an agreement with the Noongar People to settle native claims across the South West of the State.

13 May 2019 – Capecare Dunsborough Aged Care Project

Capecare has been successful in securing \$9.6m of State and Federal grant funding to support the development of the Dunsborough Capecare Project.

22 May 2019 – Approval of Leave of Absence

Hon David Templeman MLA Minister for Local Government; Heritage; Culture & the Arts has approved the leave of absence request for Cr Rob Bennett from 22 May 2019 until 26 June 2019 inclusive.

Hard copies of the abovementioned correspondence are available to view upon request.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1906/098 Moved Councillor C Tarbotton , seconded Councillor P Carter

That the items from the Councillors' Information Bulletin be noted:

- 17.1.1 State Administrative Tribunal Reviews
- 17.1.2 Recent Correspondence

CARRIED 7/0

EN BLOC

ITEMS TO BE DEALT WITH BY SEPARATE RESOLUTION, WITHOUT DEBATE

12.3 Finance Committee - 16/05/2019 - BUDGET AMENDMENT REQUEST / REVIEW

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Finance and Corporate Services
REPORTING OFFICER:	Acting Manager Financial Services - Jeffrey Corker
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	

This item was considered by the Finance Committee at its meeting on 16 May 2019, the recommendations from which have been included in this report.

PRÉCIS

This report seeks recommendation of the Finance Committee to Council for the approval of budget amendments as detailed in this report. Adoption of the Officers recommendation will result in no change to the City's current amended budgeted surplus position of \$0.

BACKGROUND

Council adopted its 2018/2019 municipal budget on Wednesday, 25 July 2018 with a balanced budget position.

Since this time Council has been advised of certain expense changes that have impacted the original budget and Council is now being asked to consider budget amendments for the following key areas/projects:

1. Port Geographe Capital Works

STATUTORY ENVIRONMENT

Section 6.8 of the *Local Government Act 1995* refers to expenditure from the municipal fund that is not included in the annual budget. In the context of this report, where no budget allocation exists, expenditure is not to be incurred until such time as it is authorised in advance, by an absolute majority decision of the Council.

RELEVANT PLANS AND POLICIES

There are multiple plans and policies that support the proposed budget amendments.

FINANCIAL IMPLICATIONS

Budget amendments being sought will result in no change to Council's budget surplus position of \$0.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no Long Term Financial Plan implications in relation to this item.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

There is a risk to the City, as there is with all projects undertaken, that the final cost could exceed budget. If this looks to be the case Council will be notified so a suitable offset / project scope back can be identified.

CONSULTATION

No external consultation was considered necessary in relation to the budget amendments.

OFFICER COMMENT

The Officer recommends the following requested budget amendment to the Finance Committee for consideration and recommendation to Council.

1. Port Geographe Capital Works

Council allocated funds within the 2018/19 budget to undertake a number of significant capital upgrade projects with Port Geographe totalling \$886,241 as follows:

Cost Code	Project	Budget
C3157	Layman Road Native Tree Planting	\$33,158
C3158	Casuarina Replacement	\$21,100
C3159	Burgee Cove POS Upgrade	\$92,543
C3160	Lanyard Boulevard / Layman Road POS Upgrade	\$286,513
C3163	Minor Repairs	\$30,000
C3164/3187	Reticulation Upgrade Scheme to Bore Water	\$397,927
C3188	General Tree Planting and Replacement	\$25,000

It has been identified that there will be an overspend of approximately \$21,822.92 across the 7 projects, with the following contributing to this amount:

- \$34,298.54 in contract variations within the Burgee and Lanyard POS’s upgrades, additional works included the installation of concrete edging to formal garden beds, mulching of revegetation areas, installation of additional bollards and minor modifications to the irrigation system which were not identified in the original scope of works. These works were considered essential as they will reduce the ongoing maintenance requirements and add to the overall success of the projects.
- \$26,000 in additional trenching, under road boring and reinstatement costs associated with the installation of new mainline through Port Geographe as part of the scheme to bore conversion.
- These have been offset by the fact that only half of the maintenance period will be delivered this financial year and the remaining allowance will fund a portion of the overspend.

It is the relevant Officer’s recommendation that to manage the anticipated overspend at Port Geographe that an amount of \$21,822.92 be transferred from the Port Geographe Reserve and that the expense budgets for C3160 and C3187 be amended to allow for the increased cost.

Planned Expenditure Item

Officers propose that the 2018/2019 adopted budget be amended to reflect the following funding changes, shown in Table 1.

Table 1:

<i>Cost Code</i>	<i>Description</i>	<i>Current Budget</i>	<i>Change</i>	<i>Resulting Proposed Amended Budget</i>
Expenditure				
545-C3160-3280-0000	Lanyard Boulevard / Layman Rd POS Upgrade	65,000	1,823	66,823
545-C3187-3280-0000	Reticulation Upgrade Scheme to Bore Water	286,513	20,000	306,513
Income				
Equity Transfer (Reserve 122)	Port Geographe Development Reserve	-1,125,591	-21,823	-1,147,414
	Net Total	-774,078	0	-774,078

CONCLUSION

Council's approval is sought to amend the budget as per the details contained in this report. Upon approval the proposed works will be planned, organised and completed.

OPTIONS

The Council could decide not to go ahead with any or all of the proposed budget amendment requests.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the Officer Recommendation be endorsed, the associated budget amendment will be processed within a month of being approved.

COUNCIL DECISION / COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION**C1906/099**

Moved Councillor C Tarbotton , seconded Councillor P Carter



That Council endorse the requested budget amendment outlined in Table 1 below resulting in no change to an amended budget surplus position of \$0.

Table 1:

<i>Cost Code</i>	<i>Description</i>	<i>Current Budget</i>	<i>Change</i>	<i>Resulting Proposed Amended Budget</i>
Expenditure				
545-C3160-3280-0000	Lanyard Boulevard / Layman Rd POS Upgrade	65,000	1,823	66,823
545-C3187-3280-0000	Reticulation Upgrade Scheme to Bore Water	286,513	20,000	306,513
Income				
Equity Transfer (Reserve 122)	Port Geographe Development Reserve	-1,125,591	-21,823	-1,147,414
	Net Total	-774,078	0	-774,078

CARRIED 7/0

12.4 Finance Committee - 16/05/2019 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 30 APRIL 2019

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Acting Manager Financial Services - Jeffrey Corker
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Statement of Financial Activity - Period Ended 30 April 2019 
	Attachment B Investment Report for Month Ending 30 April 2019 

This item was considered by the Finance Committee at its meeting on 16 May 2019, the recommendations from which have been included in this report.

PRÉCIS

Pursuant to Section 6.4 of the Local Government Act ('the Act') and Regulation 34(4) of the Local Government (Financial Management) Regulations ('the Regulations'), a local government is to prepare, on a monthly basis, a statement of financial activity that reports on the City's financial performance in relation to its adopted / amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, whilst also providing the Council with an overview of the City's financial performance on a year to date basis for the period ending 30 April 2019.

BACKGROUND

The Regulations detail the form and manner in which financial activity statements are to be presented to the Council on a monthly basis; and are to include the following:

- Annual budget estimates
- Budget estimates to the end of the month in which the statement relates
- Actual amounts of revenue and expenditure to the end of the month in which the statement relates
- Material variances between budget estimates and actual revenue/ expenditure/ (including an explanation of any material variances)
- The net current assets at the end of the month to which the statement relates (including an explanation of the composition of the net current position)

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 25 July 2018, the Council adopted (C1807/138) the following material variance reporting threshold for the 2018/19 financial year:

"That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2018/19 financial year as follows:

- *Variiances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variiances due to timing differences and/or seasonal adjustments are to be reported on a quarterly basis; and*
- *Reporting of variiances only applies for amounts greater than \$25,000.”*

STATUTORY ENVIRONMENT

Section 6.4 of the Act and Regulation 34 of the Regulations detail the form and manner in which a local government is to prepare financial activity statements.

RELEVANT PLANS AND POLICIES

There are no plans or policies directly relevant to this matter.

FINANCIAL IMPLICATIONS

Any financial implications are detailed within the context of this report.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Any long term financial implications are detailed within the context of this report.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’. The achievement of the above is underpinned by the Council strategy to ‘ensure the long term financial sustainability of Council through effective financial management’.

RISK ASSESSMENT

Risk assessments have been previously completed in relation to a number of ‘higher level’ financial matters, including timely and accurate financial reporting to enable the Council to make fully informed financial decisions. The completion of the monthly Financial Activity Statement report is a control that assists in addressing this risk.

CONSULTATION

Consultation is not applicable in relation to this matter.

OFFICER COMMENT

In order to fulfil statutory reporting requirements, and to provide the Council with a synopsis of the City’s overall financial performance on a full year basis, the following financial reports are attached here to:

- Statement of Financial Activity

This report provides details of the City’s operating revenues and expenditures on a year to date basis, by nature and type (i.e. description). The report has been further extrapolated to include details of non-cash adjustments and capital revenues and expenditures, to identify the City’s net current position; which reconciles with that reflected in the associated Net Current Position report.

▪ Net Current Position

This report provides details of the composition of the net current asset position on a full year basis, and reconciles with the net current position as per the Statement of Financial Activity.

▪ Capital Acquisition Report

This report provides full year budget performance (by line item) in respect of the following capital expenditure activities:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

▪ Reserve Movements Report

This report provides summary details of transfers to and from reserve funds, and also associated interest earnings on reserve funds, on a full year basis.

Additional reports and/or charts are also provided as required to further supplement the information comprised within the statutory financial reports.

COMMENTS ON FINANCIAL ACTIVITY TO 30 APRIL 2019

The Statement of Financial Activity for the period ending 30 April 2019 shows a better than expected Net Current Position "Surplus" of \$5.2M being \$9.5M higher than year to date amended budget of - \$4.3M.

The following summarises the major variances in accordance with *Council's adopted material variance reporting threshold* that collectively make up the above difference:

Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities					
Other Revenue	1,046,214	302,916	362,981	245.38%	743,298
Profit on Asset Disposal	100,283	82,137	82,137	22.09%	18,146
Expenses from Ordinary Activities					
Materials & Contracts	(12,833,940)	(16,299,732)	(19,834,500)	21.26%	3,465,792
Depreciation	(18,405,135)	(15,916,080)	(19,070,922)	-15.64%	(2,489,055)
Insurance Expenses	(713,980)	(589,743)	(698,808)	-21.07%	(124,237)
Other Expenditure	(2,402,996)	(3,984,970)	(4,862,439)	39.70%	1,581,974
Allocations	1,616,284	1,426,553	1,723,162	-13.30%	189,731
Non-Operating Grants, Subsidies and Contributions					
	3,556,391	15,867,748	32,471,094	-77.59%	(12,311,357)
Capital Revenue & (Expenditure)					
Land & Buildings	(1,019,174)	(15,065,019)	(17,986,501)	93.23%	14,045,845
Plant & Equipment	(2,199,023)	(5,191,100)	(6,900,100)	57.64%	2,992,077
Furniture & Equipment	(287,164)	(734,967)	(890,640)	60.93%	447,803
Infrastructure	(17,753,366)	(30,754,407)	(37,644,708)	42.27%	13,001,041
Proceeds from Sale of Assets	696,180	915,150	1,045,950	-23.93%	(218,970)
Proceeds from New Loans	0	3,150,000	3,150,000	-100.00%	(3,150,000)
Advances to Com. Groups	0	(150,000)	(150,000)	100.00%	150,000
Transfer to Restricted Assets	(1,010,424)	(459,660)	(551,000)	-119.82%	(550,764)

Transfer from Restricted Assets	7,697,118	10,759,680	14,530,252	-28.46%	(3,062,562)
Transfer from Reserves	3,106,401	11,825,440	27,075,171	-73.73%	(8,719,039)

Revenue from Ordinary Activities:

YTD actual income from ordinary activities is \$1.07M more than expected when compared to YTD budget with the three items meeting the material variance reporting threshold being;

1. Other Revenue is \$743k better than YTD budget. In part this variance is due to better than expected returns on the sale of scrap metal by \$240k. IT lease buybacks reflect additional income of \$544k which is offset by additional expenses in the IT leasing account 3381.
2. Profit on asset disposal is \$18k better than YTD budget. This line item is an accounting book entry to recognise profit on asset disposal and as a consequence will not affect the City's "cash" position.

Expenses from Ordinary Activities

Expenditure from ordinary activities, excluding depreciation, is \$3.7M less than expected when compared to YTD budget with the following items meeting the material variance reporting threshold.

Materials and Contracts:

The main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD \$
<u>Finance and Corporate Services</u>		
10250	Information & Communication Technology Services	(551,483)
10300	Records	29,911
10251	Business Systems	58,504
10500	Legal and Compliance Services	83,995
<u>Community and Commercial Services</u>		
10540	Recreation Administration	29,750
B1361	YCAB (Youth Precinct Foreshore)	34,070
10630	Property and Business Development	36,012
10591	Geographe Leisure Centre	38,971
11151	Airport Operations	39,956
10590	Naturaliste Community Centre	60,925
10380	Busselton Library	81,477
10600	Busselton Jetty Tourist Park	85,319
<u>Planning and Development Services</u>		
10925	Preventative Services - CLAG	27,521
10931	Protective Burning & Firebreaks-Reserves	45,363
10820	Strategic Planning	77,397
10830	Environmental Management Administration	105,104
11170	Meelup Regional Park	113,209

Cost Code	Cost Code Description / GL Activity	Variance YTD \$
<u>Engineering and Works Services</u>		
12620	Rural-Tree Pruning	(80,140)
G0030	Busselton Transfer Station	(39,459)
C8500	Cycle Ways Maintenance Busselton	(32,802)
G0031	Dunsborough Waste Facility	(32,237)
10115	Major Projects Administration	26,478
11162	Busselton Jetty - Underwater Observatory	30,649
G0010	Domestic Recycling Collections	31,391
F9999	Footpaths Maintenance	34,531
G0034	External Waste Disposal	37,768
11108	Rural Intersection (Lighting) Compliance	41,634
G0042	BTS External Restoration Works	43,438
B1000	Administration Building- 2-16 Southern Drive	45,294
G0033	Green Waste	46,131
11106	Street Lighting Installations	47,270
12600	Street & Drain Cleaning	49,765
A6004	Pedestrian Bridge (Port Geographe)	53,330
B1514	Asbestos Removal & Replacement	62,500
G0032	Rubbish Sites Development	83,330
11301	Regional Waste Management Administration	100,000
A9999	Miscellaneous Bridge Maintenance	103,926
11101	Engineering Services Administration	114,394
11160	Busselton Jetty	647,434
B1401	Old Butter Factory	804,081
R0301	Cultural Precinct Queen Street	26,670
R0750	Barnard Park Ovals	27,263
R0822	Lavender Park (Provence)	28,627
R0821	Avignon Park (Provence)	30,421
R0820	Almond Green Park (Provence)	38,131
R2001	Tree Planting - Urban Verges	51,520
R0004	Busselton Foreshore Precinct (not including Skate Park)	83,515
5280	Transport - Fleet Management	211,143

Depreciation:

There is an overall variance in depreciation of \$2.5M, however it should be noted that this is a non-cash item and does not impact on the City's surplus position. The variance can be attributed to Fair Valuation of infrastructure assets being completed post budget adoption and the increase in valuation was unable to be included in the 2018/2019 budget.

Insurance:

There is a year to date variance in insurance costs of \$124K. This is a timing issue only which relates to the fleet management business unit insurance budget being projected to occur in period 12 (i.e. June) whereas the actual expenditure was incurred in period 1 (i.e. July).

Other Expenditure:

There is an YTD variance in other costs of \$1.6M less than year to date budget. The main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Executive Services</u>		
10001	Executive Services	29,883
<u>Finance and Corporate Services</u>		
10618	Winderlup Court Aged Housing	47,302
10700	Public Relations	55,726
10151	Rates Administration	63,894
10000	Members of Council	74,220
<u>Community and Commercial Services</u>		
12631	Peel Terrace Building & Surrounds	(33,216)
10547	Iron Man	(31,670)
10540	Recreation Administration	28,675
10548	Half Iron	38,500
10530	Community Services Administration	100,572
11156	Airport Development Operations	1,250,000
<u>Planning and Development Services</u>		
10942	Bushfire Risk Management Planning - DFES	(39,283)
10805	Planning Administration	41,410
<u>Engineering and Works Services</u>		
G0042	BTS External Restoration Works	(191,045)
11160	Busselton Jetty	25,000
B1223	Micro Brewery - Public Ablution	100,000

With regard to the \$1.25M variance associated with the Airport marketing incentive, it is not anticipated that this expense will be incurred this year. However this will not constitute a saving as this cost is reserve backed, hence if expenditure is not incurred then then it follows that the transfer from reserve will also not be processed. All other items above have been classified as timing differences.

Non-Operating Grants, Subsidies and Contributions:

Non-Operating Grants, Subsidies and Contributions are less than YTD budget by \$12.3M with the main items impacting on the above result being the timing of the receipt of funding which is also offset with less than anticipated expenditure at this time:

Cost Code	Cost Code Description	Variance YTD
<u>Finance and Corporate Services</u>		
10250	IT Capital Grant - CCTV at NCC	140,044
10240	Contributions to Works	(138,330)
10239	Contributions Community Facilities	(1,039,234)
<u>Community and Commercial Services</u>		
10900	Cultural Planning - Donated Assets	37,000
C6099 & 6086	Airport Development - Project Expenses (Net)	(8,271,053)

Cost Code	Cost Code Description	Variance YTD
Planning and Development Services		
B9109	Hithergreen Building Renovations	(68,886)
B1013	Dunsborough Bushfire Brigade	(178,300)
B9112	Ambergate Bushfire Brigade Shed	(300,760)
B1015	Hithergreen District Bushfire Brigade	(465,200)
B1026	Yallingup Rural Bushfire Brigade	(597,600)
Engineering and Works Services		
D0017	Chain Avenue - Drainage Works	(39,000)
C2512	Sand Re-Nourishment	(55,000)
S0069	Peel Terrace (Brown Street Intersection Upgrades)	(72,223)
C2523	Broadwater Beach Coastal Protection Stage 1 of 4	(75,000)
C3150	Busselton Foreshore Stage 3: Toddler's Playground	(91,631)
F1018	Dunsborough Cycleway CBD to Our Lady of the Cape School	(119,170)
C2528	Craig Street Groyne and Sea Wall	(125,000)
S0035	Strelly Street / Barlee Street Roundabout	(130,000)
C0049	Port Geographe Marina Car Parking	(143,130)
S0064	Peel Terrace (Stanley Pl/Cammilleri St Intersection Upgrade)	(144,447)
S0051	Causeway Road / Rosemary Drive Roundabout	(216,670)
C3168	Busselton Foreshore Jetty Precinct	(308,221)

Capital Expenditure

As at 30 April 2019, there is a variance of -59% or -\$30.4M in total capital expenditure with YTD actual at -\$21.3M against YTD budget of -\$51.7M.

The airport development makes up for \$12.9M (main variance relates to the Airport Terminal \$10.8M), Busselton Tennis Club – Infrastructure \$1.4M, Plant and Equipment \$3M, Council Roads Initiative projects \$1.26M, Eastern Link - Busselton Traffic Study \$2.3M, Dunsborough Land Purchase Parking \$1.3M, Main Roads projects \$1.5M, Parks, Gardens and Reserves \$780K, Sanitation Infrastructure \$1.1M, Beach Restoration \$1.1M, Busselton Senior Citizens \$615K, Dunsborough Cycleway CBD to Our Lady of the Cape School \$221K, Furniture and Equipment \$448K, Busselton Jetty Tourist Park Upgrade \$214K, Beach Front Infrastructure \$72K, GLC - Pool Relining \$50K, Energy Efficiency Initiatives (Various Buildings) \$79K, Boat Ramp Construction \$259K, and Major Projects Lou Weston Oval \$567K and Busselton Foreshore \$1.6M.

These items of under expenditure also assists in explaining the above current YTD shortfall in Non-Operating Grants.

The attachments to this report include detailed listings of the following capital expenditure (project) items, to assist in reviewing specific variances.

Proceeds from Loans/ Advances to Community Groups

As at 30 April 2019, there is a variance of \$3.15M which relates to the budgeted drawdown of loans that as at this time is yet to occur. The two main loans to be raised are as follow;

- Busselton Tennis Club \$1.5M; and
- Air Freight Hub Stage 1 \$1.5M;

As at this time an application has been submitted to draw down both loans within May 2019 as the related expenditure has/ will be incurred. Hence, this variance is only a timing difference.

With regard to the self-supporting loan for community groups, it is not expected that this will occur, hence the contra entry “advances to community groups” as a consequence will also not be required. The transactions associated with self-supporting loans is ordinarily cost neutral to the City, therefore this transaction will have no effect on the City’s net current position.

Investment Report

As at 30th April 2019 the value of the City’s invested funds totalled \$73.95M, down from \$74.40M as at 31st March. The decrease is due to the withdrawal of funds from the Airport Development ANZ cash account as required to meet expenditure.

During the month of April five term deposits held with four different institutions totalling \$16.0M matured. All were renewed for a further 121 days at 2.37% (on average).

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) remained steady.

The balance of the Airport Development ANZ cash account reduced by \$465K with funds withdrawn to meet expenditure. The Airport Development fixed term deposit held at the WA Treasury Corp. (as required by the funding agreement) was renewed for a further 61 days at 1.57%

The RBA left official rates on hold during April and May. Future movements remain uncertain at this point, however as an indication of current sentiment financial markets have priced in a rate decrease at some stage in the coming months. This has resulted in the rates on offer for the renewal of maturing term deposits to be lower than previously available.

Chief Executive Officer – Corporate Credit Card

Details of monthly (March to April) transactions made on the Chief Executive Officer’s corporate credit card are provided below to ensure there is appropriate oversight and awareness of credit card transactions made.

Date	Amount	Payee	Description
28-Mar-19	425.50	Trybooking LG	LGCOG EAA Meeting Registration
05-Apr-19	30.00	Sticky Tickets	Budget Breakfast (Mayor)
08-Apr-19	115.12	Perth Airport Pty Ltd	Parking
08-Apr-19	820.00	Lexus of Perth	Tyres CEO Vehicle
08-Apr-19	12.00	Tokyo Station	Parking
08-Apr-19	9.09	CPP His Majesty's	Parking
10-Apr-19	185.00	Compasses Esplanade Hotel	Accommodation Port Hedland CME Meeting
10-Apr-19	196.00	Compasses Esplanade Hotel	Accommodation Port Hedland CME Meeting

**Funds debited against CEO Annual Professional Development Allowance as per employment Contract Agreement*

+ Allocated against CEO Hospitality Expenses Allowance

CONCLUSION

As at 30 April 2019, the financial performance for the City of Busselton is considered satisfactory based on the information received from directorates and the recent budget review.

OPTIONS

The Statements of Financial Activity are presented in accordance with Section 6.4 of the Act and Regulation 34 of the Regulations and are to be received. Council may wish to make additional resolutions as a result of having received these reports.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Not Applicable

COUNCIL DECISION / COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1906/100

Moved Councillor R Reekie, seconded Councillor P Carter

That the Council receives the statutory financial activity statement reports for the period ending 30 April 2019, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 7/0

15. COMMUNITY AND COMMERCIAL SERVICES REPORT

15.1 MARKETING AND EVENTS REFERENCE GROUP MEETING OUTCOMES

SUBJECT INDEX:	Events Regional Economic Development Tourism Development Sponsorship & Grant Applications
STRATEGIC OBJECTIVE:	Events and unique tourism experiences that attract visitors and investment.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Events
REPORTING OFFICER:	Events Coordinator - Peta Tuck
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Nil

PRÉCIS

A meeting of the Marketing and Events Reference Group (MERG) was held on Monday 20 May 2019. This report presents the recommendations from this meeting.

BACKGROUND

At the ordinary meeting of 13 April 2011, Council resolved (C1104/114) to endorse the implementation of a differential rating system whereby properties rated industrial and commercial across the City would directly contribute toward the City's continued support of tourism, marketing and event activities. The City also established a key stakeholders reference group, now known as the 'Marketing and Events Reference Group' (MERG), to make recommendations to Council with respect to the marketing and events budget allocations.

At its meeting of 22 June 2011, Council resolved (C1106/201) to introduce a 3% Differential Rate on industrial and commercial rated properties which increased over time to 10% in 2016/2017. The proceeds from the differential rate are allocated towards events and marketing.

The proposed 2019/20 budget for marketing and events totals \$993,270. This excludes budget allocations for Leavers Week, administration, and events staffing.

A MERG meeting was held on Monday 20 May 2019, with the following key matters presented;

- update on events held since the last meeting on 21 February 2019 and upcoming major events;
- single year and multi-year event funding applications for consideration for 2019/20;
- proposals for funding through the 2018/19 marketing budget;
- allocations from the 2018/19 and proposed 2019/20 marketing budgets towards the Airport marketing reserve.

This report provides recommendations on the proposed funding allocations.

STATUTORY ENVIRONMENT

There are no statutory considerations associated with the officer recommendation.

RELEVANT PLANS AND POLICIES

The officer recommendation is in line with the City's Events Policy which provides event organisers with information on the event application and approval process and event sponsorship guidelines.

FINANCIAL IMPLICATIONS

At the 25 July 2018 Council meeting, Council resolved (C1807/138) to include an allocation of \$964,221 in the 2018/19 marketing and events budgets, with a split of \$664,221 for events and \$300,000 for marketing. At the end of 2017/18 an allocation of \$13,461 was unspent from the events budget, and Council resolved to allocate the funds to the 2018/19 events budget, bringing the total to \$677,682. Funds committed from the 2018/19 Events Sponsorship Program Rounds 1 and 2 totalled \$677,675.

Of the \$300,000 allocated to the marketing budget, \$97,245 was allocated to the airport marketing reserve as part of the City's commitment towards the airline incentive program as part the Airport Development Project, leaving a balance of \$202,755 to be applied to marketing initiatives in the 2018/19 financial year. After previous allocations (Busselton Jetty video project \$25k, MRBTA video/photo project \$13k, Our Towns production \$20k), \$144,755 remains in the 2018/19 marketing budget.

The 2019/20 draft budget includes an allocation of \$993,270 in the marketing and events budgets, with a proposed split of \$744,952 for events (75%) and \$248,318 for marketing (25%). Of the marketing budget, \$180,000 is proposed to be allocated to the airport marketing reserve, leaving a balance of \$68,318 to be made available for marketing initiatives in the 2019/20 financial year. Funds already committed in the draft 2019/20 events budget through multi-year agreements totals \$554,875, leaving \$190,077 to be allocated to rounds 1 and 2 of the 2019/20 events sponsorship program. These amounts are indicative, subject to final confirmation of the 2019/20 budget.

As in previous years, this amount excludes budgetary allocations for 'local' events such as Leavers Week, administration, and events staffing. The revenue raised from the additional rates collected from holiday home compliance will assist with offsetting these expenses.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

The marketing and events budget utilises funds generated through the industrial and commercial differential rate, in line with the City's Long Term Financial Plan.

STRATEGIC COMMUNITY OBJECTIVES

The officer recommendation primarily aligns with the following Key Goal Area/s and Community Objective/s of the City of Busselton's Strategic Community Plan 2017:

Key Goal Area 4 – Economy: Diverse, Robust, Prosperous

Community Objective: 4.3 Events and unique tourism experiences that aid in attracting visitors and investment

It specifically aligns to the following Council strategy: Continue to promote the City as the destination of choice for regional events.

RISK ASSESSMENT

The officer recommendation does not introduce any risks identified as being of a high or medium level.

CONSULTATION

Consultation has been undertaken with MERG members with representatives comprising the Busselton and Dunsborough Yallingup Chambers of Commerce and Industry, Margaret River Busselton Tourism Association (MRBTA), Busselton Jetty Inc. and the City of Busselton.

OFFICER COMMENT

Supporting the development and attraction of new events throughout the year, the City's events sponsorship program promotes the City of Busselton as an attractive event tourism destination for a range of events.

Round 1 of the 2019/20 events sponsorship program opened on 1 March 2019 and closed 28 March 2019. Thirteen (13) requests for funding from the 2019/20 events budget were received, for a total of \$180,600. At a MERG meeting held 20 May 2019 a range of applications for events and marketing funding were considered as outlined below:

Requests for Funding – Events Budget

In line with the City's Events Policy, the City's events team evaluated applications applying the strategic funding guidelines of economic impact, strategic alliance to off-peak and cultural events, destination tourism, social benefits and environmental impact. Funding recommendations were made based on this.

MERG members discussed each application and recommend a total of \$80,500 be allocated from the draft 2019/20 events budget for single year events:

Applications for funding through 2019/20 Events Budget

Event	Event Dates	Proposed Use of Funding	Requested	MERG Recommendation
Tour of Margaret River 'Gran Fondo'	7 Nov 2019	Secure pro riders, promotion, accommodation, photographer, videographer, printing, course signage, support crew costs	\$10,000	\$2,500
Geographe Bay Race Week	15-21 Feb 2020	Event marketing and promotion	\$15,000	\$10,000
Busselton Fringe Festival	15-23 Feb 2020	Venue hire, marketing, promotion, provision of audio visual infrastructure, free family activities	\$20,000	*\$20,000

South West Yoga Fest	20-22 Mar 2020	Hire/purchase event infrastructure (shade, lighting etc)	\$5,000	\$2,000
Aerofest 2020	1 Mar 2020	Advertising, sponsorship special interest air show participants, mobilization aircraft, infrastructure (barriers, signage, ablution, waste control), event coordination	\$20,000	**\$16,000
WSL Cape Naturaliste Pro	24-27 Oct 2020	Event marketing, advertising, promotion and event infrastructure	\$25,000	\$15,000
BCCI Business Excellence Awards	26 Oct 2019	Marketing, media and sound	\$8,000	\$5,000
BCCI CBD Activation – Calendar of Events	Jul 2019 – Jun 2020	Ongoing marketing, street closures, materials	\$12,000	\$10,000
TOTALS				\$80,500

*Includes in-kind support through waiver of ground hire/event application fees and traffic management up to the value of \$500.

**Includes in-kind support through ground preparation, use of City equipment, staff hours up to the value of \$6k.

MERG recommend a total of \$37,500 be allocated from the draft events budget for multi-year funding agreements commencing 2019/20:

Applications for funding for multi-year events commencing in 2019/20 Events Budget

Event	Event Dates	Proposed Use of Funding	Requested	Officer Recommendation
King of Concrete	13-15 Mar 2020	Graphic design, printing, insurance, travel costs, event staff, trophies, accommodation, PR, advertising	\$16,500 2019/20 \$16,500 2020/21 \$16,500 2021/22	\$10,000 2019/20 \$9,500 2020/21 \$9,000 2021/22
South West Mud Fest	29 Sept 2019	Event marketing and media	\$15,000 2019/20 \$15,000 2020/21 \$15,000 2021/22	\$5,000 2019/20 \$4,500 2020/21 \$4,000 2021/22
South West Craft Beer Festival	15 Feb 2020	Destination promotion, brewers rebate	\$15,000 2019/20 \$15,000 2020/21 \$15,000 2021/22	**\$5,000 2019/20 **\$4,500 2020/21 **\$4,000 2021/22

Dunsborough Arts Festival	27 Feb – 2 Mar 2020	Infrastructure incl. sound, light, stage, security, ablutions; entertainment and fireworks (Sun night)	\$21,000 2019/20 \$21,000 2020/21 \$21,000 2021/22	\$15,000 2019/20 \$14,500 2020/21 \$14,000 2021/22
Hannay Lane Street Party	1 Nov 2019	Lighting, security, toilets	\$3,100 2019/20 \$3,250 2020/21 \$3,400 2021/22	\$2,500 2019/20 \$2,250 2020/21 \$2,000 2021/22
TOTAL (2019/20)			\$70,600 2019/20	\$37,500 2019/20

**Includes in-kind support through waiver of ground hire/event application fees up to the value of \$500.

Proposals for the 2018/19 Marketing Budget

There was one (1) marketing proposal received for funding from the 2018/19 marketing budget: update of Busselton entry billboard backing.

Update of Busselton entry billboard backing

The backing board of the large billboard situated on Bussell Highway adjacent to the Bovell Sporting Complex is visible between event billboard bookings and has not been updated since it was first erected in 2013. A new backing board provides an opportunity to promote the City to passing motorists, using updated and inviting images of the district. Quotations have been received for the replacement of the backing panels totalling \$6,170. Artwork is an additional cost of \$1,500 which MRBTA will fund.

MERG recommends the allocation of \$6,170 towards the update of the events billboard, to be funded from the 2018/19 marketing budget. If approved, a balance of \$138,585 will remain in the budget.

Airport Marketing

Following the consideration of proposals for the marketing budget, it is recommended that the balance of funds be transferred to the City's Airport Marketing Reserve as part of the City's allocation towards the airline incentive program as part of the Busselton Margaret River Airport Development Project. It is also recommended that \$180,000 be allocated from the draft 2019/20 marketing budget.

CONCLUSION

MERG has been assigned by Council to make recommendations on the way in which funds raised through the industrial and commercial differential rate for the purposes of events and marketing are allocated. This report contains the recommendations made at the 20 May 2019 MERG meeting, which if endorsed by Council, will result in the continuation of high quality events being held within the region, supported by successful marketing promotions. All recommendations support Council's vision of being recognised as the 'Events Capital WA.'

OPTIONS

Council may choose not to support the recommendations and resolve not to endorse part or all of the recommendations.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Following Council's decision, the outcomes will be communicated to MERG members and relevant event/marketing bodies for their information and implemented where required.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1906/101 Moved Councillor L Miles, seconded Councillor K Hick

That Council;

1. As part of the 2019/20 events sponsorship program endorses the funding allocation towards the following events, to be funded from the draft 2019/20 events budget:

Event	Funding
Tour of Margaret River 'Gran Fondo'	\$2,500
Geographe Bay Race Week	\$10,000
Busselton Fringe Festival	\$20,000
South West Yoga Fest	\$2,000
Aerofest 2020	\$16,000
WSL Cape Naturaliste Pro	\$15,000
BCCI Business Excellence Awards	\$5,000
BCCI CBD Activation – Calendar of events	\$10,000
TOTALS	\$80,500

2. As part of the City of Busselton's Events Sponsorship Program, endorses multi-year funding allocations towards the following events, to be funded from the events budget commencing 2019/20:

Event	Funding
King of Concrete	\$10,000 2019/20
	\$9,500 2020/21
	\$9,000 2021/22
South West Mud Fest	\$5,000 2019/20
	\$4,500 2020/21
	\$4,000 2021/22
South West Craft Beer Festival	\$5,000 2019/20
	\$4,500 2020/21
	\$4,000 2021/22
Dunsborough Arts Festival	\$15,000 2019/20
	\$14,500 2020/21
	\$14,000 2021/22
Hannay Lane Street Party	\$2,500 2019/20
	\$2,250 2020/21
	\$2,000 2021/22
TOTAL (2019/20)	\$37,500 2019/20

3. Endorses the allocation of \$6,170 towards the update of the events billboard backing to be funded from the 2018/19 marketing budget.

4. Endorses that the balance of the 2018/19 marketing budget be transferred to the Airport Marketing Reserve and \$180,000 be allocated from the draft 2019/20 marketing budget.

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18. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

19. URGENT BUSINESS

20. CONFIDENTIAL REPORTS

Nil

21. CLOSURE

The Presiding Member closed the meeting at 5.37pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 411 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 26 JUNE 2019.

DATE: _____ PRESIDING MEMBER: _____