

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 22 AUGUST 2018

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MINUTES

MINUTES OF A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN COUNCIL CHAMBERS, ADMINISTRATION BUILDING, SOUTHERN DRIVE, BUSSELTON, ON 22 AUGUST 2018 AT 5.30PM.

1. **DECLARATION OF OPENING ACKNOWLEDGEMENT OF COUNTRY / ACKNOWLEDGEMENT OF VISITORS / DISCLAIMER**

The Presiding Member open the meeting at 5.30pm and announced that the meeting proceedings would be recorded for minute taking purposes.

2. **ATTENDANCE**

Presiding Member:

Cr Grant Henley Mayor

Members:

Cr John McCallum Deputy Mayor
Cr Coralie Tarbotton
Cr Ross Paine
Cr Rob Bennett
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
Mr Cliff Frewing, Acting Director, Community and Commercial Services
Mr Tony Nottle, Director, Finance and Corporate Services
Ms Sarah Pierson, Manager, Governance and Corporate Services
Miss Kate Dudley, Administration Officer, Governance

Apologies:

Nil

Approved Leave of Absence:

Nil

Media:

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

Public:

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3. PRAYER

The prayer was delivered by Austin Gorman of Geographe Leaders Network.

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**Response to Previous Questions Taken on Notice**

Nil

Question Time for Public

Nil

8. CONFIRMATION AND RECEIPT OF MINUTES**Previous Council Meetings****8.1 Minutes of the Council Meeting held 8 August 2018****COUNCIL DECISION****C1808/164**

Moved Councillor J McCallum, seconded Councillor P Carter

That the Minutes of the Council Meeting held 8 August 2018 be confirmed as a true and correct record.

CARRIED 9/0**9. RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS****Petitions**

Nil

Presentations

Mr Wayne Coil presented as a party with an interest on item 16.1 "Proposed Amendment to the Busselton Bowling Club and the Busselton Croquet Club Lease Boundaries to Accommodate Playing Greens for Croquet Club". Mr Wayne was in general support of the Alternative Motion.

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 AND OFFICER RECOMMENDATION

C1808/165 Moved Councillor C Tarbotton , seconded Councillor R Reekie

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

- 13.1 DA18/0145 - USE NOT LISTED (4WD TEST TRACK AND INFORMAL PARKING AREA)
- 15.1 PROPOSAL TO EXTEND RETAIL TRADING HOURS
- 15.2 COMMUNITY SPORT AND RECREATION FACILITIES FUND - SMALL GRANTS ROUND APPLICATIONS WINTER 2018
- 16.2 COUNCILLORS' INFORMATION BULLETIN

CARRIED 9/0

EN BLOC

13. PLANNING AND DEVELOPMENT SERVICES REPORT

13.1 DA18/0145 - USE NOT LISTED (4WD TEST TRACK AND INFORMAL PARKING AREA)

SUBJECT INDEX:	Planning/Development Application
STRATEGIC OBJECTIVE:	Development is managed sustainably and our environment valued.
BUSINESS UNIT:	Development Services and Policy
ACTIVITY UNIT:	Statutory Planning
REPORTING OFFICER:	Senior Development Planner - Andrew Watts
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Location Plan 
	Attachment B Development Plan 

PRÉCIS

The Council is asked to consider an application seeking approval for development of a Use Not Listed - 4WD Test Track and Informal Parking Area on Lot 13 (No.20) Koorden Place, Reinscourt (“the site”).

The application has been placed before Council due to the nature of the issues requiring consideration. It is considered that the proposal is consistent with the relevant planning framework and it is recommended for approval subject to conditions.

BACKGROUND

Lot 13 (No.20) Koorden Place, Reinscourt is zoned Agriculture and is located on the northern side of Bussell Highway adjacent to the roundabout at the intersection of the highway and Causeway Road. The land is bound on all sides by road reserves (Bussell Highway, Ford Road, Koorden Place) and has an area of 4,177m². A location plan is provided in **Attachment A**.

The proposed development application is for a test track to allow the applicant, who owns and operates vehicle dealerships, to demonstrate the dynamics of new 4WD vehicles to potential purchasers, and includes an informal, unsealed carparking area that may also be utilised by businesses on the opposite side of Ford Road; the sites of which are currently in the same ownership. The development plan is provided in **Attachment B**.

In the near vicinity of the site to the western side of Ford Road is a Special Purpose zone on which a service station and drive-through coffee outlet has recently been developed. The property to the north, whilst being privately owned, is zoned a combination of Agriculture, Local Scheme Reserves – Public Purposes and Local Scheme Reserves – Recreation and the land on the south side of the highway is zoned Residential.

The proposed development is for a use that is not specifically mentioned in the zoning table, does not appear to fall within a type or category of use in the Scheme and should, therefore, be assessed as a ‘use not listed’. As per the requirements of the Scheme as a ‘use-not-listed’ that may be considered to be consistent with the objectives of the zone, the application has been advertised for public comment, and was also referred to Main Roads WA (as it adjoins a main road).

A number of Councillors have attended site visits organised by officers prior to this report being presented.

STATUTORY ENVIRONMENT

The key elements of the statutory environment that relate to the proposal are set out in the Local Planning Scheme.

The site is located in the 'Agriculture' zone. Objectives of this zone relevant to this application are as follows:

- (d) To enable the development of land for other purposes where it can be demonstrated by the applicant that suitable land or buildings for the proposed purposes are not available elsewhere and that such purposes will not detrimentally affect the amenity of any existing or proposed nearby development.
- (k) To control the clearing of trees and encourage generally the retention of vegetation and vegetation corridors concomitant with the agricultural use of the land.

Policies of the "Agriculture" zone relevant to this application are:

- (a) To permit land included within the zone and shown by close investigation in consultation with the Department of Agriculture and Food not to be prime agricultural land to be utilised for other purposes not incompatible with adjacent uses.
- (f) To implement and adhere to the adopted recommendations and outcomes of the Local Rural Planning Strategy adopted by the local government and endorsed by the Commission.

Part 3.4 of the Scheme deals with Interpretation of the Zoning Table and at 3.4.2 addresses how the local government is to determine an application for a 'use-not-listed':

3.4.2. If a person proposes to carry out on land any use that is not specifically mentioned in the Zoning Table and cannot reasonably be determined as falling within the type, class or genus of activity of any other use category the local government may -

- (a) determine that the use is consistent with the objectives and policies of the particular zone and is therefore permitted; or*
- (b) determine that the use may be consistent with the objectives and policies of the particular zone and thereafter follow the advertising procedures of clause 64 of the Deemed Provisions in considering an application for development approval; or*
- (c) determine that the use is not consistent with the objectives and policies of the particular zone and is therefore not permitted.*

In considering the application, the Council needs to consider the 'Matters to be considered' set out in clause 67 of the *Planning and Development (Local Planning Schemes) Regulations 2015*, particularly relevant considerations in relation to this application are the following –

- (a) the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;*
- (b) the requirements of orderly and proper planning including any proposed local planning scheme or amendment to this Scheme that has been advertised under the Planning and Development (Local Planning Schemes) Regulations 2015 or any other proposed planning instrument that the local government is seriously considering adopting or approving;*

- (m) *the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;*
- (n) *the amenity of the locality including the following —*
 - (i) *environmental impacts of the development;*
 - (ii) *the character of the locality;*
 - (iii) *social impacts of the development;*
- (p) *whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved;*
- (q) *the suitability of the land for the development taking into account the possible risk of flooding, tidal inundation, subsidence, landslip, bush fire, soil erosion, land degradation or any other risk;*
- (s) *the adequacy of —*
 - (i) *the proposed means of access to and egress from the site;
and*
 - (ii) *arrangements for the loading, unloading, manoeuvring and parking of vehicles;*
- (x) *the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;*
- (y) *any submissions received on the application;*
- (za) *the comments or submissions received from any authority consulted under clause 66;*
- (zb) *any other planning consideration the local government considers appropriate.*

RELEVANT PLANS AND POLICIES

Local Rural Planning Strategy

The site is not in an area addressed in the Local Rural Planning Strategy.

Draft Local Planning Strategy

The City's Draft Local Planning Strategy identifies, in respect to Activity Centres and the Economy, the continued growth of the Busselton City Centre and Dunsborough Town Centre as the main centres of the economic, social and cultural life of the District and does not support:

- i) unplanned new or expansion of existing activity centres not identified in the established activity centre framework,*
- ii) industrial/service commercial areas not identified in the established activity centre and industrial/service commercial frameworks,*
- iii) allow significant shop retail or office uses to locate outside activity centres, or*
- iv) planning proposals that would significantly compromise the capacity of land to accommodate growth as set out in this strategy.*

Local Commercial Planning Strategy (LCPS)

The WAPC has a long-standing presumption against the spread of commercial zoning along highways and other major roads, such as the Bussell Highway. This stance is evident in State Planning Policy 4.2 in which there are specific policy positions for the prevention of ad-hoc commercial ribbon development.

The LCPS reinforces this by preventing further service commercial development along major roads, including the Busselton Bypass, Bussell Highway and Causeway Road, other than that accommodated by existing zonings or specifically supported by the Strategy.

FINANCIAL IMPLICATIONS

The recommendation of this report is a planning determination. It does not impose any direct financial implications upon the City.

Long-term Financial Plan Implications

Nil.

STRATEGIC COMMUNITY OBJECTIVES

The recommendations in this report reflect Community Objective 3.1 of the City's Strategic Community Plan 2017 – "Development is managed sustainably and our environment valued."

RISK ASSESSMENT

An assessment of the potential implications of implementing the Officer Recommendation has been undertaken using the City's risk assessment framework. The assessment identifies 'downside' risks only, rather than 'upside' risks as well. Risks are only identified where the individual risk, once controls are identified, is medium or greater. No such risks have been identified.

CONSULTATION

The proposal was advertised for public comment in the local newspaper and on the City's website for a period of 21 days. The proposal was also referred to Main Roads WA for comment.

No submission was received from any member of the public. Main Roads advised of no objection to the proposal but would not support the placement of additional landscaping adjacent to the development site within the Bussell Highway road reserve, which was a query raised by officers.

OFFICER COMMENT

In assessing this application and formulating a recommendation, officers have considered several key issues, as outlined below.

Consistency with the Scheme and the objectives and policies of the zone

The site is zoned Agriculture, which contrary to the current name of the zone, does not mean that the land can be used only for purely agricultural purposes. The zone is proposed in the future to be renamed the 'Rural' zone to better reflect that the planning framework allows for a range of non-agricultural activities/development in the zone, e.g. garden centre, market, childcare premises, restaurant etc.

The site is a green title lot owned by the applicant, which due to the 4,177m² size of the land parcel and extent of vegetation, is not usable for typical agricultural purposes. It is, therefore, logical that an owner of the property would seek to utilise the land for other purposes. Given the prominent location of the site along the highway at the entry to Busselton, if the land were to be sold to another party it is considered likely that other parties would seek to put pressure on the City to grant approval for development of the site for a more intensive commercial use. As identified in the LCPS, ad-hoc commercial development along the highway is not desirable and should be prevented.

The proposed use is considered to be very low intensity as it does not propose any buildings and proposes to retain the majority of the existing vegetation. Almost all other commercial uses including those that the Scheme identifies as being permissible would have greater impact on the area, through the addition of buildings and removal of vegetation. The current application if approved could therefore assist in the prevention of commercialisation of the Highway, whilst providing for the beneficial use of the land.

Defining the proposed Use Not Listed

Because the proposed development is a use not listed, if approval is granted it is necessary to define the proposed use/s, otherwise we are reliant on interpretation of the words in the 'name'.

It is suggested that a condition of approval require the development to comply with the following:

'4WD Test Track' - Means premises used for the off road driving of motor vehicles for testing and training purposes on an appointment only basis.

The 'Informal Parking Area' – Is for use by staff and patrons of the hereby approved development and of the developments approved on Lot 1 (No.99) Causeway Road, Busselton. The Informal Parking Area shall not be sealed or marked.

Visual impact from Bussell Highway

As previously discussed above in regards to the compatibility of the use with its setting, it is considered that any use developed on the site should be of a low intensity with minimal visual impact when viewed from Bussell Highway. The proposal does not involve development of any buildings and proposes to retain the majority of the existing vegetation, with only limited removal of approximately three trees to facilitate manoeuvring within the informal carpark area and some removal of dead vegetation from the site.

To strengthen the visual appearance of when viewed from the highway, attention has been given to the need for additional screening vegetation to be installed along the southern boundary of the site adjacent to the highway. This is reflected in recommended conditions of approval requiring a landscaping plan, which provides details of the retention and planting of vegetation along the southern property boundary. Further to this, officers have corresponded with Main Roads WA to seek approval for the planting of additional vegetation adjacent to the site and within the road reserve to the highway. This request was not supported by Main Roads WA.

Consideration has been given to signage associated with the development being kept to a minimum and whilst recognising and agreeing with the need of the applicant to fence the 4wd test track to prevent unauthorised access, it is also considered necessary that fencing be of as little visual impact as practicable. Similarly, the scale and impact of any earthworks associated with the development should be a limited in visibility from any sensitive areas i.e. Bussell Highway. All of these matters are addressed in proposed approval conditions.

CONCLUSION

Officers are of the view that the development is consistent with the objectives and policies of the zone. It is recommended that the Council grant approval to the development subject to conditions.

OPTIONS

The Council could:

1. Determine that the application is inconsistent with the objectives and policies of the zone in which development is proposed, and refuse the proposal subject to reasons.
2. Apply additional or different conditions.

If any Councillor is minded to either of the above options officers can assist in the drafting of a suitable alternative motion.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The applicant will be notified of the Council's decision within two weeks of a decision consistent with the officer recommendation.

COUNCIL DECISION AND OFFICER RECOMMENDATION860

C1808/166 Moved Councillor C Tarbotton , seconded Councillor R Reekie

That the Council resolve:

That development application DA18/0145 submitted for a Use Not Listed - 4WD Test Track and Informal Parking at Lot 13 (No.20) Koorden Place, Reinscourt, is considered by the Council to be consistent with Local Planning Scheme No. 21 and the objectives and policies of the zone within which it is located.

That Development Approval is issued for the proposal referred to above subject to the following conditions:

GENERAL CONDITIONS

1. The development hereby approved shall be substantially commenced within two years of the date of this decision notice.
2. The development hereby approved shall be undertaken in accordance with the signed and stamped, Approved Development Plan(s) including any notes placed thereon in red by the City, and except as may be modified by the following conditions.

PRIOR TO THE COMMENCEMENT OF ANY WORKS CONDITIONS:

3. The development hereby approved, or any works required to implement the development, shall not commence until the following plans or details have been submitted to the City and have been approved in writing:
 - 3.1. Details of construction and drainage of the proposed freestyle carpark area.
 - 3.2. A Landscape Plan to be submitted to and approved by the City providing details of the retention and planting of vegetation along the Southern property boundary to provide visual screening of the development when viewed from Bussell Highway.

The Plan should include a plant schedule nominating species, planting distances, numbers, planting sizes, together with the anticipated height of each plant at maturity.

PRIOR TO THE OCCUPATION/USE OF THE DEVELOPMENT:

4. The development hereby approval shall not be occupied or used until all plans, details of works required by Condition(s) 3 have been implemented and/or the following conditions have been complied with:
 - 4.1. Fencing being provided to site boundaries, consisting of black coated chain mesh to a maximum height of 1.8m.
 - 4.2. Landscaping shall be implemented in accordance with the approved Landscape Plan and shall thereafter be maintained to the satisfaction of the City. Unless otherwise first agreed in writing, any trees or plants which, within a period of five years from first planting, are removed, die or, as assessed by the City as being seriously damaged, shall be replaced within the next available planting season with others of the same species, size and number as originally approved.
 - 4.3. The parking area(s), driveway(s) and point(s) of ingress and egress [including crossover(s)] shall be designed, constructed and drained.

ONGOING CONDITIONS:



5. The works undertaken to satisfy Condition(s) 2, 3 and 4 shall be subsequently maintained for the life of the development and the following conditions complied with:
 - 5.1. Advertising signage associated with the approved development is restricted to a maximum of 0.5m² affixed to the entry gate only.
 - 5.2. No earth works shall be undertaken within 10m from southern boundary of the site and no earth works shall result in change to the Natural Ground Level of the site by greater than 1.2m.
 - 5.3. No removal of vegetation is permitted unless indicated on the approved development plan, landscaping plan or has been demonstrated to the satisfaction of the City that the vegetation is dead, dying or dangerous.
 - 5.4. The operating hours of the 4WD Test track are restricted to 07:00 to 18:00, Monday to Saturday only and shall exclude Sundays and Public Holidays.
 - 5.5. The development hereby approved shall at all times comply with the following:
 - 5.5.1. '4WD Test Track' - Means premises used for the off road driving of motor vehicles for testing and training purposes on an appointment only basis.
 - 5.5.2. The 'Informal Parking Area' – Is for use by staff and patrons of the hereby approved development and of the developments approved on Lot 1 (No.99) Causeway Road, Busselton. The informal parking Area shall not be sealed or marked.

CARRIED 9/0

EN BLOC

15. COMMUNITY AND COMMERCIAL SERVICES REPORT

15.1 PROPOSAL TO EXTEND RETAIL TRADING HOURS

SUBJECT INDEX:	PROPOSAL TO EXTEND RETAIL TRADING HOURS
STRATEGIC OBJECTIVE:	A community where local business is supported and in turn drives our economy
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Economic Development
REPORTING OFFICER:	Economic and Business Development Coordinator - Jaylene Chambers
AUTHORISING OFFICER:	Director, Community and Commercial Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Proposed Changes to Retail Trading - History of Events  Attachment B Your Say Survey Results 11 June - 18 July 2018 

PRÉCIS

Following extensive consultation with stakeholders and the wider community, this report recommends that Council authorise the CEO to make an application to the Department of Mines, Industry Regulation and Safety for a permanent extension to the retail trading hours across the entire City of Busselton local government district in line with the Officers recommendation.

BACKGROUND

The Retail Trading Hours Act 1987 (the Act) applies to retail shops in Western Australia south of the 26th parallel. It sets out the trading hours and rules covering various categories of retail outlets. The trading hours of restaurants, cafes and takeaway food shops are not covered by the Act. Current State year round general retail trading hours, as per the Act are:

- Monday, Tuesday, Wednesday and Friday from 8.00am to 6.00pm;
- Thursday from 8.00am to 9.00pm;
- Saturday from 8.00am to 5.00pm.

Further, the Perth metropolitan area general retail trading hours, as per the Act are:

- Monday, Tuesday, Wednesday, Thursday and Friday from 8.00am to 9.00pm;
- Saturday from 8.00am to 5.00pm;
- Sunday and Public Holidays from 11.00am to 5.00pm;
- Christmas Day, Good Friday and ANZAC Day: Closed.

Non-metropolitan Local Governments are empowered, subject to endorsement by the Minister for Commerce, to extend general retail trading hours beyond those stipulated in the Act.

Between 2010 – 2013, the City of Busselton conducted annual reviews and extensive consultation with the local community and businesses to determine the extended trading hours for the Christmas and holiday trading periods for Busselton and Dunsborough town sites. Previous reviews and decisions for this period is summarised at Attachment A.

In April 2018 the City received a request from the Coles Supermarket located at Vasse to review the trading hours applicable for the Vasse store. City Officers consulted with the Department of Mines, Industry Regulation and Safety on whether the Busselton general retail hours extended to the town site of Vasse.

The Department indicated that the Busselton retail trading hours as determined by Variation Order 2015 were specific to the town site of Busselton and not applicable to the Vasse retail stores (despite having the same post code).

This highlighted the disparity between the shopping precincts within the City of Busselton and, given the population growth experienced since 2015, Officers proposed that the current general retail trading hours for the City of Busselton be reviewed and unified across the local government district, including Busselton, Dunsborough and Vasse town sites, and for any potential shopping precincts that may be developed in the future.

In a council report dated 23 May 2018 Council resolved (C1805/099):

That the Council:

1. Conduct stakeholder consultation and advertising as detailed in the report for the following proposed trading hours to apply to the City of Busselton local government district:

- Monday to Sunday from 8.00am to 9.00pm inclusive of ALL Public Holidays (including Good Friday, ANZAC Day and Christmas Day).*

2. Subject to there being no major objections, make application to the Department of Mines, Industry Regulation and Safety for permanent extensions to the retail trading hours across the entire City of Busselton local government district in line with recommendation 1.

There were some objections received and so the matter is now referred back to Council for decision.

The May report recommended additional trading hours on Christmas Day, Good Friday and ANZAC Day for Busselton and Vasse town sites, to reflect the trading hours in Dunsborough and provide for consistency across the district.

These proposed changes will apply to the entire City of Busselton local government district and hence will also apply to any potential future shopping precincts that may be developed outside of Busselton, Vasse and Dunsborough town sites.

Currently the trading hours operating in the City district are:

Busselton Retail Trading Hours (town)

- Monday – Friday 8.00am to 9.00pm;
- Saturday from 8.00am to 9.00pm;
- Sunday and Public Holidays from 8.00am to 9.00pm;
- Closed on Christmas Day, Good Friday and until 1.00pm on ANZAC Day.

Dunsborough Retail Trading Hours

- Monday to Sunday from 8.00am to 9.00pm inclusive of ALL Public Holidays (including Good Friday, ANZAC Day and Christmas Day).

Vasse Retail Trading Hours

Current State year round general retail trading hours in non-metropolitan areas, as per the Retail Trading Hours Act 1987 are:

- Monday, Tuesday, Wednesday and Friday from 8.00am to 6.00pm;
- Thursday from 8.00am to 9.00pm;
- Saturday from 8.00am to 5.00pm.

STATUTORY ENVIRONMENT

Trading hours in Western Australia are regulated by different trading restrictions applicable to various areas and types of retailers. The Act enables non-metropolitan local governments to extend general trading hours beyond standard arrangements, with endorsement by the Minister of Mines, Industry Regulation and Safety.

Small retail shops have no restrictions on trading hours and may continue to trade each day of the year. A 'small retail shop' is a shop owned by up to six (6) people who operate no more than three (3) retail shops, in which up to 25 people work at any one time (excluding apprentices).

Special retail shops may trade between 6.00am and 11.30pm each day of the year. Special retail shops include newsagencies and bookshops, pharmacies, garden nurseries, hardware and improvement shops, video shops, art and craft shops, souvenir and duty free shops, shops at sports venues, boating shops, motor vehicle spare parts shops and shops at international standard hotels.

Small retail and special retail shops must hold a Certificate from the Department of Mines, Industry Regulation and Safety to trade during these hours.

Various amendments have been made to the Act over the past few years which has seen the general retail trading hours extended.

Under the Non-Metropolitan Local Government Empowerment Policy a number of local government authorities have removed trading hour restrictions within their jurisdictions, including the neighbouring Shires of Augusta-Margaret River, Capel, Dardanup and the City of Bunbury. The City of Busselton is one (1) of 12 local governments who have made variations to standard general retail trading hours, where;

- Busselton operates under the Retail Trading Hours (Shire of Busselton) Variation Order 2015 of the Retail Trading Hours Act 1987.
- Dunsborough operates under the Local Government Retail Trading Hours Exemption Order (No 23) 1993 of the Retail Trading Act 1987.

RELEVANT PLANS AND POLICIES

The recommendations are in line with Council policies.

FINANCIAL IMPLICATIONS

There are no financial implications associated with the Officer's recommendation.

Long-term Financial Plan Implications

There are no long term financial implications associated with the Officer's recommendation.

STRATEGIC COMMUNITY OBJECTIVES

This matter primarily aligns with Key Goal Areas 4 of the City of Busselton's endorsed Strategic Community Plan 2017:

Key Goal Area 4: Economy

- 4.1 An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice.
- 4.2 A community where local business is supported and in turn drives our economy.
- 4.3 Events and unique tourism experiences that attract visitors and investment.

Extended retail trading hours also assist the City in meeting its objective to become the 'Events Capital of WA' by providing a range of retail services to better serve the needs of visitors to the region, thereby value-adding to events, and further encouraging increased visitation and attraction of events to the region.

RISK ASSESSMENT

The recommendations contained within this report are not considered to present any risks of a medium or greater level.

CONSULTATION

Under the rules and guidelines for permanent/long term variations to the Order for Non-Metropolitan Governments, a community consultation process is required. In line with Council Resolution C1805/099 the following stakeholder consultation has occurred:

- Letters sent to the major retailers advising of the proposed changes and public consultation, including an opportunity to meet with the City to discuss any questions or concerns;
- Letters sent requesting feedback via a 'Your Say Survey' and individual meetings held with the Busselton and Dunsborough Chamber of Commerce and Industry, MRBTA, local member of State Parliament Ms Libby Mettam MLA;
- A City of Busselton 'Your Say Survey' was advertised for a four-week period. The survey asked respondents if they supported the proposed changes and also requested additional information as to the reason for and against supporting the changes to retail trading hours;
- Weekly advertising in the local media occurred over a four-week period from 15 June – 6 July 2018;
- Advertising of the 'Your Say' survey was conducted at local Busselton and Dunsborough combined Chamber (CCI) events;
- Advertising of the 'Your Say' Survey via various Social Media posts via Facebook from 11 June - 13 July 2018;
- General advertising via notice boards and customer service areas across City Buildings and Facilities;
- A link to the survey was promoted through the City's Bay to Bay monthly newsletter; and
- The Busselton and Dunsborough Chambers and MRBTA included a link to the survey in their individual monthly newsletters.

The City's Your Say Survey was open for comment for a period of four weeks with the following key results:

- 369 people viewed the survey;
- 131 people completed the survey;
- The largest age group of respondents were equally between the age of 45 -54 and the 55-64 age group;

- 95% of respondents did not own a retail business within the City of Busselton district;
- Over 70% of respondents supported the proposed changes to retail trading hours in the City of Busselton;
- The main reason people supported the proposed change was 'Convenience for Residents and Tourists'; and
- The main reason people did not support the changes were 'Imposition on family / Recreational Time'.

A comprehensive evaluation of the City's Your Say Survey can be viewed at Attachment C.

OFFICER COMMENT

Unified retail trading hours provide benefits by activating the main City town centres for business and tourist operators and by attracting more people to the townsites, providing a better experience for tourists. It can also encourage an extended length of stay and increased visitor spend, as evidenced by data produced by the tourism industry. Further, as the City continues the upgrade of the Busselton Foreshore, attracts further investment to the area, and nears completion of the Busselton-Margaret River Airport redevelopment, the number of visitors to the City on a year-round basis will only continue to increase. As the City continues to develop as a tourist destination, more flexibility in trading hours across the district is essential.

At this stage, the proposed application will benefit both Busselton and Vasse townsites but in time may apply to other retailers as the City grows and develops. City officers cannot see any reason for having different trading hours for the same retail outlet in three different locations within the City. Further the majority of businesses operating in Busselton, Dunsborough and now Vasse are as classified as 'small business' and have the ability to operate 24 hours per day. It is only those that fall into the 'general retail' category that currently operate within the regulated trading regime. The proposed trading hours will ensure equity and consistency for retail operators throughout the district, allow them to extend their retail offerings at their individual choice, and create critical mass to further support small business should they choose to open similar hours.

Officers have reviewed the results of the stakeholder consultation and, based on the feedback received, and also that the major retailers did not raise any concerns or objections (or request individual meetings with Officers), Officers recommend that the Council apply to the Department of Mines, Industry Regulation and Safety to unify all general retail trading hours across the City of Busselton local government district to:

- Monday to Sunday from 8.00am to 9.00pm inclusive of ALL Public Holidays.

This will bridge the gap between the disparate trading regimes that exist between Busselton and Dunsborough. This option also allows individual retailers to operate the hours of their choice, keeps Busselton competitive in terms of retail opportunities, and reduces the potential leakage of retail spend to areas outside of the District that have more favourable trading regimes. This option is incorporated into the Officer Recommendation.

CONCLUSION

Extended retail trading hours has the potential to provide the region with significant economic return through increased consumer spending, visitor numbers, and events to the region. In turn, it is anticipated that such increased economic activity will result in increased investment and attraction of other industry sectors to the region. In order to achieve this, it must be recognised that the City needs to achieve a balance between consumer demand and the hours in which retailers are prepared to open. Results of the City's 'Your Say' stakeholder survey confirm this recommendation.

OPTIONS

Council may elect to:

- Not support the Officer's recommendation and make no changes to the retail trading hours within the City of Busselton; or
- Determine a different option based on alternative trading hours for different town sites within the City of Busselton.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should Council endorse the Officer Recommendation, Officers will make an application to the Department of Mines, Industry Regulation and Safety.

COUNCIL DECISION AND OFFICE RECOMMENDATION

C1808/167 Moved Councillor C Tarbotton , seconded Councillor R Reekie


That the Council:

1. Receive and note the results of the public consultation process and endorse the following:
2. Make an application in writing to the Department of Mines, Industry Regulation and Safety for permanent extensions to the retail trading hours across the entire City of Busselton Local Government District in line with the following:
 - Monday to Sunday from 8.00am to 9.00pm inclusive of ALL Public Holidays (including Good Friday, ANZAC Day and Christmas Day).

CARRIED 9/0

EN BLOC

15.2 COMMUNITY SPORT AND RECREATION FACILITIES FUND - SMALL GRANTS ROUND APPLICATIONS WINTER 2018

SUBJECT INDEX:	CSRFF 2018
STRATEGIC OBJECTIVE:	A community with access to a range of cultural and art, social and recreational facilities and experiences.
BUSINESS UNIT:	Community Development
ACTIVITY UNIT:	Community Services
REPORTING OFFICER:	Club Development Officer - Pam Glossop
AUTHORISING OFFICER:	Director, Community and Commercial Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A CSRFF Busselton Croquet Club Application 

PRÉCIS

Each year Local Government Authorities are required to rate and prioritise the Community Sport and Recreation Facilities Fund (CSRFF) submissions received within their municipality. Small Grant applications must be submitted by local government authorities to the Department of Local Government, Sport and Cultural Industries (DLGSC) by 31 August 2018.

The purpose of this report is to meet the CSRFF criteria, by outlining the submissions received for projects within the City for this current funding round, and seek Council's support for the proposed rating and ranking of the applications, prior to forwarding to DSR for final consideration.

BACKGROUND

The DLGSC administers the CSRFF program, with the purpose of providing State Government financial assistance to Local Government Authorities and local community groups (up to one third of the total capital cost), to develop well-planned facilities for sport and recreation.

Small Grant Applications must be submitted to DLGSC from Local Government Authorities by the end of March and August each year. In 2018/2019 the maximum total project cost for the Small Grant Round is \$5,000 to \$200,000 (excluding GST).

In order to assist with the evaluation of submissions and to ensure projects are viable and appropriate, DLGSC has developed "Key Principles of Facility Provision" criteria. Accordingly, each submission is to be assessed against those criteria and Local Government Authorities are required to rate and prioritise local submissions using the following guide:

RATE	DESCRIPTION
A	Well planned and needed by the municipality
B	Well planned and needed by the applicant
C	Needed by the municipality, more planning required
D	Needed by the applicant, more planning required
E	Idea has merit, more preliminary work needed
F	Not recommended

Applications for the current funding round closed on Monday, 24 July 2018, with prioritised applications to be forwarded the South West Office of Sport and Recreation no later than 31 August 2018.

During September to November 2018, applications will be evaluated and ranked by relevant State Sporting Associations and the CSRFF Assessment Panel, prior to the outcome being announced by the Minister for Local Government, Sport and Cultural Industries. Funds for successful applications will become available around December 2018/January 2019.

One application was received for the winter small grants round as follows:

1. *Busselton Croquet Club – Construction of third croquet green. (Churchill Park, Portion of Lot 410, corner Brown Street and Kent Street, Busselton)*

STATUTORY ENVIRONMENT

Nil

RELEVANT PLANS AND POLICIES

The officer's recommendation is aligned to the Social Plan 2015-2025. A key goal of this plan is to "create needed, quality, sustainable recreation and leisure facilities and services for our community."

FINANCIAL IMPLICATIONS

The CSRFF application for the development of a third croquet green project has a total cost of \$132,272 (ex GST). This includes \$22,000 for the old clubroom/shed demolition. The City's contribution towards this project is a third of the total project cost, i.e. \$44,091. The City has allocated funds in the 2018/19 budget towards this project. The Club would be required to contribute one third of the cost which would include in-kind labour.

Contribution towards Project	Cost ex GST
Applicant Cash	44,090
City - Busselton Croquet Club – 3 rd green budget allocation	44,091
CSRFF grant application	44,091
Total Project Cost	132,272

It should be noted that the Busselton Croquet CSRFF application seeks a commitment of \$68,000 from the City towards the project, which was based on the original amount that Council had allocated in the LTFP. Since this figure was determined, revised costings have reduced the cost to all parties involved.

Long-term Financial Plan Implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

This matter aligns with the City of Busselton Strategic Community Plan 2017 and principally with the following key goal area and community objective:

Community – Welcoming, friendly and healthy

- 1.3 A community with access to a range of cultural and art, social and recreational facilities and experiences.

RISK ASSESSMENT

An assessment of the potential risks of implementing the Officers recommendation was undertaken, and as a result, no risks were as 'medium' or above were identified.

CONSULTATION

Consultation has taken place between Officers of the City and staff from the DLGSC in regards to the funding submission received and application to be submitted by the City. Consultation has also taken place between City Officers assessing the application and the Busselton Croquet Club.

OFFICER COMMENT

One application from the Busselton Croquet Club for a third croquet green has been received for consideration in the current round of funding. The project has a total cost of \$132,272 (ex GST). The City is contributing \$44,091 towards the project, the Club is requesting \$44,091 of funding from DLGSC and the club is contributing \$44,090.

This project consists of the following components:

- Removal/demolition of the old clubhouse
- Realignment of two greens
- Creation of a new 3rd green
- Removal of turf from the existing greens (2)
- Upgrading of the 3 greens to a consistent playing surface
- Installation of a new reticulation system

The application for funding is to meet the growing membership of the Club. The club membership has grown by 50% in the past 5 years.

For a number of years, the City and the Croquet Club have been in discussions regarding their need for additional greens and suitable clubrooms to accommodate their growing membership. In 2017, the City acquired a transportable building which was relocated to Churchill Park. The placement of the transportable provided scope for the future expansion of the playing greens.

The third green is essential to meet the current growth trends in the sport and is supported by the State Sporting Association.

In order to fit three greens into the land available, the existing greens have had to be realigned. The realignment will need extra land and the leases with the BCC and the Bowling Club will need to be surrendered and new leases entered into to reflect the change in tenure. This is the subject of a separate report to Council included on this agenda.

To have a consistent playing surface, the existing greens will need to be excavated with new greens developed and grassed. Also included in the project is the removal of the existing old clubrooms.

CONCLUSION

The application received for the 2018/19 CSRFF Small Grants funding round shows sound reasoning and justification. It is recommended that this project be assessed as a 'high' priority and that it is rated (B) Well planned and needed by the applicant and a number one priority for consideration in this round.

OPTIONS

Council could decide not to support the BCC application received for the 2018/19 CSRFF Small Grants funding.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

DLGSC will be advised in writing of the Council's decision prior to the end of August 2018 when the full contents of the application are forwarded to their regional office in Bunbury.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1808/168 Moved Councillor C Tarbotton , seconded Councillor R Reekie




That the Council resolves to support the submission of an application for the Busselton Croquet Club - Development of third croquet green - to the Department of Local Government, Sport and Cultural Industries Community Sport and Recreation Facilities Fund, and rates the application as a priority 'B' project, rank number 1.

CARRIED 9/0

EN BLOC

16. FINANCE AND CORPORATE SERVICES REPORT

16.2 COUNCILLORS' INFORMATION BULLETIN

SUBJECT INDEX:	Councillor's Information
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Administration Officer - Governance - Kate Dudley
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Planning Applications received by the City between 16 July, 2018 and 31 July, 2018 
	Attachment B Planning Applications determined by the City between 16 July, 2018 and 31 July, 2018 
	Attachment C Meelup Regional Park Management Committee 

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

16.2.1 Planning & Development Services Statistics

Planning Applications

Attachment A is a report detailing all Planning Applications received by the City between 16 July, 2018 and 31 July, 2018. A total of 55 formal applications were received during this period.

Attachment B is a report detailing all Planning Applications determined by the City between 16 July, 2018 and 31 July, 2018. A total of 39 applications (including subdivision referrals) were determined by the City during this period with 39 approved / supported and 0 refused / not supported.

16.2.2 2017/2018 TENDERS

RFT24/17 PROVISION OF TRAFFIC MANAGEMENT SERVICES

PQS02/18 PROVISION OF TRAFFIC MANAGEMENT SERVICES – REQUEST FOR APPLICATIONS TO JOIN A PANEL OF PRE-QUALIFIED SUPPLIERS

Council resolved on 11 April 2018 to decline to accept any tender on the basis that the tenders received did not present best value for money. Council requested the CEO establish a panel of pre-qualified suppliers for the provision of traffic management services to the City pursuant to Part 4 Division 3 of the *Local Government (Functions and General) Regulations 1996* and the City's Purchasing Policy.

Pursuant to a Request for Applications to Join a Panel of Pre-Qualified Suppliers (PQS) which closed on 31 July 2018 the City received applications from 6 applicants. In accordance with delegation LG3M the CEO has authority to establish the panel and to decide which applications to accept. It is expected that evaluation of these applications will be completed and a recommendation report submitted with the CEO in September 2018.

PQS01/18 SUPPLY OF QUARRY PRODUCTS – REQUEST FOR APPLICATIONS TO JOIN A PANEL OF PRE-QUALIFIED SUPPLIERS

The City of Busselton requested applications to join a panel of pre-qualified suppliers (PQS) for the provision of quarry products to the City. The PQS was advertised on 21 April 2018 with a closing date of 8 May 2018. A total of 7 applications were received. In accordance with delegation LG3M the CEO has authority to appoint applicants to be part of a panel of pre-qualified suppliers. It is anticipated that the evaluation will be completed and a recommendation report made to the CEO in August 2018.

RFT08/18 SUPPLY OF SOILS AND MULCH

The City of Busselton invited tenders for the supply and delivery of soils and mulch within the City of Busselton. The tender was advertised on 9 June 2018 with a closing date of 26 June 2018. A total of 4 tenders were received. The value of the contract is not expected to exceed the CEO's delegated authority. It is anticipated the evaluation will be completed and a recommendation report presented to the CEO in August 2018.

RFT09/18 PROVENCE ESTATE LANDSCAPE MAINTENANCE

The City of Busselton invited tenders for the provision of maintenance services for 4 landscaped public open spaces located at Provence Estate (excluding trees, medians and roundabouts). The tender was advertised on 30 June 2018 with a closing date of 17 July 2018. A total of 5 tenders were received. The value of the contract is not expected to exceed the CEO's delegated authority. It is anticipated the evaluation will be completed and a recommendation report presented to the CEO in August 2018.

RFT10/18 PROVISION OF EQUIPMENT FINANCE LEASE FOR COMPUTER DESKTOP REPLACEMENT PROGRAM

The City of Busselton invited tenders for the provision of an equipment finance lease for the City's Computer Desktop Replacement Program. The tender was advertised on 16 June 2018 with a closing date of 2 July 2018. A total of 5 tenders were received. Pursuant to Council Resolution C1802/019 the CEO is authorised to procure the funding for the City of Busselton Desktop Computer Replacement Program subject to various conditions, including that the contract value is not to exceed \$700,000. The evaluation has been completed and a contract awarded by the CEO under delegated authority to Maia Financial Pty Ltd.

RFT11/18 TURF MAINTENANCE SERVICES

The City of Busselton invited tenders for the provision of turf maintenance services to the City of Busselton, including maintaining healthy turf grass on broadacre sites such as playing fields and other public open spaces. The tender was advertised on 30 June 2018 with a closing date of 26 July 2018. A total of 3 tenders were received. The value of the contract is not expected to exceed the CEO's delegated authority. It is anticipated the evaluation will be completed and a recommendation report presented to the CEO in August 2018.

RFT12/18 CONSTRUCTION OF BUSSELTON TENNIS CLUBHOUSE

The City of Busselton invited tenders for the construction of the Busselton Tennis Club Clubhouse. The tender was advertised on 14 July 2018 with a closing date of 7 August 2018. A total of 7 tenders were received. The value of the contract will exceed the CEO's delegated authority and it is anticipated that a recommendation report will be presented to Council in September 2018.

RFT13/18 PROVISION OF GYM EQUIPMENT FOR GEOGRAPHE LEISURE CENTRE, BUSSELTON

The City of Busselton invited tenders for the provision and maintenance of gym equipment, including software and the removal of existing equipment at the Geographe Leisure Centre, Busselton. The tender was advertised on 4 August 2018 with a closing date of 21 August 2018. The value of the contract is not expected to exceed the CEO's delegated authority. It is anticipated the evaluation will be completed and a recommendation report presented to the CEO in September 2018.

16.2.3 Meelup Regional Park Management Committee

Attachment C shows the informal meeting notes for the Meelup Regional Park Management Committee meeting held on Monday, 30 July 2018.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1808/169 Moved Councillor C Tarbotton , seconded Councillor R Reekie

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

- [16.2.1 Planning & Development Services Statistics](#)
- [16.2.2 2017/2018 TENDERS](#)
- [16.2.3 Meelup Regional Park Management Committee](#)

CARRIED 9/0

EN BLOC

ITEMS FOR DEBATE

17. FINANCE AND CORPORATE SERVICES REPORT

16.1 PROPOSED AMENDMENT TO THE BUSSELTON BOWLING CLUB AND THE BUSSELTON CROQUET CLUB LEASE BOUNDARIES TO ACCOMMODATE PLAYING GREENS FOR CROQUET CLUB

SUBJECT INDEX:	Agreements and Contracts
STRATEGIC OBJECTIVE:	A community with access to a range of cultural and art, social and recreational facilities and experiences.
BUSINESS UNIT:	Corporate Services
ACTIVITY UNIT:	Property Services
REPORTING OFFICER:	Property Coordinator - Ann Strang
AUTHORISING OFFICER:	Manager Legal and Property Services - Martyn Cavanagh
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

The Busselton Croquet Club Inc. (Croquet Club) and the Busselton Bowling Club (Bowling Club) both lease a portion of land on Churchill Park, being Lot 410 Adelaide Street, Busselton. The two leased areas share one common boundary.

The Croquet Club are seeking to redevelop their playing greens to accommodate a third green. To do so, a portion of land which is currently leased to the Bowling Club is required. This would involve an adjustment to the common boundary for both leases. The Croquet Club are in the process of applying for funding from the Department of Local Government, Sport and Cultural Industries (DLGSCI) and for this to be considered security of tenure of the land is required.

The purpose of this report is to inform Council of the consultation undertaken with the Bowling Club and to seek Council's endorsement to amend both parties' leased boundaries which will require their existing leases to be surrendered and new leases entered into.

BACKGROUND

Churchill Park, is the subject of a Crown Grant in Trust with the City for the purposes of Recreation. Churchill Park has been used by community and sporting groups since 1942 and is currently used year round as a multi-purpose venue. The park is generally available for community use with only selected areas subject to leases. The Croquet Club, Bowling Club, Busselton Harness Racing Club, Southern Districts Agricultural Society and Busselton City F.C. (formerly the Busselton Soccer Club Inc.) all have a leasehold interest in certain parts of the land. All leases were granted so as to expire simultaneously; thus allowing for the use of the overall site, at that expiry time, to be considered on a holistic basis. The leases are due to expire on the 21 August 2029.

Croquet Club

For a number of years, the City and the Croquet Club have been in discussions regarding their needs for additional greens and suitable clubrooms to accommodate their growing membership. In 2017, the City acquired a transportable building which was relocated to Churchill Park. The placement of the transportable provided scope for future expansion of playing greens.

As the transportable was located outside the Croquet Club's leased area a report was presented to Council in August 2017, seeking approval to grant a new lease to the Croquet Club to include this additional parcel of land.

The Council resolved (C1708/191) to surrender the Croquet Club's lease and simultaneously enter into a new lease for the revised area as shown outlined in red on Attachment A. The expiry date was to coincide with the term of their existing lease, therefore a new lease was offered for a term of just under 12 years, expiring 21 August 2029.

The Croquet Club are now keen to secure funding for a third green. To be considered they must have security of tenure over the land. The additional land that they require is outside their existing leased premises. The land they require is shown stippled red on Attachment B. The greater part of this, approximately 300m², is presently part of the land leased to the Bowling Club, which is shown as the area bounded in green on Attachment A.

Bowling Club

In August 2009, the Council resolved (C0908/293) to enter into a new lease with the Bowling Club. The term of the lease was to be for 10 years with a further 10 year option. The first term is due to expire on the 21 August 2019 and the club have indicated that they intend to exercise their option, therefore the lease will expire on the 21 August 2029. The lease includes the greens, clubrooms and car parking within the fenced boundary.

To effect the proposed changes to the existing leased boundaries, it is necessary for both the Bowling Club and the Croquet Club to surrender their existing leases and simultaneously enter into new leases of the revised areas. The terms and conditions of the proposed new leases are detailed in the Officer Recommendation section of this report.

STATUTORY ENVIRONMENT

When disposing of property whether by sale, lease or other means, a Local Government is bound by the requirement of section 3.58 of the Local Government Act which requires giving local public notice when disposing of property. There are exemptions to this process under Regulation 30 (2)(b) (i) and (ii) of the Local Government (Functions & General) Regulations which states "disposal of land to incorporated bodies with objects of benevolent, cultural, educational or similar nature and the members of which are not enlisted to receive any pecuniary profit from the body's transactions, are exempt from the advertising and tender requirements of section 3.58 of the Local Government Act". The constitutions of both the Croquet Club and the Bowling Club are such that this exemption applies.

The land occupied by both parties is Lot 410 Adelaide Street, Busselton on Deposited Plan 216960, Volume 1850 and Folio 572. In 1989 the land, formerly Reserve 629 was transferred from the Crown to the City in fee simple as a Crown Grant in Trust, subject to conditions regarding use of the land. The transfer restricts the use of the land to 'Recreation' and, under Section 75(5) of the Land Administration Act 1997, consent of the Minister for Lands is required for any lease on this land.

RELEVANT PLANS AND POLICIES

The recommendation to enter into a lease with the Croquet Club and the Bowling Club is generally consistent with the principles of the Leases of City Land and Buildings Policy, adopted by Council on 27 July 2016. The lease term is however proposed to be consistent with all other current leasehold interests on Churchill Park.

FINANCIAL IMPLICATIONS

Croquet Club

In 2017, when the Croquet Club surrendered their lease and entered into a new lease it was recommended that the rent commence at \$205 per annum inclusive of GST and that the rent be reviewed annually by CPI.

Effective from 1 July 2018, rent applied to community and sporting groups is \$220.00 per annum and the City has introduced a new rent review process whereby the annual rent will increase by \$5.00 on each anniversary (all amounts are inclusive of GST) as opposed to CPI, alleviating the laborious administrative process of these reviews. It is recommended that this rental amount and review process is applied to the Croquet Club in the new lease.

Bowling Club

When the lease with the Bowling Club was entered into, the annual rent charged to community and sporting groups leasing City owned and managed land was \$150.00 per annum. Further there was no annual rent review as part of standard lease terms. As the Bowling Club is being asked to relinquish a portion of their leased premises for the duration of their existing lease, it is proposed that the terms and conditions of their existing lease remain the same, meaning the annual rent applied will remain at \$150 per annum.

There would be no other financial implication in relation to the leases, as both parties would remain responsible for all outgoings and the costs of managing and maintaining their leased premises.

Long-term Financial Plan Implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

The officer recommendation is consistent with Key Goal Area 1 of the City's Strategic Community Plan 2017 and specifically the Community Objective 1.3 - A community with access to a range of cultural and art, social and recreational facilities and experiences.

RISK ASSESSMENT

There are no identified risks assessed as being of a medium or greater level associated with the Officer recommendation, with the recommendation serving to mitigate the risks associated with there not being a lease in place if the Croquet Club are successful with their grant application.

CONSULTATION

City staff consulted with the Bowling Club and the Croquet Club regarding the proposed changes to the leased boundaries. Whilst both parties are keen to see the area developed and improved, there has been some concerns raised by the Bowling Club. The Bowling Club have written to the City in support of the redevelopment but have asked that they are compensated in some way. They would like to be offered a longer term lease. Detail on their request is provided in the Officer Comment section of this report.

OFFICER COMMENT

The Croquet Club are seeking funding through the Community Sport and Recreation Facilities Fund (CSRFF) to redevelop their third green. A report rating and prioritising the CSRFF submissions is being presented to Council on this same agenda. Should the Council support the Croquet Club's submission, the Croquet Club will need to be able provide evidence that they will have security of tenure over this land.

To accommodate this, the Bowling Club will have to relinquish approximately 300m² of their existing leased area.

This area includes 7 car parking bays and a portion of the driveway. Whilst the City acknowledges this, last year a 56 bay public car park was constructed adjoining the Bowling Club in anticipation of the future growth and expansion needs of the users of the park. This City initiative has significantly improved the parking logistics of the site for the users. Additionally, the City has allocated funds in this financial year's budget to upgrade the existing carpark within the Bowling Club leased area. Approximately 8 car parking bays may be lost during this reconfiguration as the existing car park does not meet current standards, it will however reduce the clubs risks associated with the current compact layout.

The Kent Street entrance driveway to the Bowling Club leased premises would be affected by the boundary changes, and would no longer be accessible. The Bowling Club do not have an issue with this but would prefer that the remainder of the land between both clubs' greens is retained in their leased premises for their future use. The Bowling Club have advised that if they undergo a redevelopment of their greens in the future, there may be a need to utilise some of this area.

The proposed changes to the leased areas will require both the Bowling Club and the Croquet Club's existing lease to be surrendered and new leases to be entered into.

As mentioned, the Bowling Club support the redevelopment however they would like to be compensated with a longer term lease, their preference is a 20 year term. This longer term is not consistent with the recent resolutions of Council relating to Churchill Park. Churchill Park will form part of the strategic review of the City's sporting facilities and by committing to a longer term lease this will reduce our ability to make minor changes to the leased boundaries if necessary. It is therefore recommended that the expiry of the lease remains the same, being 21 August 2029.

The Bowling Club's current lease restricts the use of their premises to activities associated with their Association objectives. The Bowling Club have requested that the permitted use of the Premises under a new lease allow them to offer other Churchill Park users and like-minded organisations the opportunity to use their clubrooms. While supported, conditions are recommended in the lease limiting the hire to be incidental to the primary purpose of the lease. Additionally the Bowling Club are to ensure that their insurance covers such use.

As per the Financial Implications section of this report, it is recommended that the Bowling Club's rent remain the same as their current lease. However, as the Croquet Club are benefiting from this transaction, it is proposed that the rent currently charged to sporting and community groups be applied. In 2029, when the leases expire, the City could then reconsider the provisions of the leases on Churchill Pak such as the rent, rent reviews and the term.

Other than the variations mentioned above, it is proposed that all other terms and conditions of both clubs' existing leases remain the same, including that they are to remain responsible for maintenance obligations of the leased area.

CONCLUSION

It is recommended that Council resolve to enter into a deed of surrender with the Bowling Club, the surrender would be conditional on the Croquet Club receiving suitable grant funding to construct their third green. If the Croquet Club are successful the City would then finalise the surrender with the Croquet Club and enter into a new leases with both clubs.

OPTIONS

It is anticipated that the current leases would be surrendered and new leases executed by all parties prior to the construction of the new croquet greens. Should the Croquet Club be unsuccessful with their application then the leases will remain the same until such time that the project is ready to proceed.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The current leases would be surrendered and new leases executed by all parties prior to the construction of the new croquet greens. Should the Croquet Club be unsuccessful with their application then the leases will remain the same until such time that the project is ready to proceed.

OFFICER RECOMMENDATION

That the Council:

1. Enter into a deed of surrender of the current lease between the City of Busselton and the Busselton Bowling Club Inc., conditional on the Busselton Croquet Club Inc. obtaining sufficient grant funding to redevelop three croquet greens and a new lease being entered into in accordance with conditions stated in part (2).
2. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Bowling Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined green on Attachment B, on the following terms:
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029;
 - b) The rent to commence at \$150.00 inclusive of GST per annum;
 - c) The permitted use will allow the Tenant to hire the Premises to other sporting and community groups, with hire to be incidental to the primary purpose of the lease. Additionally the Bowling Club are to ensure that their insurance covers such use; and
 - d) The City's costs associated with the surrender of the existing lease and with the preparation of the new lease to be met by the City; and
 - e) Other terms to be consistent with the City's standard community group lease.
3. Subject to part (1) accept the surrender of the current lease between the City of Busselton and the Busselton Croquet Club Inc, subject to a new lease being entered into in accordance with part (4).
4. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Croquet Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined red on Attachment B, on the following terms:

- a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029;
- b) The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST; and
- c) Other terms to be consistent with the City's standard community group lease.

Cr Bennett put the following alternative motion:

ALTERNATIVE MOTION

C1808/170

Moved Councillor R Bennett, seconded Councillor J McCallum

That the Council:

1. Enter into a deed of surrender of the current lease between the City of Busselton and the Busselton Bowling Club Inc., conditional on the Busselton Croquet Club Inc. obtaining sufficient grant funding to redevelop three croquet greens and a new lease being entered into in accordance with conditions stated in part (2).
2. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Bowling Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined green on Attachment B, on the following terms:
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 **with an option to renew for a further 10 years;**
 - b) The rent to commence at ~~\$150.00~~**\$220.00** inclusive of GST per annum **and increased annually by \$5.00 inclusive of GST;**
 - c) The permitted use will allow the Tenant to hire the Premises to other sporting and community groups, with hire to be incidental to the primary purpose of the lease. Additionally the Bowling Club are to ensure that their insurance covers such use; and
 - ~~d) The City's costs associated with the surrender of the existing lease and with the preparation of the new lease to be met by the City; and~~
 - d) Other terms to be consistent with the City's standard community group lease.
3. Subject to part (1) accept the surrender of the current lease between the City of Busselton and the Busselton Croquet Club Inc, subject to a new lease being entered into in accordance with part (4).
4. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Croquet Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined red on Attachment B, on the following terms:
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 **with an option to renew for a further 10 years;**
 - b) The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST; and
 - c) Other terms to be consistent with the City's standard community group lease.

Cr McCallum foreshadowed and put the following amendments:

AMENDED ALTERNATIVE MOTION

C1808/171

Moved Councillor J McCallum, seconded Councillor R Paine

That the Council:

1. Enter into a deed of surrender of the current lease between the City of Busselton and the Busselton Bowling Club Inc., conditional on the Busselton Croquet Club Inc. obtaining sufficient grant funding to redevelop three croquet greens and a new lease being entered into in accordance with conditions stated in part (2).
2. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Bowling Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined green on Attachment B, on the following terms:
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 with an option to renew for a further 10 years;
 - b) The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST;
 - c) The permitted use will allow the Tenant to hire the Premises to other sporting and community groups, with hire to be incidental to the primary purpose of the lease. Additionally the Bowling Club are to ensure that their insurance covers such use; and
 - d) Other terms to be consistent with the City's standard community group lease.
 - e) **A condition apply during the term of the option that the usage of the leased premises and land for the leased purposes be actively maintained at or above a reasonable minimal level.**
3. Subject to part (1) accept the surrender of the current lease between the City of Busselton and the Busselton Croquet Club Inc, subject to a new lease being entered into in accordance with part (4).
4. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Croquet Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined red on Attachment B, on the following terms:
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 with an option to renew for a further 10 years;
 - b) The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST; and
 - c) Other terms to be consistent with the City's standard community group lease.
 - d) **A condition apply during the term of the option that the usage of the leased premises and land for the leased purposes be actively maintained at or above a reasonable minimal level.**

CARRIED 9/0

The new substantive alternative motion was put.

COUNCIL DECISION

C1808/172

Moved Councillor R Bennett, seconded Councillor J McCallum

That the Council:

1. Enter into a deed of surrender of the current lease between the City of Busselton and the Busselton Bowling Club Inc., conditional on the Busselton Croquet Club Inc. obtaining sufficient grant funding to redevelop three croquet greens and a new lease being entered into in accordance with conditions stated in part (2).
2. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Bowling Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined green on Attachment B, on the following terms:
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 with an option to renew for a further 10 years;
 - b) The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST;
 - c) The permitted use will allow the Tenant to hire the Premises to other sporting and community groups, with hire to be incidental to the primary purpose of the lease. Additionally the Bowling Club are to ensure that their insurance covers such use; and
 - d) Other terms to be consistent with the City's standard community group lease.
 - e) A condition apply during the term of the option that the usage of the leased premises and land for the leased purposes be actively maintained at or above a reasonable minimal level.
3. Subject to part (1) accept the surrender of the current lease between the City of Busselton and the Busselton Croquet Club Inc, subject to a new lease being entered into in accordance with part (4).
4. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Croquet Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined red on Attachment B, on the following terms:
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 with an option to renew for a further 10 years;
 - b) The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST; and
 - c) Other terms to be consistent with the City's standard community group lease.
 - d) A condition apply during the term of the option that the usage of the leased premises and land for the leased purposes be actively maintained at or above a reasonable minimal level.

Voting:

For the motion: Councillor R Paine.

Against the motion: Councillor G Henley, Councillor P Carter, Councillor L Miles, Councillor J McCallum, Councillor C Tarbotton , Councillor R Reekie, Councillor R Bennett and Councillor K Hick.

CARRIED 8/1

LATE REPORTS

8. CONFIRMATION AND RECEIPT OF MINUTES

Committee Meetings

8.2 **Minutes of the Finance Committee Meeting held 16 August 2018**

COUNCIL DECISION

C1808/173



Moved Councillor J McCallum, seconded Councillor P Carter

That the Minutes of the Finance Committee Meeting held 16 August 2018 be noted.

CARRIED 9/0

9. REPORTS OF COMMITTEE MEETINGS

12.2 Finance Committee - 16/08/2018 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 30 JUNE 2018

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:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Statement of Financial Activity - Period Ending 30 June 2018 
	Attachment B Investment Report - Period Ending 30 June 2018 

This item was considered by the Finance Committee at its meeting on 16 August 2018, 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 June 2018.

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 26 July 2017, the Council adopted (C1707/163) the following material variance reporting threshold for the 2017/18 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 2017/18 financial year as follows:

- *Variances 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 variances due to timing differences and/or seasonal adjustments are to be reported on a quarterly basis; and*
- *Reporting of variances only applies for amounts greater than \$25,000.”*

STATUTORY ENVIRONMENT

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

RELEVANT PLANS AND POLICIES

Not applicable.

FINANCIAL IMPLICATIONS

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

Long-term Financial Plan Implications

Any 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’.

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

Not applicable

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 June 2018

The Statement of Financial Activity for the period ending 30 June 2018 shows a better than expected Net Current Position "Surplus" of \$3.51M.

The Surplus is made up as follows:

Prepayment of Financial Assistance Grants	\$1,169,926	to be utilised in 2018/2019 Budget
Carryover Items	\$1,930,424	to be utilised in 2018/2019 Budget
New Infrastructure Development Reserve	<u>\$410,924</u>	Transfer to Reserve 2018/2019 *
	<u>\$3,511,291</u>	

* To be transferred into the New Infrastructure Development Reserve as per Council Resolution.

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

Description	2017/2018 Actual	2017/2018 Amended Budget YTD	2017/2018 Amended Budget	2017/18 YTD Bud Variance	2017/18 YTD Bud Variance
	\$	\$	\$	%	\$
Revenue from Ordinary Activities	68,322,042	66,506,299	66,506,299	2.73%	1,815,743
Expenses from Ordinary Activities	(68,957,356)	(69,038,713)	(69,038,713)	0.12%	(1,836,254)
Borrowings Cost Expense					
Interest Expenses	(1,250,420)	(1,410,971)	(1,410,971)	11.38%	160,551
Non-Operating Grants, Subsidies and Contributions	24,793,990	43,655,339	43,655,339	-43.21%	(18,861,349)
Profit on Asset Disposals	55,551	22,400	22,400	148.00%	33,151
Loss on Asset Disposals	(681,441)	(6,252)	(6,252)	-10779%	(675,189)

Capital Revenue & (Expenditure)					
Land & Buildings	(6,744,696)	(17,106,693)	(17,106,693)	60.57%	10,361,997
Plant & Equipment	(2,524,122)	(4,279,400)	(4,279,400)	41.02%	1,755,278
Furniture & Equipment	(670,125)	(832,712)	(832,712)	19.52%	162,587
Infrastructure	(42,255,717)	(60,684,321)	(60,684,321)	30.37%	18,428,604
Proceeds from Sale of Assets	424,075	635,150	635,150	-33.23%	(211,075)
Description	2017/2018 Actual	2017/2018 Amended Budget YTD	2017/2018 Amended Budget	2017/18 YTD Bud Variance	2017/18 YTD Bud Variance
Continued:					
Proceeds from New Loans	6,960,000	10,110,000	10,110,000	-31.16%	(3,150,000)
Self Supporting Loans - Repayment of Principal	65,163	73,466	73,466	-11.30%	(8,303)
Total Loan Repayments - Principal	(2,359,142)	(2,780,982)	(2,780,982)	15.17%	421,840
Advances to Community Groups	(110,000)	(260,000)	(260,000)	57.69%	150,000
Transfer to Restricted Assets	(5,805,349)	(648,639)	(648,639)	-795.00%	(5,156,710)
Transfer from Restricted Assets	24,594,391	27,832,765	27,832,765	-11.64%	(3,238,374)
Transfer to Reserves	(15,102,673)	(16,085,572)	(16,085,572)	6.11%	982,899
Transfer from Reserves	10,663,211	20,471,964	20,471,964	-47.91%	(9,808,753)

Operating Revenue:

Revenue from ordinary activities is \$1,815,743 more than expected when compared to YTD Budget with the following items meeting the material variance reporting threshold set by Council for the 2017/2018 Financial Year.

Description	2017/2018 Actual	2017/2018 Amended Budget YTD	2017/2018 Amended Budget	2017/18 YTD Bud Variance	2017/18 YTD Bud Variance
	\$	\$	\$	%	\$
Operating Grants, Subsidies and Contributions	4,736,243	3,640,258	3,640,258	30.11%	1,095,985
Other Revenue	519,958	429,029	429,029	21.19%	90,929

Operating Grants, Subsidies and Contributions

Cost Code	Cost Code Description	Natural Account Description	Variance YTD
Finance and Corporate Services			
Grants Commission			
10152	Other General Purpose Funding	Grants Commission - Untied Grants – prepayment of 50% of 18/19 funding to be carried forward to 18/19 Budget	1,169,926

Reimbursements

10151	Rates Administration	Legal Fees – offset with reduced expenditure	(27,340)
10521	Human Resources & Payroll	Reimbursements - Workers Compensation – offset with reduced claims	(95,000)

Community and Commercial Services			
State Government Grants & Subsidies - Operating Activities			
10635	Regional Centres Program	Operating Grants & Subsidies-Other – offset with reduced expenditure	(120,000)
11151	Airport Operations	Operating Grants & Subsidies-Other - offset with reduced expenditure	56,800
Cost Code	Cost Code Description	Natural Account Description	Variance YTD
Community and Commercial Services - continued			

Contributions - Operating Activities

B1361	YCAB (Youth Precinct Foreshore)	Contributions - Operating Activities - offset with reduced expenditure	20,000
Planning and Development Services			
-	-		

State Government Grants & Subsidies - Operating Activities

10820	Strategic Planning	Operating Grants & Subsidies-Other offset with reduced expenditure	(37,500)

Reimbursements

10940	Fire Prevention DFES	Reimbursement ESL - Prior Period Adjustments – offset with increased expenditure	81,526
Engineering and Works Services			
-	-		

State Government Grants & Subsidies - Operating Activities

11101	Engineering Services Administration	Operating Grants & Subsidies-Other offset with reduced expenditure	(30,707)
11300	Sanitation Waste Services Administration	Operating Grants & Subsidies-Other offset with reduced expenditure	(120,000)
M9999	Road Maintenance Bal Of Budget	Operating Grants & Subsidies-Other offset with reduced expenditure	(36,274)

Reimbursements

11501	Operations Services Works	Reimbursements – workers compensation – offset with increased expenditure	42,334
M9999	Road Maintenance Bal Of Budget	Operating Grants & Subsidies - Other Prior Year Storm Damage – unexpected windfall	38,516

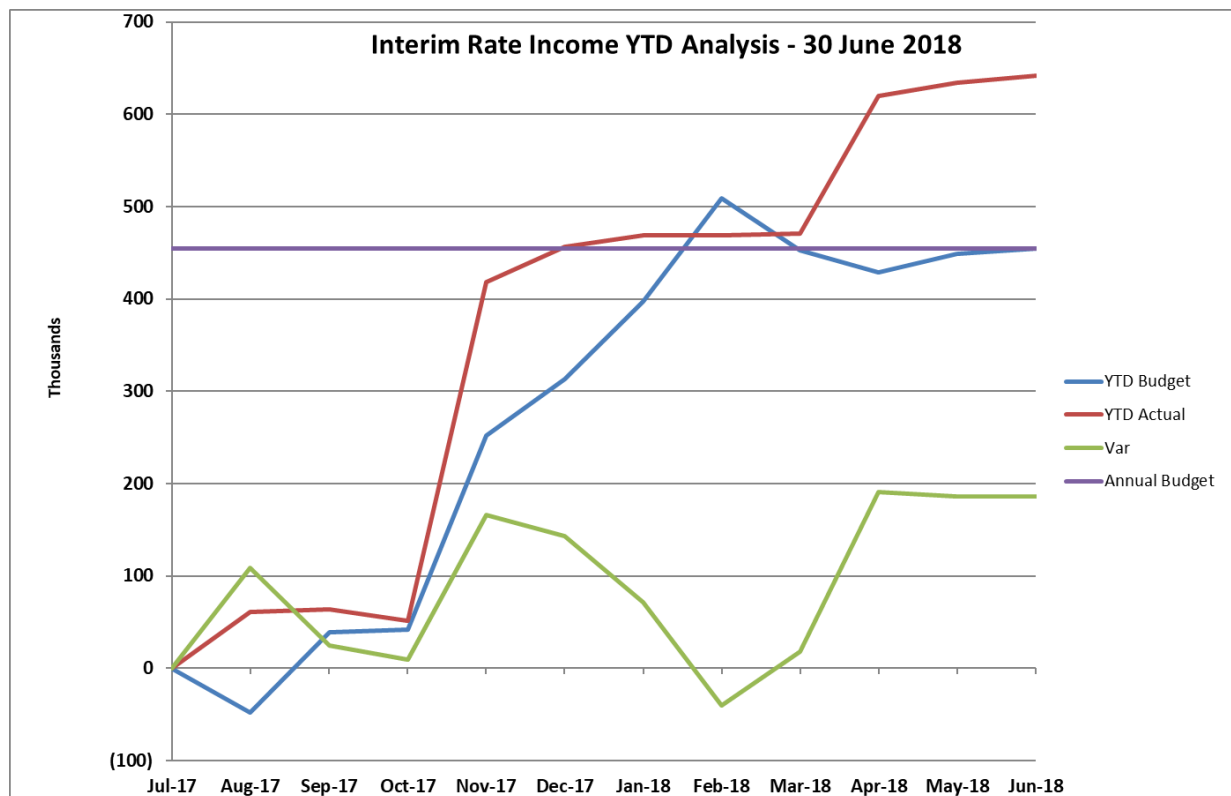
Other Revenue

The items predominately impacting the above “Other Revenue” performance is Sale of Scrap Materials \$104K.

The Officer notes that the above performance of “Operating Grants and Subsidies” and “Other Revenue” is added to by a positive collective performance of \$628K for Rates, Interest and Fees and Charges; these items fall below the Material Variance reporting thresholds.

Interim Rates:

Officers continue to monitor Interim Rating Income levels and present the following information noting that the YTD Budget has already been achieved;



Operating Expenditure:

Expenditure from ordinary activities, excluding depreciation, is \$1.86M less than expected when compared to YTD Budget with the following items meeting the material variance reporting threshold set by Council for the 2017/2018 Financial Year.

Description	2017/2018 Actual	2017/2018 Amended Budget YTD	2017/2018 Amended Budget	2017/18 YTD Bud Variance	2017/18 YTD Bud Variance
	\$	\$	\$	%	\$
Other Expenditure	(4,542,810)	(3,444,580)	(3,444,580)	-31.88%	(1,098,230)
Allocations	1,730,603	1,996,270	1,996,270	13.31%	(265,667)

Other Expenditure:

The main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
Executive Services		
10001	Office of the CEO – saving to Budget	52,007
10700	Public Relations – saving to Budget	34,745

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Community and Commercial Services</u>		
C6101	Return of Airport State Grant	(1,400,000)
<u>Planning and Development Services</u>		
10805	Planning Administration – saving to Budget	36,743
<u>Engineering and Works Services</u>		
10115	Major Projects Administration – saving to Budget	36,108
11160	Busselton Jetty – contribution to Safe Swimming Area to be progressed in 18/19	50,000
B1223	Micro Brewery - Public Ablution to be progressed in 18/19	60,000

Allocations:

Allocations are running \$265k under YTD Budget; these items are an internal allocation of administrative costs from the Finance and Corporate Services division.

The Officer further notes that the above combined performance of “Other Expenditure” and “Allocations” is added to by a positive collective performance of \$1.44M for Employee Costs, Utilities, Insurances and Materials and contracts.

Non-Operating Grants, Subsidies and Contributions:

Non-Operating Grants, Subsidies and Contributions are less than YTD Budget by \$18.86M with the main item impacting on the above result is the timing of the receipt of “Airport Development - Project Grant” with a current negative result of -\$9.84M and -\$7.63M in Donated Assets less than expected in receipt of Donated Assets associated with development.

Cost Code	Cost Code Description	Variance YTD
<u>Finance and Corporate Services</u>		
10239	Contributions (Revenue) Prog 11	(191,177)
10240	Contributions (Revenue) Prog 12	52,027
<u>Community and Commercial Services</u>		
10900	Cultural Planning	32,246
C6099	Airport Development - Project Expenses	(9,845,811)
<u>Planning and Development Services</u>		
B1023	Vasse Bushfire Brigade – Fire Truck - donated asset	503,968
B1029	Busselton Branch SES	49,194
B9112	Ambergate Bushfire Brigade Shed	(123,307)
<u>Engineering and Works Services</u>		
A0022	Yallingup Beach Road Bridge - 3347	(222,000)
A0200	Donated Bridges	1,202,394
B9999	Donated Buildings	180,000

Cost Code	Cost Code Description	Variance YTD
<u>Engineering and Works Services - Continued</u>		
C1513	Port Geographe Boat Trailer Parking Layout Redevelopment	(171,750)
C2512	Sand Re-Nourishment	(55,000)
C3020	Donated Assets Parks, Gardens & Reserves	1,009,973
C3150	Busselton Foreshore Stage 3: Toddler's Playground	(171,000)
C3168	Busselton Foreshore Jetty Precinct	(728,990)
D2000	Donated Assets Drainage	(1,415,852)
F1003	Donated Assets Footpaths & Cycleways	(8,553,758)
F1020	College Avenue Shared Path	(63,449)
S0067	Layman Road - Reconstruction Between 3250 and 6190	(80,000)
S0068	Georgiana Molloy Bus Bay Facilities	(120,000)
T0016	Puzey Road	(32,862)
T0079	Patton Terrace - Asphalt Overlay	(97,468)
T0080	Craig Street - Asphalt Overlay	44,102
T0084	Yelverton Road- Rural reconstruction & widening	122,152
W0030	Donated Roads	(84,299)

Capital Expenditure

As at 30 June 2018, there is a variance of -37.04% or -\$30.7M in total capital expenditure with YTD Actual at -\$52.19M against an YTD Budget of -\$82.9M. The Airport Development makes up for \$12.82M, Plant and Equipment Purchases, \$1.75M, Furniture and Equipment Purchases \$162K, Major Project - Busselton Foreshore \$4.43M, Main Roads projects \$583K, Busselton/Dunsborough Traffic Implementation Works \$2.3K and Council Roads Initiatives \$603K of the overall variance which 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.

Investment Report

Pursuant to the Council's Investment Policy, a report is to be provided to the Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The report is also to provide details of investment income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.

As at 30th June 2018, the value of the City's invested funds totalled \$69.9M, down from \$78.19M as at 31st May. The decrease is due to ongoing expenses and end of financial year adjustments.

During the month of June six term deposits held with three different institutions totalling \$14.0M matured. All were renewed for a further 141 days at 2.72% (on average).

An internal adjustment to funding allocations was made resulting in a partial term deposit previously allocated to the Airport Redevelopment Project being re-purposed as municipal funding. A corresponding reallocation was made within the 11am account.

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) decreased by \$5.5M.

Deductions totalling \$4.0m were required to meet normal operation expenses with a further \$1.5M being transferred to the Airport Redevelopment ANZ Cash account to compensate for the above mentioned repurposing.

The balance of the Airport Development ANZ cash account decreased by \$2.75M over the month. This decrease was partially due to the use of funds to meet ongoing expenses. Additionally a deduction of \$1.72M as at 30 June is a “book entry” only at this point in time, with a reversal processed effective 1 July. This movement was required to meet end of financial year reporting requirements.

The RBA left official rates on hold during June and July. Future movements remain uncertain at this point, although the next movement is likely to be up but not in the immediate future.

Chief Executive Officer – Corporate Credit Card

Details of monthly (May to June) 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
29-May-18	\$540.00	Qantas	* CEO Qantas Club Membership Renewal
12-Jun-18	\$140.00	Ibis Budget Perth Airport	Mayor Accommodation en-route to Regional Capitals Alliance WA Meeting
15-Jun-18	\$150.61	Rydges Kalgoorlie	Mayor Accommodation RCAWA Meeting
25-Jun-18	\$77.90	Sarah’s Flowers	Sympathy Flowers

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

+ Allocated against CEO Hospitality Expenses Allowance

CONCLUSION

As at 30 June 2018, the City’s financial performance is considered satisfactory. At this time, subject to there being no changes via the Annual Financial Audit for 2017/2018 the Statement of Financial Activity for the period ending 30 June 2018 shows a better than expected Net Current Position “Surplus” of \$3.51M.

The Surplus is made up as follows:

Prepayment of Financial Assistance Grants	\$1,169,926	to be utilised in 2018/2019 Budget
Carryover Items	\$1,930,424	to be utilised in 2018/2019 Budget
New Infrastructure Development Reserve	<u>\$410,924</u>	Transfer to Reserve 2018/2019 *
	<u>\$3,511,291</u>	

* To be transferred into the New Infrastructure Development Reserve as per Council Resolution.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1808/174 Moved Councillor C Tarbotton , seconded Councillor P Carter

That the Council receives the statutory financial activity statement reports for the period ending 30 June 2018, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 9/0

14. ENGINEERING AND WORK SERVICES REPORT

Nil

17. CHIEF EXECUTIVE OFFICERS REPORT

Nil

18. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

19. URGENT BUSINESS

Nil

20. CONFIDENTIAL REPORTS

Nil

21. CLOSURE

The Presiding Member closed the meeting at 5.56 pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 45 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 12 SEPTEMBER 2018.

DATE: _____ PRESIDING MEMBER: _____