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CITY OF BUSSELTON

MINUTES FOR THE COUNCIL MEETING HELD ON 8 FEBRUARY 2017

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MINUTES

MINUTES OF A MEETING OF THE A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN MEETING ROOM ONE, COMMUNITY RESOURCE CENTRE, 21 CAMMILLERI STREET, BUSSELTON, ON 8 FEBRUARY 2017 AT 5.30PM.

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting at 5.34pm.

2. ATTENDANCE

Presiding Member:

Cr Grant Henley Mayor

Members:

Cr Coralie Tarbotton
Cr Ross Paine
Cr Terry Best
Cr John McCallum
Cr Rob Bennett
Cr Paul Carter
Cr Robert Reekie
Cr Gordon Bleechmore

Officers:

Mr Mike Archer, Chief Executive Officer
Mr Oliver Darby, Director, Engineering and Works Services
Mr Paul Needham, Director, Planning and Development Services
Mrs Naomi Searle, Director, Community and Commercial Services
Mr Cliff Frewing, Director, Finance and Corporate Services
Ms Leigh Sly, Executive Assistant to CEO

Apologies

Nil

Approved Leave of Absence

Nil

Media:

"Busselton-Dunsborough Times"
"Busselton-Dunsborough Mail"

Public:

7

3. PRAYER

The prayer was delivered by Pastor Tony Peak of the Abundant Life Centre.

4. PUBLIC QUESTION TIME**Response to Previous Questions Taken on Notice**

Nil

Public Question Time

Nil

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

Nil

Announcements by other Members at the invitation of the Presiding Member

Nil

6. APPLICATION FOR LEAVE OF ABSENCE

Nil

7. PETITIONS AND PRESENTATIONS

Nil

8. DISCLOSURE OF INTERESTS

The Mayor noted that a declaration of impartiality interest had been received from:

- Cr Grant Henley in relation to Agenda Item 10.9 Finance Committee - 2/02/2017 - Geographe Bay Yacht Club - Self-Supporting Loan Request.
- Cr John McCallum in relation to Agenda Item 10.11 Finance Committee - 2/02/2017 - Dunsborough and Districts Country Club - Self Supporting Loan Request.
- Cr Paul Carter in relation to Agenda Item 10.11 Finance Committee - 2/02/2017 - Dunsborough and Districts Country Club - Self Supporting Loan Request.
- Cr Grant Henley in relation to Agenda Item 11.2 Application for a Boarding House - 75 Bussell Highway.

The Mayor advised that in accordance with the Local Government (Rules of Conduct) Regulations 2007 this declaration would be read out immediately before Items 10.9, 10.11 and 11.2 was discussed.

9. CONFIRMATION AND RECEIPT OF MINUTES**Previous Council Meetings****9.1 Minutes of the Council Meeting held 14 December 2016****Council Decision**

C1702/001

Moved Councillor R Reekie, seconded Councillor T Best

That the Minutes of the Council Meeting held 14 December 2016 be confirmed as a true and correct record.

CARRIED 9/0

Committee Meetings

9.2 Minutes of the Airport Advisory Committee Meeting held 23 January 2017

Council Decision**C1702/002**

Moved Councillor G Bleechmore, seconded Councillor C Tarbotton

- 1) That the minutes of the Airport Advisory Committee Meeting held 23 January 2017 be received.
- 2) That the Council notes the outcomes from the Airport Advisory Committee Meeting held 23 January 2017 being:
 - a) The Busselton-Margaret River Airport - Airport Update item is presented for Council consideration at item 10.1 of this agenda.
 - b) The Busselton-Margaret River Airport - Noise Management Plan item is presented for Council consideration at item 10.2 of this agenda.
 - c) The Busselton-Margaret River Airport - Post Project Governance Review item is presented for Council consideration at item 10.3 of this agenda.

CARRIED 9/0

ITEMS BROUGHT FORWARD AND 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.

Council Decision / Committee Recommendation and Officer Recommendation

C1702/003 Moved Councillor J McCallum, seconded Councillor G Bleechmore

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

- 10.1 Airport Advisory Committee - 23/01/2017 - BUSSELTON-MARGARET RIVER AIRPORT - AIRPORT UPDATE
- 10.2 Airport Advisory Committee - 23/01/2017 - BUSSELTON-MARGARET RIVER AIRPORT - NOISE MANAGEMENT PLAN
- 10.3 Airport Advisory Committee - 23/01/2017 - BUSSELTON-MARGARET RIVER AIRPORT - POST PROJECT GOVERNANCE REVIEW
- 11.1 DEVELOPMENT APPLICATION FOR CHALET DEVELOPMENT (RETROSPECTIVE) AT 76 YELVERTON ROAD, YELVERTON
- 15.1 COUNCILLORS' INFORMATION BULLETIN

CARRIED 9/0

EN BLOC

10. REPORTS OF COMMITTEE

10.1 Airport Advisory Committee - 23/01/2017 - BUSSELTON-MARGARET RIVER AIRPORT - AIRPORT UPDATE

SUBJECT INDEX:	Busselton-Margaret River Airport
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Busselton-Margaret River Airport
REPORTING OFFICER:	Manager, Commercial Services - Jennifer May
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

This item was considered by the Airport Advisory Committee at its meeting on 23 January 2017, the recommendations from which have been included in this report.

PRÉCIS

This report provides an overview on the Busselton-Margaret River Airport (BMRA) operations and activities for the reporting period 1 October 2016 to 31 December 2016.

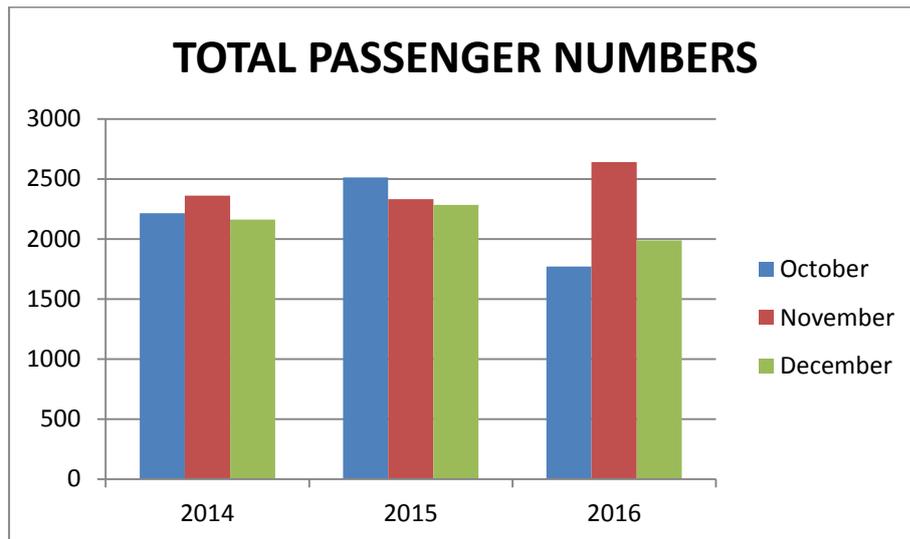
BACKGROUND

The BMRA has seen a decline in the overall FIFO passenger numbers compared to the same period for 2015 which can be attributed to the withdrawal of the Maroomba / Ad Astral services to the Karara mine site in December 2015. However, FIFO passenger numbers relating to the Virgin Australia Regional Airlines (VARA) services remain in line with previous years.

Below is a table indicating the number of all FIFO/ Charter passengers travelling through BMRA for the reporting period 1 October 2016 to 31 December 2016:

	Departing FIFO/Charter Passengers			Arriving FIFO/Charter Passengers		
	2014	2015	2016	2014	2015	2016
October	1039	1222	1002	862	890	769
November	1054	1195	1236	826	936	1004
December	1065	1290	997	945	994	842
TOTAL	3158	3707	3235	2633	2820	2615

The graph below shows the total number of passenger numbers for October – December for 2014-2016.



The total number of departing FIFO services from BMRA is currently 10 flights per week.

A total of 1306 aircraft landings were recorded for the period October-December 2016, a decrease from the numbers reported for the same period in 2015 (1447) and 2014 (1510).

STATUTORY ENVIRONMENT

The BMRA operates in accordance with the following: Aviation Transport Security Act 2004, Aviation Transport Security Regulations 2005, CASA MOS 139, Council's Transport Security Plan and City policies and procedures.

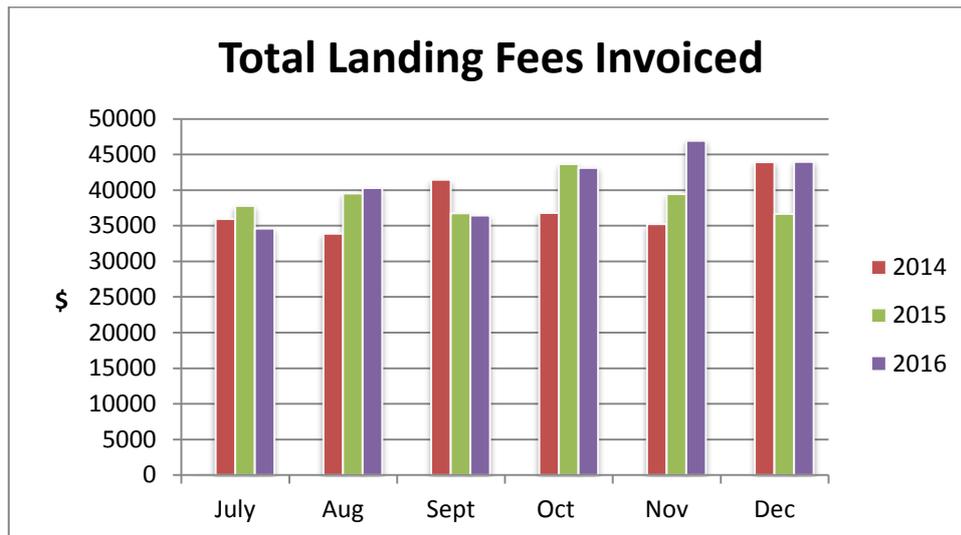
RELEVANT PLANS AND POLICIES

There are no policy implications with this report.

FINANCIAL IMPLICATIONS

Airport revenue for the 2016/2017 financial year to 31 December is \$430,263 compared to a projected year to date (YTD) budget of \$557,968. The main reasons for revenue being less than expected is due to the City having not received payment of VARA's passenger fees for November and December estimated at \$44,000, and outstanding Avdata landing fee collection for November and December estimated at \$70,000. Car parking revenue is less than expected with an income of \$121,232 compared to the projected YTD budget of \$132,498 which has been impacted by slightly decreased passenger numbers.

The graph below shows the total landing fees invoiced by Avdata for the reporting period October-December 2016 in comparison to the same period for 2014 and 2015, noting that that the City may not have received the total amount invoiced.



Airport expenditure for 1 October 2016 to 31 December 2016 is \$62,660 compared to a projected YTD Budget amount of \$154,699. Expenditure is less than expected due to some of maintenance tasks being deferred and lower than expected wages YTD expenditure.

There are no financial implications as a result of this report.

Long-term Financial Plan Implications

There are no financial implications as a result of this report.

STRATEGIC COMMUNITY OBJECTIVES

The BMRA is consistent with following the City of Busselton's Strategic Objectives:

Well Planned, Vibrant and Active Places:

- Infrastructure Assets that are well maintained and responsibly managed to provide for future generations;
- Connected City of Busselton Transport options that provide greater links within our district and increase capacity for community participation.

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 sought to identify 'downside' risks only rather than 'upside' risks and where the risk, following implementation of controls, has been identified as medium or greater. No such risks were identified.

CONSULTATION

Consultation with Department of Transport, South West Development Commission, Aviation Projects, Government agencies, Airport stakeholders, Office of Transport Security (OTS), Civil Aviation Safety Authority (CASA), Virgin Australia Regional Airline, the Busselton Aero Club, Service Agencies, Albany, Esperance, Geraldton Airports and Australian Airports Association has been occurring on a regular basis concerning many topics and issues relating to the Airport.

OFFICER COMMENT

FIFO/ Charter passenger numbers through the BMRA have decreased slightly compared to the same period last year and officers expect passenger numbers to remain in line with budgeted forecasts for the remainder of the financial year.

The October-December period has seen operational improvements, maintenance and scheduled inspections taking place including:

- development of an 'Airside Vehicle Handbook' to be included in the contractor induction process;
- further updates to the Wildlife Management Plan; and
- completion of apron line markings.

Officers are also assessing new drone rules introduced by CASA in early October and any potential impact to the City and are proposing a draft policy be prepared in the first half of 2017. Officers have attended industry meetings with CASA regarding aviation safety and the W.A. Police South West Joint Investigation Group incorporating protective security and critical Infrastructure in the region.

CONCLUSION

The wet weather earlier in the quarter and machinery breakdowns have delayed some maintenance over the spring period however the mowing program and planned maintenance are now on track. The airport operations team are preparing for the mobilisation of Ertech with the commencement of the airside construction for the BMRA expansion in February. Officers will be implementing an Airport user and stakeholder communications plan from January 2017 to ensure that a high level of customer service and information is available to all users and airport safety is maintained during the airport expansion project.

OPTIONS

The Airport Advisory Committee chooses not to accept the Officers report.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Not Applicable.

Council Decision and Committee Recommendation

C1702/004 Moved Councillor J McCallum, seconded Councillor G Bleechmore

That the Airport Advisory Committee receives and note the Airport operations report.

CARRIED 9/0

EN BLOC

10.2 Airport Advisory Committee - 23/01/2017 - BUSSELTON-MARGARET RIVER AIRPORT - NOISE MANAGEMENT PLAN

SUBJECT INDEX:	Busselton-Margaret River Airport
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Busselton-Margaret River Airport
REPORTING OFFICER:	Manager, Commercial Services - Jennifer May
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Draft Noise Management Plan 2017 Final ↗

This item was considered by the Airport Advisory Committee at its meeting on 23 January 2017, the recommendations from which have been included in this report.

PRÉCIS

This report presents the updated Busselton-Margaret River Airport Noise Management Plan (2017) (NMP) following notification from the Office of the Environmental Protection Authority that the environmental approval for the Airport Development Project is to be set at the level of Public Environmental Review. The revised NMP (2017) will be advertised for public comment and be submitted to the Office of the Environmental Protection Authority as part of the Public Environment Review (PER) referral.

BACKGROUND

The concept of a Noise Management Plan (NMP) for the Busselton Regional Airport (BRA) was first initiated in 2009 when environmental consulting firm Strategen was engaged to prepare a NMP. This was in response to the first Fly in Fly out (FIFO) services commencing at the BRA and the need to address the restrictive hours of operations and conditions specified in Ministerial Statement 399 approved by the Minister for the Environment (October 1995). The key elements of Statement 399, that the then Shire of Busselton was looking to revise and seek approval from the Office of the Environmental Protection Authority (OEPA) and Minister for the Environment were;

“4.2 To achieve the objectives of condition 4.1, at all times during the operation of the aerodrome, the proponent shall ensure that noise emissions from the aerodrome activities, including emissions from aircraft using the aerodrome, do not cause noise levels at any residential premises in occupation to exceed an average of 55 dB(A)Ldn or a maximum of 65 dB L a slow, unless a specific variation to the maximum noise level is agreed to by the Minister for the Environment on advice of the Department of Environment and Conservation and following consultation with relevant agencies.

4.3 Where a variation has been granted by the Minister for the environment, as referred to in condition 4.2, the variation may only apply for operation between 0700 hours and 2200 hours, and the proponent shall ensure that the maximum noise level does not exceed 80 dB La slow and that the number of flights is limited ”

A variation, described in condition 4.3 had been granted by the Minister for the Environment to allow two (2) flights per day between the hours of 0700 and 2200 with aircraft noise to be limited to 80 dB(A) to enable the first Skywest Airlines Fokker100 FIFO operations to commence.

Strategen was engaged to prepare a draft NMP that was presented to the then Airport Advisory Group (AAG). The AAG was a working group made up of community members, three Shire

Councillors, and representatives from the Busselton and Dunsborough Chambers of Commerce, Geopraphe Bay Tourism Association and the Busselton Aero Club.

The draft NMP was further developed by the AAG and in July 2010 a draft plan was presented to the Council for review and consideration. Furthermore, at this time the AAG was transitioned to an official committee of the Council, the Airport Advisory Committee (AAC), with four nominated Councillors. In October 2010, the newly formed AAC requested City staff to review and update the draft NMP (developed by the AAG) and present a final draft to the Council for endorsement prior to being submitted to the OEPA for consideration. A final draft version of the NMP was presented to the Council for endorsement on 15 December 2010 followed by submission to the OEPA on the 1 February 2011.

A lengthy consultation period occurred with the OEPA, including a public consultation period of four weeks, prior to a final NMP being submitted to the OEPA Board for consideration and referral to the Minister of the Environment; Water for approval. The City of Busselton's Noise Management Plan (June 2012) was approved as part of Ministerial Statement 901 on the 22 June 2012.

In accordance with Condition 4 of Statement 901, the City of Busselton has the opportunity to review and submit proposed amendments or updates to the NMP. In a report presented to the Council at its meeting on 28 August 2013, City Officers presented a number of proposed changes, some were considered minor or not technical in nature and hence did not change the intent of the existing NMP. However, some of the proposed changes to the Hours of Operations were considered material under Condition 4-2 of Statement 901 and were advertised for public comment. Following Council endorsement, City Officers submitted a proposed, amended NMP to the OEPA for review and approval was given in September 2013.

The OEPA assessment resulted in the proposed material amendments being resubmitted by the City of Busselton as a Section 46 application under the Environmental Protection Act (1986) in March 2014. Following further discussions with the OEPA and gaining agreement on the proposed amendments, the City of Busselton submitted a final revised version of the NMP in December 2014, which came into effect in July 2015.

In June 2015, the State Government committed to funding the upgrade of the BRA. After reviewing a rigorous Business Case submitted by the South West Development Commission in 2013, and considering the views of the Steering Committee appointed by the then Minister for Transport to oversee the development of the Business Case, the Government publically committed to allocating funding for the redevelopment of the BRA.

The Airport Development Project Team was established soon after the funding announcement and one of the priority approval processes identified for the project was the environmental approvals required from the Minister of the Environment; Heritage. The environmental approvals require the City of Busselton to apply to the Office of Environmental Protection Authority (OEPA) to amend the proposal description that underlies the current Ministerial Statement 901 and submit a revised NMP that will allow for proposed interstate and international jet air services resulting from the Airport Development Project. Following consultation with the OEPA, a referral was submitted to the OEPA proposing an Assessment of Proponent Information-Category A (API-A) assessment to amend the existing Ministerial Statement and implement a revised NMP in June 2016.

On 30 November 2016 the City was notified that the level of environmental assessment for the BMRA Development Project determined by the OEPA was to be a Public Environmental Review (PER). To ensure that the construction activities could proceed in parallel to the PER, the City submitted an application under section 43A (s45A) to amend the previously submitted referral to remove the airside and landside construction components, thus leaving the future aircraft operational components associated with the Development project subject to assessment through the PER

process. The City also submitted an application under section 45C (s45C) application (in accordance with Statement 901 and 1009) to allow the airside and landside construction activities to proceed as the proposed construction activities were unlikely to result in a significant detrimental effect on the environment in addition to, or different from, the effect of the original proposal. The OEPA notified the City on 15 December 2016 that the applications under s43A and s45C had been approved however noting that the s45C approval does not replace any responsibilities the City has in seeking other approvals to implement the changes associated with the Development Project operations subject to the conditions of Ministerial Statements 901 and 1009, including that the timing and number of aircraft must still be consistent with the approved Noise Management Plan required by condition 4-1 of Statement 1009.

The determination that the City is required to conduct a PER referral process for the operational components of the Development Project have provided an opportunity for the City to review the draft NMP (2016) taking into consideration comments and feedback received from the community and airport stakeholders prior to the draft NMP (2016) being put out for further public consultation and comment. This includes comments received from community members regarding the future hours of operations and feedback from the Busselton Aero Club regarding the flight training guidelines, and proposes additional updates to the proposed changes highlighted in the draft NMP (2016) version. For clarity, this report details the proposed changes from the NMP (2015) version as 2016 and 2017 proposed amendments separately. It should be noted that the changes included in the draft NMP (2016) version were advertised for public comment and all submissions and the draft NMP (2016) were submitted to the OEPA.

Proposed NMP amendments 2016 version

The key changes to the NMP (2015) that were incorporated in the draft NMP (2016) version included amendments to the current hours of operations, noise acceptability criteria, noise reduction measures and amelioration. The proposed amendments can be summarised into the following key areas listed below;

Description	Chapter(s) of the NMP	Comments relating to proposed NMP (2016)
Grammatical updates	All	Includes amendments such as airport name change (BRA-BMRRRA), typographical errors, index page update, addition of terms to 'Definitions page' etc These changes do not change the intent of the NMP (2015).
Inclusion of Airport Development Project information	Background (p3) Objectives for Development (p5)	Information relating to the upgrade of the Airport has been added as context in describing the future operations, expansion of infrastructure and objectives including management of aircraft noise.
Standard Operating hours	3.1.3 Standard Hours of Operations (p13-15)	<ol style="list-style-type: none"> 1. Number of operating categories has been reduced from five to three (See Table 3) – Light and General Aviation categories have been combined into one; Open & closed Charter Flights and RPT services have been combined into one category. 2. In combining the Light Aviation and General Aviation categories the requirement for light aviation / Single Engine Aircraft under 2000kg MTOW not to exceed 65dB(A) has been removed. 3. All operating categories have unrestricted

Description	Chapter(s) of the NMP	Comments relating to proposed NMP (2016)
		operating hours subject to aircraft noise not exceeding 85dB(A) and aircraft >5,700kgs MTOW requiring approval to operate.
Flight Training	3.1.5 Flight Training Guidelines (p19-22)	<ol style="list-style-type: none"> 1. Aircraft type has been amended to include "Single engine aircraft" under 1500kgs MTOW 2. Single engine aircraft noise emissions has been changed from 'to be less than 65dB(A)' to 'to be less than 85 dB(A)'. 3. Times for flight training operations amended to Mon-Fri 8am – last light; Saturdays, Sundays and Public Holidays 9am -5pm.
Non-Conforming Activities	3.3.2 Approval for Non-Conforming Activity (p25-26)	Based on the assumption that the proposed amendments to the Standard Hours of operations are accepted this section will be deleted.
Methods for determining Noise Impacts and reduction measures	6.2 Noise reduction, Amelioration and Measures (p32-33)	<ol style="list-style-type: none"> 1. Added information relating to the City's decision to adopt the AS2021;2015 Acoustics – Aircraft noise intrusion – Building siting and construction. 2. Added information on the preparation and use of ANECs and N-contours for the developed Airport.
Noise Acceptability Criterion	6.2.1 Noise Reduction Parameters (p33)	Inserted the acceptability definitions and noise levels detailed in AS2021;2015 Section 2.3 and Table E1.
Noise Amelioration	6.2.2 noise Amelioration as a Noise Reduction Technique (p34)	Inserted the building site acceptability criteria detailed in AS2021;2015 Table 2.1 and Table E1.
Implementation of NMP	9.3 Implementation Priorities (p45)	Deleted this section as originally included to detail the implementation actions of the NMP approved in 2012.

Subsequent to the recent public consultation process, the following summarises the proposed changes to the draft NMP (2016), now referred to as the draft NMP (2017);

Description	Chapter(s) of the NMP	Comments relating to proposed NMP (2017)
Grammatical updates	All	Includes amendments such as airport name change (BMRRRA - BMRA), typographical errors, index page update and additional information providing clarity in some chapters. These changes do not change the intent of the NMP (2015).
Added 'Regular' to Definitions	Definitions (p 4)	Regular is used in some chapters of the NMP and hence definition has been added.
Development Project infrastructure	Background	Updated the scope of infrastructure to be delivered by the Airport Development Project.
Standard Operating	3.1.3 Standard Hours	<ul style="list-style-type: none"> • Light and General Aviation category standard

Description	Chapter(s) of the NMP	Comments relating to proposed NMP (2017)
hours (Table 2)	of Operations (p13-15)	hours of operation amended to 'Restricted 0600hrs-2200hrs'
Conditions (Table 2)	3.1.3 Standard Hours of Operations (p13-15)	<ul style="list-style-type: none"> Conditions 'Subject to noise not exceeding 85dB(A)' amended to 'Maximum noise level of 85dB(A)'. The wording has been amended in line with the noise amelioration section whereby an exceedance of 85dB(A) may trigger noise amelioration processes.
Approval for Non-Conforming Activity	Chapter 3.2.4 Approval for Non-Conforming Activity	As restricted hours have been proposed for Light and General Aviation, it is being proposed that this section be maintained as it is currently worded in the NMP (2015) to allow for any general aviation non-conforming activities. This would allow for one-off approvals for aircraft movements outside of the standard hours of operations associated with events (Ironman; 70.3; Busselton Jetty Swim) or visits to Busselton by celebrities / VIPs. The only change to the wording is to include 'The City Chief Executive Officer (or approved delegate) ' is authorised and empowered to determine applications for a Non-Conforming Activity ...
Table 9 - Amelioration Assessment Parameters	6.2.3 Process for Amelioration Assessment	Process updated to allow the CEO to determine if amelioration works (budget expenditure) requires Council consideration or within CEO delegation. This step has been updated to provide a faster and more efficient process if possible.
Order of Chapters	Chapters 8 and 4 have been moved in the document.	<p>Original order of chapters was:</p> <ul style="list-style-type: none"> Management of Operational Activities Land Use Planning Noise Assessment and Monitoring Noise Amelioration Communication and Consultation Noise Complaints <p>New order of chapters is:</p> <ul style="list-style-type: none"> Management of Operational Activities Noise Complaints Noise Assessment and Monitoring Noise Amelioration Land Use Planning Communication and Consultation

The attached NMP (2017) highlights the proposed amendments recommended in 2016 in blue and 2017 in green.

STATUTORY ENVIRONMENT

The Noise Management Plan (22 June 2012) was approved by the then Minister for the Environment; Water after review and consideration by the Environmental Protection Authority. Compliance reporting and review of the NMP is defined under Ministerial Statement 1009; Busselton Regional Aerodrome.

As part of the Airport Development Project, the City of Busselton is required to seek environmental approvals for the project in accordance with the Environmental Protection Act (1986) from the Minister for the Environment; Heritage through the assessment processes of the OEPA. Following recent notification from the OEPA, the City is required to complete a PER level of assessment for the Airport Development Project for the future operational components only which will include the proposed draft NMP (2017).

In accordance with the OEPA's Environmental Impact Assessment framework and guidelines, the OEPA will publish an Environmental Scoping Document (ESD) defining the requirements for the City's PER including the specific environmental factor to be addressed. The ESD is expected to be issued in early February 2017. The purpose of the ESD is to;

- develop proposal-specific guidelines to direct the City on the key environmental issue (Social Surrounds) that should be addressed in preparing the PER document; and
- identify the necessary impact predictions for the proposal, and the information on the environmental setting required to carry out the assessment.

Once published the City will use the ESD as the basis for the PER as well conducting further public consultation in parallel to submitting the PER referral. Following the submission of the PER to the OEPA, the PER will be advertised for public comment for a period of 6 weeks. The City will have the opportunity to provide a response to any submissions received during the public comment review period prior to the OEPA completing their assessment report and recommendations being presented to the Minister for the Environment for consideration. The PER process is expected to take approximately nine months to complete with the Minister for the Environment issuing a final determination.

RELEVANT PLANS AND POLICIES

The BMRRA operates in accordance with the following: Aviation Transport Security Act 2004, Aviation Transport Security Regulations 2005, CASA MOS 139, Council's Transport Security Plan and City policies and procedures.

This report is in line with the City of Busselton's current Noise Management Plan (2015), Ministerial Statements 901 and 1009 and processes for monitoring and reporting of aircraft movements and proposed changes to update the NMP.

FINANCIAL IMPLICATIONS

The Commercial Services Business unit has an approved operational budget allocated to the maintenance and upkeep of the facility and aviation related services. None of the recommended changes to the NMP are expected to have an additional cost implication to the operational budget.

The Airport Development Project, funded by the State Government and overseen by the Project Governance Committee (PGC) has a budget allocated for the project approval processes, including the environmental approvals being sought.

One of the possible future actions resulting from the approval of the recommended changes to the NMP could be to perform noise monitoring at residential properties in the vicinity of the Airport. As such a budget allocation for noise amelioration has been included in the Airport Development Project and will be considered at the appropriate time.

Long-term Financial Plan Implications

An operational financial model was developed as part of the State Government Business Case proposal which incorporated a 10-year financial plan. The model considered revenues and costs associated with the upgraded facility, including up-front and recurrent capital and ongoing operational expenditure. The model demonstrates that the upgraded facility will be self-sustainable, generating a modest profit into the future, to be transferred into the City’s Airport Infrastructure Renewal and Replacement Reserve at the end of each financial year. It should be noted however that the revenue projections were based on Regular Public Transport (RPT) aircraft being able operated beyond the current Standard Hours of Operations as governed through the NMP.

The Long Term Financial Plan (LTFP) is currently based on the current operations, and will require updating to reflect the Development Project, including ongoing operational and capital revenue and expenditure based on the funded project. This work has commenced.

STRATEGIC COMMUNITY OBJECTIVES

This report is consistent with the City of Busselton’s Strategic Community Plan (2013) community goals and objectives;

Well Planned, Vibrant and Active Places:

- 2.3 Infrastructure assets that are will maintained and responsibly managed to provide for future generations.

Connected City:

- 4.1 Transport options that provide greater links within our district and increase capacity for community participation.

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. The table below describes identified risks where the residual risk, once controls have been identified, is identified as ‘medium’ or greater;

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Extending the Hours of Operation cause noise nuisance and complaints requiring noise monitoring and mitigation.	Monitor and assess any increase in aircraft traffic during the extended hours for the potential for noise complaints from the community.	Minor	Unlikely	Medium
NMP Public consultation results in significant public submissions received by the OEPA during the PER statutory public review period which results in the draft NMP (2017) not being approved.	Community information sessions and private meetings held with members of the community on aircraft noise management. NMP public consultation period performed to assess community feedback.	Moderate	Unlikely	Medium

CONSULTATION

Officers will continue to consult with the OEPA, CASA, AirServices Australia, City of Busselton residents and wider community, airport users and stakeholders throughout the environmental approval process and Airport Development Project.

The revised draft NMP (2016) was advertised for public comment for 21 days in March 2016 as presented to the community through the community information sessions and private community member meetings. Officers have considered community feedback received and made further changes to the NMP which will undergo a public consultation process as detailed below. As part of the PER process the City will conduct the following public consultation and advertise the draft NMP (2017) for community and stakeholder comment;

Who	Meeting Forum	Description	Information Provided
Residents in vicinity of the Airport and/or near flight paths.	Invitations issued for community meetings for each area identified below held at community facilities or City offices; <ul style="list-style-type: none"> Reinscourt Yalyalup Kalgup Yoogarillup 	<ul style="list-style-type: none"> Brief outline of the development project, objectives and infrastructure; Predicted flight movements; Predicted noise impacts including ANECs, N-Contours and flight paths Noise Management Plan review and proposed changes. 	<ul style="list-style-type: none"> City's Noise brochure; City project Fact sheet; Information on External websites and agencies for further information.
Community information sessions	Community information session to be held at the City offices.	<ul style="list-style-type: none"> Brief outline of the development project, objectives and infrastructure; Predicted flight movements; Predicted noise impacts including ANECs, N-Contours and flight paths Noise Management Plan review 	<ul style="list-style-type: none"> City's Noise brochure; City project Fact sheet; Information on External websites and agencies for further information.
Decision Making Agencies (DMAs) engagement	Individual meetings with DMAs – Libby Mettam MLA Dept Of Water Dept Parks and Wildlife Dept of Transport	<ul style="list-style-type: none"> Brief outline of the development project, objectives and infrastructure; Predicted flight movements; Predicted noise impacts including ANECs, N-Contours and flight paths Noise Management Plan review 	<ul style="list-style-type: none"> City's Noise brochure; City project Fact sheet; Information on External websites and agencies for further information.
NMP Public Comment including associated noise	Revised draft NMP (2017) advertised on the City's Airport	<ul style="list-style-type: none"> Revised NMP showing track changes advertised 	<ul style="list-style-type: none"> Revised NMP Summary of changes and justification for changes

Who	Meeting Forum	Description	Information Provided
modelling contours.	website for public comment.	for 21 days for public comment.	<ul style="list-style-type: none"> • Noise modelling contours including; <ul style="list-style-type: none"> ○ ANEIs/ANECs ○ N-contours ○ Lamax contours

OFFICER COMMENT

The NMP has now been in effect for over four years and has resulted in a positive impact for the BMRA with increased charter services and a reduction in the number of noise complaints associated with the airport compared to previous years.

The initial review of the NMP (2012) provided an opportunity for the City to identify areas for improvement and make amendments to the plan that continued to safeguard the community and provide flexibility to airport users. As the BMRA has now been identified strategically as a 'Gateway' airport for the South West Region and the upgrade to cater for interstate and potentially international services has been funded, a further review of the NMP has considered current and future operations with appropriate controls and community feedback but still allowing for flexibility in increased growth.

Officers are recommending a number of amendments to the current NMP (2015), some of which are minor including grammatical and typographical changes and information relating to the Development Project, and therefore do not change the intent of the NMP. These amendments are considered minor in nature and under the current Ministerial Statement 1009 (condition 4.2) the CEO has the authority to approved these changes.

However, the proposed amendments to chapters 3.1.3 Standard hours of operation, 3.1.5 Flight Training Guidelines, 6.2 Noise reduction, Amelioration and measures are considered material and under condition 4.2 of Statement 1009 need to be considered by the OEPA for approval. These proposed amendments will be assessed by the OEPA through the PER referral process. The proposed amendments to the NMP (2015) are discussed below, and are identified in attachment A – draft Noise Management Plan (2017). It is to be noted that due to the review undertaken in 2016 and again in 2017 subsequent to the outcome of public consultation, the proposed amendments are highlighted as follows: 2016 in blue and 2017 in green;

Standard hours of Operation

Officers recommend consolidating the number of different aircraft operating categories in this section. This is primarily to remove some of the confusion around the definitions of light and general aviation. The current NMP distinguishes between light and general aviation with light aviation aircraft being defined as single engine aircraft under 2000kg MTOW not exceeding 65dB(A) and general aviation including all other aircraft not included in the light aviation definition. There are instances where light aviation aircraft under 2000kgs MTOW exceed the 65dB(A) noise level and hence cause confusion for pilots leading to non-compliances. The current definitions also places responsibility on Airport staff for deciding if the noise level of light aircraft breaches the 65dB(A) based on published information which can be difficult to source. Hence, Officers are recommending as part of the draft NMP (2017) that light and general aviation categories are combined with the conditions that aircraft have restricted operations between the hours of 0600hrs-2200hrs with a maximum noise level of 85dB(A), and general aviation aircraft over 5,700kgs requiring prior approval to operate from in/out of the BMRA. **It is to be noted that the proposal to have restricted hours of operations for light and general aviation is directly related to community feedback received during public consultation conducted during 2016.**

Officers also recommend that the categories of open and closed charters and RPT services are combined into one category. The conditions proposed to this category are for unrestricted operations with City approval and with aircraft noise of a maximum of 85dB(A). The justification for approved, unrestricted operations are to facilitate future interstate operations that may need to operate at 'back of clock' hours. In the City's initial discussions with airlines interested in servicing future interstate services from the BMRA, they have indicated that until the BMRA route demand has been established they may want to fly unutilised aircraft based in the Eastern States between the hours of 1100hrs – 0200hrs depending on the destination (Melbourne or Sydney). To ensure that noise is managed effectively, the City of Busselton will have an approval process for all aircraft in this category operating in/out of the BMRA. The proposed amendments to the standard hours of operation are listed below;

Operator / Aircraft Type	Current Standard Hours of Operation	Proposed Standard Hours of Operation	Proposed Conditions
Emergency Services	UNRESTRICTED	UNRESTRICTED	Emergency situations and normal flight patterns (training flights require approval under the Flight Training Guidelines)
Light Aviation/ General Aviation	Light Aviation Single Engine Aircraft under 2000kg MTOW not exceeding 65dB(A)* General Aviation (Any aircraft that does not comply with the Light Aviation definition)	RESTRICTED 0600hrs-2200hrs	Maximum noise level of 85dB (A)* Flight Training approval required (only available for aircraft below 1500kg MTOW and flight training conditions apply) Aircraft above 5,700kgs MTOW – City approval required
Open, Closed Charters, RPT/Commercial Operators	0700 to 1900 May – November 0600 to 2100 December - April Open and Closed Charter Flights 0600 to 2200 Regular Passenger Transport Flights 0600 to 2300	UNRESTRICTED	Maximum noise level of 85dB (A)* City approval required

*** The Aircraft Noise levels identified in this table are maximum noise levels recorded at any residential or other noise-sensitive location when determined as an LA Slow value at any point within 15m of the identified building. Noise levels regularly exceeding this may initiate noise mitigation procedures (Chapter 6.2.3).**

Any application that does not conform to the standard hours of operation or conditions set out in this table is considered a Non-Conforming Activity. Assessment of Non-Conforming Activities will be undertaken using the procedures defined in Section 3.2.4

Flight Training Guidelines

Officers recommend a number of amendments to this chapter. The first is to further define the type of aircraft that can perform flight training from the BMRA by including ‘single engine aircraft’ under 1500kgs MTOW in the definition. This will ensure that flight training is restricted to the smaller light aircraft and hence minimise the noise impact from training. Further, the daily hours allowable for flight training have been amended to reflect an even spread of hours throughout the week and on public holidays. **Further consultation with the Busselton Aero Club during the 2017 review has resulted in changes to the total number of circuits in any one flight training sessions being increased from 4 to 6 circuits.**

Noise Reduction, Amelioration and Measures

The current NMP (2015) approach to noise reduction, amelioration and noise criterion is based on the inclusion of building siting criteria and noise acceptability criteria from a number of different sources including the superseded Australian Standard 2021;2000. Officers recommended that the revised NMP be based on the AS2021;2015 standard and use a combination of criteria from the standard that relates to aerodromes with Australian Noise Exposure Forecast (ANEFs) and for aerodromes that do not have ANEFs.

The recommendations from government, regulatory bodies and the aviation industry for measuring and predicting noise impacts at Australian airports is broadly based on the use of the ANEF system. The ANEF system was developed in 1980 as a land use planning tool aimed at controlling encroachment on airports by noise sensitive buildings. The system underpins Australian Standard AS2021 ‘Acoustics—Aircraft noise intrusion—Building siting and construction’. The Standard contains advice on the acceptability of building sites based on ANEF zones and for aerodromes that do not have ANEFs (ANEFs are not considered a suitable tool for light aviation aerodromes that do not have jet aircraft operations), building site acceptability using decibel (dB(A)) levels.

The proposed amendments to this section of the NMP include a combined approach of using the ANEF zones and decibel levels to determine the acceptable, conditionally acceptable and unacceptable aircraft noise levels for buildings (including homes, units, flats) potentially impacted by aircraft noise. The acceptability criteria vary depending on the type of land use. The Table below details the recommended criterion taken from AS2021; 2015 to be included in the NMP;

Outdoor Noise Criterion
<p>Noise Amelioration action is required where L_{Amax} regularly exceeds² –</p> <ul style="list-style-type: none"> (1) 85dB(A); or (2) 80-85dB(A) for >15 events¹ per day; or (3) 75-80dB(A) for >30 events¹ per day; or <p>Notes:</p> <ul style="list-style-type: none"> (1) Each aircraft noise event occurring between 7pm and 7am is to be counted as 4 events. (2) Regularly exceeds refers to events occurring at uniform (even / constant) intervals. Noise generated by Emergency Services Aircraft operating in emergency situations are not to be taken to count towards the monitored noise events for amelioration purposes. <p>OR</p> <p>Table 2.1 Building Site Acceptability based on ANEF Zones in AS2021:2015; where a house, home, unit, flat, caravan park falls in the 20-25 ANEF zone</p>

Officers have used a combination of criterion from AS2021;2015 applicable to both aerodromes with and without ANEFs. This approach is to ensure that the community is provided with a suitable level of protection from aircraft noise.

CONCLUSION

The NMP has been in effect for over three years now and has been subject to one formal review considered by the OEPA. With the funding secured from the State Government to upgrade the BMRA and the required environmental approval process underway for the project, there is a need to update the current NMP. As such Officers have reviewed the NMP and are proposing amendments to a number of sections, in particular the standard hours of operations, flight training guidelines, noise reduction, amelioration and noise criterion measures. This report presents the proposed amendments to the NMP to be advertised for public comment for a period of 21 days and then to be included in the PER referral application to the OEPA.

The proposed amendments have been drafted to support the development of the BMRA, particularly with the State Government funding to upgrade the airport to operate interstate services and potentially international services and taking into consideration community feedback received during public consultation conducted in 2016. Areas included in the NMP such as the noise complaints process and request for noise amelioration assessment have been reviewed and remain in place without any amendments. Where amendments are being proposed, Officers have also considered appropriate control measures such requiring approval for operations.

OPTIONS

The Council may choose not to support the Officers recommendation and;

1. Reject the proposed amendments for the NMP; or
2. Support the review of the NMP however recommend alternative amendments to the NMP;

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The revised draft NMP (2017) will be advertised for public comment following Council endorsement for 21 days on the City's and Airport websites for public comment. All public submissions will be presented back to the Council and also included in the PER referral application to be submitted to the OEPA.

Council Decision / Committee Recommendation and Officer Recommendation

C1702/005 Moved Councillor J McCallum, seconded Councillor G Bleechmore

That the Council:

1. Notes and supports the review of the Busselton-Margaret River Airport (BMRA) Noise Management Plan and the proposed amendments as per the attached draft BMRA Noise Management Plan (2017).
2. Endorses the draft BMRA Noise Management Plan (2017) for public comment for a period of 21 days with public submissions to be referred to Council for consideration.

CARRIED 9/0

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10.3 Airport Advisory Committee - 23/01/2017 - BUSSELTON-MARGARET RIVER AIRPORT - POST PROJECT GOVERNANCE REVIEW

SUBJECT INDEX:	Busselton Margaret River Airport
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Community and Commercial Services
ACTIVITY UNIT:	Commercial Services
REPORTING OFFICER:	Project Manager - Business Development - Emma Heys
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Post Project Governance Review⇒

This item was considered by the Airport Advisory Committee at its meeting on 23 January 2017, the recommendations from which have been included in this report.

PRÉCIS

As part of the State Government Financial Assistance Agreement the City of Busselton was required to undertake a post project governance review of the Busselton Margaret River Regional Airport (BMRRRA). This report presents the final report for noting.

BACKGROUND

As part of the State Government Financial Assistance Agreement (FAA) the City of Busselton was required to contract a consultant to undertake an independent review of the post project governance arrangements for the BMRRRA. The preferred consultant was to be endorsed by the BMRRRA Project Governance Committee (PGC) before the contract award. The review included an examination of the advantages, disadvantages and risks associated with the various proposed governance models, including leasing to the private sector. The review also identified the recommended timelines associated with the implementation of each model.

In August 2016 the BMRRRA Project Management Team sought and received endorsement from the PGC to engaged a qualified organisation, Aurecon Australasia Pty Ltd (Aurecon), through a formal RFQ process, to undertake the assessment of the alternative governance models for the BMRRRA following completion of the Development Project in 2018.

Aurecon undertook a three staged approach to the review:

- Stage 1 – Develop the criteria against which future governance models would be assessed;
- Stage 2 – Assess governance model types against the criteria developed in Stage 1; and
- Stage 3 – Consideration of proceeds.

The review used an assessment framework to identify the most suitable governance models for the BMRRRA. This was based upon draft criteria previously used by Aurecon in similar reviews, which were then further refined through consultation with the below mentioned stakeholders. Performance measures were then applied to each of the possible governance models in order to produce a ranking system of suitability.

STATUTORY ENVIRONMENT

The BMRRRA operates in accordance with the following: Aviation Transport Security Act 2004; Aviation Transport Security Regulations 2005; CASA MOS 139; Council's Transport Security Plan; Busselton Airport Local Law 2012 and City of Busselton policies and procedures.

RELEVANT PLANS AND POLICIES

There are no policy implications as a result of this report.

FINANCIAL IMPLICATIONS

There are no financial implications as a result of this report.

Long-term Financial Plan Implications

There are no financial implications as a result of this report.

STRATEGIC COMMUNITY OBJECTIVES

The BMRRRA is consistent with following the City of Busselton's strategic Objectives:

Well Planned, Vibrant and Active Places:

- 2.3 Infrastructure assets that are well maintained and responsibly managed to provide for future generations.

RISK ASSESSMENT

An assessment of the potential implications of implanting the Officer recommendation has been undertaken using the City of Busselton's risk assessment framework. The table below describes identified 'downside' risks where the residual risk, once controls have been identified, is identified as 'low' or greater;

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
A future review is undertaken outside of the recommended 'trigger points', resulting in a less than suitable or appropriate governance model being implemented and full benefits not being realized by the City of Busselton	Adherence to the recommended points in time in which to undertake further reviews	Moderate	Unlikely	Medium

CONSULTATION

Consultation was undertaken with City of Busselton Councilors, as well as BMRRRA Development Project stakeholders including the Department of Transport, Department of Treasury, Department of Regional Development and the South West Development Commission as members of the PGC.

OFFICER COMMENT

Importantly, the review identified several 'trigger points' where existing governance arrangements would benefit from further review:

- Two years post-opening - considered an appropriate period to report on post project performance of the governance model implemented. Noting minimal capital requirements are anticipated within the initial two year post project period, which limits any financial risk to the City. At this point, the recommended activities include a review of the performance of the airport, with specific reference to the achievement of demand projections and based

upon performance and identified limitations of the model, consider whether a review of the governance model is required.

- Earlier of five years post-opening, realising annual patronage of 250,000 passengers and realising EBITDA of \$3.5 million – five years is recognised as a minimum period to demonstrate reliable revenues and returns that ultimately attract institutional infrastructure investors, noting that the FAA specifies a 10 year post project timeframe before sale, transfer, lease or disposal. At this point, the recommended activities include the assessment of asset performance, local government legislative requirements, market conditions and appetite for brownfield airport assets. Engagement with State Departments that provided funding to understand whether consent would be provided for sale, transfer, lease or disposal (if applicable) is also required and a review of the governance structure, applying outcomes of preceding activities.
- Ten years post-opening (if applicable) – Recognised as a suitable period to demonstrate reliable revenues and returns that ultimately attracts institutional infrastructure investors. Trigger points and associated activities may not be applicable if sale, transfer, lease or disposal was pursued previously and a contract would limit the ability to pursue an alternate governance structure. At this point, the recommended activities include a review of the governance structure, considering asset performance, market conditions and appetite for brownfield airport assets.

It must be noted that item 5.10 of Schedule 4 of the FAA specifies a ten year post project timeframe restriction on the disposal (sale or otherwise) of the post project BMRRRA. The City must submit a written request to the funding State Department seeking consent to dispose of the BMRRRA to amend this clause.

The review also provided recommendation for several methods of managing the proceeds of a disposal (sale or otherwise) of the BMRRRA, should this ever become a viable alternative governance structure. These included the establishment of an investment portfolio to assist with the replacement of airport income streams, a small allocation of proceeds to be provided to the community in the form of grants and the establishment of a strategic Council reserve for investment development projects. It should be noted that any decision on the management of proceeds will require Council approval.

CONCLUSION

The review concluded that at this time, the optimum governance model for the BMRRRA is for continued ownership and management by the City of Busselton.

OPTIONS

The Airport Advisory Committee chooses not to accept the Officers report.

Council Decision and Committee Recommendation

C1702/006 Moved Councillor J McCallum, seconded Councillor G Bleechmore

That the Council receives and notes the Busselton Margaret River Regional Airport Post Project Governance Review.

CARRIED 9/0
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11. PLANNING AND DEVELOPMENT SERVICES REPORT

11.1 DEVELOPMENT APPLICATION FOR CHALET DEVELOPMENT (RETROSPECTIVE) AT 76 YELVERTON ROAD, YELVERTON

SUBJECT INDEX:	Development/Planning Applications
STRATEGIC OBJECTIVE:	A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
BUSINESS UNIT:	Development Services and Policy
ACTIVITY UNIT:	Development Services and Policy
REPORTING OFFICER:	Planning Officer - Stephanie Izzard
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Location Plan⇒ Attachment B Development Proposal, including Development Plans and Bushfire Management Plan⇒ Attachment C Site Photos⇒ Attachment D Summary of Submissions⇒

PRÉCIS

The Council is asked to consider a retrospective development (planning) application seeking approval for a Chalet Development at 76 Yelverton Road, Yelverton.

The proposal is placed before the Council due to the nature of the issues requiring consideration.

It is considered that, on balance, this development is consistent with the relevant planning framework and is recommended for approval.

BACKGROUND

The Council is asked to consider a retrospective development (planning) application seeking approval for a Chalet Development at 76 Yelverton Road, Yelverton. A location plan is provided at Attachment A.

The site is located 20 km south-west of Busselton City Centre. The site is accessed from Yelverton Road which connects to Bussell Highway. The site is surrounded by Agriculture zoned properties with an extractive industry operating on the property to the north of the site.

The site is zoned Agriculture under the City of Busselton Local Planning Scheme No. 21 (the Scheme). On 4 February 2014 the City approved, under Delegated Authority, a Caravan and Camping Ground on the site. The proposal was for four “glamping/eco-tents” to be located in the eastern portion of the property. The application was advertised and two submissions opposing the development were received. The concerns raised in the submissions included access to the property, increased traffic, increased noise, detrimental visual and social impacts. This original approval did not include any plans of the proposed “glamping/eco tents” however an “example” plan was submitted indicating a canvas tent only with no internal structures. The applicant did advise in their proposal that the “tents are non-permanent structures which can be dismantled by 2 people in less than 24 hours.”

On 13 February 2015 a modification to the original development was approved by the City, under Delegated Authority. This application proposed to relocate the “eco-tents” approximately 450m to the north-east of their original proposed location. The new location was just south of the existing vegetation located in the northern portion of the site. Again no information as to the exact specifications of the “eco-tents” was provided as part of the application.

In November 2015 the City was contacted by a surrounding landowner who expressed a number of concerns regarding the structures that had been built on the site, including the structures not being

temporary as mentioned in their previous application. The matter was investigated further by the City and it was determined that the structures were not in keeping with the original approval as they were not in-fact “temporary” and each “eco-tent” included a permanent deck raised off the ground with a covered alfresco area and a dome like structure. Inside these structures stud walls had been installed to create a bathroom and kitchen area. Due to the permanent nature of the structures the City advised the applicant that a new development application would be required for a “Chalet Development” and the applicant subsequently lodged a development application. Development Plans and site photos are provided at Attachments B and C, respectively.

STATUTORY ENVIRONMENT

The key statutory environment is set out in the City of Busselton *Local Planning Scheme No. 21* (‘the Scheme’), as modified by the *Deemed provisions for local planning schemes* set out in Schedule 2 of the *Planning and Development Regulations 2015* (the deemed provisions).

Land Use

The original development applications were approved as “Caravan Parks and Camping Grounds” which is defined under the Scheme as:

“Caravan Park & Camping Grounds” means a property licensed for the placement of caravans and may also include camping sites.

The above land use does not include permanent accommodation structures that are not temporary or able to be moved (such as park homes). Further to this, it is noted that under the Building Code of Australia a structure that is in place for longer than one month is considered to be a “building” and is required to comply with the Building Code of Australia. As such, it is considered that the most appropriate land use for the development is the Chalet Development land use which is defined under the Scheme as:

“Chalet Development” is development (not being a “Rural Holiday Resort”) designed for single occupancy and which comprises detached accommodation units, which may be fully self-contained or not, and which are generally of single storey or split level construction and a character not dissimilar to farm dwellings or cabins.

Chalet Development is an “A” land use with the Agriculture zone and therefore the use is not permitted unless the local government has exercised its discretion by granting planning approval after giving special notice in accordance with clause 10.4.

Note that clause 10.4 of the City’s scheme referenced above is now superseded by the equivalent and very similar clause 67 of the Deemed Provisions.

Agriculture Zone

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

- (e) To encourage low-key rural tourism associated with traditional forms of agriculture or rural retreat as a contributor to the overall rural economy of the City.

Policies of the ‘Agriculture’ zone relevant to this application are as follows:

- (b) To permit rural tourist accommodation and rural tourist facilities where these will not conflict or detrimentally impact established farming pursuits and/or associated with rural activities.

Matters to be considered

Clause 67 of the deemed provisions outline the key matters to be considered by local government when considering a development application. Those matters which are considered to be particularly relevant to this application are as follows:

- (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;*
- (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;*
- (t) the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;*
- (u) the availability and adequacy for the development of the following —*
 - (i) public transport services;*
 - (ii) public utility services;*
 - (iii) storage, management and collection of waste;*
 - (iv) access for pedestrians and cyclists (including end of trip storage, toilet and shower facilities);*
 - (v) access by older people and people with disability;*
- (v) the potential loss of any community service or benefit resulting from the development other than potential loss that may result from economic competition between new and existing businesses;*
- (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

The key policy implications for consideration are set out in the following policy documents:

- Local Planning Policy 5B - Rural Tourist Accommodation (LPP5B);
- State Planning Policy 3.7 - Planning in Bushfire Prone Areas (SPP3.7)

An assessment of the proposals compliance with LPP5B and SPP3.7 is provided in the Officer Comment section of this report.

FINANCIAL IMPLICATIONS

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

STRATEGIC COMMUNITY OBJECTIVES

The recommendation of this report reflects Community Objective 5.2 of the Strategic Community Plan 2013, which is; "Growth is managed sustainably and our environment is protect and enhanced as we develop."

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 in Council reports where the residual risk, once controls are identified, is 'medium' or greater.

No such risks have been identified.

CONSULTATION

Clause 64 of the *deemed provisions for local planning schemes* (Schedule 2, Planning and Development Regulations 2015) requires that any development application for an "A" land use shall be referred to the public for comment. This proposal was referred to adjoining landowners for a period of 14 days ending on the 3 March 2016.

Three submissions were received during the consultation period. Key concerns that have been raised during the consultation of the proposal are as follows:

- Visual impact;
- Increased bushfire risk.

The application was also referred to Department of Fire and Emergency Services. A schedule of submissions is provided at Attachment D.

OFFICER COMMENT

The City has assessed the application having regard to the objectives and principles of the Agriculture Zone and the Matters to be considered as outlined by the Scheme.

Planning Framework

The development is considered to be a "Chalet Development" under the Scheme. Chalet Development is an "A" land use with the Agriculture Zone and therefore the use is not permitted unless the local government has exercised its discretion by granting planning approval after giving special notice in accordance with clause 64 of the Regulations. When considering a discretionary land use the City is required to assess the consistency of the development against the Policy and Objectives of the relevant zone as well as the relevant Matters to be considered as outlined above. In this instance it is considered that the proposed development is consistent with the Objectives of the Agriculture zone in particular Objective (e) which states "To encourage low-key rural tourism associated with traditional forms of agriculture or rural retreat as a contributor to the overall rural economy of the City." In addition to the above, the proposal is considered to be consistent with Policy (b) which states "To permit rural tourist accommodation and rural tourist facilities where these will not conflict or detrimentally impact established farming pursuits and/or associated with rural activities."

Chalet Development is subject to the relevant provisions of LPP5B. The development complies with the applicable requirements of this policy including minimum site area, density and setbacks.

Visual Impact

The site is not located within a Landscape Value Area prescribed under the Scheme and therefore there are no specific controls over the use of light colours or reflective materials. There are a number of different types of development, including Single House and outbuildings, that are permitted development within the Agriculture zone and therefore could be developed on the site without a planning approval. It is therefore considered that there are a number of other developments which would be constructed on the site which would have a similar visual impact.

The applicant has agreed to install additional landscaping to assist in mitigating the visual impacts of the development on the adjoining properties, in particular the property to the south.

Bushfire

One of the key concerns raised during the assessment of the proposal is its compliance with the relevant bushfire requirements. As the structures are considered to be permanent they are required to comply with the same bushfire provisions as any other building within a bushfire prone area. The applicant has submitted a Bushfire Management Plan, including a Bushfire Attack Level (BAL) assessment, which has been referred to the Department of Fire and Emergency Services (DFES).

The DFES provided the following comments on the BMP submitted by the applicant:

- *“It is acknowledged that single access to the site is a legacy issue the City will need to accept or otherwise;*
- *Figure 2 – Hazard Assessment still does not comply with the methodology of the Guidelines – App 2, Step 3;*
- *The plan needs to detail mitigation strategies for not just the existing tents but also future tents;*
- *Figure 3 is an example of the above – does not represent the location of future tents;*
- *BAL Assessments in lieu of a BAL Contour is acceptable, but again as above, future tent sites require individual assessments.*

I appreciate this is a pre-approved DA and not a subdivision but the BMP still needs to conform to the requirements of SPP 3.7 and guidelines.

Subject to the above, DFES has no further comment to provide the City.”

As mentioned above, the application was originally lodged for four Chalets, two retrospective and two proposed. However, the applicant has elected to only proceed with the two retrospective Chalets at this stage. This addresses a number of the concerns raised by the DFES in their submission.

In relation to the access to the site, it is noted that an approval has already been issued for Caravan and Camping Grounds. This approval was issued before the SPP3.7 and Guidelines came into effect and therefore two accesses were not required to be provided at the time of this approval. It is considered that this application does not intensify the approved uses of the site or increase the number of persons coming to the site. However, as the structures are permanent they are not considered to comply with this land use, the applicant has been required to reapply for a Chalet Development. It is considered that this proposal does not increase the risk to life than what is already approved on the site and while the site does only have one access it is noted that Yelverton Road connects to a network of roads and which will allow for persons to escape in either a westerly or easterly direction.

In regards to DFES comments relating to mitigation strategies, the BAL assessment provided as part of the Bushfire Management Plan indicated that a BAL29 would apply to the Chalet Development. Different BAL ratings require different construction standards under Australian Standards AS3959-2009 - Construction of buildings in bushfire-prone areas. Due to the materials which the Chalets are constructed from they would not comply with the deemed-to-satisfy criteria in the Australian Standards AS3959-2009. As such, as part of the building permit for the structures, this would need to be addressed through a Performance Solution under the Building Code of Australia.

In this instance, alternative solutions would need to be approved by a Fire Engineer. One option may be to install a sprinkler system in accordance with Australia Standard AS5414-2012. The DFES has indicated that it is supportive of such an approach but ultimately it will be up to the City to be satisfied. The DFES has also requested that the Bushfire Management Plan detail this solution prior to the issuing of the building permit.

CONCLUSION

The proposed development is considered to be consistent with the Policy and Objectives of the "Agriculture" zone and therefore it is recommended that the application be approved subject to conditions.

OPTIONS

The Council could:

1. Refuse the proposal, setting out reasons for doing so.
2. Apply additional or different conditions.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The proponent will be advised of the Council decision within two weeks of the Council meeting.

Council Decision and Officer Recommendation

C1702/007

Moved Councillor J McCallum, seconded Councillor G Bleechmore

That the Council resolve:

1. That application DA16/0005 submitted for Chalet Development (Retrospective) at 76 Yelverton Road, Yelverton, 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.
2. That Development Approval is issued for the proposal referred to in 1. above subject to the following conditions:

General conditions

- 2.1 The development hereby approved includes the two existing Chalet Development only.
- 2.2 Within 60 days of the date of this approval the following plans or details have been submitted to the City and have been approved in writing:
 - 2.2.1 Details of the means and method of providing a potable water supply of 80,000 litres per chalet;
 - 2.2.2 A landscaping plan, indicating details of vegetation to be planted to assist in screening the Chalet Development from the adjoining dwelling to the south;
 - 2.2.3 Notification in the form of a section 70A notification, pursuant to the Transfer of Lands Act 1893 (as amended) is to be placed on the Certificates of Title of the proposed lot(s) advising that:

"The Chalet Development is in close proximity to an operating extractive industry and other agriculture activities. The Chalet Development may be impacted from time to time by noise from these activities."
 - 2.2.4 A revised Bushfire Management Plan addressing the following:
 - 2.2.4.1 AS3959-2009 - Construction of buildings in bushfire-prone areas;
 - 2.2.4.2 An evacuation plan; and
 - 2.2.4.3 Upgrades required to bring the development into compliance with the

Acceptable Solutions A3.5 Private Driveways longer than 50m of the Guidelines for Planning in Bushfire Prone Areas.

3. Within 60 days of the date of this approval the following contributions are to be paid to the City:
 - 3.1 A contribution of \$1,047.07 towards the Road Network Upgrading in the Rural precinct;
 - 3.2 A contribution of \$1,546.00 towards community facilities in the Rural precinct.

Ongoing Conditions

4. The works undertaken to satisfy Condition 2.2 shall be subsequently maintained for the life of the development, and the following conditions complied with:
 - 4.1 The Chalet Development hereby approved is to be made available for temporary accommodation purposes only and shall not be occupied by any one person or family or group of persons (two persons or more) for a period exceeding 3 months;
 - 4.2 The Manager shall reside on site at all times while the Chalets are occupied;
 - 4.3 Landscaping and reticulation 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.

CARRIED 9/0

EN BLOC

15. COUNCILLORS INFORMATION BULLETIN

15.1 COUNCILLORS' INFORMATION BULLETIN

SUBJECT INDEX:	Councillors' Information
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Executive Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Reporting Officers - Various
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Planning Applications Received 16 November - 31 December ⇒
	Attachment B Planning Applications Determined 16 November - 31 December ⇒
	Attachment C South West Zone & WALGA State Council Agenda Summary ⇒
	Attachment D Meelup Regional Park Management Committee Informal Meeting Minutes - 28 November 2016 ⇒
	Attachment E Meelup Regional Park Management Committee Informal Meeting Minutes - 19 December 2016 ⇒
	Attachment F Business South West – Local Government Authority 6 Monthly Report ⇒
	Attachment G CSRFF Outcomes of Applications for Funding ⇒

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

15.1.1 Planning and Development Statistics

Attachment A is a report detailing all Planning Applications received by the City between 16 November, 2016 and 31 December 2016. 123 formal applications were received during this period.

Attachment B is a report detailing all Planning Applications determined by the City between 1 November, 2016 and 15 November, 2016. A total of 123 applications (including subdivision referrals) were determined by the City during this period with 121 approved / supported and 2 refused / not supported.

The below scheme was published in the Western Australian Government Gazette on 2 December 2016:

LOCAL PLANNING SCHEME NO. 21

Scheme Amendment No. 15

The purpose of this amendment is to rezone a portion of Lot 4001 Metricup Yelverton Road, Yelverton from 'Agriculture' to 'Bushland Protection' and amend the scheme maps accordingly.

15.1.2 Current Active Tenders

2016/2017 TENDERS

RFT 18/16 SUPPLY OF CLEANING CHEMICALS & PAPER CONSUMABLES

The City of Busselton invited tenders for the supply of general cleaning chemicals and paper consumables for all the City of Busselton owned and managed facilities. The tender was advertised on 3 September 2016, with a closing date of 27 September 2016. The tender closing date was extended to close on 29 September 2016 and 8 tenders were received. The value of the contract is will not exceed the CEO's delegated authority.

The evaluation was completed and a recommendation report presented to the CEO in November 2016. The contract resulting from RFT18/16 was awarded by the CEO to Staley Holdings Pty Ltd trading as Staley Food & Packaging.

RFT20/16 BUSSELTON FORESHORE – CONSTRUCTION OF YOUTH & COMMUNITY ACTIVITIES BUILDING

The City of Busselton invited tenders for the construction of the Youth & Community Activities Building at the Busselton Foreshore. The tender was advertised on 24 September 2016, with a closing date of 25 October 2016. The tender closing date was extended to 27 October 2016. The value of the contract will exceed the CEO's delegated authority.

The evaluation report was presented to Council on 23 November 2016. The contract resulting from RFT20/16 was awarded by Council to Pro Living Pty Ltd trading as Pro Construct.

RFT21/16 DESIGN SERVICES BUSSELTON ROAD NETWORK UPGRADES

The City of Busselton invited tenders for engaging a suitably qualified consultant for the supply of civil design services to progress existing concept designs to detailed designs for the following roads:

- Duplication of Causeway Road (Peel Terrace – Strelly Street includes a new dual lane roundabout at Rosemary Street);
- Peel Terrace (West Street – Brown Street); and
- Duplication of Strelly Street (Bussell Bypass to Barlee Street).

The City would also have the option to extend the contract to include the following roads:

- Eastern Link Road (Causeway Road to Peel Terrace – includes a bridge structure over the Vasse River);
- Victoria Square round-about;
- Peel Terrace (Brown Street – Ford Road);
- Duplication of Strelly Street (Barlee Street – West Street up to the Bussell Highway); and
- Duplication of Causeway Road (Strelly Street – Bussell Bypass).

The tender was advertised on 8 October 2016, with a closing date of 25 October 2016. The tender closing date was extended to 1 November 2016. The value of the contract will not exceed the CEO's delegated authority.

The evaluation was completed and a recommendation report was presented to the CEO in November 2016. The contract resulting from RFT21/16 was awarded by the CEO to Calibre Consulting (Aust) Pty Ltd.

RFT22/16 CHURCHILL PARK – SUPPLY AND INSTALL PUMPS, SHED, TANK AND FILL LINE

The City of Busselton invited tenders for the supply and installation of pumps, shed, tank and fill line as part of the redevelopment of Churchill Park, Busselton. The tender was advertised on 15 October 2016, with a closing date of 2 November 2016. A total of 2 tenders were received. The value of the contract will not exceed the CEO's delegated authority.

The evaluation has been completed and a recommendation report was presented to the CEO in November 2016. The contract resulting from RFT22/16 was awarded by the CEO to Total Eden Pty Ltd.

RFT23/16 ASPHALT AND SPRAY SEALING SERVICES

The City of Busselton invited tenders for the supply, delivery and application of asphalt and bitumen products within the City of Busselton. The tender was advertised on 29 October 2016, with a closing date of 15 November 2016. The value of the contract will exceed the CEO's delegated authority. The evaluation has been completed and a recommendation report was presented to Council in November 2016.

Council endorsed the evaluation panel's assessment and delegated authority to the CEO to award the contract resulting from RFT23/16 to Malatesta Investments Pty Ltd trading as Malatesta Road Paving & Hot Mix.

RFT01/17 KERBSIDE RECYCLING SERVICES

The City invited tenders for the collection of material from yellow top recycling bins and related services within the City of Busselton. It is intended that the tender will be advertised on 28 January 2017, with a closing date of 10 March 2017. The value of the contract will exceed the CEO's delegated authority.

15.1.3 WALGA State Council and Zone Agenda Summary and Recommendations

A summary of the South West Zone WALGA meeting held on 25 November 2016 and the State Council WALGA meeting held on 7 December 2016 are available to view in Attachment C.

15.1.4 Meelup Regional Park Management Committee

The minutes from the Meelup Regional Park Management Committee informal meeting for the 28 November 2016 are available to view in Attachment D and the 19 December 2016 are available to view in Attachment E.

15.1.5 Business South West – Local Government Authority 6 Monthly Report

Correspondence has been received from Business South West and is available to view in Attachment F.

15.1.6 Cape Naturaliste College – Letter of Appreciation

Correspondence has been received from the Cape Naturaliste College as follows:

'The College wishes to thank the City of Busselton for their generous sponsorship of the Cape Naturaliste College Sporting Excellence Award for the Year 12 presentation evening.

The worthy recipient of this award was Jazmyne Roberts.

This year the presentation evening was a wonderful event and the City's support contributed to its success

Please find enclosed a receipt of the donation for your records. Thank you again for your generous sponsorship and continuing support of Cape Naturaliste College and its students.

Regards,

Mark Gillett – Principal'

15.1.7 Cornerstone Christian College – Letter of Appreciation

Correspondence has been received from the Cornerstone Cristian College as follows:

'The leadership and staff of Cornerstone Cristian College, wish to acknowledge the generous support of the City of Busselton in the sponsorship of our end of year awards. The students will be greatly encouraged by the way your financial contributions have allowed us to acknowledge their excellence in so many fields.

We are deeply grateful for your support.

Gary Maynard - Principal'

15.1.8 Cape Artists Dunsborough Art Society Inc – Letter of Appreciation

Correspondence has been received from the Cape Artists Dunsborough Art Society Inc as follows:

'Please convey our thanks for the \$400 donation in support of our Annual Art Exhibition. The City's support is very much appreciated. Enclosed please find an invitation to the opening night should you or anyone there wish to attend. When you have the chance would you forward information re what funding is possible from the City of Busselton in 2017 for a non-profit society such as ours, and when and how to apply.

*Best wishes for the coming season,
Wendy Hermon - Communications Secretary'*

15.1.9 MSWA – Letter of Appreciation

Correspondence has been received from MSWA as follows:

'Thank you for your lovely gift hamper you gave to our staff in Busselton. We will share the contents between staff and clients in the area. On behalf of MSWA, I would like to wish you and your staff a very Merry Xmas and a prosperous 2017.

*Kind regards
Sue Shapland - General Manager, Member Services'*

Council Decision and Officer Recommendation

C1702/008 Moved Councillor J McCallum, seconded Councillor G Bleechmore

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

- 15.1.1 Planning and Development Statistics
- 15.1.2 Current Active Tenders
- 15.1.3 WALGA State Council and Zone Agenda Summary and Recommendations
- 15.1.4 Meelup Regional Park Management Committee
- 15.1.5 Business South West – Local Government Authority 6 Monthly Report
- 15.1.6 Cape Naturaliste College – Letter of Appreciation
- 15.1.7 Cornerstone Christian College – Letter of Appreciation
- 15.1.8 Cape Artists Dunsborough Art Society Inc – Letter of Appreciation
- 15.1.9 MSWA – Letter of Appreciation

CARRIED 9/0

EN BLOC

12. ENGINEERING AND WORKS SERVICES REPORT

Nil

ITEMS CONSIDERED BY SEPARATE RESOLUTION

At this juncture, in accordance with Clause 5.6 (3)(a) & (b) of the Standing Orders, those items requiring an Absolute Majority or in which Councillors had declared Financial, Proximity or Impartiality Interests were considered.

11.2 APPLICATION FOR A BOARDING HOUSE - 75 BUSSELL HIGHWAY

SUBJECT INDEX:	Development/Planning Applications
STRATEGIC OBJECTIVE:	A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
BUSINESS UNIT:	Development Services and Policy
ACTIVITY UNIT:	Statutory Planning
REPORTING OFFICER:	Statutory Planning Coordinator - Joanna Wilson
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Location Plan⇒ Attachment B Development Plans⇒ Attachment C Summary of Submissions⇒

DISCLOSURE OF INTEREST	
Date	08 February 2017
Meeting	Council
Name/Position	Grant Henley, Mayor
Item No./Subject	11.2 Application for a Boarding House – 75 Bussell Highway
Type of Interest	Impartiality Interest
Nature of Interest	Parents in Law own an adjoining property

PRÉCIS

The Council is asked to consider an application seeking approval for a Boarding House on Lot 18 (Hse No 75) Bussell Highway, West Busselton (“the site”). The proposed development comprises of a new single storey building 31 metres in length at the rear of the existing dwelling, which would be situated at a 1.5 metres setback from the eastern side boundary and conversion of the existing dwelling to a manager’s residence.

The planning proposal has been placed before Council due to the volume of public submissions received raising concern with the development and, more particularly, the nature of the issues that require consideration in determining the application. The key matters for consideration relate to the amenity of neighbouring properties.

It is considered that the proposal is inconsistent with the relevant planning framework and is recommended for refusal. The key reasons for that are that the design is considered to be inconsistent with basic urban design principles that should be applied to development of the site, and that it is unlikely that the development could be managed in a manner consistent with the maintenance of reasonable amenity for nearby residents.

BACKGROUND

Lot 18 (Hse No 75) Bussell Highway is located on the northern side of Bussell Highway, between High Street and King Street. The site is bounded by residential dwellings on the western and northern boundaries and professional consulting rooms to the east. A location plan is provided in **Attachment A**.

The site is zoned "Residential" under Local Planning Scheme No.21. A Boarding House is an 'A' use in the Residential zone (i.e a use approval of which is at the discretion of the City, following consultation).

The development application is for the conversion of the existing dwelling to a manager's residence including communal kitchen, dining/common area and for the erection of a single storey boarding house to the rear of the existing dwelling.

The boarding house would measure 31 metres in length and be sited 1.5m from the eastern boundary, 0.90m at its closest point to the northern boundary. The building has 12 guest rooms, with shared bathroom facilities. 7 car parking bays are proposed in the rear of the property, adjacent to the boarding house and 6 car parking bays are proposed within the front setback area.

STATUTORY ENVIRONMENT

The key elements of the statutory environment that relate to the proposal are set out in Local Planning Scheme No.21.

The site is zoned 'Residential' and subject of the R-codes. The Objectives of the Residential zone are:

- (a) To ensure, as a primary consideration, that the amenity and character of residential areas are maintained.
- (d) To provide for new urban development in areas that can be economically serviced and that are environmentally suitable.
- (e) To encourage the implementation of contemporary urban design principles in new urban areas.

Policies of the 'Residential' zone relevant to this application are –

- (a) To provide for other development (including medium density in-fill development), only where it is -
 - (i) compatible with the residential environment and afford services to residents at a local level; and
 - (ii) unlikely to adversely affect residential amenity or place demands on services beyond the level reasonably required for detached housing.
- (d) In areas coded R30 or higher -
 - (i) To optimise housing choice and affordability in locations close to services and facilities.
 - (ii) Through (i) above, to assist urban renewal and consolidation in areas sufficiently close to town centres and thereby to contain and strengthen town centre development.
 - (iii) To encourage a wide range of housing types essentially domestic in scale and character.
 - (iv) To make allowance for residential-based tourist development.

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;*
- (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;*
- (zb) any other planning consideration the local government considers appropriate.*

RELEVANT PLANS AND POLICIES

Local Planning Policy 8A – Car parking Provisions

Planning Policy 8 establishes the parking criteria for any proposed development and is intended to provide a practical guide to aid in the preparation of drawings to be submitted in support of an application. The requirements for the proposal are 1.5 spaces per bed.

18 car parking spaces would be required for the 12 bedrooms proposed in the boarding house and two would be required for the manager's residence. There would be a shortfall of 7 car parking bays.

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 recommendation of this report reflects Community Objectives 2.2 of the Strategic Community Plan 2013 - A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.

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 referred to adjoining landowners of the proposed development site and was also advertised in the local newspaper for a period of 14 days. As a result of advertising four submissions have been received, raising the following concerns:

- Scale of development is unacceptable,
- 48 people could be accommodated on site, resulting in traffic, noise and disruption to adjoining neighbouring properties;
- Insufficient information to undertake an assessment;
- Noise and disturbance;
- Insufficient number and location of car parking spaces;
- Number of vehicle movements

OFFICER COMMENT

The character of the area is predominately residential dwellings within large gardens or grouped dwellings and low key professional consulting room, The area is predominately permanent residential in nature, character, amenity and function. The neighbouring properties that surround the site have all raised concerns about the scale of development proposed, in particular the impact on their residential amenity from noise and disturbance, not just from cars but from the amount of people that can be accommodated in the boarding house and the noise associated with those people.

With regard to the character of the area, the proposed building would extend nearly the whole length of the eastern boundary and the car parking/reversing area would fill the majority of the remainder of the site. It is considered that the extent of development and car parking areas would result in the overdevelopment of the site, which would be out of character with the prevailing pattern of development in the surrounding area to the detriment of the area.

The neighbour to the west has a number of habitable windows along its eastern elevation adjacent to the application site and there is a low dividing fence. The neighbour to the north also has a number of bedroom windows within its southern elevation and at its closet point is located only 1.5m from the boundary. It is considered that the scale of the building, location of car parking areas and level of activity would result in an unacceptable impact on neighbouring properties from both noise and disturbance from the car parking areas and noise generated by the amount of guests that could be accommodated within the building.

A number of concerns have been raised that 48 people could be accommodated within the boarding house. Due to the size of the bedrooms, under the Health Local Law 1997 they can accommodate 2 sets of bunk beds within each room, which could result in a maximum of 48 people at any one time.

Based on these numbers the development would be incompatible with the surrounding environment.

Based on the above numbers that could be accommodated within the building and due to their already being a shortfall in car parking spaces proposed. It is considered that insufficient car parking has been proposed; furthermore officers consider that the car parking proposed in the front setback along Bussell Highway is not appropriate and this area should be landscaped.

CONCLUSION

The proposed development is considered to be inconsistent with the applicable requirements, including the Policy and Objectives of the "Residential" zone prescribed under the Scheme. Therefore it is recommended that the application be refused.

OPTIONS

The Council could –

Approve the proposal subject to conditions (if a Councillor is minded to support this option, officers can provide draft conditions).

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The proponent will be advised of the Council decision within two weeks of the Council meeting.

Council Decision and Officer Recommendation**C1702/009**

Moved Councillor G Bleechmore, seconded Councillor C Tarbotton

That the Council resolve that application DA16/0360 submitted for development on Lot 18 (Hse No 75) Bussell Highway, West Busselton is considered by the Council to be inconsistent with Local Planning Scheme No. 21 and is refused, for the following reasons –

1. The proposed development would result in the overdevelopment of the site out of character with the prevailing pattern of development in the surrounding area to the detriment of the character of the area. The scale of the building, location of car parking areas would result in an unacceptable impact on neighbouring properties from both noise and disturbance from the car parking areas and noise generated by the amount of guests that could be accommodated within the building.
2. Further, the proposal is inconsistent with the below considerations of Local Planning Policy *Local Planning Policy 8A – Car parking Provisions* in that insufficient car parking has been provided to accommodate the number of patrons that would visit the premises.

Approval of this development would be inconsistent with the orderly and proper planning of the locality for the reasons noted above.

CARRIED 9/0

14. FINANCE AND CORPORATE SERVICES REPORT

14.2 CONSIDERATION OF THE CONDUCT OF LOCAL GOVERNMENT ELECTION, OCTOBER 2017

SUBJECT INDEX:	Elections and Electoral Procedures
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Council and Councillor Services
REPORTING OFFICER:	Strategic Projects Officer - Tracey King
AUTHORISING OFFICER:	Acting Director, Finance and Corporate Services - Sarah Pierson
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Letter: WA Electoral Commission: Cost Estimate 2017 Local Government Election⇒

PRÉCIS

The next Local Government election is due to be held 21 October 2017.

In accordance with the Local Government Act (1995), Council can opt to conduct a Local Government election either as an in-person election or a postal election. Current legislation dictates that if a Council decides to conduct a postal election, the Western Australian Electoral Commission (WAEC) must conduct the election, with the cost of the election to be recouped by the WAEC on the basis of full accrual cost recovery.

The City has received a cost estimate from the WAEC to conduct the 2017 Local Government election as a postal ballot. Council is required to make a decision from the options available for the conduct of the 2017 Local Government Election.

An absolute majority decision of Council is required.

BACKGROUND

Local government elections occur on the third Saturday in October every two years. Councillors each serve four year terms. The City of Busselton has four Councillors whose term expires in 2017.

The Local Government Act (1995) provides that a local government may decide whether to conduct a postal election or hold an in-person election. Legislation requires that where a local government opts for a postal election, the election is to be run by the WAEC. The City of Busselton has engaged WAEC to conduct a postal election on its behalf for the past 16 years.

The issue of a change in legislation to allow local governments to undertake their own postal voting has been ongoing. The Western Australian Local Government Association (WALGA) is of the view that the WAEC monopoly in the running of postal voting elections should be opened up to provide opportunity for Local Governments to have access to alternative arrangements, including but not limited to managing their own postal elections. WALGA has a current policy position which will be progressed as part of the sector's campaign in the lead up to the State Government election in March 2017 to continue to advocate for an amendment to the Act to allow for both the WAEC and Local Governments to conduct postal elections. It is not however envisaged that this situation will be resolved prior to the October 2017 elections.

STATUTORY ENVIRONMENT

The principal legislation covering local government elections is:

Part 4 of the *Local Government Act 1995*;

The *Local Government (Elections) Regulations 1997*; and

The *Local Government (Constitution) Regulations 1998*.

RELEVANT PLANS AND POLICIES

Council Policy 038 *"Promoting a Diverse Council and Participation"* seeks to encourage all people who are eligible to do so to participate in elections for Councillors of the City of Busselton. It is the view of officers, supported by data from WAEC, that this is best achieved by conducting a postal election as historically there has been higher voter participation for postal elections.

FINANCIAL IMPLICATIONS

WAEC conduct postal elections on behalf of local governments on a full cost recovery basis. In 2015, the cost to the City of Busselton of WAEC conducting the Local Government election was \$76,483, equivalent to approximately \$3.15 per elector. On top of this cost, charges were incurred by the City for local advertising and for City staff to assist with the vote count on election evening.

The City has received an estimate from WAEC to conduct a postal ballot in October 2017 of \$107,000 (approximately \$3.89 per elector). This is an increase of approximately \$30,517 from the previous election, or \$0.74 cents per elector. This is attributed mainly to significant cost increases by Australia Post with regular mail service costs going up by approximately 42% in that time.

Financial implications to be considered should Council otherwise opt to conduct an in-house, in-person election include:

- production and printing of all election related material;
- advertising; both statutory and any other local and promotional advertising;
- Staffing: engagement of a Returning Officer (generally the Chief Executive Officer) and at least three other employees to staff each polling booth for at least ten hours on polling day, in addition to staff required to count the votes at the close of the poll

It is considered that the printing and production costs for all election related material would be at least that incurred by the WAEC given the economies of scale that WAEC can achieve by running more than 70 elections at once.

In order to ensure community awareness of a need to attend a polling booth on Election Day rather than receive ballot material in the mail, a more significant advertising and awareness campaign than is traditionally run would be required. These additional costs would be dependent on the number of booths established and the significance of the advertising campaign.

Consideration would also need to be given to the resourcing implications for both the CEO and Governance Business Unit with the additional workload and the necessary training to undertake the responsibility of managing the election in house.

Direct cost comparisons with local governments who have recently conducted in-person elections have been difficult due to no larger local governments having opted to conduct in-person elections in recent times.

On balance it is considered that an in-house in-person election would incur at least the same, if not more, costs than the estimate provided by the WAEC.

Long-term Financial Plan Implications

The City's Long Term Financial Plan (LTFP) has provision for the conduct of a postal election by WAEC every two years.

STRATEGIC COMMUNITY OBJECTIVES

The subject of this report is consistent with the City of Busselton's endorsed Strategic Community Plan 2013 (Review 2015), specifically the following community objectives:

Open and Collaborative Leadership

- 6.1: A Council that engages broadly and pro-actively with the community.
- 6.2: Governance systems that deliver responsible, ethical and accountable decision making.

RISK ASSESSMENT

There are no risks identified of a medium or high level associated with the Officer recommendation of having the WAEC run a postal election.

There are considered to be some medium level risks associated with the alternate, which is to run an in-house in-person election; namely the risk of a low participation rate by electors, the risk that the community will perceive a lack of impartiality in the process, and the impact on staff time taking them away from other work tasks.

CONSULTATION

Consultation with a number of larger regional local governments was undertaken to inform a previous report to Council in February 2015 on this matter. Efficiencies of costs, reduced impost on staff, accessibility for electors and transparency, with staff being kept at arm's length from the election process, were provided as reasons for the majority of these local government authorities continuing with postal voting.

The City of Busselton has a high absentee owner rate (approximately 35.9%). In the case of the City of Albany, which also cited a large proportion of absentee landowners, the method of postal voting was seen as a practical, fair and equitable method of voting, with the aim to achieve the best possible rate of return.

OFFICER COMMENT

Council has received written advice from the Electoral Commissioner agreeing to be responsible for the conduct of the 2017 Local Government Election, as a postal ballot, at an estimated cost of \$107,000 (inc GST). The cost estimate is based on the following assumptions:

- 27,500 electors (an increase of 3,250 from 2015)
- A response rate of around 35%
- 4 vacancies
- Count to be conducted at the City of Busselton administration office
- Appointment of a local Returning Officer
- Regular Australia Post delivery service to apply

Costs not incorporated in the estimate include:

- Non statutory advertising (additional advertising in community newspapers or promotional advertising)
- Legal expenses
- One local government staff member to man the polling place on election day

There is a possibility that an election would not be required, in the event that only four nominations are received for the four vacancies.

The Electoral Commissioner is responsible for conducting postal elections in Western Australia and conducts in-person elections on request. With voting in local government elections being non-mandatory in Western Australia, postal elections have typically resulted in a higher participation rate by eligible electors than in-person ballots, as they offer most electors greater convenience and accessibility. This is especially true for local governments with a large elector base, with large

metropolitan local governments historically often recording a participation rate of less than 10% when utilising in person ballots.

Making the WAEC responsible for these elections also enables local government CEOs and staff to remain at arms-length from potentially contentious aspects of the electoral process, with the WAEC able to ensure that elections are conducted independently, professionally and with absolute impartiality.

The City has engaged WAEC to conduct local government elections since 1999. At the 2015 election, Busselton had 24,257 enrolled voters of which 8,267 participated.

Year	2015	2013	2011	2009	2007
City of Busselton return rate (%)	34.1	31.18	35.5	40.1	41.7
State average (%)	27.50	27.76	30.9	27.8	34.34

Table 1: City of Busselton Voter participation (information supplied by WAEC)

As discussed in the financial implications section of this report the costs associated with an in-house, in-person election would likely be at least the same (after all resourcing implications are considered) as the costs associated with WAEC conducting a postal election and a postal election will likely provide more favourable outcomes of higher voter participation and impartiality in the process.. Until such a time that there is a change to legislation enabling local governments to conduct their own postal elections, this method is only available by engaging WAEC.

CONCLUSION

On balance it is considered that the best method for the running of the 2017 local government election is one of a postal election, conducted by WAEC. A postal election has been shown to provide for high voter participation, particularly in larger electorates and electorates with a high percent of absentee owners, and the involvement of WAEC ensures an impartial process.

OPTIONS

Council can opt to conduct an in person, in house election if it prefers.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

In accordance with the Local Government Act the WAEC will need to be informed of Council's preferred option of the way in which the election will be conducted at least 80 days prior to polling day.

Council Decision and Officer Recommendation

C1702/010

Moved Councillor J McCallum, seconded Councillor P Carter

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council:

1. Declares, in accordance with section 4.20(4) of the Local Government Act 1995, the Electoral Commissioner to be responsible for the conduct of the October 2017 election, together with any other elections or polls that may be required, and
2. Decides, in accordance with section 4.61(2) of the Local Government Act 1995 that the election is conducted as a postal election.

CARRIED 9/0

BY ABSOLUTE MAJORITY

11.3 DA16/0503 - Development Application for a Market - Lot 400 (No.24) Dunn Bay Road, Dunsborough

SUBJECT INDEX:	Development/Planning Applications
STRATEGIC OBJECTIVE:	A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
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 Item 11.4 from 14 December 2016 Council minutes⇒ Attachment C Development Plans⇒ Attachment D Schedule of Submissions⇒

PRÉCIS

The Council is asked to consider an application seeking approval for a Market on Lot 400 (No.24) Dunn Bay Road, Dunsborough (“the site”). This follows the City’s earlier deferral of consideration at its 14 December 2016 meeting, with Council considering that a determination on DA16/0503 should not be made until information has been provided that gives Council “...a clearer idea of how noise will be cushioned so that it does not have a detrimental effect on the resort next door.”

Staff have been liaising with the applicant who has proposed modification to the proposal and agreed to more stringent additional conditions being placed on the proposal in relation to noise issues.

It is considered that the proposal is consistent with the relevant planning framework and is recommended for approval subject to conditions including a temporary approval timeframe of ten years.

BACKGROUND

Lot 400 (No.24) Dunn Bay Road is bound by Dunn Bay Road to the north-west, Seymour Boulevard to the south-west, Chieftain Crescent to the south-east and Lot 200 Dunn Bay Road (Bay Village Resort) to the north-east. A location plan is provided in **Attachment A**.

The proposal was most recently presented to Council at its meeting of 14 December 2016 where it was resolved by Council:

That consideration of DA16/0503 be deferred until we have a clearer idea of how noise will be cushioned so it does not have a detrimental effect on the resort next door.

The general details in respect to the background to this application were included within the officer’s report to the 14 December 2016 Council meeting. The item in relation to this application from the 14 December 2016 Council minutes is at **Attachment B** and proposed development plans are provided in **Attachment C**.

Subsequent to the 14 December 2016 meeting staff have been liaising with the applicant who has proposed modification by removal of the stage component of the development proposal and has agreed to more stringent additional conditions being placed on the proposal in relation to a prohibition on the use of electronically amplified music and public address systems. On that basis the applicant has asked that the Council further consider the application.

The only changes to the officer's recommendation from that presented at the 14 December 2016 meeting is in respect to provision of plans indicating the deletion of the stage component and more stringent conditions in respect to prohibition of amplified music and public address systems.

STATUTORY ENVIRONMENT

The key elements of the statutory environment that relate to the proposal are set out in Local Planning Scheme No.21.

The site is zoned 'Special Purpose-Mixed Use'. Special Provision 49 also relates to the site -

No.	PARTICULARS OF LAND	ZONE	SPECIAL PROVISIONS
SP49	Lot 202 Dunn Bay Road, Dunsborough	Special Purpose – Mixed Use	1. Land-use permissibility shall be the same as for the 'Business' Zone, other than as varied by point 2 below. 2. The Council may approve the use of up to, but no more than, 75% of any future accommodation units developed on-site with no restriction of length of stay. The remainder of the accommodation units shall be subject to length of stay restrictions limiting occupancy to no more than 3 months in any 12 month period. For the purpose of this provision 'accommodation unit' means any tourist accommodation unit, grouped dwelling unit, multiple dwelling unit or other unit used for overnight accommodation or as a place of residence.

As Special Provision 49 states that "land-use permissibility shall be the same as for the 'Business' Zone, the objectives and policies of the 'Business' Zone effectively apply. The objectives of that Zone are as follows -

- (a) To provide for conveniently-located shopping and other service associated commercial activities to service each centre's catchment area, as determined by the relevant planning framework.
- (b) To maintain and reinforce the viability of existing commercial centres, including those supporting adjoining agricultural areas.

Policies of the 'Business' zone relevant to this application are -

- (a) To encourage the provision of retail and other business services and associated development to add to the strength and diversity of existing centres.
- (b) As far as is practical and appropriate to allow market forces to influence the location of retail and office uses within existing centres with minimal intervention by the local government.
- (c) To allow residential development only where it is a component of commercial development.
- (d) To utilise and strengthen the existing town centres of Busselton and Dunsborough as the primary retail and commercial centres of the City by active discouragement of any new "out of town" shopping centres other than neighbourhood shopping centres, convenience stores and the like.

- (e) The consolidation of land to assemble larger land parcels suitable for integrated development or redevelopment is encouraged and supported. Fragmentation of land, unless it is part of an overall plan for integrated development or redevelopment, will generally not be supported.

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;*
- (g) *any local planning policy for the Scheme area;*
- (h) *any structure plan, activity centre plan or local development plan that relates to the development;*
- (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;*
- (u) *the availability and adequacy for the development of the following –*
 - (i) *public transport services;*
 - (ii) *public utility services;*
 - (iii) *storage, management and collection of waste;*
 - (iv) *access for pedestrians and cyclists (including end of trip storage, toilet and shower facilities);*
- (v) *access by older people and people with disability;*
- (w) *the history of the site where the development is to be located;*
- (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;*
- (zb) *any other planning consideration the local government considers appropriate.*

RELEVANT PLANS AND POLICIES

Assessment of the parking needs for the development has been made based on the *City's Local Planning Policy 8A: Carparking Provisions*. The applicable parking rate for Business Zoned properties in the Busselton and Dunsborough CBD's is 4 car parking bays per 100m² Net Lettable Area (NLA). The NLA does not include service areas, toilets, areas set aside as public space or general thoroughfare areas that are not for the exclusive use of occupiers of a building. The total NLA has been determined to be approximately 300m², which generates the need for 12 bays. The development plan indicates 11 bays onsite, including 1 disabled bay, resulting in a shortfall of 1 on-site parking bay.

The Car Parking Provisions Policy and Scheme 21 include provisions for the option of a payment of cash-in-lieu of the shortfall of parking bays where considered appropriate by the City.

The applicant is seeking that the cash-in-lieu be accepted by Council. The City's current cash-in-lieu payment figure is \$10,278.42 per bay.

FINANCIAL IMPLICATIONS

This application may result in financial implications in respect to the payment of cash-in-lieu of required parking bays.

Long-term Financial Plan Implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

The recommendation of this report reflects Community Objectives 2.2 and 3.1 of the Strategic Community Plan 2013, which are –

- 2.2 A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
- 3.1 A strong, innovative and diversified economy that attracts people to live, work, invest and visit.

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 were identified.

CONSULTATION

Details of previous public consultation on this development application were commented on in the officer's report for the 14 December 2016 Council meeting. The relevant excerpts from the minutes of the 14 December 2016 Council meeting are an attachment to this report. The points raised in submissions previously received in respect to this application and specific consideration of each of the submissions is given at **Attachment D**.

OFFICER COMMENT

Comments on the general issues related to this development proposal were included in the Officer's report for the 14 December 2016 Council meeting which form an attachment to this report and therefore have not been repeated here.

Council deferred determination of DA16/0503 because they considered it was necessary to have a clearer understanding of how noise from the proposed development would impact on the resort on the adjoining property.

From the Noise Impact Assessment report prepared on behalf of the applicant by Wood and Grieve Engineers, comments from Herring Storer Acoustics providing criticism of the Noise Impact Assessment, concerned neighbours and Council, it is evident that noise created by amplified music and PA system use is the aspect that would be most likely to cause exceedances of the noise levels prescribed by the *Environmental Protection (Noise) Regulations 1997* and potentially result in detrimental impact to the amenity of the adjoining property. It is considered that the applicant's proposal to remove the stage component of the development and agreement to a condition prohibiting the use of electronically amplified music and public address systems will lessen the noise impacts on the occupants of the adjoining Bay Village Resort. Officer's continue to recommend

conditional approval of the proposed Market development at 24 Dunn Bay Road, Dunsborough subject to the changes and additional conditions detailed above and the other conditions previously recommended.

CONCLUSION

It is recommended that the Council grant a time limited approval to the development, and subject to a range of detailed conditions.

OPTIONS

The Council could:

1. Refuse the proposal, setting out reasons for doing so.
2. Apply additional or different conditions.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The proponent will be advised of the Council decision within two weeks of the Council meeting.

OFFICER RECOMMENDATION

That the Council resolve:

1. That application DA16/0503 submitted for development at Lot 400 (No.24) Dunn Bay Road, Dunsborough is considered by the Council to be generally consistent with Local Planning Scheme No. 21 and the objectives and policies of the zone within which it is located.
2. That a time-limited Development Approval is issued for the proposal referred to in 1. above subject to the following conditions:

General Conditions:

1. All development is to be in accordance with the approved Development Plan (attached), including any amendments placed thereon by the City and except as may be modified by the following conditions.
2. The development hereby approved is permitted for a period of ten years from the date of this Decision Notice.
3. The placement of all sea containers, roof structure and external finish of sea containers with a street front presentation is to be completed in one stage.
4. Construction of the development hereby approved shall be completed within two years from the date of the first building permit issued pursuant to this approval.

Prior to Commencement of Any Works Conditions:

5. 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:
 - 5.1 A Construction Management Plan.
 - 5.2 Details for the final finished appearance of each of the buildings facing (i.e. those that will trade into areas visible from) Dunn Bay Road and Seymour Boulevard, and of all of the externally visible aspects of the development, to ensure the development is compatible with the amenity of its setting, and in this context that it represents a high architectural standard, the details should include:

- external cladding of the buildings (sea containers) - the materials, colours, textures and projections to be used – verandas may be provided extending over the footpath road verge;
 - activation of Dunn Bay Road and Seymour Boulevard frontages through the use of openings in buildings, businesses trading out to the street, lighting, and artwork;
 - external signage – location and dimensions.
- 5.3 A Drainage Management Plan setting out details of stormwater and surface water drainage works. The Plan shall include but not be limited to the following:
- 5.3.1 Stormwater to be retained for use and/or infiltration within the lot at a rate of 1m³ per 40m² of impervious area;
 - 5.3.2 Kerbing or grade changes for paved areas;
 - 5.3.3 installing and maintaining stormwater collection systems, such as bioretention gardens and soak wells to intercept roof and general runoff;
 - 5.3.4 establishing soaks that collect and permit infiltration of stormwater.
- 5.4 Details of the finished treatment of all hard surfaced areas to be used for the construction of the parking and manoeuvring areas and pedestrian footpaths as shown on the Approved Development Plans;
- 5.5 Details of the bicycle parking facilities. The details shall include, as a minimum, the location, design and materials to be used in their construction.
- 5.6 Details of bin storage and collection arrangements, including confirmation that bin storage areas can and will be screened from public view at all times, other than when refuse collection is taking place. The Bin Storage Area is to be not to be less than 10m² in area or 1m² per bin (whichever is greater) with a minimum internal dimension of 3.5m.
- 5.7 Details of bin wash facilities to be provided.
- 5.8 A Landscape Plan providing details of onsite landscaping works.
- 5.9 A plan detailing, footpaths and other hard landscaping elements, to be undertaken on street verges adjacent the site.
- 5.10 A Noise Management Plan, which shall include details of measures to mitigate noise impacts to existing noise sensitive development on the adjoining property at 12 Dunn Bay Road, Dunsborough (Bay Village Resort).
- 5.11 Revised showing the deletion of the originally proposed stage component within the development.
6. The development hereby approved, or any works required to implement the development, shall not commence until the following contributions have been paid to the City:
- 6.1 A contribution of \$10,278.42 to the City associated in lieu of a shortfall of one on-site parking bay.

Prior to Occupation/Use of the Development Conditions:

7. The development hereby approved shall not be occupied or used until all plans, details of works required by Conditions(s) 1, 3 and 5 have been implemented and the following conditions have been complied with:
- 7.1 Landscaping and reticulation 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, are 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.
 - 7.2 A minimum number of 11 car parking bays (including 1 disabled bay) shall be provided on site. The parking area(s), driveway(s) and point(s) of ingress and egress [including crossover(s)] shall be designed, constructed, sealed, drained and marked.
 - 7.3 The development being connected to a reticulated water supply.
 - 7.4 The development being connected to reticulated sewerage.

On-going Conditions:

8. The works undertaken to satisfy Condition(s) 1, 5.1-5.8 and 7 shall be subsequently maintained for the life of the development and subject to the following conditions:
 - 8.1 Recommendations in the approved Noise Management Plan shall be implemented in accordance with the approval details.
 - 8.2 The use of electronically amplified music or public address systems in association with the hereby approved development is not permitted.
 - 8.3 Noise emissions from mechanical plant such as kitchen exhaust fans, compressors and air conditioning systems shall comply with assigned noise levels at the nearest noise sensitive receiver in accordance with the Environmental Protection (Noise) Regulations 1997.
 - 8.4 Buildings with openings facing onto Dunn Bay Road or Seymour Boulevard must at all times they are open, trade towards the street.
 - 8.5 No more than one vendor is permitted to sell alcohol for consumption on the premises. Additional vendors who hold a producer's licence may only be permitted to sell alcohol in sealed containers for consumption off the premises.
 - 8.6 Permitted opening hours are Monday – Sunday 7am -10pm.
 - 8.7 All buildings and structures are to be removed from the site, by the owner or his successor, within 6 months of the expiry of the operation and the condition of the land made good.

Note: Councillor Grant Henley proposed an Alternative Motion for Council consideration that would refuse development application DA16/0503.

COUNCIL DECISION AND ALTERNATIVE MOTION

C1702/011 Moved Mayor G Henley, seconded Councillor J McCallum

That the Council resolve that application DA16/0503 submitted for development of a Market on Lot 400 (Hse No 24) Dunn Bay Road, Dunsborough is considered by the Council to be inconsistent with Local Planning Scheme No. 21 and is refused, for the following reasons –

1. The appearance of the proposed development is not compatible with the prevailing pattern of development in the surrounding area to the detriment of the character of the area.
2. Noise created by the proposal is likely to be audible from surrounding residential properties as well as guests of the Bay Village Resort and it is considered that this will likely have an adverse environmental impact upon the amenity of these properties;

Approval of this development would be inconsistent with the orderly and proper planning of the locality for the reasons noted above.

CARRIED 5/4

Voting:

For the motion: Councillor R Bennett, Mayor G Henley, Councillor J McCallum, Councillor C Tarbotton and Councillor R Reekie.

Against the motion: Councillor T Best, Councillor G Bleachmore, Councillor P Carter and Councillor R Paine.

13. COMMUNITY AND COMMERCIAL SERVICES REPORT

13.1 CITY OF BUSSELTON ECONOMIC DEVELOPMENT TASKFORCE: APPOINTMENT OF MEMBERS

SUBJECT INDEX:	Regional Economic Development Strategies
STRATEGIC OBJECTIVE:	A strong, innovative and diversified economy that attracts people to live, work, invest and visit.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Economic and Business Development
REPORTING OFFICER:	Economic and Business Development Coordinator - Jon Berry
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

The City's Economic Development Strategy (2016-2026) and associated implementation plan was endorsed by Council (C1611/132) in late 2016 and recommended the establishment of an Economic Development Taskforce (EDT) to assist implementation. Membership of the EDT includes representation from peak industry and business groups, elected members, staff and four people with business/industry and community leadership experience.

This report recommends Council select four individuals to the EDT, resulting from public advertising inviting nominations undertaken in December 2016.

BACKGROUND

On 9 November 2016 Council (C1611/132) endorsed a new Economic Development Strategy (2016-2026) and an associated implementation plan. The documents identify strategies and initiatives which aim to attract inward investment; enhance business retention and expansion; support regional workforce development; identify and advocate for strategic economic infrastructure; and enhance the quality of place, particularly precincts with high tourist visitation.

Council also resolved to establish a City of Busselton Economic Development Taskforce (EDT) in accordance with an amended Charter for the EDT and appointed the following Councillors:

1. Cr Henley as a delegate and Chairperson
2. Cr McCallum as a delegate
3. Cr Carter as a delegate

Cr Bleechmore was also appointed as deputy delegate.

The EDT will be chaired by the Mayor (or his/her delegate), who will work with members to implement and advocate projects, policies and programs identified within the City's Economic Development Strategy. Membership will consist of:

- One (1) representative of the Margaret River Busselton Tourism Association (MRBTA);
- Two (2) City of Busselton staff members;
- One (1) representative of the South West Development Commission;
- One (1) representative of Regional Development Australia;
- One (1) representative of the Busselton Chamber of Commerce and Industry Inc (BCCI);
- One (1) representative of the Dunsborough-Yallingup Chamber of Commerce and Industry Inc (DYCCI)
- Three (3) key industry / business sector members
- One (1) Community leader.

In December 2016 the City publicly advertised inviting nominations for the three key industry/business sector members and for one community leader member. Seven nominations were received (see Officer comment below).

Additionally, during late November/early December 2016 two industry and business forums were conducted to identify and engage with local leaders:

1. Building local capability and capacity in local economic development (workshop held on 22 November 2016)
2. Strategies to improve the appeal of central Business Districts (workshop held on 6 December 2016).

The Department of Regional Development financially supported these forums as an initiative aimed at building local understanding, capacity and leadership in economic development at the local level.

On 14 December 2016, the Minister for Regional Development announced Stage Two of the Regional Centres Development Plan (RCDP), which will provide Royalties for Regions funds to enable the City of Busselton to develop a 'Growth Plan Partnership' and prepare a collaborative Growth Agenda for the district. It is proposed the EDT could provide a suitable collaborative membership to guide delivery of the RCDP program depending on the program guidelines.

STATUTORY ENVIRONMENT

There are no statutory requirements relating to the Officer recommendation as the EDT charter identifies the group to be taskforce and not a formal committee of council.

RELEVANT PLANS AND POLICIES

This report relates to the Economic Development Strategy (2016-2026) endorsed by Council on 9 November 2016 (C1611/132), which included a Charter to guide governance matters:

A Charter for the EDT has been endorsed by Council defining it as a reference group with no formal decision-making powers or authority vested to it by Council. The EDT is not established as a Committee of Council as defined in s5.8 of the Local Government Act 1995, and has no authority to:

- Expend moneys on behalf of the City;
- Commit the City to any arrangement;
- Consider any matter outside its specific reference; and
- Direct City Officers in the performance of their duties.

The Charter identifies that the City of Busselton will ultimately determine actions, having regard to the advice and recommendations of the EDT. The EDT is not intended as a definitive tool of consultation for economic development initiatives and the City of Busselton may consult with other stakeholders outside of the Taskforce.

FINANCIAL IMPLICATIONS

It is anticipated that the Elected Members may claim travel costs associated with the attendance of meetings in accordance with the Fees, Allowances and Expenses for Elected Members Policy 001; this is not expected to exceed the current budget allocation. This does not extend to general members of the EDT as membership is honorary (unpaid).

Long-term Financial Plan Implications

There are no implications for the LTFP resulting from the Officer recommendation.

STRATEGIC COMMUNITY OBJECTIVES

The City's Strategic Community Plan (SCP) identifies a desire by the community for Council to foster a strong local economy that sustains existing and attracts new business, industry and employment opportunities. The SCP states the following objectives for Council to achieve:

Key Goal Area 3:

Robust local economy: A strong local economy that sustains existing and attracts new business, industry and employment opportunities.

- A strong, innovative and diversified economy that attracts people to live, work, invest and visit;
- A City recognised for its high quality events and year round tourist offerings, and;
- A community where local business is supported

Key Goal Area 2:

Well-planned vibrant and active places: An attractive city offering great places and facilities promoting an enjoyable and enriched lifestyle.

- A City where the community has access to quality cultural, recreation, leisure facilities and Services
- A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections

RISK ASSESSMENT

The Officer recommendation does not introduce any risks identified as being high or medium.

CONSULTATION

Stakeholder consultation was conducted in preparing the Economic Development Strategy including workshops and an invitation to comment on the draft Strategy, which included a Charter for the operations and membership of the EDT. Other members of the EDT identified in the Charter include the following who have agreed to participate:

- Margaret River Busselton Tourism Association (MRBTA);
- South West Development Commission (SWDC);
- Regional Development Australia (RDASW);
- Busselton Chamber of Commerce and Industry Inc (BCCI);
- Dunsborough-Yallingup Chamber of Commerce and Industry Inc (DYCCI)

OFFICER COMMENT

Following Council endorsement of the Economic Development Strategy on 9 November 2016, the City advertised locally inviting nominations for four positions on the proposed Economic Development Taskforce, in addition to representatives from other organisations identified in the Charter (MRBTA; SWDC; RDASW; BCCI and DYCCI):

The invitation for nominations included the following requirements to be met by members:

- Available to meet within the Busselton district (at least quarterly) to discuss issues and actions associated with implementation of the Economic Development Strategy;
- Able to represent and advocate on behalf of key economic sectors including tourism, agribusiness, retail, construction and the creative sector;
- Recognised standing and influence within the business and wider Busselton/Dunsborough community; and
- Have a demonstrated understanding of the connection between a prosperous and balanced economy and a healthy community.

Advertising inviting nominations was conducted for three weeks closing 16 December 2016 and resulted in seven nominations being received:

Nominee	Organisation	Nominees Comments
Mr Stephen Gaebler	Business Success Busselton (self-employed business coaching service)	45 years' experience combining strategy, marketing, leadership, management, sales. Has established community focused action groups in Toodyay, Busselton and is a member of Geospacelab, Cape Connect and Simplify Business. Board member of Business South West
Mr Trevor Fitzgerald	Self-employed property development and management (former BJECA President)	Long term retail and commercial property development and management in Busselton. Founding member of BJECA and leadership to tourist activities and Jetty restoration. Has a significant portfolio of business tenants and key contributor to Busselton foreshore redevelopment community advisory group and strategic planning.
Mr Darren Berson	Self-employed digital entrepreneur (workforce management, back office support and Cloud Integration). Chair of Capeconnect entrepreneurs group	Aims to share and develop innovative economic ideas that utilize digital business concepts, innovation and entrepreneurship to grow and nurture new industry sectors, while also helping to leverage growth within existing established sectors. Can bring additional and alternative perspectives based on industry experience coupled with a desire to live, work and prosper in the region as a resident. Wants to help realise the potential the region has to import and develop knowledge economy workers, businesses and services for export and development of the existing economy. Holds qualifications in Commerce (majoring in Marketing and Management); Diploma in Business (Information Systems) Master's degree in Electronic Commerce
Mr Erl Happ	Happs Winery	Has significant experience in the Capes region as a viticulturist, teacher, former Councillor, builder, artist, and former President of the Margaret River Grapegrowers and winemakers association. Has a strong connection with China via wine partners in Chongqing. Holds a Bachelor of Economics degree.
Mr Scott Robinson	Jack in the Box	Has developed a local business in the creative sector over the past 16 years and has qualifications and interest in the creative sector, business, agriculture and marketing. Is a board member of the Creative Corner, Regional Development SW, CQU Advisory Group and BHS Alumni Association.
Mr Kyle Jackson	Busselton Civil and Plant	Moved to Busselton in 2014 and purchased BCP, a Busselton based company operating since 1997. With approximately 50 employees BCP provides a range of services to the private sector as well as local and State Government clients. Shareholder and director of WestGen Pty Ltd, a WA based renewable energy developer and was previously an Associate Director at PricewaterhouseCoopers (PwC) Perth. University qualifications in Commerce (Accounting and Finance) and is a member of the Institute of Chartered Accountants;

Nominee	Organisation	Nominees Comments
		Member, Australian Institute of Company Directors and Fellow of the Financial Services Institute of Australasia and Member, Australian Institute of Energy
Mr Peter Gordon	Self-employed (Owns the Equinox Café and Stilts Café)	Has a strong interest in regional business development and active member of the Busselton Chamber of Commerce and Industry and Board member of the Margaret River Busselton Tourism Association Inc. Has significant experience in hospitality and tourism and in agricultural machinery dealerships. Is keen to ensure jobs are created in new industries as the population of the Capes region grows. Also has a passion to see higher education grow in the region and is Chair of the CQU Advisory Group

A panel of City officers evaluated all nominations with the aim of recommending a diverse group of individuals best able to work in a collaborative environment and able to effectively represent and advocate on behalf of current and emerging sectors of the economy (e.g. tourism, agribusiness, digital economy, retail/hospitality, construction, professional services, creative sector); and have recognised standing and influence within the business and wider Busselton/Dunsborough community. On this basis City Officers recommend the following nominations be invited to join the EDT:

Nominee	Business/Industry/Community Sector
Mr Peter Gordon	Tourism and hospitality
Mr Kyle Jackson	Building and construction, renewable energy, professional services
Mr Darren Berson	Digital economy and entrepreneurial networks
Mr Trevor Fitzgerald	Community leader and established CBD property owner

CONCLUSION

Council has previously resolved to establish an Economic Development taskforce (EDT) to steer implementation of its Economic Development Strategy (2016-2026). It is also anticipated the EDT will form the foundation local advisory/governance group for the Regional Centres Development Plan (RCDP) program announced by the State Government in late December 2016.

Following public advertising inviting membership to the EDT, seven nominations have been received. Council is requested to appoint four members to finalise the group, which will also consist of representatives of the MRBTA; SWDC; RDASW; BCCI and DYCCI. City staff and Councillors Henley, Carter and McCallum will also be members of the EDT.

OPTIONS

Council may elect to:

- Discontinue establishment of the EDT and not appoint members;
- Appoint a greater (or lesser) number of members to the EDT; or
- Appoint other individuals to the EDT that did not nominate through the public invitation process.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Members to the EDT will be notified immediately and will participate in meetings to be held quarterly (or as required) with the first meeting to be held in March 2017. A review of the EDT and its membership will be undertaken every two years to ensure the purpose, membership and operation is relevant and to make appropriate changes if required.

OFFICER RECOMMENDATION

That the Council appoints the following individuals to the City of Busselton Economic Development Taskforce for a term of two years:

1. Mr Peter Gordon
2. Mr Kyle Jackson
3. Mr Darren Berson
4. Mr Trevor Fitzgerald

Note: Councillor McCallum proposed an Alternative Motion for Council consideration that would include the addition of Mr Erl Happ to the current proposed taskforce list.
Councillor Carter proposed proposed an Alternative Motion for Council consideration that would include the addition of Mr Scott Robinson to the current proposed taskforce list.

Council Decision and Alternative Motion

C1702/012 Moved Councillor J McCallum, seconded Councillor P Carter

That the Council appoints the following individuals to the City of Busselton Economic Development Taskforce for a term of two years:

1. Mr Peter Gordon
2. Mr Kyle Jackson
3. Mr Darren Berson
4. Mr Trevor Fitzgerald
5. Mr Erl Happ
6. Mr Scott Robinson

CARRIED 9/0

14.4 PORT GEOGRAPHE VILLAGE CENTRE COMMUNITY PURPOSE SITE AND EASEMENT

SUBJECT INDEX:	Port Geographe Village Centre
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Corporate Services
ACTIVITY UNIT:	Property Services
REPORTING OFFICER:	Property Management Coordinator - Sharon Woodford-Jones
AUTHORISING OFFICER:	Acting Director, Finance and Corporate Services - Sarah Pierson
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Port Geographe Village Centre Land Attachment B Port Geographe Village Centre Precinct Plan

PRÉCIS

The purpose of this report is to recommend that Council enter into an agreement with the owners of a portion of land within the Port Geographe Development known as the Village Centre. The proposed agreement will create a legal obligation on the developers of the Village Centre to hand over to the City a community purpose site (“CPS”) within the Village Centre, free of charge and encumbrances.

BACKGROUND

Lots 38 and 9501 on Deposited Plan 50937 as shown on the Plan annexed and marked ‘Attachment A’ form the land known as the Village Centre. The latest Endorsed Structure Plan for this land dates back to 2008 and is annexed and marked ‘Attachment B’. The Village Centre land was originally indistinguishable from the whole Port Geographe Development as it formed part of the land purchased by the original developer, Port Geographe Development Pty Ltd, circa 1990. As a result of the grant of a specific development approval for subdivision from the Port Geographe Development it became known as the Port Geographe Village Centre and the subject of its own Structure Plan, distinct from the Port Geographe Development Plan.

Port Geographe Development Pty Ltd entered into a Development Deed with the City of Busselton (then the Shire of Busselton) and the Minister for Transport on 23 January 1991 (“the Development Deed”). The Development Deed has been the subject of a number of variations over the years reflecting not only the changes in ownership of the land but the way in which it was contemplated it would be developed. Notwithstanding the later subdivision of the Village Centre, it remained part of the development for the purpose of the Development Deed obligations.

The Development Deed contained a number of commitments and obligations, many of which have either been renegotiated and embodied in new documentation; are obsolete or have been satisfied over time. For the purpose of this report, the Development Deed obligation that remains outstanding is the requirement to transfer a CPS within the Village Centre to the City free of charge and encumbrances.

The Port Geographe Development was acquired by Tallwood Nominees Pty Ltd (“Tallwood”) in March 1994. Tallwood went into voluntary administration on 4th August 2011 and into liquidation on 9th August 2012.

Prior to Tallwood going into administration, the Village Centre land was purchased by a separate entity, the Port Geographe Village Centre Pty Ltd (“the PGVC”) but the transfer was never registered. It is understood that the reason for this was that stamp duty on the transaction was not paid at the time, preventing the land from being registered in the name of the new owners, the PGVC. Tallwood therefore remained as the registered proprietor of the Village Centre when they went into administration.

The undeveloped land at Port Geographe was acquired by a new developer Aigle Geographe Pty Ltd in April 2015. It specifically excluded the Village Centre as the administrators acknowledged that the

'owners' of the Village Centre were the PGVC. Whilst a new Development Deed was entered into by the new Developers, this was in respect of the land purchased within the Port Geographe Development and excluded the Village Centre.

As the outstanding obligations within the original Development Deed (as varied) *that relate to the wider Port Geographe Development* have been either renegotiated or embodied in other agreements, the obligation to transfer a CPS to the City free of encumbrance within the Village Centre remains as the only remnant obligation of the original deed. Until such time as the obligation in relation to the provision of a CPS from the Village Centre is satisfied the City are entitled to retain a caveat over the Village Centre lots. This caveat will be lifted to enable the transfer to the PGVC to be concluded.

The current Structure Plan for the Village Centre refers to the provision of 200m² of constructed floor space for community purposes. As the Village Centre is largely undeveloped and at some point will have to be the subject of a new development or sub division approval, the developers have requested that the City allow them to nominate alternatives as to how the obligation to provide a CPS might be satisfied. It is also acknowledged that the Structure Plan is a framework for more detailed planning to occur at the subdivision and development stage and the appropriateness of a CPS in this area will need to be considered in more detail in the future. The purpose of the proposed agreement is to capture some alternatives, which are explained in more detail in the Officer Comment section of the report, along with the right for the City to lodge a new caveat to protect the obligation.

STATUTORY ENVIRONMENT

The Structure Plan annexed and marked as Attachment A was endorsed under delegation in accordance with s.16 of the Planning and Development Act 2005 and was adopted pursuant to the Shire of Busselton Planning Scheme No. 20 on 29th August 2008.

Paragraph 6.9.4 of the City of Busselton Local Planning Scheme No. 21 refers to the Port Geographe Village Centre Precinct Plan incorporating and making provision for 200m² of constructed floor area community/meeting space. This is consistent with the 2008 Structure Plan. The proposals within the proposed agreement align with the provisions of the Local Planning Scheme in this respect.

RELEVANT PLANS AND POLICIES

Nil

FINANCIAL IMPLICATIONS

There are no budget implications of entering into the proposed agreement other than nominal costs for the withdrawal and lodgment of a caveat over the Village Centre land to enable the land to be registered. Once the obligation in the proposed agreement is satisfied by the PGVC, the City will need to determine what is appropriate for the development at that time; which may have associated future financial implications.

Long-term Financial Plan Implications

See above.

STRATEGIC COMMUNITY OBJECTIVES

The proposal to enter into an agreement for the provision of a CPS is consistent with the City of Busselton Strategic Community Plan 2013 (review 2015), namely Council Objectives:

2.2 A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections; and

2.3 Infrastructure assets are well maintained and responsibly managed to provide for future generations.

RISK ASSESSMENT

There are not considered to be any medium or high level risks associated with the proposal to enter into the proposed agreement.

CONSULTATION

The provision of a CPS in a built form is referred to in the Structure Plan endorsed in 2008 which is consistent with the relevant provisions of the City of Busselton Local Planning Scheme No. 21. Those planning processes were the subject of consultation undertaken at the time.

OFFICER COMMENT

Due to changes both to the original Development Deed, the subsequent subdivision of the Village Centre and the change and iterations of the structure plans over the years the means by which the City is to be provided with a CPS have changed.

The Village Centre was formally the subject of its own WAPC planning approval which has long since lapsed. In negotiating the terms of the proposed agreement with the PGVC, the issue of most concern related to the uncertainty over the future Village Centre development proposals and the inability to determine the final built form at this stage. It is for this reason that the proposed agreement accommodates alternative means by which the obligation can be satisfied.

The City may ultimately determine that a CPS is not necessarily appropriate for the area and the final built form may be very different to that envisaged at the time the obligation was created, but the proposed Agreement preserves the rights of the City, which if not secured now, would be difficult to capture at a later date.

The proposed agreement therefore requires that the CPS must be handed over to the City in one of two forms, either a minimum of 200 square metres of constructed floor space which is strata titled, or, if the City are willing to accept it, a portion of freehold land with a minimum block size of 400 square metres. The proposed agreement provides that the trigger for the provision of the site will occur five years after the PGVC have obtained either subdivision or development approval.

In the event of the PGVC failing to provide land in either of the formats outlined then the proposed agreement provides that the City may either demand compensation from the developers based on a valuation of either 200 square metres of constructed floor space in the Village Centre or a block of freehold land with a minimum block size of 400 square metres.

As Tallwood have been in administration since 2012, the ability for the PGVC to conclude the transfer and registration of the Village Centre land and negotiate an outcome in relation to the CPS with the City has been curtailed. Execution of the proposed agreement with the PGVC effectively deals with the requirement that arose from the original Development Deed (as varied) in relation to the provision of a CPS and the protection of that obligation in the form of a caveat lodged on the Village Centre land.

It is the last matter for the Administrators of Tallwood to deal with. Following execution of the proposed agreement the PGVC can conclude the transfer and registration of the Village Centre land and the administrators can bring the administration of Tallwood to a close.

CONCLUSION

The proposed agreement provides for the provision of a CPS within the Village Centre and satisfies the obligation in the Development Deed, albeit in a different form and with options as to how the land is provided. Subject to determination of what is appropriate at the time, it will enable the City to claim a CPS (in one form or another) while at the same time allowing the developers flexibility in the ultimate design of the subdivision and development of the Village Centre.

OPTIONS

1. The Council may choose not to enter into the Agreement with the PGVC
2. The Council may direct Officers to enter into a different form of agreement with the PGVC.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The PGVC wish to execute the proposed agreement as soon as possible and the administrators of Tallwood wish to conclude the winding up of the company and transfer of its remaining assets. It is therefore expected that the agreement will be executed by the City no later than the end of April 2017.

OFFICER RECOMMENDATION

That the Council:

- 1) Enters into an agreement with the Port Geographe Village Centre Pty Ltd and MacSea Nominees No 2 Pty Ltd on the following terms:
 - a) The provision of a Community Purpose Site within 5 years from the date of issue of Subdivision Approval or Development Approval in respect of the land known as the Village Centre
 - b) Such Community Purpose Site to be in one of the following forms:
 - i. a portion of land selected by the developers within the Village Centre that is a minimum of 200 square metres of constructed floor space and strata titled; or
 - ii. with the consent of the City of Busselton, a portion of land within the Village Centre that is a block of freehold land within a minimum block size of 400 square metres.
 - c) The option for the City to claim compensation in the event of the Developers failing to comply with the obligation to transfer a Community Purpose Site in an amount equivalent to the value of either 200 square metres of constructed floorspace which is strata titled or a block of freehold land with a minimum block size of 400 square metres.
 - d) Other terms and conditions dealing with the ability to lodge a caveat on the Village Centre land to protect the interest of the City.

Note: Officers proposed an Alternative Recommendation for Council consideration that would allow the City to determine the location of the Community Purpose Site.

Council Decision and Alternate Officer Recommendation

C1702/013

Moved Councillor J McCallum, seconded Councillor G Bleachmore

That the Council:

- 1) Enters into an agreement with the Port Geographe Village Centre Pty Ltd and MacSea Nominees No 2 Pty Ltd on the following terms:

- a) The provision of a Community Purpose Site within 5 years from the date of issue of Subdivision Approval or Development Approval in respect of the land known as the Village Centre
- b) Such Community Purpose Site to be a portion of land in a location to be agreed upon by the City and the developer within the Village Centre in one of the following forms:
 - i. Land that has a minimum of 200 square metres of constructed floor space and strata titled; or
 - ii. a block of freehold land within a minimum block size of 400 square metres.
- c) The option for the City to claim compensation in the event of the Developers failing to comply with the obligation to transfer a Community Purpose Site in an amount equivalent to the value of either 200 square metres of constructed floorspace which is strata titled or a block of freehold land with a minimum block size of 400 square metres.
- d) Other terms and conditions dealing with the ability to lodge a caveat on the Village Centre land to protect the interest of the City.

CARRIED 9/0

14.1 DEVELOPMENT ASSESSMENT PANEL - NOMINATION OF MEMBERS & ALTERNATE MEMBERS

SUBJECT INDEX:	Councillor Appointments
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Administration Officer - Governance - Hayley Barge
AUTHORISING OFFICER:	Acting Director, Finance and Corporate Services - Sarah Pierson
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

The City has received notification from the Department of Planning that the City's elected member appointments for the Development Assessment Panel (DAP) expire in April 2017. The purpose of this report is to nominate two DAP members and two alternate DAP members as replacements to the local panel to commence at the next term expiry.

BACKGROUND

DAPs were introduced on 1 July 2011 to determine development applications that meet prescribed criteria. Each DAP comprises of five members, three specialist members, including the presiding member, and two local government members. In addition to this, there are to be two alternate members to be appointed as deputies.

The City of Busselton's current DAP members are Councillor Grant Henley and Councillor Terry Best with Councillor Gordon Bleechmore and Councillor Paul Carter as alternative members, all of which have a term ending 26 April 2017.

STATUTORY ENVIRONMENT

Under regulation 26 of the Planning and Development Regulations 2011 (DAP Regulations), the Council is requested to nominate four elected members of the Council, comprising of two members and two alternate members to sit on the DAP.

Should the Council determine not to nominate the required number of members to the DAP, the Minister may include as a representative of the local government a person who is an eligible voter for the district of the local government that is considered to have the relevant knowledge or experience to enable such person to represent the interests of the local community of that district.

RELEVANT PLANS AND POLICIES

Nil.

FINANCIAL IMPLICATIONS

Travel costs and other out of pocket expenses incurred by members when attending DAP meetings are paid by the Department of Planning in accordance with the Public Sector Commissioner's Circular (2009/20 Reimbursement of Travel expenses for Members of Government Boards and Committees) and are not paid by the Local Government.

Long-term Financial Plan Implications

Nil.

STRATEGIC COMMUNITY OBJECTIVES

The subject of this report is consistent with the City of Busselton's endorsed Strategic Community Plan 2013 (Review 2015), specifically the following community objectives:

Well Planned, Vibrant and Active Places

- 2.2 A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.

Open and Collaborative Leadership

- 6.2 Governance systems that deliver responsible, ethical and accountable decision making.

RISK ASSESSMENT

There are no risks identified of a medium or high level associated with the Officer's recommendation.

CONSULTATION

Nil.

OFFICER COMMENT

The City has received notification from the Department of Planning that the City's elected member appointments for the Development Assessment Panel (DAP) expire in April 2017. In accordance with the DAP Regulations it is recommended that Councillors nominate two Councillors to be the local government members and two Councillors to be alternate members. DAP members are required to undertake training prior to undertaking their role on a DAP and it is recommended that nominations are made now in order to allow time for any required training to occur, prior to the expiry of the current Councillor members terms in April 2017.

In the event that a Councillor whose terms expires and who is not re-elected is a DAP member, the Council will have the opportunity to elect a new Councillor to the DAP.

CONCLUSION

It is recommended that Councillors nominate the required number of members to the DAP at the 8 February 2017 meeting in order to notify the Department of Planning in a timely manner and arrange training for any new elected members if required.

OPTIONS

The Council could determine not to nominate the required number of representatives to the Development Assessment Panel leaving the Minister to fill the remaining positions with an eligible voter of the district considered to have the relevant knowledge or experience to represent the interests of the local community.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Nominations are required to be received by the Department of Planning by 28 February 2017.

Council Decision and Officer Recommendation

C1702/014

Moved Councillor P Carter, seconded Councillor R Reekie

Following nominations and secret ballot, the Council nominate the following:

- 1) Councillor Henley and Councillor McCallum as members of the Development Assessment

Panel.

- 2) Councillor Bleechmore and Councillor Carter as alternate members of the Development Assessment Panel.

CARRIED 9/0

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

17. CONFIDENTIAL REPORTS

The reports listed below are of a confidential nature, in accordance with section 5.23(2) of the Local Government Act 1995. These reports have been provided to Councillors, the Chief Executive Officer and Directors only.

17.1 Finance Committee - 2/02/2017 - APPLICATION FOR EXEMPTION FROM RATING - BACKSTOP FOUNDATION

SUBJECT INDEX:	Exemptions and Appeals
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Rates Coordinator - David Whitfield
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Confidential Backstop Foundation Dwellings

This item is confidential in accordance with section 5.23(2) (f)(iii) of the Local Government Act 1995, as it contains information relating to a matter that if disclosed, could be reasonably expected to prejudice the maintenance or enforcement of a lawful measure for protecting public safety.

This item was considered by the Finance Committee at its meeting on 2 February 2017, the recommendations from which have been included in this report.

Council Decision and Officer Recommendation

C1702/015 Moved Councillor G Bleechmore, seconded Councillor T Best

That the Council:

1. In accordance with Section 6.26(2) (g) of the Local Government Act declare that the property described Attachment A and owned by the Backstop Foundation - Van Doornum Ventures P/L is exempt from rating on the basis that the property is being used exclusively for a charitable purpose, with the effective date being the date of application of 25 August 2016.

CARRIED 9/0

14.3 STRATEGIC COMMUNITY PLAN 2017-2030 - ADOPTION FOR PUBLIC ADVERTISING

SUBJECT INDEX:	Strategic Community Planning
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Corporate Services
ACTIVITY UNIT:	Organisational Development
REPORTING OFFICER:	Acting Director, Finance and Corporate Services - Sarah Pierson
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Strategic Community Plan 2017-2030 ⇒

PRÉCIS

This report presents the attached draft City of Busselton Strategic Community Plan 2017-2030 and seeks Council approval for the draft plan to publicly advertised for a period of twenty one (21) days, such that community feedback can be sought to further inform the completion of the plan.

BACKGROUND

On 26 August 2012 the Minister for Local Government introduced regulations (contained within the *Local Government (Administration) Regulations 1996*) which established new requirements for the Plan for the Future under the Local Government Act 1995. Under these regulations, all local governments in Western Australia were required to develop and adopt (by absolute majority) two key documents by 30 June 2013: a Strategic Community Plan and a Corporate Business Plan. These documents are supported and informed by resourcing and delivery strategies, namely Asset Management Plans, a Long Term Financial Plan and a Workforce Plan. This framework is commonly referred to as Integrated Planning.

The Department of Local Government and Communities uses three standards for measuring a local government's performance – level 1 – achieving standard, level 2 – intermediate standard and level 3 – advanced standard. The legislation requires that only level 1 standards are met, with intermediate and advanced standards demonstrating the higher levels to which local governments should aspire as they mature and improve their planning practices.

The Strategic Community Plan is required to be for a minimum 10 year timeframe with its purpose being to state the community vision, aspirations and objectives. The plan must be developed through consultation with the community, with community engagement involving a minimum of 500 people and two documented mechanisms being required in order to meet the basic standard.

The City's current Strategic Community Plan 2013 was adopted by Council in February 2013. The plan has a 10 year focus based on six (6) community key goal areas and eighteen (18) community objectives. The plan outlines for each key goal area a number of strategies adopted by Council which, together with day to day City services, help to achieve the community's objectives.

The regulations require that a local government reviews its Strategic Community Plan at least once every 4 years. Additionally the Department of Local Government and Communities standards recommend that a strategic review is undertaken every two years, alternating between a minor strategic review and a major strategic review (as per the regulations) where Council re-engages with the community on the vision and key choices for the coming ten plus years.

A minor review of the City's Strategic Community Plan was undertaken in 2015. This review included engagement with the community via a questionnaire accessible on the City's website and in hard copy; a workshop with a number of key stakeholders, and a workshop with staff who lodged an expression of interest to assist with the review.

Overall, the review concluded that no changes were required at that point in time to the Key Goal Areas or the Community Objectives but noted scope for refinements and simplification to be made as part of the major four year review of the plan.

The City commenced its major four year review on 1 July 2016, with the result being the attached revised draft Strategic Community Plan. Further details of the review process and outcomes are detailed in the Consultation and Officer Comment sections of this report.

STATUTORY ENVIRONMENT

Section 5.56 of the Local Government Act 1995 requires local governments to Plan for the Future, ensuring that plans made are in accordance with any regulations made about planning for the future of the district. Regulation 19C of the Local Government Administration Regulations 1996 requires the creation of a Strategic Community Plan in accordance with the following:

1. A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
2. A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.
3. A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.
4. A local government is to review the current strategic community plan for its district at least once every 4 years.
5. In making or reviewing a strategic community plan, a local government is to have regard to —
 - (a) the capacity of its current resources and the anticipated capacity of its future resources; and
 - (b) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and
 - (c) demographic trends.
6. Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.
7. A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.
**Absolute majority required.*
8. If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.
9. A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.
10. A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.

Regulation 19DA requires that a corporate plan is made for the district covering at least 4 years and setting out, consistent with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district.

RELEVANT PLANS AND POLICIES

In order for the Strategic Community Plan to meet the Department of Local Government and Communities basic standard, a community engagement policy or strategy must be in place. This requirement is met through the City's Community Engagement and Consultation Policy.

FINANCIAL IMPLICATIONS

The Strategic Community Plan has been developed in house and, aside from costs associated with running the consultation program and the costs of advertising and publishing the final document, all of which has been budgeted for within the current budget, the development of the Strategic Plan itself has no direct financial implications.

There will however be financial implications in terms of the delivery of some of the strategies identified within the plan and delivery of agreed Corporate Business Plan actions, services and projects over the next 4 years as we work towards meeting the community objectives. These will need to be costed and considered as part of review of the City's Long Term Financial Plan with the City's capacity to resource initiatives impacting on what can be included in the Corporate Business Plan. Overall however the City of Busselton is well positioned to fund core service delivery along with the strategies and projects identified with several sources of available revenue including rates, borrowings, reserves, contributions and grant funding.

Long-term Financial Plan Implications

The City's Long Term Financial Plan sets out the City's financial resourcing requirements to ensure the delivery of services, projects and activities to the community and the responsible management of assets. This includes current and projected staffing requirements, set out as part of the City's Workforce Plan.

The Strategic Community Plan guides and in turn is guided by the Long Term Financial Plan, with the relationship between the two documents crucial. Nothing within the draft Strategic Community Plan however is expected to impact adversely on the City's current Long Term Financial Plan, with the draft plan representing an enhancement of Council's current strategic direction and not a significant change.

STRATEGIC COMMUNITY OBJECTIVES

The Strategic Community Plan provides the overall strategic direction for the community, for Council and for others who deliver services and play a part in the City's growth and development (our Key Partners). The plan can be used as a guiding document, not only with respect to the City of Busselton's responsibilities, but with respect to the broader community's responsibilities; and those of other agencies, private investors, residents and so on. As such the plan is of significant strategic importance.

In terms of current Strategic Community Plan linkages the development of the plan aligns with Key Goal Area 6 – Open and Collaborative Leadership – and the community objectives:

- 6.1 A Council that engages broadly and proactively with the community.
- 6.2 Governance systems that deliver responsible, ethical and accountable decision making.

RISK ASSESSMENT

There are not considered to be any medium or high level risks associated with the proposal to advertise the revised draft Strategic Community Plan for public comment. Advertising the draft plan provides opportunity for the community to comment on the strategic direction outlined in the plan and ensures that the community are consulted in relation to the development of the plan.

CONSULTATION

To ensure that our community's vision, aspirations and objectives continue to be reflected in our planning, and specifically in the Strategic Community Plan, a broad community engagement program was developed. Under the banner of VISION 2030, Council sought input from the community about what their vision is for our community and what people would like to see happen over the next 10-15 years. Community input was sought through a number of engagement channels with the consultation program open between 1 July 2016 and 30 September 2016.

The program included a variety of face to face community engagement workshops and discussions, with each workshop and round table discussion conducted by a professional and independent facilitator. Five community workshops were held attracting 80 participants. Three workshops were attended by people randomly selected from the City's ratepayer database and invited to attend by the Mayor, with 2000 invitations in total sent out. The remaining two workshops were open workshops with participants drawn through advertising and promotion. These workshops involved creative discussion and explored the things people think are worth retaining and the things that they would like to see in the City by 2030. Participants were also asked to prioritise initiatives over the next four years.

Two round table discussions forums were also held with members of the rural community providing them with the opportunity to identify the aspirations and issues relevant to their particular lifestyle. Our younger community members were provided the opportunity to contribute their thoughts and ideas through two visionary workshops held at St Mary McKillop College and Cape Naturaliste College, attended by 44 students in total. At these sessions students were asked to envisage and record the things they would need in 2020, 2025 and in 2030. A staff workshop rounded out the face to face consultation.

Input was also sought through the City's interactive social engagement platform, yoursay.busselton.wa.gov.au, where discussion and brainstorm forums generated new ideas on how to provide for our growing population, our youth, and what might be missing in our City. A quick poll also told us what was most important to the community.

A community survey seeking the community's vision and aspirations was also available on yoursay.busselton.wa.gov.au as well as in hard copy from selected City locations and in two local print media publications.

Promotions and information about the review and opportunity for the community to have their say was promoted at the City's leisure centre, community centre; at shopping centres where surveys were also made available, and via print media advertising.

Statistics from the 'yoursay' Busselton website told us that, through that medium alone, we had 809 aware participants, that is people who visited at least one page of the project, 523 informed participants, people who visited more than one page or who viewed or downloaded a document from the project page, and 225 engaged participants, people who contributed. In total the number of submissions received (engaged participants) across all consultation mediums was 665.

The outcomes from the consultation process were presented to Council at a workshop on the 9th November 2016. Based on the key themes identified the Strategic Community Plan was developed with Council through a series of workshops.

OFFICER COMMENT

The consultation submissions from the community overall reflected the goals and aspirations of our current Strategic Community Plan and indicated that our current strategic direction is broadly in line with the community's vision. Importantly however the submissions identified areas in which the community desires us to provide greater focus on and told us of the things that are most important to the community. Specifically we heard that our environment is regarded as our most valuable natural asset and is the reason that people live here. People desire a City that is vibrant and modern,

but retains its rural areas and their relaxed country feel. It was also clear that people want to continue to experience the lifestyle we all enjoy, but at the same time recognise the need to cater for the population growth that we know is inevitable and to make the most of opportunities that bring benefit to our community.

The matters most frequently raised included the desire for:

- Improved road design, relieving parking problems and traffic congestion and completion of the dual carriageway highway between Capel and Busselton.
- Better more accessible public transport schedules, networks and systems.
- Educational facilities in the form of a university and TAFE plus more primary and high school options.
- Improvements to health, hospital and specialist services in the District.
- Management and protection of the City's natural environment including maintaining green belts, managing the effects of climate change and coastal erosion and facilitating sustainable living options.
- Diversification of industry and promotion of local businesses that to drive our economy and showcase our identity
- Industries that provide a range of sustainable employment opportunities for all of the community.
- The restoration and maintenance of the health of our waterways and wetlands, with the Vasse River a key concern for people.
- Improving cycle way and bike path networks to connect key destinations and provide an alternative means of transport.
- A focus on well planned places such that our unique village feel is maintained along with green belts while at the same time developing a more modern cosmopolitan city with high density and mixed-use living.
- Longer shopping hours in town centres and a diversity in the goods offered by retail enterprises.

Other issues raised included

- The need for a performing arts and entertainment centre.
- Bushfire risks.
- Numbers of policing in the District and the incidence of criminal activity.
- Provision of services for youth.
- The number and design of parks and playgrounds.
- Improved waste management and the introduction of kerb side recycling.

The attached draft Strategic Community Plan attempts to capture and distil these key themes and the ideas presented into an overall vision, six key goal areas and twenty one community objectives.

The vision for the City of Busselton is reflected in the plan as a place '**where environment, lifestyle and opportunity meet**'. This represents what the community told us; that the environment and our natural surrounds is important to us, and that the lifestyle we enjoy is something we want to retain while at the same time recognising and building on the opportunities available to us.

The six key goal areas focus around a key theme with each having an associated outcome / aspirational statement, designed to be a much sharper, more memorable statement than what is contained in our current plan.

1. Community - *Welcoming, friendly and healthy*
2. Places and Spaces - *Vibrant, attractive and affordable*
3. Environment - *Valued, conserved and enjoyed*
4. Economy - *Diverse, robust and prosperous*
5. Transport - *Smart, connective and accessible*
6. Leadership - *Visionary, collaborative and accountable*

These goal areas build on and further refine the goals of the current Strategic Community Plan - *Caring & Inclusive Community; Well Planned, Vibrant & Active Places; Robust Local Economy; Connected City; A Cared For & Enhanced Environment; Open & Collaborative Leadership* – with the Community Objectives that sit below them expanded on (from 18 to 21) and adjusted to bring focus to particular issues raised during the consultation, such as the need for improved health and education opportunities, the desire for planning strategies that foster the development of healthy neighbourhoods and produce vibrant town centres, the importance of improving and maintaining the health and attractiveness of our waterways and wetlands, and the need to design and provide road networks that will cope with a growing population while also planning for the expansion of public transport services.

The plan outlines a number of high level Council strategies, things that Council will do to support achievement of the community objectives. This further detail is not designed to be exhaustive in nature; it is designed to demonstrate to the community the role Council can play in progressing the plan's goals and objectives. As outlined in the plan there is a limit to what can be achieved solely by the City of Busselton within its legislative, financial and workforce resources. Where aspirations cannot be achieved by local government alone, the plan notes Council's commitment to work with its key partners to advocate and respond in a way that can make a positive difference.

It is important to recognise that this revised plan is not new in its direction; rather it builds on, and enhances our current Strategic Community Plan, developed in 2013. There are however some changes. So the community can easily see the difference between this plan and what was adopted in 2013, we have colour coded each objective and strategy with either "New", "Modified" or "Existing" with each having the following meaning:

- **"New"** denotes that the objective or strategy is new to the Strategic Community Plan.
- **"Modified"** denotes that the theme of an objective or strategy appearing in the previous plan remains the same but the wording has changed slightly with regard to the intent or direction.
- **"Existing"** means that the objective or strategy has been carried over from the previous Strategic Community Plan unchanged.

The plan attached is in draft form, both in terms of content and layout. It is intended that, with Council approval, this draft plan will be advertised for a period of 21 days, allowing time for the community to provide feedback by way of submissions. During this time it is also intended that staff will promote the plan and its purpose to the community and actively pursue feedback from key partners and community groups. It is not expected that this further consultation will incur any costs aside from some staff time. It is hoped however that this approach will ensure community understanding of the plan and its purpose.

Feedback received will be collated and reported back to Council, with the draft plan further reviewed, dependant on the feedback received. The Strategic Community Plan (with any amendments) will then be formally presented to Council for adoption by an absolute majority.

Beyond this plan, the ideas and detailed feedback from the consultation will be further considered and incorporated in the development of the Corporate Plan, with this being the more medium term (4 year) delivery document setting out how the City of Busselton as an organisation, will work towards achievement of the Community's objectives and implement the Council strategies. The Corporate Business Plan is reviewed annually so that it continues to be a current plan of the critical projects and actions to be undertaken on behalf of the community.

CONCLUSION

The City of Busselton has reviewed its Strategic Community Plan 2013, in accordance with legislative requirements, and has developed a revised draft Strategic Community Plan 2017-2030. The draft plan is presented to Council for approval to advertise to the community and seek their further

feedback. It is proposed that it be advertised for a period of 21 days. Feedback received will be collated and considered with the Strategic Community Plan (with any amendments) then being formally presented to Council for adoption by an absolute majority.

OPTIONS

- 1 Council may decide not to approve advertising of the draft Strategic Community Plan and to instead support the plan being presented for adoption. The regulations require that a local government consults with electors and ratepayers during the development of a strategic community plan and when preparing modifications of a strategic community plan. While consultation has occurred during the development of the plan, further advertising of the plan is recommended to ensure the community is consulted in relation to the detail of the revised draft plan and how the current plan is being modified.
- 2 Council may decide to defer advertising of the draft Strategic Community Plan or to request further amendments prior to advertising.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Upon approval the draft plan will be advertised as soon as possible in February 2017.

Council Decision and Officer Recommendation

C1702/016 Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council:

In accordance with Regulation 19C of the Local Government Administration Regulations, endorse the attached draft City of Busselton Strategic Community Plan 2017-2030 for the purposes of public advertising, with advertising to be undertaken for a period of 21 days.

CARRIED 9/0

LATE ITEMS BROUGHT FORWARD AND ADOPTION BY EXCEPTION RESOLUTION

At this juncture the Mayor advised the meeting that the following late reports, including the Committee and Officer Recommendations, will be adopted en bloc.

Late Items Brought Forward For Discussion

- 10.4 Finance Committee - 2/02/2017 - FINANCE COMMITTEE INFORMATION BULLETIN - NOVEMBER/ DECEMBER 2016
- 10.5 Finance Committee - 2/02/2017 - LIST OF PAYMENTS MADE - NOVEMBER 2016
- 10.6 Finance Committee - 2/02/2017 - LIST OF PAYMENTS MADE - DECEMBER 2016
- 10.7 Finance Committee - 2/02/2017 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 30 NOVEMBER 2016
- 10.8 Finance Committee - 2/02/2017 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 DECEMBER 2016
- 10.10 Finance Committee - 2/02/2017 - ASSET MANAGEMENT

Council Decision and Officer Recommendation

C1702/017 Moved Councillor J McCallum, seconded Councillor G Bleechmore

That the Committee accept the following late agenda items, to be carried en bloc:

- 10.4 Finance Committee - 2/02/2017 - FINANCE COMMITTEE INFORMATION BULLETIN - NOVEMBER/ DECEMBER 2016

SUBJECT INDEX:	Councillors' Information
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Executive Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli Asset Coordinator - Daniel Hall Councillor Support Officer - Lisa Haste
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

This item was considered by the Finance Committee at its meeting on 2 February 2017, the recommendations from which have been included in this report.

PRÉCIS

This report provides an overview of information that is considered of relevance to members of the Finance Committee, and also the Council.

INFORMATION BULLETIN**1. Chief Executive Officer – Corporate Credit Card**

Details of monthly 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
27-Oct-16	\$219.05	Hiroshimaeapotokotsuu Kad	Hiroshima Taxi
28-Oct-16	\$17.45	Hirokotakushi Kado	Hiroshima Taxi
29-Oct-16	\$455.19	Ana Crowne Plaza, Hiroshima	Accommodation & Meals Sugito Trip
29-Oct-16	\$340.98	Ginmasa Ginzasukiyabashis	Meals Sugito Trip
29-Oct-16	\$678.70	West Japan Railway Co	2 X Train Hiroshima To Tokyo
30-Oct-16	\$1,151.06	Imperial Hotel, Tokyo	Accommodation and Meals Sugito Trip
31-Oct-16	\$277.11	Createsend/Jack In The Box	Bay To Bay - Busselton Foreshore Focus Oct 2016
02-Nov-16	\$121.43	Ana Crowne Plaza, Narita Chiba	Accommodation & Meals Sugito Trip
11-Nov-16	\$391.06	Esplanade, Fremantle	Accommodation : LGMA State Conference
11-Nov-16	\$104.00	Esplanade, Fremantle	Accommodation : LGMA State Conference
11-Nov-16	\$178.29	Esplanade, Fremantle	Accommodation : LGMA State Conference
11-Nov-16	\$371.49	Central Plaza Hotel, Toowoomba	Accommodation: National Roads Conference
12-Nov-16	\$746.03	Quest Apt Launceston	Accommodation: ICTC Society Conference
12-Nov-16	\$23.10	The Goose Bar	Meeting With Minister Jacobs
21-Nov-16	\$140.30	Trybooking	Sundowner With Mark McGowan
29-Nov-16	\$17.50	Al Forno	Meeting - City Of Bunbury & Mayor
02-Dec-16	\$280.30	Createsend/ Jack In The Box	Email Bay To Bay November/ December 2016
02-Dec-16	\$620.97	Mantra Geraldton	Accommodation: LGCOG Conference
14-Dec-16	\$1,277.45	Australian Coastal Councils	2017 Council Conference
14-Dec-16	\$23.89	Mayors For Peace	Membership (2000 Yen)
15-Dec-16	\$2,893.00	Caves House Hotel	Councillors' Christmas Dinner Drinks
20-Dec-16	\$167.00	The Fire Station, Busselton	Governance & Major Projects Food & Drinks
20-Dec-16	\$46.50	The Fire Station, Busselton	Governance & Major Projects Food & Drinks

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

◆ Allocated against CEO Hospitality Expenses Allowance

+ Funds debited against the Airport Development Fund

2. Voluntary Contributions/Donations (Income)

At its meeting of 22 September 2010, the Council adopted (C1009/329) its Voluntary Contributions/Donations Policy. This Policy requires that the Finance Committee be informed (via an information only bulletin) of any instances whereby voluntary contributions/ donations are approved by the Chief Executive Officer or jointly by the Mayor and Chief Executive Officer.

No voluntary contributions have been approved this financial year to date.

3. Donations/Contributions and Subsidies Fund (Sponsorship Fund – Payment of Funds)

Council resolved in April 2010 (C1004/132) a move towards a tiered system of funding and following the 6 October 2011 Finance Committee meeting, it was recommended to Council that the delegation to determine the allocations of sponsorship and donations from the sponsorship fund be revoked and be returned to the Chief Executive Officer to enable a more timely turnaround of sponsorship applications.

Current expenditure from the Donations, Contributions and Subsidies Fund (Sponsorship Fund) reveals:

- 63 applications for sponsorship have been received during this financial year.
- The average donation approved for the financial year is \$277.60
- There were 9 applications for sponsorship received or assessed during November and December 2016.
- Expenditure from the Donations, Contributions and Subsidies Fund (Sponsorship Fund) for the financial year totals \$17,490.50
- Total budget for the Donations, Contributions and Subsidies Fund (Sponsorship Fund) is \$37,450.

App. No.	Recipient	Purpose	Amount
55/1617	Emma Cattlin	Representing WA at the Australian Junior Surfing Titles in Phillip Island. Funds to assist with flights, accommodation etc	\$200
56/1617	Dunsborough Arts Society	Annual art exhibition held in January 2017, funds to assist with prizes and hall hire	\$400
57/1617	Civic Reception - Festival Queens	Event venue hire at Artgeo for Civic reception for the Festival Queens - funds transfer	\$342
58/1617	Kai Colman	Representing WA at various Sailing competitions around Australia	\$200
59/1617	Hopeful Heroes Relay for Life Team	Requested funding to cover hall hire costs for Relay for Life fundraiser	\$0
60/1617	WA Rover Owners Car Club Inc - SW Branch	Requested funding to assist with costs for the British Auto Classic. The Club has already received \$1000 for the National Rove Weekend in October.	\$0
61/1617	Busselton City FC	Seeking funds to put into a trust account to help subsidise playing fees for the youth. Does not meet guidelines	\$0
62/1617	Dungbeetles Rugby Union Club	21st Anniversary celebrations. Hosting four Perth teams for an exhibition match. Funds to assist with associated costs for the celebrations.	\$400
63/1617	Busselton Wildflower Exhibition	Annual Wildflower Exhibition bringing local and interstate visitors, showcasing the South West and educating the public on Dieback.	\$800

Asset Management Report

Donated Assets.

As of December 2016, the City has received approx. \$6.5M in donated assets. This amount includes roads, footpaths, drains, and landscaping, signage and other assets associated with the roads. Of the

\$6.5M, \$3.3M is attributed to roads, \$500,000 for footpaths, \$1M for drainage and \$1.7M for landscaping and other assets.

These assets are mainly associated with subdivisions at Dawson Estate and Dunsborough Lakes as well as sections of the old Bussell Highway, resulting from the extension of the Bussell Highway bypass.

The landscaping assets that were built as part of the Port Geographe Reconfiguration Project are also due to be taken on by the City in 2016/17. This is due to occur in May 2017 and includes two ablution blocks, picnic areas and playgrounds, lighting, turf and gardens areas and paths, fencing and boardwalk. The total estimated replacement value of these assets is \$4M.

This process will allow for a formal transfer of the assets from the Department of Transport asset register to City of Busselton.

As a comparison, the total donated assets recorded for the 2015/16 financial year was \$9.2M, and we are well on track to exceed this figure in 2016/17.

Council Decision / Committee Recommendation and Officer Recommendation

C1702/018

Moved Councillor T Best, seconded Councillor C Tarbotton

That the Finance Committee notes the Finance Committee Information Bulletin for the months of November and December 2016.

CARRIED 9/0

EN BLOC

10.5 Finance Committee - 2/02/2017 - LIST OF PAYMENTS MADE - NOVEMBER 2016

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Finance
REPORTING OFFICER:	Strategic Financial Plan Accountant - Stuart Wells
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A List of Payments Made - November 2016⇒

This item was considered by the Finance Committee at its meeting on 2 February 2017, the recommendations from which have been included in this report.

PRÉCIS

This report provides details of payments made from the City's bank accounts for the month of November 2016, for noting by the Council and recording in the Council Minutes.

BACKGROUND

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

STATUTORY ENVIRONMENT

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

RELEVANT PLANS AND POLICIES

NA.

FINANCIAL IMPLICATIONS

NA.

Long-term Financial Plan Implications

NA.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Open and Collaborative Leadership' and more specifically Community Objective 6.3 – 'An organisation that is managed effectively and achieves positive outcomes for the community'.

RISK ASSESSMENT

NA.

CONSULTATION

NA.

OFFICER COMMENT

NA.

CONCLUSION

NA.

OPTIONS

NA.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA.

Council Decision / Committee Recommendation and Officer Recommendation

C1702/019 Moved Councillor T Best, seconded Councillor C Tarbotton

That the Council notes payment of voucher numbers M113616 – M113735, EF049140 – EF049603, T007292 – T007306, and DD002922 – DD002953; together totaling \$8,095,731.07.

CARRIED 9/0

EN BLOC

10.6 Finance Committee - 2/02/2017 - LIST OF PAYMENTS MADE - DECEMBER 2016

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Finance
REPORTING OFFICER:	Strategic Financial Plan Accountant - Stuart Wells
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A List of Payments Made - December 2016⇒

This item was considered by the Finance Committee at its meeting on 2 February 2017, the recommendations from which have been included in this report.

PRÉCIS

This report provides details of payments made from the City's bank accounts for the month of December 2016, for noting by the Council and recording in the Council Minutes.

BACKGROUND

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

STATUTORY ENVIRONMENT

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

RELEVANT PLANS AND POLICIES

NA.

FINANCIAL IMPLICATIONS

NA.

Long-term Financial Plan Implications

NA.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Open and Collaborative Leadership' and more specifically Community Objective 6.3 – 'An organisation that is managed effectively and achieves positive outcomes for the community'.

RISK ASSESSMENT

NA.

CONSULTATION

NA.

OFFICER COMMENT

NA.

CONCLUSION

NA.

OPTIONS

NA.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA.

Council Decision / Committee Recommendation and Officer Recommendation

C1702/020 Moved Councillor T Best, seconded Councillor C Tarbotton

That the Council notes payment of voucher numbers M113736 – M113835, EF049604 – EF050223, T007307 – T007310, and DD002954 – DD002981; together totaling \$36,372,525.62.

CARRIED 9/0

EN BLOC

10.7 Finance Committee - 2/02/2017 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 30 NOVEMBER 2016

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Strategic Financial Plan Accountant - Stuart Wells
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Financial Activity Statements - November 2016⇒ Attachment B Investment Report - November 2016⇒

This item was considered by the Finance Committee at its meeting on 2 February 2017, 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 November 2016.

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 21 July 2016, the Council adopted (C1607/160) the following material variance reporting threshold for the 2016/17 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 2016/17 financial year to comprise 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.

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

As above.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Open and Collaborative Leadership’ and more specifically Community Objective 6.3 - ‘An organisation that is managed effectively and achieves positive outcomes for the community’. The achievement of the above is underpinned by the Council strategy to ‘ensure the long term financial sustainability of Council through effective financial management’.

RISK ASSESSMENT

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

CONSULTATION

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 hereto:

- 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 NOVEMBER 2016

Operating Activity

- Operating Revenue

As at 30 November 2016, there is a variance of 2.26% (+\$1,331K) in total operating revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Operating Grants, Subsidies and Contributions	+41%	+\$664
Other Revenue	+34%	+\$49
Interest Earnings	+46%	+\$572
Profit on Asset Disposals	+104%	+\$9

Operating Grants, Subsidies and Contribution (+\$664K)

- BJECA contributions are ahead of year to date budget by +\$367k. A half yearly Busselton Jetty (BJECA) contribution was recorded in October, whilst the budget has the first amount being received in December 2016. This variance is timing in nature only and will correct in December.
- Fire prevention DFES receipts are ahead of budget by +\$154k. +\$70k of this total is a permanent difference caused by a refund from DFES for 2015/16 over expenditure incurred by the City of Busselton. +\$65k is due to a timing difference relating to early receipt of 2016/17 funds in 2015/16. This will correct in June 2017. The remaining \$19k is a timing adjustment relating to quarterly contributions with two quarterly payments having been received against a budget of only one. The will correct in December month end.
- Airport Operations is ahead of year to date budget by +\$46k. This is a timing variance and will correct in December.
- Meelup Regional Park is ahead of budget by +\$27k. This is a permanent difference where 2015/16 funds received in 2016/17 from Coastwest will incur offsetting expenditure.
- Environmental Implement Management Plans is ahead of budget by +\$17k. +\$14k of this variance is a permanent difference where 2015/16 funds were received in 2016/17 from South West Catchment Council and will result in a corresponding increase in expenditure. The remaining +\$3k difference is timing related due to the total budget being divided by twelve months and actual receipts not being received in equal monthly amounts. This timing variance will correct itself by June 2017.

- Civic and Administration Centre Construction has recorded revenue of \$19k against a full year budget of nil, resulting in a +\$19k variance for the year. This revenue is a charge to MCG Architects for additional re-engineering costs over and above what was included in the initial tender from BGC for the same, with additional costs expected to be split equally between BGC, MCG Architects and the City of Busselton. The amount is offset by additional costs relating to the construction cost of the Civic and Administration Centre building.
- Operation Services Works is ahead of budget by +\$29k. This is due to workers compensation receipts currently tracking ahead of budget. Usually this is offset by increased salaries and wages as the person on compensation is generally replaced.
- Community Assistance Fund is ahead of budget by +\$15K. This is due to an unbudgeted amount being received from Perron Developments for construction of an acoustic wall associated with Vasse Newtown and will be offset by an equivalent expenditure amount.
- Property and Business Development is ahead of budget by +\$15k. \$20k has been received against a budget of \$5k year to date. This is due to the receipt of monies from Regional Centres Development Fund relating to preparatory work. The adjustment is timing in nature only.
- Railway House is ahead of budget by +\$10k. \$10k has been invoiced to Margaret River Busselton Tourism Association for Railway House variations requested. This will be offset by a corresponding increase in expenditure, with no impact to municipal funds.
- Other recycling is ahead of budget by \$13k. This is a permanent difference and relates to grants received for Busselton beverage container recycling program. This was budgeted to be received in 2015/16 but has been received in the 2016/17 financial year.
- Miscellaneous Bridge Maintenance receipts are behind budget by -\$70k. This is timing in nature only and will correct by June 30, 2017.

Other Revenue (+\$49K)

- Parking Control is ahead of year to date budget by +13k. Based on current trends it is likely collection of fines will be ahead of budget for the full year.
- Animal Control is favourable against budget by +\$4k. Based on current trends it is likely collection of fines will be ahead of budget for the full year. This variance has however reduced during November.
- Busselton Transfer Station and Dunsborough Waste Facility are favourable against budget by +\$14k. This is due to sales of scrap and recyclable materials currently trending ahead of budget. Any variance is transferred to the waste reserve at the end of the year with no impact to overall municipal surplus/(deficit) position.
- Busselton and Dunsborough Cemeteries are currently +\$4k ahead of budget due to sale of memorialisation stock. This is expected to be a timing difference only.
- Receipts of unbudgeted long service leave amounting to +\$16k. The amount will be offset by a corresponding expenditure amount at the time the leave is taken, therefore no impact to the overall surplus/(deficit) position.
- Sale of Artworks +\$4k. These amounts result in a liability and expense being paid at a later date to the artist concerned. Therefore timing difference only
- Mayoral breakfast registration fees were +\$1k ahead of budget. Any excess funds resulting from the hosting of the breakfast are donated to charity and subsequently offset by an increase in expenditure.
- Public Relations sale of number plates are +\$1k ahead of budget. Based on the current trend it is likely this will exceed budget for the full year, however the trend has reduced in November.
- Bush Fire Acts fines and costs are +\$2k ahead of budget. Budget for the full year is \$45k against actual receipts to date of \$2k, so likely only timing in nature.

- Building Services is +\$2k ahead of budget due to sale of building lists to external third parties exceeding budget by the same amount. Based on current trends this will exceed budget for the full year.
- NCC Standpipe is -\$8k behind budget due to sale of water because of a timing difference. The budget assumed monthly receipts however they will be received bi-annually.
- Other Law, Order and Public Safety, local government act fines and costs is trending below budget by -\$6k. Likely to not meet full year budget targets based on actuals to date.

Interest Earnings (+\$572K)

- Interest on municipal funds +\$57k.
- Interest on reserve funds +\$51k.
- Interest on restricted funds +\$438k.
- Late payment interest on rates +\$26k.

Profit on Asset Disposals (+\$9K)

- Sales of the CEO's Toyota Prado +\$12k. It was budgeted the vehicle would be sold at its book value but +\$12k more than budget was received.
- Fibreglass Water Leeder Tank +4k. This was an insurance receipt received equal to the replacement value of the tank broken, resulting in a profit on sale of +\$4k.
- Other smaller items not budgeted to be sold amounting to +\$1k which were unbudgeted.
- Offset against this is the sale of a number of items which are yet to occur amounting to -\$8k. The adjustments are timing in nature only.

▪ Operating Expenditure

As at 30 November 2016, there is a variance of +1% (+\$394K) in total operating expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Materials and Contracts	+12%	+\$716
Utilities	+12%	+\$119
Allocations	-29%	-\$243
Loss on Asset Disposals	-789%	-\$48

Materials and Contracts (+\$716K)

- By directorate, materials and contracts is showing the following variances at 30 November 2016;
 - Engineering and Works Services +\$401k
 - Community and Commercial Services +\$326k
 - Finance and Corporate Services -18K
 - Planning and Development Services -\$16k
 - Executive Services +\$23K
- From a natural account perspective the variances are predominantly attributable to contractors +\$475k, Consultants +\$239k, Information Technology related -\$59k and Fuels, Oils and Grease +\$62k. Of those variances it is only Fuel, Oils and Grease that is likely to result in a permanent difference for the full year at this stage if fuel prices remain stable at current levels.

Utilities (+\$119K)

- The predominant variance for utilities relates to water +\$110k. This variance is a timing variance related to the irregular way in which water invoices are received.

Allocations (-\$243K)

- This activity incorporates numerous internal accounting allocations. The first component is Activity Based Costing (ABC) allocations where allocations are based on actual costs. The second component is the overhead allocations whereby the monthly charges are based on budget. The -\$243k variance is a timing variance that reflects an under allocation at 30 November. It is expected this will correct by end of the financial year.

Loss on Asset Disposals (-\$48K)

- The loss on asset disposals relates to numerous items of plant and equipment sold in the first four months of the financial year. The loss represents the difference between the book value of the assets and the amounts received in cash for those assets sold. The variance of -\$48k between actual and budget is considered to be timing related at this stage due to no loss on sale being budgeted in the first four months of the year.

Capital Activity

- Capital Revenue

As at 30 November 2016, there is a variance of -17% (-\$4,878K) in total capital revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Transfer from Reserves	-22%	-\$3,150
Transfer from Restricted Assets	-34%	-\$4,616
Proceeds from New Loans	+100%	+\$3,000
Proceeds from Sale of Assets	-46%	-\$106
Self-Supporting Loans	-24%	-\$5

Transfer from Reserves (-\$3,150K)

- Timing difference relating to use of the Civic and Administration Centre Construction Reserve (-\$2,900K). Offset by an equivalent amount under capital expenditure. No impact to net current position.
- Community Development contribution reserve (-\$250K). Budget included \$250k spent on Milne Street Pavilion in November which has not yet occurred. This is timing in nature only and will correct by June 2017.

Transfer from Restricted Assets (-\$4,616K)

- Timing difference relating to use of Airport and Foreshore grants -\$12,000k and -\$1,500k relating to the foreshore works. No impact to net current position.
- Movement of Community and Rec Facilities +\$7,323k, Vasse Diversion Drain +\$383k, Drainage held in Restricted Assets +\$211k, Aged Housing +\$846k from restricted assets into reserves. These movements were budgeted to occur in June 2017 but have occurred in October and are timing in nature only. No impact to net current position.

Proceeds from Sale of Assets (-\$106K)

- Proceeds from sale of assets, includes timing differences of -\$153k and permanent differences of +\$47k. Of the permanent differences, +\$12k relates to additional funds received for sale of Toyota Prado offset by shortfall of funds against Ford Kuga -\$5k, Mitsubishi Challenger -\$3k with the remainder +\$43k being a number of smaller items which were not budgeted to be sold during the year.

- Capital Expenditure

As at 30 November 2016, there is a variance of 37% (+\$21,621K) in total capital expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Land and Buildings	+41%	+\$4,971
Plant and Equipment	+65%	+\$641
Furniture and Equipment	+34%	+\$125
Infrastructure	+77%	+\$20,290
Transfers to Restricted Assets	-727%	-\$3,758

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

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

All capital expenditure variances are considered to be a timing adjustment at this time, with no impact expected against the net current position.

Transfers to Restricted Assets (-\$3,758K)

The transfers to restricted assets budget comprises an estimation of funds that could potentially be received during the financial year, primarily from developer contributions. Due to the nature of the category, the annual budget allocation is spread evenly throughout the financial year. The performance in this activity does not have any direct impact on the surplus/deficit position, as whilst recognised as operating revenue upon receipt, these funds are subsequently quarantined to restricted assets, essentially offsetting the initial transaction. Furthermore, the transfers to restricted assets category also include the payment of bonds and deposits, where no specific budget allocation is made for these funds.

The unfavourable financial year to date variance of -\$3,758k is primarily attributable to the receipt of Cash in Lieu – Parking -\$120k, Bonds and Deposit -\$84k receipt of interest in excess of budget attributable to the airport grant -\$572k and Unspent Loan funds -\$3,000k.

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 30 November 2016, the value of the City's invested funds totalled \$129.4M, increasing from \$126.3M as at 1st November. The increase is principally due to the receipt of loan funds in the amount of \$3.0M being received for the Foreshore Development. These funds have been deposited into the 11am account at this time.

During the month of November \$21.5M in term deposit funds matured. All deposits were renegotiated, for an average of 140 days at an average rate of 2.67% (up from 2.60% in October).

Deposits held at the WATC in the amount of \$31M matured on 30 November. The funds were transferred to the WATC Cash A/c on a temporary basis pending official approval to draw down the funds in early December.

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) increased by \$3.0M with the deposit of the Foreshore Loan Funds.

The RBA left official rates on hold during November and December. Future rate movements are unclear at this stage, however further cuts are not expected at this point in time.

Please refer to Attachment B for further information.

CONCLUSION

As at 30 November 2016, the City's financial performance is considered satisfactory. Whilst current variances exist in some operational areas, these are primarily due to timing differences, and if not timing are not material in nature or are transactions that have no direct impact on the Net Current Position. Trends identified that could lead to permanent differences will continue to be monitored in future periods to ensure corrective action is taken in a timely manner if required.

Whilst acknowledging capital is presently tracking below year to date budget estimates, this is also seen to be attributable to timing differences at this time. There is no indication at this time of any material cost overruns on any capital items in this year's budget.

OPTIONS

The Council may determine not to receive the statutory financial activity statement reports.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Reports are received as at the date of the relevant Council meeting

Council Decision / Committee Recommendation and Officer Recommendation

C1702/021 Moved Councillor T Best, seconded Councillor C Tarbotton

That the Council receives the statutory financial activity statement reports for the period ending 30 November 2016, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 9/0

EN BLOC

10.8 Finance Committee - 2/02/2017 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 DECEMBER 2016

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Strategic Financial Plan Accountant - Stuart Wells
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Financial Activity Statements - December 2016⇒ Attachment B Investment Report - December 2016⇒

This item was considered by the Finance Committee at its meeting on 2 February 2017, 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 31 December 2016.

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 21 July 2016, the Council adopted (C1607/160) the following material variance reporting threshold for the 2016/17 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 2016/17 financial year to comprise 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.

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

As above.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Open and Collaborative Leadership’ and more specifically Community Objective 6.3 - ‘An organisation that is managed effectively and achieves positive outcomes for the community’. The achievement of the above is underpinned by the Council strategy to ‘ensure the long term financial sustainability of Council through effective financial management’.

RISK ASSESSMENT

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

CONSULTATION

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 hereto:

- 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 31 DECEMBER 2016

Operating Activity

▪ Operating Revenue

As at 31 December 2016, there is a variance of -0.67% (-\$418K) in total operating revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Other Revenue	+26%	+\$45
Interest Earnings	+38%	+\$557
Non-Operating Grants Subsidies and Contributions	-20%	-\$1,061
Profit on Asset Disposals	+103%	+\$10

Other Revenue (+\$45K)

- Parking Control is ahead of year to date budget by +15k. This variance continues to increase on a month by month basis indicative of a permanent difference.
- Animal Control is favourable against budget by +\$3k. The variance has been decreasing over the last two months and is more than likely a timing difference.
- Busselton Transfer Station and Dunsborough Waste Facility are favourable against budget by +\$18k. This is due to sales of scrap and recyclable materials currently trending ahead of budget. Any variance is transferred to waste reserve at the end of the year with no impact to overall municipal surplus/(deficit) position.
- Busselton and Dunsborough Cemeteries currently +\$4k ahead of budget due to sale of memorialisation stock. This is expected to be a timing difference only.
- Receipts of unbudgeted long service leave amounting to +\$16k. The amount will be offset by a corresponding expenditure amount at the time the leave is taken, therefore no impact to the overall surplus/(deficit) position.
- Sale of Artworks +\$2k. These amounts result in a liability and expense being paid at a later date to the artist concerned. Therefore timing difference only
- Mayoral breakfast registration fees were +\$1k ahead of budget. Any excess funds resulting from the hosting of the breakfast are donated to charity and subsequently offset by an increase in expenditure.
- Public Relations sale of number plates are +\$1k ahead of budget. Based on the current trend it is likely this will exceed budget for the full year, however the trend has reduced in December.

- Bush Fire Acts fines and costs are -\$2k ahead of budget. Budget for the full year is \$45k against actual receipts to date of \$3k.
- Building Services is +\$2k ahead of budget due to sale of building lists to external third parties exceeding budget by the same amount. Based on current trends this will exceed budget for the full year.
- NCC Standpipe is -\$10k behind budget due to sale of water because of a timing difference. The budget assumed monthly receipts however they will be received bi-annually.
- Other Law, Order and Public Safety, local government act fines and costs is trending below budget by -\$6k. Likely to not meet full year budget targets based on actuals to date.

Interest Earnings (+\$557K)

- Interest on municipal funds +\$66k.
- Interest on reserve funds +\$57k.
- Interest on restricted funds +\$407k.
- Late payment interest on rates +\$27k.

Non-Operating Grants, Subsidies and Contributions (-\$1,061K)

- There are a number of items that make up the current year to date variance. All variances are timing related except:
 - Foreshore East Youth Precinct (Skate Park & Adventure Playground). An accrual was raised for a Lotterywest grant in the 2015/16 financial year equal to \$613k. In the 2016/17 financial year only \$480k has been received. This leaves a current budget shortfall of \$133k. The shortfall is subject to ongoing discussions between the City of Busselton and Lotterywest.

Profit on Asset Disposals (+\$10K)

- Sales of the CEO's Toyota Prado +\$12k. It was budgeted the vehicle would be sold at its book value but +\$12k more than budget was received.
- Fibreglass Water Leeder Tank +4k. This was an insurance receipt received equal to the replacement value of the tank broken, resulting in a profit on sale of +\$4k.
- Other smaller items not budgeted to be sold amounting to +\$6k which were unbudgeted.
- Offset against this is the sale of a number of items which are yet to occur or items that were budgeted to be sold at a profit and ended up being sold at a loss amounting to -\$12k.

▪ Operating Expenditure

As at 31 December 2016, there is a variance of +5% (+\$1,472K) in total operating expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Materials and Contracts	+16%	+\$1,206
Utilities	+21%	+\$248
Other Expenditure	+26%	+\$409
Allocations	-20%	-\$211
Loss on Asset Disposals	-1,603%	-\$97

Materials and Contracts (+\$1,206K)

- By directorate, materials and contracts is showing the following variances at 31 December 2016;
 - Engineering and Works Services +\$678k
 - Community and Commercial Services +\$402k
 - Finance and Corporate Services +\$9K

- Planning and Development Services +\$49k
 - Executive Services +\$68K
- From a natural account perspective the variances are predominantly attributable to contractors +\$521k, Consultants +\$537k and Fuels, Oils and Grease +\$58k. Of those variances it is only Fuel, Oils and Grease that is likely to result in a permanent difference for the full year at this stage if fuel prices remain stable at current levels. This variance has however reduced over the last few months.

Utilities (+\$248K)

- The predominant variance for utilities relates to water +\$121k and electricity +\$123k. This variance is a timing variance related to the irregular way in which water and electricity invoices are received.

Allocations (-\$211K)

- This activity incorporates numerous internal accounting allocations. The first component is Activity Based Costing (ABC) allocations where allocations are based on actual costs. The second component is the overhead allocations whereby the monthly charges are based on budget. The -\$211k variance is a timing variance that reflects an under allocation at 31 December. It is expected this will correct by end of the financial year.

Loss on Asset Disposals (-\$97K)

- The loss on asset disposals relates to numerous items of plant and equipment sold in the first four months of the financial year. The loss represents the difference between the book value of the assets and the amounts received in cash for those assets sold. The variance of -\$97k is mostly considered permanent as it relates to items that were either budgeted to be sold at a profit or smaller items that were not budgeted to be sold.

Capital Activity

- Capital Revenue

As at 31 December 2016, there is a variance of -34% (-\$12,685K) in total capital revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Transfer from Reserves	-24%	-\$3,950
Transfer from Restricted Assets	-48%	-\$8,601
Proceeds from Sale of Assets	-47%	-\$123
Self-Supporting Loans	-24%	-\$11k

Transfer from Reserves (-\$3,950K)

- Timing difference relating to use of the Civic and Administration Centre Construction Reserve (-\$4,900K). Offset by an increase in use of Infrastructure Asset Renewal Reserve (+\$1,200k) for the same period. These are both timing in nature only.
- Community Development contribution reserve (-\$250K). Budget included \$250k spent on Milne Street Pavilion in November which has not yet occurred. This is timing in nature only and will correct by June 2017.

Transfer from Restricted Assets (-\$8,601K)

- Timing difference relating to use of Airport and Foreshore grants -\$15,000k and -\$3,000k relating to the foreshore works. No impact to net current position.

- Movement of Community and Rec Facilities +\$7,323k, Vasse Diversion Drain +\$383k, Drainage held in Restricted Assets +\$211k, Aged Housing +\$846k from restricted assets into reserves. These movements were budgeted to occur in June 2017 but have occurred in October and are timing in nature only. No impact to net current position.
- Bonds and Deposits (+\$634k) not budgeted. Timing in nature only as held on behalf of other entities and individuals.

Proceeds from Sale of Assets (-\$123K)

- Proceeds from sale of assets, includes timing differences of -\$168k and permanent differences of +\$45k. Of the permanent differences, +\$12k relates to additional funds received for sale of Toyota Prado, +\$12k insurance refund for fibreglass water tank, +\$9k for Kawasaki Mule and the remainder being a number of smaller plant items or differences in budgeted proceeds and actuals proceeds received.

▪ Capital Expenditure

As at 31 December 2016, there is a variance of 37% (+\$25,701K) in total capital expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Land and Buildings	+38%	+\$5,697
Plant and Equipment	+42%	+\$511
Furniture and Equipment	+68%	+\$571
Infrastructure	+73%	+\$23,352
Transfers to Restricted Assets	-606%	-\$3,758

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

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

All capital expenditure variances are considered to be a timing adjustment at this time, with no impact expected against the net current position.

Transfers to Restricted Assets (-\$3,758K)

The transfers to restricted assets budget comprises an estimation of funds that could potentially be received during the financial year, primarily from developer contributions. Due to the nature of the category, the annual budget allocation is spread evenly throughout the financial year. The performance in this activity does not have any direct impact on the surplus/deficit position, as whilst recognised as operating revenue upon receipt, these funds are subsequently quarantined to restricted assets, essentially offsetting the initial transaction. Furthermore, the transfers to restricted assets category also include the payment of bonds and deposits, where no specific budget allocation is made for these funds.

The unfavourable financial year to date variance of -\$3,758k is primarily attributable to the receipt of Cash in Lieu – Parking -\$120k, Bonds and Deposit -\$84k receipt of interest in excess of budget attributable to the airport grant -\$572k and Unspent Loan funds -\$3,000k.

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 31 December 2016, the value of the City's invested funds totalled \$121.4M, decreasing from \$129.4M as at 1st December. The decrease is due to funds being used for operational purposes, including the Admin Building redevelopment and other major projects.

During the month of December \$8.0M in term deposit funds matured. Two deposits totalling \$3.5M were closed to meet operational cash requirements. A further two deposits totalling \$4.5M were renegotiated, for an average of 120 days at an average rate of 2.65% (down from 2.67% in November).

Having achieved the next contracted milestone, Airport funds in the amount of \$31M were transferred out of the WATC and into City control. Term Deposits totalling \$25M were opened at Westpac, NAB and ANZ banks at an average of 147 days at an average rate of 2.7%. A further \$6M was deposited in the ANZ Cash Account as per Management instructions.

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 \$4.50M with the funds being used to meet operational cash requirements.

The RBA left official rates on hold during December and January. Future rate movements are unclear at this stage, with some institutions suggesting that the current bounce may be short lived and further cuts may be required during the coming year.

Please refer to Attachment B for further information.

CONCLUSION

As at 31 December 2016, the City's financial performance is considered satisfactory. Whilst current variances exist in some operational areas, these are primarily due to timing differences, and if not timing are not material in nature or are transactions that have no direct impact on the Net Current Position. Trends identified that could lead to permanent differences will continue to be monitored in future periods to ensure corrective action is taken in a timely manner if required.

Whilst acknowledging capital is presently tracking below year to date budget estimates, this is also seen to be attributable to timing differences at this time. There continues to be no indication at this time of any material cost overruns on any capital items in this year's budget.

OPTIONS

The Council may determine not to receive the statutory financial activity statement reports.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Reports are received as at the date of the relevant Council meeting

Council Decision / Committee Recommendation and Officer Recommendation

C1702/022 Moved Councillor T Best, seconded Councillor C Tarbotton

That the Council receives the statutory financial activity statement reports for the period ending 31 December 2016, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 9/0

EN BLOC

10.10 Finance Committee - 2/02/2017 - ASSET MANAGEMENT

SUBJECT INDEX:	Asset Management Report
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Engineering and Facilities Services
ACTIVITY UNIT:	Engineering and Works Services
REPORTING OFFICER:	Asset Management Officer - Barrie Naylor
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

This item was considered by the Finance Committee at its meeting on 2 February 2017, the recommendations from which have been included in this report.

PRÉCIS

Asset Management Report

BACKGROUND

NA

STATUTORY ENVIRONMENT

NA

RELEVANT PLANS AND POLICIES

Parks and Gardens, kookaburra Caravan Park and Waste Transfer Station Asset Management Plans.

FINANCIAL IMPLICATIONS

Effect of Donated assets and unit costs on Fair value of asset Porfolio.

Long-term Financial Plan Implications**STRATEGIC COMMUNITY OBJECTIVES**

N/A

RISK ASSESSMENT

N/A

CONSULTATION

NA

OFFICER COMMENT**Donated Assets.**

As at the end of January 2017, the value of donated assets, (excluding Parks and Gardens), for this financial year, sits at \$7,601,330. This can be broken down as follows:

Asset Group	Current value	Annual Budget (12 mths)
Parks and Gardens	Not Calculated	\$3,800,000
Drainage	\$1,280,860	\$4,250,000
Footpaths	\$680,000	\$1,250,000
Roads and associated assets	\$5.640,470	\$4,500,000

The value of Road donated assets year to date has already surpassed the budget estimate, and will only continue to increase. Other assets appear to be about on target with the budget estimates. The principle source of these donated assets has been the Dawson Vasse Development and Dunsborough Lakes. Road assets have been boosted by the reconciliation of boundary roads and a bridge between the City and Augusta Margaret River Shire Council and the impending hand over of the Old Bussell Hwy, (Northerly St), and bridge from MRWA.

Parks and Gardens

Assets are continuing to develop the asset portfolio for these assets by collecting data and converting existing as-constructed data in to more usable and mappable formats.

Kookaburra Caravan Park.

An individual asset management plan for the Caravan Park is now well advanced and this is likely to be presented to Council during February or March 2017.

Waste Transfer Station.

The new Rendezvous Road Waste Transfer Station (RWTS) has had all its component assets, costs and values included in the relevant asset registers, (e.g. roads, kerbs, signage building etc.), It also has its own asset register encompassing every asset within the development. This register records where assets are listed and valued within other registers in order for the City to see and overall picture of the RWTS.

Roads.

The roads asset register has been updated with completed rehabilitation, expansion, donated assets and the latest unit rate costs, (including the reduction in Asphalt/Bitumen costs). This affects the fair value calculations of the City's road assets on an ongoing basis as we update the portfolio in terms of new and improved assets. The register is also being extended to encompass a detailed register and valuation of the City's Traffic Management Devices,(TMD'S), This category of sub assets contains such assets as roundabouts, medians, islands, pedestrian crossings, road humps etc.

CONCLUSION

NA

OPTIONS

NA

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA

Council Decision / Committee Recommendation and Officer Recommendation

C1702/023 Moved Councillor T Best, seconded Councillor C Tarbotton

That the Finance Committee notes the Asset Management Report.

CARRIED 9/0

EN BLOC

LATE ITEMS CONSIDERED BY SEPARATE RESOLUTION

At this juncture, in accordance with Clause 5.6 (3)(a) & (b) of the Standing Orders, late items requiring an Absolute Majority or in which Councillors had declared Financial, Proximity or Impartiality Interests were considered.

10.9 Finance Committee - 2/02/2017 - GEOGRAPHE BAY YACHT CLUB - SELF-SUPPORTING LOAN REQUEST

SUBJECT INDEX:

STRATEGIC OBJECTIVE:	A City where the community has access to quality cultural, recreation, leisure facilities and services.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A GBYC Request for Self-Supporting Loan ⇒ Attachment B Sheds West Direct Quotation ⇒ Attachment C Built by S Quotation ⇒ Attachment D Shed Demolition 1 ⇒ Attachment E Shed Demolition 2 ⇒ Attachment F GBYC Balance Sheet December 2016 ⇒ Attachment G GBYC Profit & Loss Statement May-Dec 2016 ⇒

This item was considered by the Finance Committee at its meeting on 2 February 2017, the recommendations from which have been included in this report.

DISCLOSURE OF INTEREST	
Date	08 February 2017
Meeting	Council
Name/Position	Grant Henley, Mayor
Item No./Subject	10.9 Geographe Bay Yacht Club Self Supporting Loan Request
Type of Interest	Impartiality Interest
Nature of Interest	Member of the Yacht Club

PRÉCIS

The Geographe Bay Yacht Club (GBYC) has requested that the City of Busselton provide a Self-Supporting Loan for \$100,000, for a term of 10 years, to provide finance towards the construction of a new boat and equipment storage shed, sail training centre, junior clubhouse and caretakers residence.

BACKGROUND

At its Annual General Meeting held 6 January 2016 the GBYC passed the following motion:

“That construction of the new Boat Storage, Junior Clubrooms and Sail Training Centre building be a high priority for 2016/17 and the Club apply to the City of Busselton and the Department of Sport and Recreation for grant funding.”

The Club’s existing junior clubroom and boat storage facilities are over 50 years old. The building contains asbestos materials, steel support beams are badly corroded and the building has deteriorated to a point where it is well and truly past its “use by” date. Ongoing maintenance on the facilities is costly and amounts to little more than Band-Aid treatment.

The poor quality of the boat storage facilities, which have no doors (they rusted off), does not give adequate weather or security protection for the Club's training boats and equipment.

The project will entail the demolition of the existing junior clubroom and boat storage facilities, followed by the construction of a new building incorporating a boat and equipment storage shed, a new sail training centre, junior clubhouse and caretakers residence.

At its meeting held 13 April 2016 Council made the following decision:

"Council Decision

C1604/088 Moved Councillor R Bennett, seconded Councillor J McCallum

That the Council:

1. *Enter into a lease, subject to the consent of the Minister for Lands approval, with the Geographe Bay Yacht Club Inc for a portion of Lot 4539, 2 King Street, West Busselton, as shown hatched blue on Attachment A.*
 - a) *The term of the lease commencing 1 July 2016 and expiring 30 June 2026, with the club to be granted a first right of refusal for a further 10 year option expiring 30 June 2036, subject to discussions between the City and the club and Council and the City's consideration of community needs at that time.*
 - b) *The annual rent to commence at \$205.00 inclusive of GST with annual rent increase of CPI;*
 - c) *The lease is to be consistent with the City's standard community and sporting groups lease agreement with the addition of clauses allowing for an onsite caretaker; and*
 - d) *All costs associated with the preparation of the new lease to be met by the Lessee.*
2. *Enter into a licence, subject to the consent of the Minister for Lands approval, with the Geographe Bay Yacht Club Inc for a portion of Lot 4539, 2 King Street, West Busselton, as shown hatched green on Attachment A for a term to coincide with the lease to the Club, which requires the Club to maintain the licensed area.*

CARRIED 7/1"

This lease is still currently being finalised due to land tenure changes. The draft lease includes the following clause with respect to a caretaker's residence:

"USE: (2) Incidental to the primary use stated above, the Lessee may also with the prior written approval of the Lessor and upon such conditions reasonably imposed by the Lessor engage a caretaker to reside on site. Should consent be granted, the Lessee must comply with all conditions of that consent."

The GBYC currently have a caretaker on site in a caravan. The City can only grant up to 12 months approval for this, hence their need to construct a more suitable type of accommodation.

Project Cost

Project Description	\$ Cost ex GST	\$ Cost inc GST	Quote Used
Demolition of old Boat Storage Shed and Junior Clubroom	8,500	9,350	Direct Demolition and Salvage. Quote - 13 July 2016
New Boat Storage/Junior Clubroom/Sail Training	95,569	105,126	Sheds West Direct. Quote - 25 July 2016. Ref Job No.12336 & 12268

Centre/Caretaker Residence			
New Junior Clubhouse, Training Centre and Caretakers fit out	66,400	73,040	Built by S. Quote – 27 July 2016
GBYC Volunteer labour	28,364	31,200	Erection of the new building. As per Quote from Sheds West Direct – 30 June 2016. Ref 12336
Sub Total	198,833	218,716	
Cost escalation	31,167	34,284	15% escalation
Total project expenditure	230,000	253,000	

Project Income:

CSRFF Grant	\$ 51,750
GBYC Volunteer Labour	\$ 28,250
GBYC Cash Contribution	\$ 50,000
CoB Self Supporting Loan	\$100,000

TOTAL PROJECT INCOME \$230,000

STATUTORY ENVIRONMENT

Section 6.20 of the Local Government Act 1995 – “Power to Borrow”

“6.20. Power to borrow

(1) *Subject to this Act, a local government may —*

- (a) *borrow or re-borrow money; or*
- (b) *obtain credit; or*
- (c) *arrange for financial accommodation to be extended to the local government in ways additional to or other than borrowing money or obtaining credit,*

to enable the local government to perform the functions and exercise the powers conferred on it under this Act or any other written law.

(2) *Where, in any financial year, a local government proposes to exercise a power under subsection (1) (power to borrow) and details of that proposal have not been included in the annual budget for that financial year —*

- (a) *unless the proposal is of a prescribed kind, the local government must give one month’s local public notice of the proposal; and*
- (b) *the resolution to exercise that power is to be by absolute majority.*

(3) *Where a local government has exercised a power to borrow and —*

- (a) *it does not wish to proceed with the performance of the function or the exercise of the power for which the power to borrow was exercised; or*
- (b) *after having completed the performance of the function or the exercise of the power for which the power to borrow was exercised, any part of the money borrowed, credit obtained or financial accommodation arranged has not been expended or utilized,*

the local government may resolve to expend the money or utilize the credit or financial accommodation for another purpose if one month’s local public notice is given of the proposed change of purpose.*

** Absolute majority required.”*

RELEVANT PLANS AND POLICIES

The City of Busselton Strategic Community Plan 2013 (Review 2015).

FINANCIAL IMPLICATIONS

Any Self-supporting loan is self-funded and will have no impact on Councils current Municipal Budget or Long Term Financial Plan.

Long-term Financial Plan Implications

As above.

STRATEGIC COMMUNITY OBJECTIVES

Key Goal Area 2:

Well Planned, Vibrant and Active Places:

Our Community Objectives are:

2.1 A City where the community has access to quality cultural, recreation, leisure facilities and services.

Council strategies to support achievement of community objectives -

- > Enhance our foreshores and reserves to provide a place where people can come together and engage in a range of social and recreational activity, and
- > Ensure our sporting and recreational facilities meet the needs of our growing community.

RISK ASSESSMENT

The GBYC has a 15% cost escalation included in its proposal which is seen as an appropriate sum to effectively limit any financial risks that may be associated with the project. The Club also has a proven track record with respect to repayment of Self- Supporting loans taken through the City.

CONSULTATION

A Special General Meeting of GBYC members has been called for Wed 1 February 2017, at which members will discuss and vote on the following motion:

"That members support the Club applying for a \$100,000 self-supporting loan from the City of Busselton, repayable over a 10 year term at an interest rate as per the current Western Australian Treasury Corporation rate, for the purpose of part financing the construction of a new Boat Storage, Junior Clubrooms, Sail Training Centre and Caretakers Residence building."

The outcome of this meeting will be advised to members of the Finance Committee and Council at their meeting.

Should the City of Busselton approve, by absolute majority, the application from GBYC the proposal will be subject to the giving of **one month's local public notice in accordance with** Section 6.20(2) of the Local Government Act 1995 – "Power to Borrow".

OFFICER COMMENT

The GBYC has strong membership and recently became an accredited Australian Sailing 'Discover Sailing Centre'. It is the only club in the South West Region with the equipment and registered trainers able to offer junior sail training, under the nationally accredited "Tackers" training program.

The club has invested \$16,000 into six new “Tackers” junior sailing yachts and is funding the training of additional Club members to provide nationally accredited sail training for juniors and adults wishing to learn to sail.

The expansion of the Club’s sail training programs requires a new sail training centre facility, to deliver high quality off-water theory and rules training to program participants (both member and non-member), and enable elite level coaching to be offered to GBYC members and visiting Clubs.

This training centre will also be used by the Naturaliste Sports and Game Fishing Club and the Geographe Outriggers Club, who are affiliate members of the GBYC.

The new boat and equipment storage building will be used to securely store the six new ‘Tackers’ along with six 420 Class training yachts, plus other sailing dinghies and equipment owned by the club and used for sail training. Improved security and protection from the weather will extend the working life of the boats and reduce ongoing maintenance costs.

The current junior clubroom is very small and struggles to accommodate the club’s existing junior membership of 60. The projected increase in membership generated by the ‘Tackers’ and ‘Discover Sailing’ training programs, will render this facility totally inadequate for the needs of the growing number of junior members.

Quality junior clubroom facilities are a vital part of building and retaining junior membership and ongoing participation in sailing. A strong junior membership is essential to the ongoing development of the Club, as it provides the foundation for building stronger numbers of full adult members into the future.

Finally under the terms of the new GBYC’s lease agreement with the City of Busselton, the Club is required to provide suitable accommodation if a caretaker is to reside on the premises and the proposed new caretaker’s residence will do this.

CONCLUSION

The club has a proven record with the City of Busselton in respect to Self-Supporting loans having, in most recent history been responsible for the following self-supporting loans, which have all been fully repaid in accordance with the individual loan agreements:

Year	Loan Amount	Interest Rate
1998	\$10,000	8.6%
2004	\$20,000	7.55%
2005	\$90,000	9.37%

Western Australian Treasury Corporation rates quoted on 18 January 2017 show an indicative borrowing rate of 3.08% for a 10 year loan term with 0.7% additional being charged through the Government Guarantee Fee. These borrowing rates are significantly lower than the GBYC has previously borne.

The GBYC has demonstrated the need for upgrade to their facilities, has a proven financial record, is the only Club in the South West Region with the equipment and registered trainers able to offer junior sail training, under the nationally accredited “Tackers” training program which is both member and non-member and enables elite level coaching to be offered to GBYC members and visiting Clubs.

The GBYC has also demonstrated its cooperation with other clubs noting that the training centre will also be used by the Naturaliste Sports and Game Fishing Club and the Geographe Outriggers Club, who are affiliate members of the GBYC.

For these reasons Officers recommend that the request be approved.

OPTIONS

Should Council not approve the request from GBYC, they will need to look at the following options:

1. Reduce the scope of works,
2. Look at other fund or loan options, or
3. Not proceed with the upgrade to facilities.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the request be approved action will be taken immediately to implement the recommendations of the Council.

Council Decision / Committee Recommendation and Officer Recommendation**C1702/024**

Moved Councillor G Bleechmore, seconded Councillor P Carter

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Finance Committee recommends to Council with respect to the Geographe Bay Yacht Clubs' request for a self-Supporting Loan in the amount of \$100,000 for a term of 10 years:

- a) Approves the request,
- b) Gives one month's local public notice of the proposal in accordance with Section 6.20(2) of the Local Government Act 1995 – "Power to Borrow",
- c) Advises the Geographe Bay Yacht Club that it must obtain all relevant development and building approvals from the City prior to any Loan funds being disbursed,
- d) Borrows the funds sought by the Club from the Western Australian Treasury Corporation in accordance with the Master Lending Agreement,
- e) Enters into a "Loan Repayment Agreement" with the Geographe Bay Yacht Club where the club acknowledges it is responsible for reimbursement to the City of Busselton of full costs associated with the loan,
- f) Prior to formalisation of the loan facility, the Geographe Bay Yacht Club executes a lease with the City in respect of a portion of Lot 4539, 2 King Street, West Busselton, pursuant to Council Resolution C1604/088. The lease is to include an additional clause to the effect that default in respect of the loan shall be regarded as a default under the lease, which could result in termination of the lease, and
- g) Amends the 2016/2017 Municipal Budget to recognise the relevant income, expenditure and any associate loan movements; noting that there will be no impact on Councils projected Surplus position.

CARRIED 9/0**BY ABSOLUTE MAJORITY**

10.11 Finance Committee - 2/02/2017 - DUNSBOROUGH and DISTRICTS COUNTRY CLUB - SELF SUPPORTING LOAN REQUEST

SUBJECT INDEX:

STRATEGIC OBJECTIVE: A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.

BUSINESS UNIT: Finance and Corporate Services

REPORTING OFFICER: Manager Financial Services - Kim Dolzadelli

AUTHORISING OFFICER: Director, Finance and Corporate Services - Cliff Frewing

VOTING REQUIREMENT: Absolute Majority

ATTACHMENTS: Attachment A [DDCC Self Supporting Loan Request](#)
Attachment B [DDCC Minutes Special General Meeting](#)
Attachment C [Outcome Letter Community Bids 2016-2017 DDCC](#)

This item was considered by the Finance Committee at its meeting on 2 February 2017, the recommendations from which have been included in this report.

DISCLOSURE OF INTEREST	
Date	08 February 2017
Meeting	Council
Name/Position	Councillor Paul Carter and Councillor John McCallum
Item No./Subject	10.11 Dunsborough and Districts Country Club Self Supporting Loan Request
Type of Interest	Impartiality Interest
Nature of Interest	Member of Dunsborough and Districts Country Club

PRÉCIS

The Dunsborough and Districts Country Club (DDCC) has requested that the City of Busselton provide a Self-Supporting Loan for \$114,000, for a term of 10 years, to provide finance to complete the construction of two (2) new tennis courts, resurface the 2 synthetic courts and apply a new coat of paint on the two (2) existing hardcourts.

BACKGROUND

The Club prepared and subsequently adopted a 5 Year Strategic Master Plan 2015-2020. That documents future plans for the various sporting sections of the Club and facility upgrade and maintenance. The tennis section prepared plans for the construction of two additional hard courts and the re-surfacing of the 2 existing synthetic courts (Dunsborough Tennis Courts Upgrade 2017 - the Project).

At Special General Meeting of DDCC was held 22 January 2017 where the following motion was *put to the vote and passed unanimously*:

"That the Dunsborough & Districts Country Club (Inc) apply to the City of Busselton for a \$114,000.00 loan, repayable over 10 years to complete the construction of two (2) new tennis courts, resurface the 2 synthetic courts and apply a new coat of paint on the two (2) existing hardcourts."

Project Cost

The Project was costed out at \$214,000 and specifically involves the construction of 2 hard courts, associated fencing, stormwater treatments, hard surfacing, laykold coating, net post installation, line marking, an upgrade of the 2 synthetic courts with new synthetic material and a final laykold surface coat on the existing 2 hard courts.

Project Income:

City of Busselton (Community Bid Program)	\$50,000
Department of Sport & Recreation	\$50,000
<u>City of Busselton Self Supporting Loan</u>	<u>\$114,000</u>
TOTAL PROJECT INCOME	\$214,000

By way of further background the need for more courts and improved tennis facilities was established through increasing demand for more playing space resulting from increasing Club membership, growth in junior coaching and the general public/casual usage (visitors to the region & local community non-Club members).

All sporting sections at the Club are growing to the extent that there are now over 710 registered members. Tennis section membership has trebled over the past 3 years (from 35 to 108) and there is a further 60 juniors participating in coaching and regional pennant competitions (mostly from the Local schools).

Increased player participation is monitored partially by the court booking/hire sheets, increased junior coach feedback and the increasing number of players "sitting off" during Saturday social tennis.

During the months of November through until March there are regularly 10-15 players "sitting off" during Saturday social tennis (Members & general public visitors).

The downside of an increasing junior presence in Dunsborough is that Junior coaching occurs 5 evenings per week and is causing court overload issues restricting access to the courts to Club members as well as social users. The Club sees the importance of a strong Junior program and is working around the court pressures by ensuring that strict court management is in place, but it highlights the importance of additional courts to cater for this growing need.

There are no other Public tennis courts available in the Dunsborough/Yallingup district, so all the demand is focused on the existing four (4) Club courts.

The population of Dunsborough as at June 2016 is 8,200 (City of Busselton Population Projections June 2016) combined with a growth rate of over 3.5% and coupled with an increasing tourist visitation to the district, especially during the school holiday and summer months, further adds weight to the urgent need for more tennis courts.

STATUTORY ENVIRONMENT

Section 6.20 of the Local Government Act 1995 – "Power to Borrow"

"6.20. Power to borrow"

- (1) *Subject to this Act, a local government may —*
 - (a) *borrow or re-borrow money; or*
 - (b) *obtain credit; or*
 - (c) *arrange for financial accommodation to be extended to the local government in ways additional to or other than borrowing money or obtaining credit,*
to enable the local government to perform the functions and exercise the powers conferred on it under this Act or any other written law.
- (2) *Where, in any financial year, a local government proposes to exercise a power under subsection (1) (power to borrow) and details of that proposal have not been included in the annual budget for that financial year —*
 - (a) *unless the proposal is of a prescribed kind, the local government must give one month's local public notice of the proposal; and*
 - (b) *the resolution to exercise that power is to be by absolute majority.*
- (3) *Where a local government has exercised a power to borrow and —*

- (a) *it does not wish to proceed with the performance of the function or the exercise of the power for which the power to borrow was exercised; or*
- (b) *after having completed the performance of the function or the exercise of the power for which the power to borrow was exercised, any part of the money borrowed, credit obtained or financial accommodation arranged has not been expended or utilized,*
- the local government may resolve* to expend the money or utilize the credit or financial accommodation for another purpose if one month's local public notice is given of the proposed change of purpose.*
- * Absolute majority required."*

RELEVANT PLANS AND POLICIES

The City of Busselton Strategic Community Plan 2013 (Review 2015).

FINANCIAL IMPLICATIONS

Any Self-supporting loan is self-funded and will have no impact on Councils current Municipal Budget or Long Term Financial Plan.

Long-term Financial Plan Implications

As above.

STRATEGIC COMMUNITY OBJECTIVES

Key Goal Area 2:

Well Planned, Vibrant and Active Places:

Our Community Objectives are:

2.1 A City where the community has access to quality cultural, recreation, leisure facilities and services.

Council strategies to support achievement of community objectives -

- > Ensure our sporting and recreational facilities meet the needs of our growing community.

RISK ASSESSMENT

The Club also has a proven track record with respect to repayment of Self- Supporting loans taken through the City and has strong membership growth.

CONSULTATION

At Special General Meeting of DDCC held 22 January 2017 the following motion was *put to the vote and passed unanimously*:

"That the Dunsborough & Districts Country Club (Inc) apply to the City of Busselton for a \$114,000.00 loan, repayable over 10 years to complete the construction of two (2) new tennis courts, resurface the 2 synthetic courts and apply a new coat of paint on the two (2) existing hardcourts."

Should the City of Busselton approve, by absolute majority, the application from DDCC the proposal will be subject to the giving of **one month's local public notice in accordance with** Section 6.20(2) of the Local Government Act 1995 – "Power to Borrow".

OFFICER COMMENT

At its meeting on 10 August 2016, Council considered the first round of Community Bid applications for the 2016- 17 financial year and approved the following amount of funding for this project:

Purpose: *Dunsborough Tennis Courts Upgrade*

Funding: *\$50,000*

Specific Conditions: *Nil*

The DDCC has strong membership, there are now over 710 registered members, with the Tennis section membership having trebled over the past 3 years (from 35 to 108) and there is a further 60 juniors participating in coaching and regional pennant competitions (mostly from the focal schools).

There are no other Public tennis courts available in the Dunsborough/Yallingup district, so all the demand is focused on the existing four (4) Club courts.

CONCLUSION

The club has a proven record with the City of Busselton in respect to Self-Supporting loans having, in most recent history been responsible for the following self-supporting loans, which have all been fully repaid in accordance with the individual loan agreements:

Year	Loan Amount	Interest Rate
2007	\$300,000	6.79%
1994	\$193,000	10.3%

Western Australian Treasury Corporation rates quoted on 18 January 2017 show an indicative borrowing rate of 3.08% for a 10 year loan term with 0.7% additional being charged through the Government Guarantee Fee. These borrowing rates are significantly lower than the DDCC has previously borne.

The DDCC has demonstrated the need for upgrade to their facilities, has a proven financial record and there are no other Public tennis courts available in the Dunsborough/Yallingup district.

For these reasons Officers recommend that the request be approved.

OPTIONS

Should Council not approve the request from DDCC, they will need to look at the following options:

1. Reduce the scope of works,
2. Look at other fund or loan options, or

Not proceed with the upgrade to facilities.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the request be approved action will be taken immediately to implement the recommendations of the Council.

Council Decision / Committee Recommendation and Officer Recommendation

C1702/025

Moved Councillor R Reekie, seconded Councillor C Tarbotton

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Finance Committee recommends to Council with respect to the Dunsborough and Districts Country Club request for a self-Supporting Loan in the amount of \$114,000 for a term of 10 years:

- a) Approves the request,

- b) Gives one month's local public notice of the proposal in accordance with Section 6.20(2) of the Local Government Act 1995 – "Power to Borrow",
- c) Advises the Dunsborough and Districts Country Club that it must obtain all relevant development and building approvals from the City prior to any Loan funds being disbursed,
- d) Borrows the funds sought by the Club from the Western Australian Treasury Corporation in accordance with the Master Lending Agreement,
- e) Enters into a "Loan Repayment Agreement" with the Dunsborough and Districts Country Club where the club acknowledges it is responsible for reimbursement to the City of Busselton of full costs associated with the loan, and
- f) Amends the 2016/2017 Municipal Budget to recognise the relevant income, expenditure and any associate loan movements; noting that there will be no impact on Councils projected Surplus position.

CARRIED 9/0

BY ABSOLUTE MAJORITY

18. QUESTIONS FROM MEMBERS

Nil

19. PUBLIC QUESTION TIME

Nil

20. NEXT MEETING DATE

Wednesday, 22 February 2017

21. CLOSURE

7.11pm

THESE MINUTES CONSISTING OF PAGES 1 TO 112 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 22 FEBRUARY 2017.

DATE: _____

PRESIDING MEMBER: _____