



## Policy Review and Development Committee

### Notice of Meeting & Agenda 29 March 2018

#### Committee Terms of Reference

- 1** *To review all existing Bunbury City Council policies within a two year period, in line with the local government election cycle and facilitate the development of new policies for consideration by Council on an ongoing basis.*
- 2** *To make recommendations to Council on matters of policy, policy and local law review and policy and local law development.*
- 3** *To explore opportunities that promote policy development in all areas that are within Council's jurisdiction.*
- 4** *To allow any draft policy developed and fully considered by another Advisory Committee of Council to be referred directly to Council for consideration.*
- 5** *To provide Bunbury City Councillors with assistance and support to develop new Council policies.*

**City of Bunbury**  
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Western Australia  
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## Policy Review and Development Committee Notice of Meeting

Dear Committee Members

The next Ordinary Meeting of the Policy Review and Development Committee will be held in the Ocean Room, 2-4 Stephen Street, Bunbury on 29 March 2018 at 10.30am.

Signed:

**Greg Golinski**  
**Manager Governance**

### Agenda

29 March 2018

Members of the public to note that recommendations made by this committee are not final and will be subject to adoption (or otherwise) at a future meeting of the Bunbury City Council.

#### *Committee Members:*

Member Name	Representing
Mayor Gary Brennan	City of Bunbury
Cr Jaysen Miguel	City of Bunbury
Cr James Hayward	City of Bunbury
Cr Todd Brown	City of Bunbury
Mark Seaward	BGCCI

#### *Ex-officio Members (non-voting):*

Member Name	Representing
Mr Mal Osborne	Chief Executive Officer

#### *Support Staff:*

Name	Title
Mr Greg Golinski	Manager Governance

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**1. Declaration of Opening**

The Presiding Member declared the meeting open at \_\_\_\_\_am.

**2. Disclaimer**

Not applicable to this committee.

**3. Announcements from the Presiding Member**

**4. Attendances**

**4.1 Apologies**

**4.2 Approved Leave of Absence**

**5. Declaration of Interest**

IMPORTANT: Committee members to complete a “Disclosure of Interest” form for each item on the agenda in which they wish to disclose a financial/proximity/impartiality interest. They should give the form to the Presiding Member <u>before</u> the meeting commences. After the meeting, the form is to be forwarded to the Administration Services Section for inclusion in the Corporate Financial Disclosures Register.
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**6. Public Question Time**

Not applicable

**7. Confirmation of Minutes**

Committee Decision:                      Moved \_\_\_\_\_                      Seconded \_\_\_\_\_

The minutes of the Policy Review and Development Committee Meeting held on 30 November 2017 are confirmed as a true and accurate record.

CARRIED/LOST

**8. Petitions, Presentations and Deputations**

**8.1 Petitions**

Nil

**8.2 Presentations**

Nil

**8.3 Deputations**

Nil

**9. Method of Dealing with Agenda Business**

## 10. Reports

### 10.1 City of Bunbury Policy Framework

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Leanne French, Senior Governance and Risk Officer
<b>Responsible Manager:</b>	Greg Golinski, Manager Governance
<b>Executive:</b>	Mal Osborne, Chief Executive Officer
<b>Authority/Discretion</b>	<input type="checkbox"/> Advocacy <input type="checkbox"/> Review <input type="checkbox"/> Executive/Strategic <input type="checkbox"/> Quasi-Judicial <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Information Purposes
<b>Attachments:</b>	Appendix 1: Draft Policy Framework

#### Summary

The purpose of this report is to consider amending the current framework for future policy development and review.

#### Executive Recommendation

That the Policy Review and Development Committee recommend Council adopt the attached Policy Framework for the development and review of all future policy documentation.

#### Background

On 25 September 2012, the Council adopted the following parameters for policy development within the City of Bunbury (refer 277/12):

*That Council:*

1. *Agree in principle with having a Council Policy underpinned by Corporate Guidelines to provide further operational details in relation to the implementation of Council Policy, where:
  - a) *A council policy is a succinct statement of position (policy statement) in relation to a particular issue; and*
  - b) *All corporate guidelines be referenced in the respective Council Policy.**
2. *Notes that not all Council Policies will require a corporate guideline.*

The Policy framework was implemented to guide the development of a Council Policy as a succinct statement of position underpinned by a corporate guideline, which provided further operational detail relating to the implementation of the Council Policy.

The development of this framework was to assist in more strategic policy development, providing a clearer separation between what is strategic and what is operational and what may be considered “policy” and what should be “procedure”.

#### Council Policy Compliance

Not applicable.

### **Legislative Compliance**

Section 2.7(2)(b) of the *Local Government Act 1995* states that Council is to determine the local government's policies.

### **Officer Comments**

A Policy Framework should provide a structure and process for the initiation, development, adoption and review of the Council and City policy documents. It should also seek to provide a clear and unambiguous line of decision making, accountability and responsibility.

The City's current framework is very broad in terms of its application, and lacks defined processes for complementing documents such as corporate guidelines or procedures.

The revised Framework (Appendix 1) has been developed to deliver a logical structure and hierarchy to policy documentation, define policy principles and categories, and reporting and review requirements in alignment with City of Bunbury strategic objectives.

The Policy Framework complements the work already undertaken by the Works and Services Department in engineering quality management and provides staff with a comprehensive guide and expectation of policy, corporate guideline and procedure processes.

### **Analysis of Financial and Budget Implications**

There are no additional financial and budget implications in adopting the revised Policy Framework.

### **Community Consultation**

Not applicable

### **Councillor/Officer Consultation**

ELT were consulted in the development of the revised Policy Framework. Individual consultation has been undertaken with the Works and Services Directorate and Organisational Development and Human Resources Department. All managers were invited to provide feedback on the initial draft provided at the December Managers meeting.

### **Applicant Consultation**

Not applicable.

## 10.2 Review of Local Laws

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Greg Golinski, Manager Governance
<b>Responsible Manager:</b>	Greg Golinski, Manager Governance
<b>Executive:</b>	Mal Osborne, Chief Executive Officer
<b>Authority/Discretion</b>	<input type="checkbox"/> Advocacy <input type="checkbox"/> Review <input type="checkbox"/> Executive/Strategic <input type="checkbox"/> Quasi-Judicial <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Information Purposes
<b>Attachments:</b>	Nil

### Summary

The purpose of this report is for the committee to receive information regarding a review of the City's local laws.

### Executive Recommendation

That the Policy Review and Development Committee receive the information.

### Background

Local laws are required to be reviewed every 8 years. The City has initiated a review of the following local laws in accordance with the *Local Government Act 1995*:

- Standing Orders Local Law
- Dogs Local Law
- Advertising Devices Local law
- Local Government and Public Property Local Law
- Private Property Local Law
- Parking and Parking Facilities Local Law

The City has two other locals (Waste Local Law and Health Local Law) which are not being reviewed as part of this process.

The Waste Local Law was only recently established in 2016, and the Health Local Law will be reviewed once Regulations are drafted to support the new Public Health Act, to ensure consistency between the two instruments.

### Council Policy Compliance

Not applicable.

### Legislative Compliance

Section 3.16 of the *Local Government Act 1995* requires that a local government will review its local laws every 8 years.

### Officer Comments



The process for reviewing local laws typically takes up to 6 months, involving the following steps:

1. State-wide public notice advising of review and seeking comments on the laws being reviewed (min 42 days).
2. Any submissions presented to Council/Committee as part of consideration whether to amend, repeal or leave the law unchanged
3. If amendments are required, Officers to prepare and Council/Committee to adopt a draft amendment local law accordingly
4. Draft amendment local law to be advertised via state-wide public notice for minimum 42 days
5. Any submissions/comments to be presented to Council/Committee prior to final adoption of the law
6. Law to be gazetted and presented to the Joint Standing Committee on Delegated Legislation for final approval
7. Local laws take effect 14 days post gazettal

Step 1 is currently in train, with submissions closing on Friday, 6 April 2018.

A subsequent report will be presented to this Committee in May 2018 as part of step 2.

#### **Analysis of Financial and Budget Implications**

A project to fund the review of these local laws will be considered by Council as part of 2018/19 budget deliberations (\$50,000). These costs primarily comprise advertising, gazettal costs, plus any legal advice that may be required regarding possible amendments.

#### **Community Consultation**

There is a statutory public advertising period for reviewing local laws pursuant to section 3.16 of the *Local Government Act 1995*.

Following this period, a further report will be considered by the Committee/Council as whether to amend, repeal or leave unchanged the local laws being reviewed, after which further community consultation is required.

#### **Councillor/Officer Consultation**

This matter is presented to the Policy Review and Development Committee for information only at this stage.

### 10.3 Proposed New Council Policy: Elections – Caretaker Period

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Leanne French, Senior Governance and Risk Officer
<b>Responsible Manager:</b>	Greg Golinski, Manager Governance
<b>Executive:</b>	Mal Osborne, Chief Executive Officer
<b>Authority/Discretion</b>	<input type="checkbox"/> Advocacy <input type="checkbox"/> Review <input type="checkbox"/> Executive/Strategic <input type="checkbox"/> Quasi-Judicial <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Information Purposes
<b>Attachments:</b>	Appendix 3: Proposed New Policy Elections – Caretaker Period

#### Summary

The purpose of this report is for the Policy Review and Development Committee (PRDC) to consider a new policy regarding having a caretaker period in the lead up to local government ordinary elections.

#### Executive Recommendation

That the Policy Review and Development Committee recommended that Council adopt new Council Policy “Elections – Caretaker Period” as presented.

#### Background

The City of Bunbury does not have a policy to guide Council decision-making or standards of behaviour in the lead up to local government elections.

#### Council Policy Compliance

This report proposes a new Council policy.

#### Legislative Compliance

Not applicable

#### Officer Comments

The primary objective of the proposed Policy is to avoid the Council making major decisions prior to an election, that would bind an incoming Council, prevent the use of public resources in ways that are seen as advantageous to, or promoting, the sitting Elected Members who are seeking re-election, and ensuring the City of Bunbury administration acts impartially in relation to candidates. A copy of the proposed policy is at Appendix 3.

The effect of implementing such a policy will assist to ensure the City’s activities and those of Elected Members who are candidates in local government elections, are undertaken in a manner that supports a high standard of integrity during local government election periods.

Many of the larger local governments within Western Australia have such a policy in place, and in many respects, the proposed policy simply formalises standards of behaviour that would be considered inappropriate during such a period.

Such a document helps provide the community with confidence that the Council decision-making process should not be a vehicle for candidates that assists them during their election campaigns.

**Analysis of Financial and Budget Implications**

There are no budget implications resulting from the recommendations in this item.

**Community Consultation**

Not applicable.

**Councillor/Officer Consultation**

This report is presented to the Policy Review and Development Committee for consideration.

#### 10.4 Proposed New Council Policy: Disaster Relief

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Greg Golinski, Manager Governance
<b>Responsible Manager:</b>	Greg Golinski, Manager Governance
<b>Executive:</b>	Mal Osborne, Chief Executive Officer
<b>Authority/Discretion</b>	<input type="checkbox"/> Advocacy <input type="checkbox"/> Review <input type="checkbox"/> Executive/Strategic <input type="checkbox"/> Quasi-Judicial <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Information Purposes
<b>Attachments:</b>	Appendix 4: Proposed New Policy: Disaster Relief

#### Summary

The purpose of this report is for Policy Review and Development Committee (PRDC) to consider a new policy that provides some guidelines around the provision of disaster relief funds by the City of Bunbury.

#### Executive Recommendation

The Policy Review and Development Committee recommend that Council adopt new Council Policy “Disaster Relief” as presented.

#### Background

At the Ordinary Council Meeting held 12 December 2017, Council passed the following motion (refer decision 446/17):

*That Council requests the ‘Policy Review and Development Committee’ to develop a policy that guides the collection, accrual and distribution of funds by the City of Bunbury Disaster Relief Fund.*

This report seeks to facilitate the development of such a policy in accordance with the above resolution.

#### Council Policy Compliance

This report proposes a new Council policy.

#### Legislative Compliance

Nil

#### Officer Comments

Officers have prepared a draft policy for the consideration of the PRDC in accordance with Council Decision 446/17. A copy is attached at Appendix 4.

The policy proposes some criteria to be considered when determining whether funding should be provided to certain causes, as well as proposing that such determinations could generally be made by an informal group comprised the Mayor, Deputy Mayor and Chief Executive Officer.

**Analysis of Financial and Budget Implications**

The proposed policy governs funds contained in the City's Disaster Relief Reserve fund.

**Community Consultation**

Not applicable

## 10.5 Review of Council Policy: Leases and Licences

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Kristen Anderson, A/Manager Major Projects and Property
<b>Responsible Manager:</b>	Kristen Anderson, A/Manager Major Projects and Property
<b>Executive:</b>	Felicity Anderson, A/Director Planning and Development Services
<b>Authority/Discretion</b>	<input type="checkbox"/> Advocacy <input type="checkbox"/> Review <input type="checkbox"/> Executive/Strategic <input type="checkbox"/> Quasi-Judicial <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Information Purposes
<b>Attachments:</b>	Appendix 5A: Leases and Licences Options and Methodology Appendix 5B: Financial Modelling

### Summary

Following Council decision 357/17 of Council Meeting 19 September 2017, the policy relating to Leases and Licences is referred to the Policy Review and Development Committee (PRDC) for consideration and with the information provided within this report.

### Recommendation

The Policy Review and Development Committee recommend that Council:

1. Note the information provided as part of this review;
2. Endorse in principle, Option 3 as presented and request that a formal policy be drafted and provided to the next meeting of the Policy Review and Development Committee;
3. Ensure exemptions outlined in Option 1 are applied to Option 3.

### Background

In August 2017 at the Policy Review and Development Committee (PRDC) meeting, the Leases and Licenses Policy was to be reviewed, with officers putting forth a number of possible alternatives.

The PRDC determined to continue with the Leases and Licenses Policy 'as is' and this recommendation was referred to Council at its meeting 19 September 2017. Council determined to defer the item until after the Council elections.

#### Council Decision 357/17

*That the item be deferred until the first Policy Review and Development Committee meeting following the Local Government Election on 21 October 2017.*

Following the decision to defer the item, the Major Projects and Property Department have met with the Sport and Recreation Department to discuss some possible alternatives.

What was agreed between the parties is that trying to incorporate a social or community based discount was not only difficult to measure, it was also something that was voted out of previous policy recommendations by Council and not wanted by the sporting and community groups.

The current policy allows for the measure of community benefit to be considered within the appeals process and this is then reported to Council for consideration.

The parties also agree that any proposed policy and modelling that is undertaken should be simple and fair across the groups, with the alternative options looking at a different methodology for determining fees.

The officers would like to seek from the PRDC their preferred methodology so that the appropriate policy can be prepared and to date no real direction on the objective of undertaking this review has been provided. Whether the officers look at methodology sympathetic to:

- Income generating exercise;
- Cost recovery only;
- For community benefit (no cost); or
- Other defined option.

In the interim and for the PRDC to consider, the officers have prepared some alternative options and basic modelling concepts, however, note that there are many more methods and modelling options that can be explored. The concept of each method is outlined in Confidential Appendix 5A.

#### **Option 1 – Community Benefit**

This option looks to receive little to no income from the properties on a flat rate fee concept. With the criteria being geared positively towards club built, multi-use facilities and those with City assets and exclusive use facilities, paying a higher fee.

- A) Club Built Multi-Use Facility - \$0;
- B) City Built Multi-Use Facility - \$200;
- C) Club Built Exclusive Use Facility - \$750; and
- D) City Built Multi-Use Facility - \$1000.

This methodology seeks to encourage groups to share their facilities, contributing to the community benefit derived from the use of these facilities and the sustainability of the groups. Where the City is responsible for structural maintenance on multi-use facilities, a small fee is collected.

Where clubs have an exclusive use facility, they are required to pay a higher amount in order to either complement those with existing club facilities that may also have the member base to cover a slightly higher fee. Alternatively, encourage those with exclusive use facilities, without a large member base, to seek to share their premises.

To be considered a multi-use facility, certain criteria will need to be built and defined in the policy. Groups will have to demonstrate a formal agreement with another party utilising their facility on a permanent and/or regular basis and it will need to be in a formal, written agreement. The agreement can be in the form of a formed association, a sub-lease, a memorandum of understanding or a long term hire agreement and a copy of which must be provided to the City.

It is also recommended that the groups on a 'peppercorn' lease arrangement continue to be exempt from the payment of document preparation fees as per the existing policy.

There are some exemptions required for this policy and this will need to include small storage facilities. Where groups utilise a small shed for storage only, as stated in their lease agreement, there may not be the ability to share the facility with another group or generate any income from its use.

### **Option 2 – Multi-use Discounts from Current Policy**

This option is built on the same principles as option 1, however, utilises the current methodology for determining the lease fee under the Leases and Licenses Policy. It then applies a discount based on the criteria of being a multi-use or exclusive use facility.

- A) Club Built Multi-Use Facility – 75% discount;
- B) City Built Multi-Use Facility – 50% discount;
- C) Club Built Exclusive Use Facility – 25% discount; and
- D) City Built Multi-Use Facility – 0% discount.

This still has the desired effect of encouraging multi-use facilities, however, uses a non-subjective methodology for determining a fee and the same consideration and exemptions would likely be applicable as described in Option 1 above.

### **Option 3 – Minimum Rates & Document Preparation Fee Charged**

This option seeks to fill the gaps in rates and recovers some costs of document preparation. Whilst some groups are charged and pay rates, this has been noted as an area that could be improved.

Currently rates are charged based on the Gross Rental Value and an assessment made by Landgate. The City also has a minimum rates charge for any property, these currently sit at \$1,131.00 per annum. Due to the method in which rates are charged, some groups are paying up to \$11,172.71 per annum.

This methodology seeks to apply a singular, minimum rate across all groups and then charge the document preparation fee. Currently the document preparation fee is not applicable to groups with existing 'peppercorn' leases.

Financially this method incorporates a number of factors to consider. Charging the minimum rates to the current groups results in the City losing approximately \$53,374.32 in rates revenue annually, even with some of the existing leases being brought under this policy.

The charge of document preparation is currently applicable and is listed on the adopted Fees & Charges. This fee can be and already is incorporated into any adopted policy. This has been applied to all of the most recent versions of the Leases & Licenses Policy, with the specific exemption of peppercorn leases.

It costs the City approximately \$2,254.15 in actual costs and resources to produce a lease. The City charges a fee of \$575.00 ex GST to sporting and community groups for the preparation of a lease



in order to recover some of this cost. This equates to a detriment to the City per lease of \$1,679.15.

#### **Option 4 – Status Quo**

Officers have put up the status quo as the third option with the intent that the appeals process be trialled. This methodology has provided 57% of clubs with a reduction in their previous fees with some having had only minor increases. For those with significant increases the current policy has built in mechanisms to provide an opportunity to appeal to Council.

When the policy was previously endorsed by Council, officers were given permission to reduce the rent fee for the clubs whose rent was decreasing almost immediately.

A number of clubs were able to instantly have significantly reduced rent fees that they were then able to return to their leased facilities and club operations.

Some of the feedback at the time was that they were now fairly being charged for their facility and not because it happened to be better located or because they had made building improvements or extensions.

The increases were only to be applied to clubs when they were due for a rent review or their lease was due for renewal as their contracts allowed. This application resulted in a loss of income for the City but provided a 'quick win' for a number of the clubs and provided ample notice to the clubs receiving an increase.

The total annual rental income from sporting and community groups for 2015/16 was \$114,655.82. For 2016/17 this was calculated at \$99,353.71 ex GST with the immediate decrease in rent applied. This was a total loss from the previous year of \$15,302.11 ex GST.

In 2017/18, should the current Leases and Licenses Policy be applied including both the decreases and increases as due, the total rental income from sporting and community groups is approximately \$118,371.38 ex GST. This figure only just surpassed the 2015/16 amount due to CPI increases and the addition of several new leases.

#### **Costs to the City**

To assist the PRDC with their decision making process, some information on associated costs is provided below. It is necessary to seek direction on how these costs should be recovered or whether they should be absorbed.

To prepare a lease, the cost to the City is calculated at \$2,254.15 in actual staff time and costs. The City charges a fee of \$575.00 ex GST for document preparation, resulting in a detriment of \$1,679.15 for each lease prepared. The current policy does not allow officers to charge those on a 'peppercorn' lease arrangement a document preparation fee.

In terms of 'maintenance', the City spent a total of \$97,911.41 ex GST on 'leased' building maintenance for sporting and community groups in 2016/17 and \$43,275.98 ex GST in 2015/16.

Almost two thirds of the money spent on these leased buildings in 2015/16 went into leased community facilities such as the Senior Citizens and the In Town Lunch Centre, both of which are on peppercorn leases and not subject to the increases.

In 2016/17, the trend of spending on the Senior Citizens and the In Town Lunch Centre continued, however, additional works were done to the Surf Life Saving Club, calculated at \$24,698.22, as well as larger items of structural maintenance to the Michael Eastman Pavilion (Runners Club) and the Kit Keddie Pavilion (Dog Club).

It is important to note in these 'maintenance costs', expenditure on security, alarm monitoring, damage to buildings through vandalism, rodent control and fire monitoring services are included in these costs. It should also be noted that these are costs incurred for operating these facilities where items such as electrical, plumbing, programmed painting and roof repairs are just one component of 'maintenance'.

The City's Asset Management Department, have advised that at present we do not have an estimate on what needs to be or should be spent on our leased buildings, however, they are working on obtaining this data in future.

It is likely that based on the age and condition of many of the leased buildings, the required maintenance costs are likely to be higher than what is being spent. When reviewing the types of maintenance being carried out on our leased buildings, it was evident that majority of the works were reactive in nature and small repairs.

It is also to be noted that a lack of reporting from clubs and a willingness to undertake minor repairs and maintenance themselves can contribute to low expenditure.

### **Additional Considerations**

To provide some perspective, the total lease revenue raised via leased and licenced premises in 2017/18 is projected as \$1,005,278 ex GST. The sporting and community group lease income consists of just over 11% of the City's overall lease revenue annually, with this figure to decrease with new leases.

The City received rates from a number of the sporting and community groups totalling \$75,949.32 in land rates alone. With the addition of \$18,239.62 in Waste Services Rates, the City received a total of \$94,188.94. These rates have decreased in 2017/18 to \$92,247.39 due to a lower GRV rating on property values.

Not all groups pay rates due to existing lease conditions and legislative exemptions. The officers have been working to ensure leases are consistent as they are being renewed however; there are some pre-existing and long-standing leases with individual conditions.

### **Council Policy Compliance**

This report facilitates a review of the Leases and Licences Policy.

### **Legislative Compliance**

Compliance with Section 3.58 of the Local Government Act 1995 where exemptions under Regulation 30 of the Local Government (Functions and General Regulations) 1996 do not apply.

### **Officer Comments**

To date, the officers have extensively researched, consulted on and modelled a number of scenarios. These proposed policies are then adopted through both the PRDC and Council.

With the adoption of a new proposed policy or where a revision is undertaken, the item has been referred back to Council and the PRDC due to an individual club or a small number of clubs that are not satisfied with the increase to their rent.

The current Leases and Licenses Policy has been workshopped with the sporting and community groups. The workshops showed that of the clubs that attended the workshops, 58% agreed or strongly agreed that the current process was fair and equitable, with only 21% who did not. The other 21% were neutral.

When asked if they agreed with the proposed fees, as adopted and forming the current policy, 50% of groups agreed or strongly agreed, 29% disagreed and 21% were neutral.

Of the 38 groups subject to the current policy, 57% of the groups rent decreased and an appeals process was adopted so that clubs receiving increases would obtain individual consideration of their circumstances and have Council address their rent separately to the policy.

When reviewing the current policy, we must also note that the officers are bound by existing lease arrangements and without having the lessees and licensees agree to the terms and conditions of any new policy, the City must act within the limitations of those existing agreements.

We must note that these existing agreements can also vary depending on their age and that a uniform approach and conditioning is an aim of the Major Projects and Property Department and a preference of the groups.

To achieve this it will take time as old leases expire and are replaced by current versions. One example of an unusual circumstance is the Badminton Club, a long term lease with no ability to increase rent for the life of the contract. Typically the City now applies a 5 year term with a further 5 year option with annual CPI increases and 3-5 year reviews.

### **Analysis of Financial and Budget Implications**

Financial modelling on the known impacts of the proposed options has been prepared and attached to this report as Confidential Appendix 5B. It is anticipated that the overall income will fluctuate for Options 1 & 2 where existing arrangements to share facilities are not currently formalised but then seek to be, and where those arrangements are not known to the City.

The document preparation fee can only be charged on average, every 3 to 5 years when a lease is renewed or an extension is exercised. Modelling has not been prepared for this as all options seek to enforce the document preparation fee and the exemptions in Option 1 have been carried into Option 3.

Due to the response from the sporting and community groups present at the workshop, officers have prepared the financial information applying the exemptions from Option 1 to Option 3.

Some indicative income figures have been provided below for 2018/19 should the policies apply. Officers have modelled the financial implications as if the reductions were applied immediately. When the current policy was adopted, the City applied the policy where reductions were available instantly and the same methodology has been used in the preparation of this report.

Given Option 3 is the preferred methodology by the sporting and community groups, the resultant loss of \$84,997.66 rental income and \$39,757.32 in rates revenue, the total loss to the City in overall general income is \$124,754.98 for 2018/19.

The overall loss of income is provided against each option, should the policy apply as outlined in the table below. The Council will need to consider what impact any adopted policy will have to forecast income. The projected loss would require a 0.3% increase in general rates revenue to cover the deficit.

2018/19	Rental Income	Rates Income	Combined Rent and Rates Income	Total Loss or Gain from Current Position
<b>Current Position</b>	\$84,997.66	\$75,949.32	\$160,946.98	-
<b>Option1</b>	\$23,498.05	\$75,949.32	\$99,447.37	<b>-\$61,499.61</b>
<b>Option 2</b>	\$106,075.65	\$75,949.32	\$182,024.97	<b>+\$21,077.99</b>
<b>Option 3*</b>	\$0	\$36,192.00	\$36,192.00	<b>-\$124,754.98</b>
<b>Option 4 (Status Quo)</b>	\$133,632.00	\$75,949.32	\$209,581.32	<b>+\$48,634.34</b>

There are tangible costs to the City for preparing leases and maintaining leased premises however, these costs may be considered as minor in comparison to overall rental income or when compared to the income received on rates.

Should a model be adopted whereby the City's planned income depletes, the City will need to consider what impact this may have to the operating budget.

### Community Consultation

To date a large amount of consultation has been undertaken with the sporting and community groups in the form of discussion papers, workshops, surveys and individual group meetings.

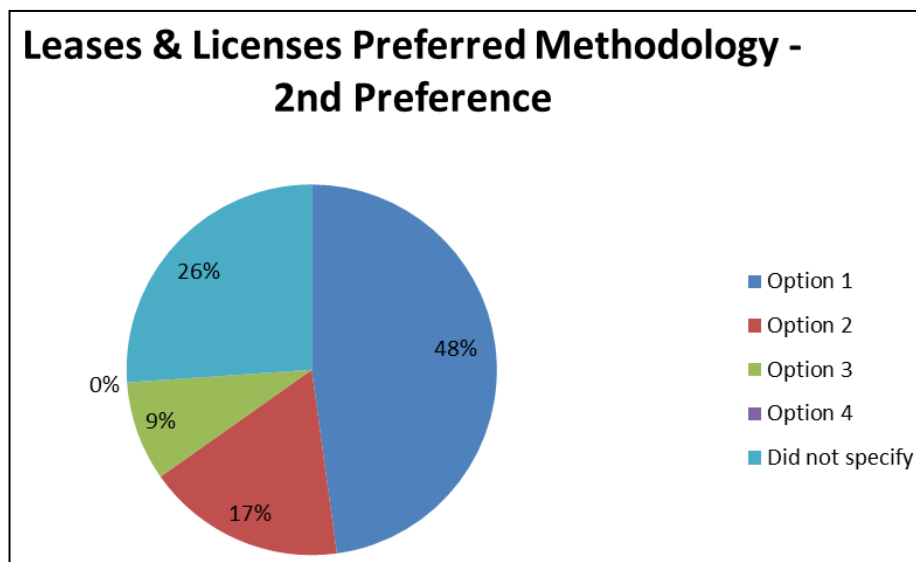
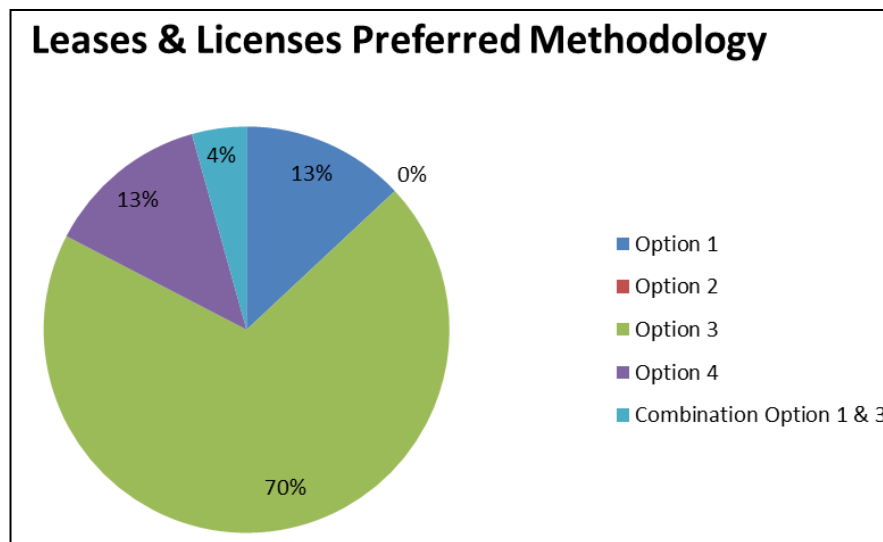
Officers continue to liaise with groups affected by the policy and previously prepared a Communication and Stakeholder Management Plan to assist with the communication process as a resolution of Council.

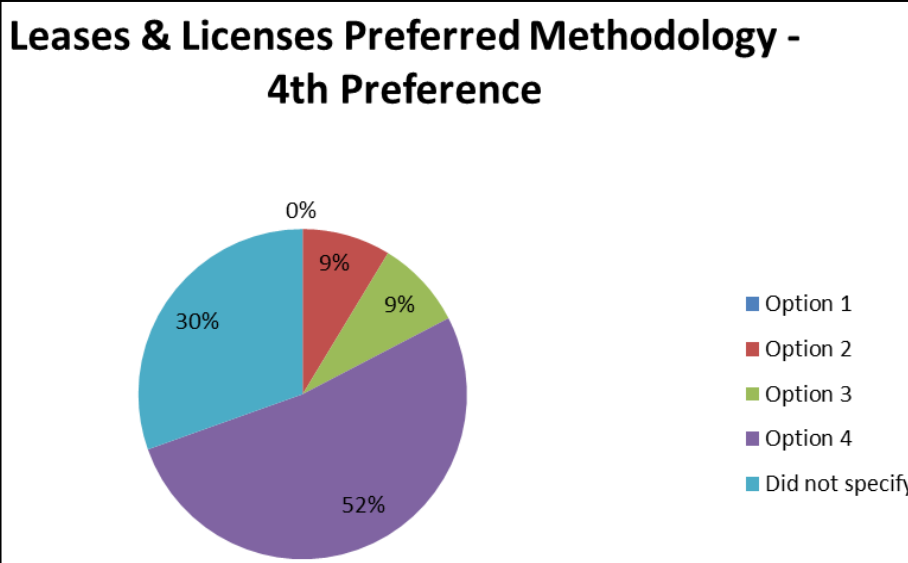
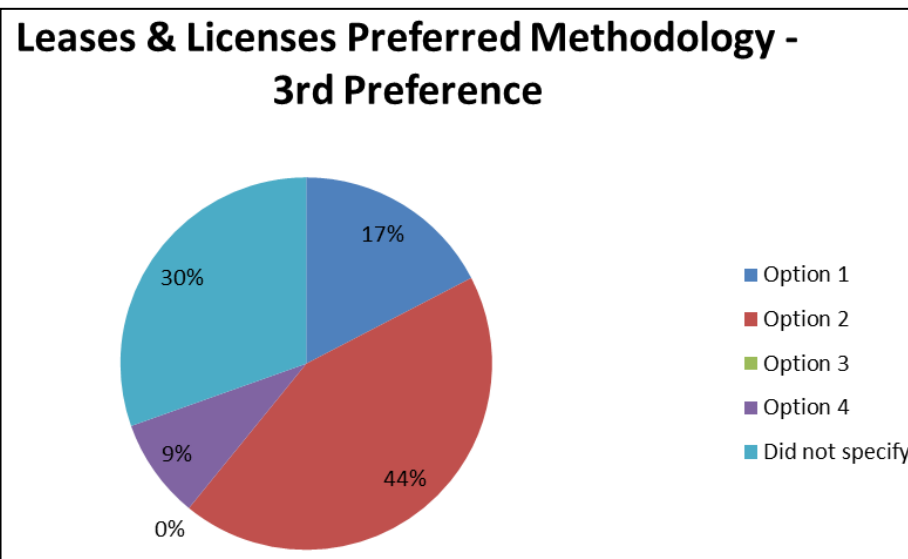
Officers have kept all lessees up to date with the current situation and will continue to liaise with groups following the PRDC meeting.

Most recently, officers held a workshop with the sporting and community groups to gauge their preference and feedback on the methods being considered.

Feedback forms were provided on the night with a total of 33 groups attending out of 43 invited, 2 groups provided their feedback with their apology and a total of 23 groups completed the feedback forms on the night.

The first question on the feedback form asked the groups to provide their preferred option and list them from 1 to 4 in order of preference.





**Findings:**

- 70% of groups, voted in favour of Option 3 as their first preference;
- 48% of groups voted Option 1 as their second preference;
- 52% voted the current policy option as their least favoured preference;
- 0% of groups chose Option 2 as their preferred option, with more groups having chosen the current policy as their preference;

This results in Option 1 and 3 being the most popular and Options 2 and 4 being the least popular.

The groups were asked to provide a written response as to why they selected the relevant option as their preference. "Please explain why you have chosen the options in this order". A summary of the feedback is provided below for each option.

**Option 1:**

From all groups that chose Option 1 as their preference, the unanimous reasoning was due to the exemptions and protections it had for existing peppercorn lease holders and groups that lease only small storage sheds. The groups with small storage sheds utilise the exemptions as it is considered they cannot share the facility and/or make a financial return to their club from the use of the shed.

**Option 2:**

This was not chosen by any groups as their preferred option, therefore no feedback has been provided.

**Option 3:**

Whilst this was the most popular option with many comments and feedback, the feedback received centred mostly around three common themes, these included:

- Option 3 being the most cost effective for their group;
- Recognising the economic and community benefit derived from sporting and community groups;
- The income derived from sporting and community groups to be quarantined for expenditure in this area.

**Option 4:**

The feedback provided for the few groups that preferred this option were due to the current policy providing a good outcome currently for their own groups.

The feedback forms also asked “Are you satisfied with the level of consultation that has occurred in relation to this policy?” with the results showing the groups felt:

- Very dissatisfied – 4% (1 group)
- Dissatisfied – 9% (2 groups)
- Neutral – 13% (3 groups)
- Satisfied – 44% (10 groups)
- Very satisfied – 30% (7 groups)

When asked “How have you found the content of today’s workshop?” the groups felt:

- Somewhat unhelpful – 0%
- Unhelpful – 0%
- Helpful – 65% (15 groups)
- Very helpful - 35%(8 groups)

Whilst Option 3 and 1 were most popular among the groups, the feedback on the night and captured within the forms reflected the groups wanted to ensure the exemptions from Option 1 were also applied to Option 3. This would ensure the existing peppercorn lease holders were not required to pay rates and/or document preparation fees and those groups with small storage sheds only were also not penalised.

The groups would also like the City to look at alternative ways to raise funds for the maintenance of these buildings and facilities such as a \$5 levy on every rates notice to be for the purpose of sporting and community group facilities.

Other issues raised included the lease documents being too legalistic and the groups were having to get lawyers to review the leases for them. Feedback was provided that the City’s template had

been amended following feedback from the last set of workshops and the lease had been reduced from 60 pages to 37 pages to try and assist with this.

Officers also advised during the workshop that all groups were welcome to come in and meet with our Senior Property Officer to have the lease explained clause by clause. Both measures have been introduced and made available in order to assist the groups in having to have the leases referred to their solicitors but that the current template was reduced as much as possible without putting the City at risk.

The groups queried the document preparation fees and the cost to the groups. It was explained that the City is only recouping approximately a quarter of the cost to prepare and finalise a lease, however, the fee could be reviewed by Council.

The groups also raised the length of the lease that is offered, being generally a 5 + 5 year lease term. It was explained that should groups wish to seek longer term leases, they can request for the City to consider this as part of any lease renewal process and that the officers can submit this to Council.

The process of putting in place a standard 5 + 5 year lease term had been put in place approximately 7 years ago to combat many existing lease that had different terms and to ensure the City had flexibility in its land uses.

Should the groups wish to expend heavily into their facilities, the City and Council could consider their request for a longer term lease, however, as a group they should provide a business plan for the longevity of their club to demonstrate their sustainability.

All groups also want to be provided with a copy of the draft policy as they are the stakeholders the policy affects. It was advised that while this is not the standard procedure, to ensure an open and transparent process was being considered, the groups could receive a copy of the draft policy.

Feedback was also sought from the groups during the workshop on how they would like to see any income derived from sporting and community groups expended. There was strong sentiment from the groups about ensuring the funds were somehow quarantined or reserved for the purpose of sporting and community groups facilities.

It was also debated whether the City should determine how the funds are expended or if the groups were able to apply or draw down from a reserve. It was discussed that for the small amount of income derived from a number of these policy options, that the cost to administer an application process would likely end up costing the City more in resources than the amount received.

### **Councillor/Officer Consultation**

This policy has been discussed with Council, ELT and the PRDC on numerous occasions and will continue to be reviewed and discussed until further resolution on the matter is made.



## 10.6 Proposed New Council Policy: Footpath Contributions for Development

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Kyle Daly, Development Engineer
<b>Responsible Manager:</b>	Thor Farnworth, Manager Sustainability, Planning and Development
<b>Executive:</b>	Felicity Anderson, Acting Director Planning and Development Services
<b>Authority/Discretion</b>	<input type="checkbox"/> Advocacy <input type="checkbox"/> Review <input type="checkbox"/> Executive/Strategic <input type="checkbox"/> Quasi-Judicial <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Information Purposes
<b>Attachments:</b>	Appendix 6: Draft Policy Footpath Contributions for Development

### Summary

The purpose of this report is for the Policy Review and Development Committee to consider a new Council Policy relating to footpath contributions for development.

### Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt new Council Policy *Footpath Contributions for Development* as presented.

### Background

At the Executive Leadership Team (ELT) meeting on 22 November 2017 a discussion was had regarding developer contributions, primarily footpath contributions, as a query was received from Cr Steck in relation to a footpath contribution being imposed on a proposed grouped dwelling development.

It was agreed that City staff would prepare a draft policy relating to footpath contributions that would be presented for Council consideration at the Policy Review and Development Committee.

It was anticipated that should policy be endorsed, that it would act as an interim policy position until such time as a Development Contributions Plan was finalised, noting that this will be a lengthy process.

### Legislative Compliance

Planning and Development Act 2005 (as amended)

### Officer Comments

The draft policy as presented at Appendix 6 has been prepared in such a way that it broadly demonstrates the purpose, process and calculations involved when applying footpath contributions over various types of development.

### Analysis of Financial and Budget Implications

Nil

**Community Consultation**

Not applicable

**Councillor/Officer Consultation**

This draft policy has been endorsed by ELT and is presented to the Committee for consideration.

## 10.7 Proposed New Council Policy –Bunbury Regional Art Galleries Exhibitions

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Julian Bowron, Team Leader BRAG
<b>Responsible Manager:</b>	Sharon Chapman, Manager Libraries and Cultural Development
<b>Executive:</b>	Stephanie Addison-Brown, Director Corporate & Community Services
<b>Attachments:</b>	Appendix 7A: Draft BRAG Exhibitions Policy Appendix 7B: BRAG Exhibitions Corporate Guideline

### Summary

The purpose of this report is for the Policy Review and Development Committee to consider a new policy relating to the Bunbury Regional Galleries exhibitions program. The Policy and Corporate Guideline are attached at Appendices 7A and 7B respectively.

### Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt the new Council Policy Bunbury Regional Art Galleries Exhibitions as presented.

### Background

The City of Bunbury has not previously had a Bunbury Regional Art Galleries Exhibitions Policy. The draft policy had previously been endorsed by the Committee, however was referred by Council for further stakeholder consultation.

The draft policy has been circulated to all artists and gallery stakeholders currently on the BRAG database for comment and a forum was held Friday 23 February 2018. A number of issues identified have been incorporated into the policy. Nine email responses were received, six from artists and three from stakeholders. Three people attended the forum.

### Council Policy Compliance

This policy aligns with the City of Bunbury Art Collection Policy

### Legislative Compliance

There is no legislative compliance relevant to this report

### Officer Comments

Bunbury Regional Art Galleries came under City of Bunbury management in 2014 and for reasons of good governance, to assist with budget planning and to provide transparency and consistency around galleries programming decisions it is appropriate to have an exhibitions policy.

Preparation of the policy has enabled alignment and consistency with the City's current processes and procedures as well as professional art museum standards.

### Analysis of Financial and Budget Implications

There are no financial or budgetary implications resulting from the recommendations of this report.

**Community Consultation**

The draft policy has been circulated to all artists and gallery stakeholders currently on the BRAG database for comment and a forum was held Friday 23 February 2018. A number of issues identified have been incorporated into the policy. Nine email responses were received, six from artists and three from stakeholders. Three people attended the forum.

**Councillor/Officer Consultation**

Relevant Officers have been consulted in preparing this report.

## 10.8 Review of Council Policy – Tree Retention

<b>Applicant/Proponent:</b>	Internal
<b>Responsible Officer:</b>	Kristy Tillett Manager Landscape and Open Space
<b>Responsible Manager:</b>	Kristy Tillett Manager Landscape and Open Space
<b>Executive:</b>	Gavin Harris, Director Works and Services
<b>Attachments:</b>	Appendix 8A: Revised Tree Retention Policy Appendix 8B: Revised Tree Management Corporate Guideline

### Summary

The purpose of this report is for the Policy Review and Development Committee to review the City's current policy regarding tree retention. The revised Policy and Corporate Guideline are attached at Appendices 8A and 8B respectively.

### Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt the revised Council Policy Tree Retention as presented.

### Background

Council Policy Tree Retention was last reviewed in March 2016 and is now presented to the Policy Review and Development Committee for its biennial review.

### Council Policy Compliance

This report facilitates the review of an existing Council Policy.

### Legislative Compliance

There is no legislative compliance relevant to this report

### Officer Comments

Some amendments are proposed to the Policy and associated Corporate Guideline following consultation between Officers from Landscape and Open Space and Planning. These proposed amendments are reflected in the attachments at Appendix 8A and 8B.

### Analysis of Financial and Budget Implications

There are no financial or budgetary implications resulting from the recommendations of this report.

### Community Consultation

Nil

### Councillor/Officer Consultation

Officers from Landscape and Open Space and Planning Services have had input into the proposed amendments to this policy.

**11. Applications for Leave of Absence**

Not applicable to this committee.

**12. Questions from Members**

**12.1 Response to Previous Questions from Members taken on Notice**

Nil

**12.2 Questions from Members**

**13. Urgent Business**

Nil

**14. Date of Next Meeting**

31 May 2018

**15. Close of Meeting**

The Presiding Member closed the meeting at \_\_\_\_\_.