



Policy Review and Development Committee

Minutes

17 February 2016

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 review and policy 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.*

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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.

1. Declaration of Opening

The Presiding Member declared the meeting open at 10am.

2. Disclaimer

Not applicable to this committee.

3. Announcements from the Presiding Member

4. Attendances

Committee Members:

Member Name	Representing
Cr Brendan Kelly (Presiding Member)	City of Bunbury
Mayor Gary Brennan	City of Bunbury
Cr James Hayward	City of Bunbury
Cr Wendy Giles	City of Bunbury
Cr Monique Warnock	City of Bunbury

Ex-officio Members (non-voting):

Member Name	Representing
Mr Andrew Brien	Chief Executive Officer

Support Staff:

Name	Title
Mrs Leanne French (minute taker)	Senior Governance and Risk Officer
Mr Gavin Harris	Director Works and Services
Mrs Felicity Anderson	Manager Major Projects
Ms Kristy Tillet	Manager Landscape and Open Space

Cr Hayward arrived 10.10am.

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 before 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.

Councillor Hayward declared a financial interest in item “*10.2 Review of Council Policy – Purchasing (Excluding Tenders)*” as his business provides quotes to City staff when required. Councillor Hayward chose to leave the meeting for the duration of discussion and vote on the item.

6. Public Question Time

Not applicable

7. Confirmation of Minutes

Committee Decision: Moved Cr Giles Seconded Mayor Brennan

The minutes of the Policy Review and Development Committee Meeting held on 26 November 2015, are confirmed as a true and accurate record.

CARRIED

8. Petitions, Presentations and Deputations

8.1 Petitions

Nil

8.2 Presentations

Nil

8.3 Deputations

Nil

9. Method of Dealing with Agenda Business

Items were dealt with in the order that appeared on the Agenda.

10. Reports

10.1 Review of Council Policy – Councillor Discretionary Funds

Applicant/Proponent:	Internal
Responsible Officer:	Greg Golinski, Manager Governance
Executive:	Andrew Brien, Chief Executive Officer
Appendix:	Appendix 1: Revised Council Policy – Councillor Discretionary Funds

Summary

The purpose of this report is for the Policy Review and Development Committee to consider a revised Policy relating to Councillor Discretionary Funds.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt the revised Council Policy *Councillor Discretionary Funds* as presented at Appendix 1.

Strategic Relevance

Key Priority Area 5	Corporate
Objective 5.2	Maintain a high standard of corporate governance and improve access to information

Background

The *Councillor Discretionary Funds* policy was adopted by Council in March 2014, and is now due for its biennial review.

The policy came to being as a result of concerns raised by the Department of Local Government (the Department) as to the lack of accountability mechanisms for such expenditure; and the lack of guidelines governing the expenditure of these funds.

Council Policy Compliance

This report proposes a revision of an existing Council Policy.

Legislative Compliance

There is no Legislative Compliance applicable to this matter.

Officer Comments

The current policy addresses the concerns raised by the Department, in that it provides guidelines for expenditure as well as requiring quarterly reporting to Council detailing the particulars of Councillor Discretionary Fund expenditure.

Proposed amendments to the policy as defined at Appendix 1 include:

1. Clarification that the policy applies to all Elected Members and not just Councillors; and
2. Clarification as to how funds are pro-rated in any financial year that coincides with an ordinary local government election.

It is considered that these amendments are minor and do not amend the broader intent of the policy.

Community Consultation

Not applicable

Analysis of Financial and Budget Implications

Councillor Discretionary Funds are considered by Council as part of the budget process for each financial year.

Outcome of Policy Review and Development Committee Meeting – 17 February 2016

General discussion took place regarding the policy, and specifically point 2.iv, with Councillors seeking clarification if individual events recommended by the Bunbury Event Coordination Group for Council support were considered projects in the City's annual budget.

The Committee agreed to defer the matter, and requested an amended policy be provided which expanded on point 1 and removed point 2. The amended policy will be considered at the next Policy Review and Development Committee meeting.

10.2 Review of Council Policy – Purchasing (Excluding Tenders)

Applicant/Proponent:	Internal
Responsible Officer:	David Russell, Senior Contracts and Procurement Officer
Executive:	Andrew Brien, Chief Executive Officer
Appendix:	Appendix 2: Revised Council Policy – Purchasing (Excluding Tenders)

Summary

The purpose of this report is for the Policy Review and Development Committee to consider a revised Policy relating to Purchasing (Excluding Tenders).

Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt the revised Council Policy *Purchasing (Excluding Tenders)* as presented at Appendix 2.

Strategic Relevance

Key Priority Area 5	Corporate
Objective 5.2	Maintain a high standard of corporate governance and improve access to information

Background

The Purchasing (Excluding Tenders) Policy was originally adopted by Council in 1993, and is reviewed biennially to ensure legislative compliance. The Policy was last reviewed and endorsed on 18 March 2014 (Council Decision 80/14).

Since the last review of the Policy in March 2014 the Functions and General Regulations have been amended in October 2015. The proposed revised Policy reflects these changes.

Council Policy Compliance

This report proposes a revision of an existing Council Policy.

Legislative Compliance

The Local Government (Functions and General) Regulations 1996, Division 1, Part 4, Regulation 11A states that a local government is to prepare or adopt, and is to implement a purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is expected to be less than \$150,000 or less.

Officer Comments

Proposed changes of significance to the Policy include:

1. The threshold of the Policy has been increased from \$100,000 to \$150,000 (Clause 4 and Clause 4v). This is due to the change in legislation which has increased the threshold as per the *Function and General Regulations 1996* from \$100,000 to \$150,000.
2. Removal of Clause 4 (i) in the existing Policy. There is no need for this sub clause as it is covered in Clause 4 (ii). One verbal quote should be the minimum requirement for purchasing.
3. Increased the threshold for one verbal quotation from \$1,000 to \$2,000 (existing Clause 4, ii and iii). As the price of goods or services has increase over time the value for one quotation requirement has not been amended. The expenditure amount is considered to be of a minor nature and time spent obtaining quotations in officer time may often negate any savings in multiple quotations. In addition Clause 10 has been included to regulate recurring expenditure.
4. The wording of Clause 4 (v) has been made more concise than current wording and has clarified that the Contracts and Procurement Department shall conduct the procurement process. This has been included to mitigate risk and ensure that a thorough process is conducted.
5. Clause 5 has been updated to reflect the changes in the Purchasing – Local Preferences Policy to include the Bunbury/Wellington Group of Councils.
6. Clause 10 has been added to capture where recurring goods and services are obtained from a supplier or contractor. Many businesses provide recurring good or services to the City which over time have no contract end date and while transactions may not be considered high in expenditure in isolation, when aggregated can be significant. Contract arrangements should be put in place for recurring expenditure to ensure best value for money is obtained through a competitive process.

Analysis of Financial and Budget Implications

There are no financial or budgetary implications impacting from the recommendations of this report, as the intent of the existing Policy has not been altered

Councillor/Officer Consultation

The Chief Executive Officer and Executive Leadership Team have been consulted in the review of this Policy.

Outcome of Policy Review and Development Committee Meeting – 17 February 2016

Councillor Hayward declared a financial interest and left the meeting at 10.12am

The Committee discussed the revised policy, and queried if there any been any non-performance issues with verbal quotes. The CEO advised verbal quotes were normally used with low risk associated items and no issues had been noted.

The executive recommendation was moved by Mayor Brennan and seconded by Cr Giles and was carried unanimously:

Committee Decision:

That the Policy Review and Development Committee recommend that Council adopt the revised Council Policy *Purchasing (Excluding Tenders)* as presented.

Councillor Hayward returned to the meeting at 10.15am.

10.3 Review of Council Policy – Leases and Licences

Applicant/Proponent:	Internal
Responsible Officer:	Felicity Anderson, Manager Major Projects
Executive:	Andrew Brien, Chief Executive Officer
Attachments:	Appendix 3.1 - Workshop attendance list Appendix 3.2 White board notes from workshop

Summary

This purpose of this report is to provide the Policy Review and Development Committee (the Committee) with the outcome of the community consultation workshop held 4 February 2016 relating to the possible options and amendment of Council's current policy, *Leases and Licences*.

Strategic Relevance

Key Priority Area 5 Corporate
Objective 5.2 Maintain a high standard of corporate governance and improve access to information.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council:

1. Note the summary report and workshop feedback;
2. Continue to apply the Rent Tier Matrix as is (Status Quo) until 30 June 2016; and
3. Request the CEO to provide a revised model for consideration by the Committee prior to 30 June 2016.

Background

At the Ordinary Council meetings held on 12 and 26 May 2015, Council considered reports relating to the assignment of a lease to the Bunbury Tennis Club. The matter was ultimately resolved outside the parameters of Council's *Leases and Licences* policy.

In this regard it is considered appropriate for the Committee to review the *Leases and Licences* policy, which currently does not take into consideration any social benefit measures when applied to a lease application or renewal.

Officers investigated a number of options incorporating the social impacts that community and sporting clubs provide the broader community, and how these can be taken into consideration by the City when structuring leasing fees.

A paper was presented to the Committee that detailed three options that were investigated to determine a process that measures social involvement in the community, assessed by information provided directly from the groups through an application form.

At the policy Review and Development Committee Meeting 18 June 2015 it was agreed to consult directly with affected community and sporting organisations, to workshop the potential options

and impacts to ascertain the best option moving forward.

An options discussion paper was drafted and the City's Sport and Recreation Liaison Officer issued letters and options papers to some 50 community and sporting groups seeking feedback.

Initially there was little response and the Officer followed up several times, once at the end of August and again later in September. Officers also met with a number of clubs that sought clarification during the process.

At the end of the process some 19 community and sporting groups had provided a response. On the advice and information returned the Sport and Recreation officer prepared a summary report.

Of the three options put forward for discussion the community determined the options in the following order preference, with two options jointly taking first preference:.

First Preference Option 1 -Continue Rent Tier Matrix as applied; and
 Option 3 -Rent Tier Matrix with additional discount for social
 Impacts(measure)

Third Preference Option 2 – Land Area Charging with Social Assessment

The above information was reported to the Policy Review Committee on 26 November 2015 and the Committee recommended:

That Council:

1. Request the CEO conduct a forum with consulted sporting groups in February 2016 to complete the consultation process; and
2. Continue the Rent Tier Matrix as is (Status Quo) until the results of the forum are determined and reported back to the Policy Review and Development Committee.

In early January 2016 letters were sent to all clubs to informing of a workshop to discuss the outcomes of the discussion paper survey and to seek further feedback and ideas from clubs. The workshop was held Thursday evening the 4th February 2016.

Letters were sent out to 42 clubs. Some 47 persons registered to attend the evening with 42 signing the attendance sheet and 48 actually attending. A copy of the attendance sheet is attached at **appendix 3.1**.

Officers from both Sport and Recreation and Property conducted the workshop. The Manager Sport and Recreation and Manager Major Projects and Property also participated.

In general the workshop was positive with the attendees identifying different preferences and new options for consideration. These were different to those preferences and options reported back from the discussion paper survey. A summary sheet of points, ideas and comments made from the floor is noted at **appendix 3.2**.

The following points were the key factors identified by attendees and supported by the majority in attendance:

1. Clubs would prefer a lease that is not based on a valuation.
2. Clubs would like to negotiate as individual clubs with a basic framework/policy.
3. Clubs believe if Council has a policy they should stick to it and not make exceptions.
4. Clubs would like Council to consider or look at a lease based on the costs to council for each individual group and agreement.
5. Clubs don't feel the City should be generating funds but only covering costs.
6. Clubs question commercial capacity of some clubs, noting bars, hire of facilities are fundraisers for club activities.
7. Most clubs are acceptable to the application of some form of social measure.

In addition there was a number of clubs that identified that clubs may be more receptive if the lease funds were placed into a reserve account to address the buildings and maintenance or go back into sport/recreation.

Council Policy Compliance

This report relates to current Council Policy *Leases and Licenses*.

Legislative Compliance

Section 3.58 of the *Local Government Act 1995* deals with disposal of property. Regulation 30 of the *Local Government (Functions and General) Regulations 1996* covers dispositions of property excluded from the Act.

Budget Implications

Each market valuation sought for the rent tier matrix application, subject to market demands and supplier can cost up to \$3,000 and take 3 months to receive. This is a cost that the City currently bears and is not passed onto the individual community and sporting groups. However, legally Council may choose at its discretion to recover this cost from groups.

Officer Comments

Following the workshop held 4 February 2016 Officers require time and opportunity to investigate further the key factors identified by the clubs. Officers would like to review the option of formulating a lease framework around the clubs ideas and cost to Council.

Once a framework is formulated Officers recommend that the framework be taken back to Clubs in the form of a workshop for discussion and to determine the Clubs position prior to reporting back to the Council Policy Review and Development Committee.

Councillor/Officer Consultation

Relevant Officers have been consulted in relation to the preparation of this report and associated options.

Outcome of the Policy Review and Development Committee Meeting – 17 February 2016

General discussion took place, with the Manager Major Projects & Property providing a brief overview of the successful workshop held with sporting clubs and the key factors identified. The Director Works and Services confirmed the City is undertaking condition assessments/ratings on City owned buildings, which will assist in the formulation of a lease/license framework. The Committee suggested comprising a list of income received for leases and licenses versus funds spent, similar to that which the ATO provides.

The executive recommendation was moved by Cr Hayward and seconded by Cr Giles and was carried unanimously:

Committee Decision:

That the Policy Review and Development Committee recommend that Council:

- 1. Note the summary report and workshop feedback;**
- 2. Continue to apply the Rent Tier Matrix as is (Status Quo) until 30 June 2016; and**
- 3. Request the CEO to provide a revised model for consideration by the Committee prior to 30 June 2016.**

10.4 Review of Council Policy – Council Policy Tree Retention

Applicant/Proponent:	Internal
Responsible Officer:	Kristy Tillett, Manager Landscape & Open Space
Executive:	Gavin Harris, Director Works and Services
Attachments:	Appendix 4.1: Revised Council Policy – Tree Retention Appendix 4.2: Corporate Guideline- Street Tree Management Appendix 4.3: Amenity Valuation Method

Summary

The purpose of this report is for the Policy Review and Development Committee to consider a revised Policy relating to the *Tree Removal Policy*.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt the revised Council Policy *Tree Retention* as per **appendix 4.1**.

Strategic Relevance

Key Priority Area 5	Corporate
Objective 5.2	Maintain a high standard of corporate governance and improve access to information.

Background

The Tree Removal Policy was original adopted by Council on 21 December 2004 (Council Decision 386/04), and last reviewed on 17 March 2015. The purpose of the Policy is to provide clear guidelines to the procedures involved in assessment of trees proposed for removal and to help minimise the removal of mature tree species throughout Bunbury.

Council Policy Compliance

This report proposes a revision of an existing Council Policy.

Legislative Compliance

There is no legislative compliance impacting upon this report

Officer Comments

Officers were requested to undertake a review of the *Council Policy Tree Removal* by Councillor Warnock. Following the request officers met with Cr Warnock to discuss suggested changes, namely including an option for property owners whose initial tree removal application was declined to escalate their request to the Director of Works and Services.

In undertaking the review officers consulted external sources, including investigating Australian Standards and assessing similar Western Australian local government policies and standards with a view to incorporating the suggested amendments.

As an outcome of the review, Council officers recommend the following Policy amendments:

- Amend the Policy name from Tree Removal to Tree Retention;
- Include a clause to encourage tree retention where development approval has been granted where required recoup costs associated with removal;
- Keep the policy intent the same, which discourages additional pruning or removal contrary to the policy details.

A Street Tree Management Guideline as per **Appendix 4.2**, has also been created to detail the practical aspects of the Council Policy and provide clear procedures in relation to retention maintenance and removal of trees.

Analysis of Financial and Budget Implications

Where new developments cannot be altered to accommodate a tree, applicants will be required to pay a calculated figure for removal and replacement of the tree in accordance with Council's Policy and associated Guideline. The valuation of the tree will be calculated using the City of Bunbury tree valuation formula, as per **appendix 4.3**.

Councillor/Officer Consultation

The Development Coordination Unit officers and Landscape and Open Space staff have been consulted in the review of this policy.

Outcome of the Policy Review and Development Committee Meeting – 17 February 2016

The Committee discussed the proposed policy and corporate guidelines, including the prescriptive detail of the policy, and the proposed street tree valuation method.

The following amendment was proposed and supported as part of the Committee recommendation:

- **Remove the word *structural* in point 1.7**, which will now read: The tree is causing or likely to cause significant damage to property or infrastructure i.e. road surfaces, walls, fences, buildings, footpaths, kerbing and drainage.

The executive recommendation was moved by Cr Hayward and seconded by Cr Giles and was carried unanimously:

Committee Decision:

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

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

Cr Giles queried whether the City had a verge policy. A copy of the Corporate Guideline *Road Verge Treatment* will be emailed to all Elected Members.

Cr Kelly queried which policies will be reviewed and if there were any specific policies members would like included on the next agenda. There were none.

13. Urgent Business

Nil

14. Date of Next Meeting

21 April 2016.

15. Close of Meeting

The Presiding Member closed the meeting at 10.55am.