



Policy Review and Development Committee

Minutes

16 June 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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1. Declaration of Opening

The Presiding Member declared the meeting open at 10.00am.

2. Disclaimer

Not applicable to this committee.

3. Announcements from the Presiding Member

Nil

4. Attendances

Committee Members:

Member Name	Representing	Attendance
Mayor Gary Brennan	City of Bunbury	Present
Cr Brendan Kelly	City of Bunbury	Present
Cr Wendy Giles	City of Bunbury	Present
Cr Monique Warnock	City of Bunbury	Present
Cr James Hayward	City of Bunbury	Absent

Ex-officio Members (non-voting):

Member Name	Representing
Mr Andrew Brien	Chief Executive Officer

Support Staff:

Name	Title
Mr Greg Golinski	Manager Governance
Ms Leanne French	Senior Governance and Risk Officer
Ms Stephanie Addison-Brown	A/Chief Executive Officer
Ms Sarah Upton	A/Director Planning and Development Services
Ms Felicity Anderson	Manager Major Projects and Property

4.1 Apologies

Nil

4.2 Approved Leave of Absence

Nil

5. Declaration of Interest

Mayor Gary Brennan declared a financial interest in item 10.7 as his Self Managed Super Fund invests in institutions that invest in fossil fuel related industries.

Cr Warnock declared a financial interest in item 10.7 as she undertakes work for companies in the fossil fuel industry.

6. Public Question Time

Not applicable

7. Confirmation of Minutes

Committee Decision: Moved: Mayor Brennan Seconded: Cr Warnock

The minutes of the Policy Review and Development Committee Meeting held on 21 April 2016, 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 they appeared in the agenda.

10. Reports

10.1 Review of Council Policy – Leases and Licences

Applicant/Proponent:	Internal
Responsible Officer:	Felicity Anderson, Manager Major Projects and Property
Executive:	Andrew Brien, Chief Executive Officer
Appendix:	Appendix 1A: Revised Council Policy – Leases and Licences Appendix 1B: Revised Corporate Guideline – Leases and Licences Appendix 1C: Proposed Fee and Charge Structure Appendix 1D: Fee and Charge Options

Summary

This purpose of this report is to provide the Policy Review Committee with a revised “Lease Fee’ model for consideration following a further consultation with community and sporting groups on 1 June 2016 and the amendment of Council’s current policy, *Leases and Licences*.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council:

1. Note the report and workshop feedback;
2. Adopt the proposed revised:
 - i. Leases and Licenses Policy
 - ii. Executive Recommended priced fee and charges structure (per Appendix 1C and 1D)
 - iii. Leases and Licenses Guidelines
3. Request the Chief Executive Officer provide a subsequent report to the Committee with a view to formalising Council’s position in respect to “peppercorn” leases.

Strategic Relevance

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

Background

At the Council meeting 8 March 2016, in response to a report from the Policy Review Committee Council resolved (Council Decision 58/16):

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 the 30 June 2016.*

This decision was made following feedback from community and sporting groups at a workshop held Thursday 4 February 2016 to discuss and consider the “Options Discussion Paper ‘ sent out in the last half of 2015.

The workshop was initiated following the decision of 26 November 2015 which the Policy Review Committee 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.”*

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 were 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 facilitates the revision of an existing Council Policy.

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.

Officer Comments

At the February workshop community were very clear in what they expected. Officers took the feedback on board and after much consideration developed a model they deemed as transparent, fair and equitable in that the proposed model is based on actual information or data that is not subjective, cannot be manipulated or open to judgement by others.

It reflects many of the aspects identified by the community in that they did not want market rental valuations, they wanted a basic framework/policy that would “stick” in that it would be applicable to all (a level playing field) and something that seemed fair and was not seen to be “generating” funds for Council.

In addition the model takes into consideration and endeavours to level out the equity between clubs that have built/own and fully maintain their own facilities and other clubs that have been provided City owned building and facilities at little or no expense to the club and have reduced maintenance costs and responsibilities.

The proposed model requires that the following to be identified to help determine the fees and charges payable:

- the total area m² of the proposed lease/license area;
- the ownership of any building/facility to be used within the identified lease area; and
- the total area m² of any City owned and provided building/facility within the identified lease area.

This information is then aligned with bandwidths within the fees and charges structure that will determine total fees and charges payable for each Lessee subject to relative information applicable.

Please refer to the example of the proposed and Executive Recommended price fee and charges structure as outlined at [Appendix 1C](#) and the other examples of options being low, medium and high fees payable that were considered at [Appendix 1D](#).

Clarification of proposed model application:

- a) *If there is a club that only leases the land (as they have built their own club room/ facility on the land) then only the land area fee is applied based on their total lease area. That is the club will pay in alignment to the structure:*
1. *A fee for the total lease area.*
- b) *If a club has a lease that includes a City owned building/facility which they use then a building provision fee based on the m² of the actual building/facility is applied. In addition a further “Maintenance Contribution Fee” is also charged. Therefor such a club will need to pay in alignment to the structure:*
1. *A fee for the total lease area;*
 2. *A fee for the building provision; and*
 3. *A fee for maintenance contribution.*

It is noted this model aims at being transparent, fair and equitable amongst clubs. Officers have not endeavoured to increase Councils income derived from fees payable, but have tried to

implement a system that will deliver a similar income over time that will be found to be acceptable and fair by the community. Initially this will see a reduction in fees paid by clubs and income received while clubs transition to this model. However in 2018/19 modelling shows income will be back online with a slight increase from the annual increases in CPI.

Prior to returning the proposed model to the Policy Review Committee, Officers sought feedback from the same community groups invited to the February workshop to determine if this model would be acceptable to the majority of the Lessees.

Invitations were sent out to the same database of community groups advising of the 1 June 2016 consultation/ workshop. Each club was provided individual information on how the proposed model would affect their club. This allowed clubs to contact Officers for clarity and discussions prior to the workshop about their individual situations. This was in response to clubs seeking to be treated as individual clubs rather than as a “whole” at the February workshop.

At the 1 June workshop some 24 individual clubs were represented by 32 people. Officers provided an overview on how the model was prepared and why. Identifying alignment to key factors raised by them at the February workshop. Officers acknowledged that like all models that had been formulated and tried to date, there would be “winners and losers”. That is that some clubs would increase fees and some would decrease fees.

Officers also raised and discussed the issue of club viability and sustainability and offered assistance to any clubs that felt they may require assistance. Some clubs have since indicated the possibility of sharing facilities or rationalising lease areas to reflect needs rather than wants.

When considering the implications of this model one must consider there are 48 Community and Sporting groups that are under lease. Only 36 of these are currently charged a lease fee or “rent”. The remaining 12 are on “peppercorn” agreements.

In real terms and based on the Executive Recommended price model, this will deliver a decrease in fees to the majority of groups currently charged.

Officers noted the majority of clubs that would increase in fees under the proposed model are likely to be those that are yet to have the Rent Tier Matrix applied or applied in full, whereas the decreases are more likely to affect those that have already had the Rent Tier Matrix applied in full.

Officers recommend that Lessees be able to transition to the proposed model if adopted prior to their Lease review falling due in an endeavour to get as many Lessees possible operating with the proposed new model. However for those clubs for which there is likely to be an increase in fees, the transition will not occur (unless they choose) prior to their Lease review.

A short survey was undertaken at the workshop with the 24 represented groups to determine their position on the model.

1. When asked if the proposed model appeared fair and equitable the response was that:
 - 58% agreed or strongly agreed
 - 21% were neutral

- 21% disagreed or strongly disagreed
2. When asked if they agree with the proposal to set fees and charges the response was:
- 50% agreed or strongly agreed
 - 21% were neutral
 - 29% disagreed or strongly disagreed
3. When asked how they had found the level of consultation for this current review (since the introduction of the Rent Tier Matrix) the response was:
- 79% found it acceptable or were satisfied
 - 21% found it unacceptable.

While there was some disagreement and dissatisfaction that was expected. Clubs have advised they feel Officers have dealt well with a very difficult dilemma, acknowledging it will be impossible to satisfy everyone.

Other matters raised from the floor to share with Council and for consideration included:

- Cost recovery – managing and preparing leases
- Leniency to clubs sharing grounds
- Look at a sliding scale for m² (*this was discussed and put to the floor where several agreed but the majority did not seek to support this option. Officer noted after this work complicated the fee structure and may in fact increase costs further for clubs based on the principle proposed*)
- How does sharing make it easier for DSR funding (multi use facility)
- How to progress sharing facilities
- Maintenance cost/fees additional to lease/ rent fees – to reserve account for our buildings . “Like the parking reserve the Mayor talked about on the radio this morning”
- Need an upgrade of facilities many are old and poor condition
- What will maintenance fees cover (*Officers explained this was for structural maintenance, all clubs are responsible for general maintenance*)
- Some will have a large increase e.g. 400% on current lease fees
- Clubs are struggling with all costs (*Officers addressed viability, sustainability and offered assistance*)
- Great move forward for many smaller clubs
- Simplified leases (*Officers explained this is in progress with lawyers*)
- Document prep fees are too expensive every five years. (*Officers explained this is only a fraction of the real costs and includes legal fees payable*)

While it is not unusual to hear “opposition”, it was refreshing to hear some very positive comments from the floor and emails from clubs supporting the proposed model some identified below.

It was also acknowledged from the floor at the workshop that some clubs have been subsidising other clubs (quite considerably) for many years and that the proposed model will provide for equity and a “level playing field”.

In respect to the 12 clubs on “peppercorn” leases Officers seek clarification from Council to determine if “peppercorn” leases are to continue and on what basis. Many of these leases are long standing and may not have been subject to review like other clubs. It has also been noted that during discussions with clubs there have been some comments from clubs about the inequity of such leases.

Officers recommend Council review and determine their formal position in respect to “peppercorn” leases.

Councillor/Officer Consultation

Relevant Officers from Sport and Recreation and Property have been consulted in relation to the preparation of this report and recommendation. The Proposed model has been presented and discussed by the Executive Leadership Team.

Community Consultation

All 36 community and sporting groups currently paying lease fees received correspondence and invitations to the two workshops held. The most recent 1 June workshop saw 24 of those 36 groups attend, with several groups providing apologies but discussing matters further with staff. In respect to consultation attendees indicated that 79% found the consultation process to be acceptable and/or were satisfied.

Analysis of Financial and Budget Implications

Efforts have been made to try and minimise the financial impact on Councils budget and the Lessees. It is noted should the proposed model be adopted a phase in period will be required.

Financial modelling indicates that in applying the Executive proposed model it will take two years (2018/19) to realise the current income received as Lessees transition.

At the 1 June 2016 workshop, the medium scenario was presented as the base for the proposed model. Upon executive review, it was considered that 5 years of lost income was not ideal, and as such a revised medium priced scenario (Executive Recommended) was formulated as the preferred option, which sees parity achieved after 2 years.

Outcome of Meeting

Mayor Brennan moved and Cr Giles seconded that standing orders be suspended to allow informal discussion on this matter. The motion was carried and standing orders were suspended at 10.04am.

Following general discussion, Cr Giles moved and Mayor Brennan seconded that standing orders be resumed. The motion was carried and standing orders were resumed at 10.17am.

Mayor Brennan moved and Cr Giles seconded the executive recommendation with the addition of a “point 4” as below, which was carried unanimously:

That the Policy Review and Development Committee recommend that Council:

- 1. Note the report and workshop feedback;***
- 2. Adopt the proposed revised:***
 - iv. Leases and Licenses Policy***
 - v. Executive Recommended priced fee and charges structure (per Appendix 1C and 1D)***
 - vi. Leases and Licenses Guidelines***
- 3. Request the Chief Executive Officer provide a subsequent report to the Committee with a view to formalising Council’s position in respect to “peppercorn” leases.***
- 4. Request the Chief Executive Officer develops an appropriate communication and stakeholder management plan to support the implementation of this policy.***

10.2 Proposed New Council Policy – Minor Grants

Applicant/Proponent:	Internal
Responsible Officer:	Greg Golinski, Manager Governance
Executive:	Andrew Brien, Chief Executive Officer
Appendix:	Appendix 2: New Council Policy – Minor Grants

Summary

The purpose of this report is for the Policy Review and Development Committee to consider a new Council Policy relating to minor grant funding.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt new Council Policy *Minor Grants* 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

At the Ordinary Council meeting held 19 April 2016, Council resolved to abolish Elected Member discretionary funds (refer 122/16), and instead redirect the \$75,000 normally allocated for that purpose to events funding (\$50,000), and community grants (\$25,000).

At the Policy review and Development Committee (Committee) meeting held on 21 April 2016, the Committee requested that the Chief Executive Officer develop a “Minor Grants Policy” for the consideration of the Committee, with a view to developing some parameters for the distribution of the new \$25,000 community grant pool.

Council Policy Compliance

This report proposes a new Council Policy.

Legislative Compliance

There is no legislative compliance applicable to this matter.

Officer Comments

Discussion at last Committee meeting revolved around the \$25,000 allocation being part of a minor grants program instead of the larger community funding pool.

Council already has in place a separate policy and guideline regarding community grants and event funding, which is funded through a separate allocation within the City’s annual budget. The

intent of the proposed new policy is to capture those applications that may be “too small” to be considered under that parameters of that policy, and to enable them to be processed in an expedient manner.

Analysis of Financial and Budget Implications

Council decision 122/16 redirected the \$75,000 normally allocated for Elected Member discretionary funds to events funding (\$50,000), and community grants (\$25,000).

Councillor/Officer Consultation

This policy has been developed as a result of a Council Decision to reallocate funds previously known as Elected Member Discretionary Funds into community grants (refer 122/16), and direction from the Policy Review and Development Committee to develop a minor grants policy in this regard.

Outcome of Meeting

General discussion took place in relation to this item, where it was agreed that the proposed policy should include a provision that requires the Chief Executive Officer to periodically report to Council the outcome of any determinations to approve or not approve applications. The wording “*and will provide Council with periodic reporting as to which applications have been approved or not approved, as may be the case*” was therefore added to the last paragraph of the proposed policy.

Discussion also took place regarding how the proposed policy will be communicated to the community, and what the application process will be. The CEO advised that the policy only requires an application in writing (either letter or email) to the CEO marked accordingly, and that the policy also details the parameters of what can/cannot be funded. The CEO added that this information will be promoted through the usual communication channels.

Cr Warnock moved and Mayor Brennan seconded the executive recommendation (with amendment) as below, which was subsequently carried unanimously:

That the Policy Review and Development Committee recommend that Council adopt new Council Policy Minor Grants as presented and amended at Appendix 2.

10.3 Proposed New Council Policy – Delegates Reports

Applicant/Proponent:	Internal
Responsible Officer:	Greg Golinski, Manager Governance
Executive:	Andrew Brien, Chief Executive Officer
Attachments:	Appendix 3: New Council Policy – Delegates Reports

Summary

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

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 adopt new Council Policy *Delegates Reports* as presented at Appendix 3.

Background

Where an Elected Member is a Council appointed representative to a committee of an external organisation, the City does not currently have a Policy to facilitate reporting mechanisms for such committees back to Council.

Legislative Compliance

Not applicable.

Officer Comments

Although Council's current Standing Orders Local Law contains a provision for Council Delegate Reports as a standing order of business, reports from external committees with Council representation are rarely provided.

Council is currently represented on fifteen external boards of management.

It is considered good governance for Council to have a reporting mechanism in place for those external committees with Council representation. The proposed draft policy would facilitate reporting back to Council by those members representing Council on such committees.

Community Consultation

Not applicable.

Council Policy Compliance

This report proposes a new Council Policy.

Analysis of Financial and Budget Implications

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

Outcome of Meeting

General discussion took place in relation to this item, where it was agreed that the proposed policy should be amended to remove the mandate for reporting, ie. change the words “*shall*” and “*are to*” to “*may*”. The word “*all*” was also proposed to be removed from the policy statement.

Mayor Brennan moved and Cr Giles seconded the executive recommendation (with amendment) as below, which was subsequently carried unanimously:

That the Policy Review and Development Committee recommend that Council adopt new Council Policy Delegates Reports as presented and amended at Appendix 3.

10.4 Proposed New Council Policy – Activation of Public Open Space

Applicant/Proponent:	Internal
Responsible Officer:	Felicity Anderson, Manager Major Projects and Property
Executive:	Andrew Brien, Chief Executive Officer
Attachments:	Appendix 4A: Proposed Council Policy Activation of Public Open Space Appendix 4B: Corporate Guideline Activation of Public Open Space

Summary

The purpose of this report is to provide the Policy Review Committee with a model for the use and activation of Public Open Space following consultation with the community over a six (6) week period in February and March 2016.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt the proposed Council Policy Activation of Public Open Space and associated Corporate Guideline as presented.

Strategic Relevance

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

Background

The City receives numerous applications from various businesses looking to operate in Bunbury throughout the course of the year. Applications can be made via several City Departments in a number of ways, such as a lease, street trading licence or permit. Each application utilises a different method and level of approval required.

In September 2015, Manager Major Projects and Property, Manager Environmental Health, Manager Sustainability and Integrated Land Use and Manager Assets and Projects met to consider the opportunity to identify potential sites and improve the City's processes in terms of utilisation and activation of Public Open Space.

It was agreed that one policy that considered the issuing of permits, street trading licences and leases over Public Open Space be formed to streamline the current processes, with the intent to bring social, cultural and economic value to the City, while encouraging local business growth and identifying the areas around Bunbury that can be enhanced to the benefit of the community.

It is anticipated that the formulation of this process will enable the City to activate Public Open Space in a similar way to other Local Government areas such as the Cities of Mandurah and Busselton, where Public Open Space is activated and well utilised.

In October 2015, the City's Executive Leadership Team (ELT) were briefed and it was recommended that the Officer's seek expressions of interest from street traders and potential lessee's in order to determine areas within Bunbury that could be utilised and 'designated' for the purpose of this policy.

In late 2015, the Manager Major Projects and Property and Manager, Environmental Health briefed Council in order to ascertain Council's interest to formalise a process. Based on the feedback from Council, an Expression of Interest document was prepared in order to capture community feedback and expectations.

The Expression of Interest was publicly advertised for a period of six (6) weeks during February and March 2016, with targeted email contact made with all existing street traders, lease holders, permit holders and event holders.

Over the six (6) week advertising period the City received a total of fourteen (14) submissions identifying a number of locations that are currently being utilised. Together with the locations identified by the submissions received, the Officers, in collaboration with the relevant departments, collated a list of 'Designated Trading Areas'.

The Officers proposed a number of additional locations and provided comment surrounding the uses for each Designated Trading Area. A report was then forwarded to the City's Development Coordination Unit (DCU) to assess any constraints with the Designated Trading Areas listed.

Following consideration given to the Designated Trading Areas by DCU, site specific activities were identified for each Designated Trading Area and are outlined in the Corporate Guideline attached at Appendix 4B.

Each activity listed for the Designated Trading Areas has given consideration to existing amenities, surrounding area, sensitive neighbours, traffic circulation and parking availability and existing businesses and the cohesiveness of activities within that Designated Trading Area.

Council Policy Compliance

This report proposes a new Council Policy.

Legislative Compliance

Section 3.58 of the *Local Government Act 1995* deals with disposal of property in relation to the leasing of land. Street Trading Licenses and Permits are not governed by legislation.

Officer Comments

The City has identified a need to effectively manage the City's public open space in a way that encourages character and vibrancy to the many recreational, tourist and prominent water front areas throughout Bunbury, whilst streamlining the process for applicants and staff alike.

The proposed policy and guideline acts to funnel activity to designated areas in order to enhance and activate the Public Open Space. It is envisaged that this will assist local businesses in utilising the Public Open Space, whilst creating a competitive, yet cohesive place to trade and do business.

Through this process, the Officers have encouraged the applicants to identify other businesses they would like to operate in close proximity to and it is hoped this will foster a positive attitude for businesses to coexist, whilst creating a transparent process.

Analysis of Financial and Budget Implications

Fees and charges will be applied to the lessees, street trading licence and permit holders in accordance with the City's Fees and Charges Annual Budget as adopted by Council and will provide an income for the City.

Councillor/Officer Consultation

Initial consultation took place between the City's Manager Major Projects and Property, Manager Environmental Health, Manager Sustainability and Integrated Land Use and Manager Assets and Projects. Advice was sought from the City's Executive Leadership Team and Development Coordination Unit.

The Policy and Corporate Guideline have been developed in collaboration across all relevant departments.

Community Consultation

A public advertising campaign consisting of notices on the City's website, public notice boards and City Focus section of the Bunbury Mail were carried out over a period of six (6) weeks. Past and existing users of the Public Open Space were individually contacted and invited to make a submission in relation to the proposal.

Outcome of Meeting

Mayor Brennan moved and Cr Warnock seconded the executive recommendation as below, which was subsequently carried unanimously:

That the Policy Review and Development Committee recommend that Council adopt the proposed Council Policy Activation of Public Open Space and associated Corporate Guideline as presented.

10.5 Review of Council Policy – Risk Management

Applicant/Proponent:	Internal
Responsible Officer:	Leanne French, Senior Governance and Risk Officer
Executive:	Andrew Brien, Chief Executive Officer
Attachments:	Appendix 5: Revised Council Policy – Risk Management

Summary

The purpose of this report is for the Policy Review and Development Committee to review Council's current risk management policy.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council adopt revised Council Policy Risk Management as presented at Appendix 5.

Strategic Relevance

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

Background

Council's current policy relating to risk management was adopted by Council on 24 June 2014, following recommendation by the Audit Committee. It has not been reviewed since that time.

Council Policy Compliance

This report facilitates a review of an existing Council Policy.

Legislative Compliance

This policy was developed in the context of Regulation 17 of the *Local Government (Audit) Regulations 1996*.

Officer Comments

At the Audit Committee meeting held on 25 February 2014, the Committee requested that the CEO prepare a risk management policy for the consideration of the Committee and Council. The recommendation was made in the context of discussions about the then new Audit Regulation 17, which reads as follows:

17. CEO to review certain systems and procedures

(1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to –

- (a) risk management; and*
- (b) internal control; and*
- (c) legislative compliance.*

*(2) The review may relate to any or all of the matters referred to in sub regulation (1)(a), (b) and (c),
2 calendar years.*

(3) The CEO is to report to the audit committee the results of that review.

Adopting a risk management policy was seen as a crucial first step in addressing the requirements of Regulation 17, and in particular Regulation 17(1)(a). The existing policy as presented at Appendix 5 contains some proposed amendments, the most noticeable of which is the inclusion of an addendum to the policy, being a risk assessment matrix.

Officers are soon to finalise the City's operational risk management framework and guidelines, which in order to be implemented across day-to-day activities, require an endorsed risk assessment matrix that can be applied accordingly.

Also proposed is a table outlining risk responsibilities, from Council down to all employees.

Analysis of Financial and Budget Implications

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

Community Consultation

Not applicable.

Outcome of Meeting

Cr Kelly moved and Cr Giles seconded the executive recommendation as below, which was subsequently carried unanimously:

That the Policy Review and Development Committee recommend that Council adopt revised Council Policy Risk Management as presented at Appendix 5.

10.6 Review of Council Policy – Public Interest Disclosure

Applicant/Proponent:	Internal
Responsible Officer:	Greg Golinski, Manager Governance
Executive:	Andrew Brien, Chief Executive Officer
Attachments:	Appendix 6A: Council Policy – Public Interest Disclosure Appendix 6B: Corporate Guideline – Public Interest Disclosure

Summary

The purpose of this report is for the Policy Review and Development Committee to review Council's current policy relating to Public Interest Disclosure.

Executive Recommendation

That the Policy Review and Development Committee recommend that Council note the review of current Council Policy Public Interest Disclosure, with no changes recommended.

Strategic Relevance

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

Background

The Western Australian *Public Interest Disclosure Act 2003* (the PID Act) came into effect on 1 July 2003. Under the PID Act, people can make disclosures about certain types of wrong doing covered by the PID Act within the State public sector, local government, some boards and committees, and public universities.

The PID Act only applies to disclosures of public interest information. Public interest information must:

- relate to a public authority, public officer or public sector contract (“a public body”);
- relate to the performance of a public function of the public body;
- tend to show that the public body is, has been or proposes to be, involved in improper conduct.

The PID Act protects those who make appropriate disclosures of public interest information.

The PID Act makes provision for proper authorities to receive disclosures about certain types of wrongdoing.

In accordance with the PID Act public authorities must prepare and publish internal procedures relating to their obligations under the PID Act.

Council Policy Compliance

This report facilitates a review of current Council Policy – Public Interest Disclosure.

Legislative Compliance

Pursuant to the provisions of the *Public Interest Disclosure Act 2003* public authorities are to prepare and publish internal procedures relating to their obligations under the PID Act.

Officer Comments

The Public Sector Commission has compiled guidelines to assist proper authorities fulfil their obligations under the PID Act. Council's current Policy and associated Corporate Guideline was drafted using these guidelines, and ensures the City meets its legislative requirements.

The Corporate Guideline outlines the City's internal procedures relating to our obligations under the PID Act. The Guideline also provides information on the rights and obligations of persons under the PID Act.

Any person may make a disclosure of public interest information. While public officers may make disclosures of public interest information, the PID Act also allows for members of the public to make these disclosures.

Officers have reviewed the current Policy and consider its content to still be relevant and consistent with the guidelines produced by the Public Sector Commission.

Analysis of Financial and Budget Implications

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

Community Consultation

The current Policy and Corporate Guideline is available on the City's website to members of the public.

Councillor/Officer Consultation

This policy is presented to the Policy Review and Development Committee for review.

Outcome of Meeting

Cr Giles moved and Cr Warnock seconded the executive recommendation as below, which was subsequently carried unanimously:

That the Policy Review and Development Committee recommend that Council note the review of current Council Policy Public Interest Disclosure, with no changes recommended.

10.7 Proposed Policy Position – Divestment from Financial Institutions that Invest in Fossil Fuel Companies

Applicant/Proponent:	Cr Brendan Kelly
Responsible Officer:	Greg Golinski, Manager Governance
Executive:	Andrew Brien, Chief Executive Officer
Attachments:	Nil

Summary

The purpose of this report is for the Policy Review and Development Committee to consider a policy position put forward by Deputy Mayor Brendan Kelly relating to the City's investments with financial institutions who invest in fossil fuel companies.

Strategic Relevance

Key Priority Area 5 Corporate
Objective 5.3 Ensure financial sustainability

Cr Kelly's Recommendation

That the Policy Review and Development Committee recommend that Council adopt the following policy position relating to investment of funds:

The City of Bunbury, when investing monies, will give preference to non-fossil fuel dealing financial institutions where equivalent investment returns are available.

Cr Kelly's Comment

The City of Stirling, among other LGAs across Australia and around the world, has recently voted to support fossil fuel-free investments, in an effort to combat climate change. Councillors supported an Approved Borrowers clause that aims to give preference to financial institutions and products that do not involve the fossil fuel industry.

By committing to such a policy statement, the City of Bunbury will divest itself of, or not be involved with stocks, bonds or investment funds that deal with fossil fuel companies, where equivalent returns can be obtained.

The intent of the policy statement is to reduce exposure to fossil fuels by giving preference to financial institutions and products that do not invest in, or finance, the fossil fuel industry.

The City of Bunbury can show Regional leadership and create a model policy for other South West Regional councils to follow.

Outcome of Meeting

The Manager Major Projects and Property and the Chief Executive Officer left the meeting at 10.42am and did not return.

Mayor Brennan declared a financial interest in this item and left the room at 10.42 am and did not return.

General discussion took place in regard to this item. The recommendation was moved Cr Kelly and seconded Cr Giles.

During debate on this matter, Cr Warnock declared a financial interest in the item, at which point quorum for the meeting was lost, therefore no decision or recommendation was made in this regard.

The Acting Chief Executive Officer left the meeting at 10.57am and did not return.

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 questioned whether the weekly Executive Update was sufficient as the primary communication source between the Executive and Council. The Acting Director Planning and Development Services indicated that she would raise this as a discussion point at the next ELT meeting.

13. Urgent Business

Nil

14. Date of Next Meeting

18 August 2016.

15. Close of Meeting

The Presiding Member closed the meeting at 11.00am