COUNCIL MEETING
AGENDA
MONDAY, 27 APRIL 2020

GLENORCHY CITY COUNCIL

QUALIFIED PERSON CERTIFICATION

The General Manager certifies that, in accordance with section 65 of the *Local Government Act 1993*, any advice, information and recommendations contained in the reports related to this agenda have been prepared by persons who have the qualifications or experience necessary to give such advice, information and recommendations.

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Tony McMullen
General Manager

22 April 2020

Hour: 6.00 p.m.

Present:

In attendance:

Leave of Absence:

Workshops held since last Council Meeting

Date: Monday, 6 April 2020

Purpose: To discuss:

- 2020/21 Capital Works Program
- Economic Development Stimulus Measures

Date: Monday, 20 April 2020

Purpose: To discuss:

- Write-off of doubtful debts: Unpaid infringements
- Budget Workshop 2

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1. APOLOGIES

2. CONFIRMATION OF MINUTES (OPEN MEETING)

That the minutes of the Council meeting (open session) held on 30 March 2020 be confirmed.

3. ANNOUNCEMENTS BY THE CHAIR

4. PECUNIARY INTEREST NOTIFICATION

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

6. PUBLIC QUESTION TIME (15 MINUTES)

Please note:

- the Council Meeting is a formal meeting of the Aldermen elected by the Glenorchy community. It is chaired by the Mayor
- public question time is an opportunity in the formal meeting for the public to ask questions of their elected Council representatives about the matters that affect ratepayers and citizens
- question time is for asking questions and not making statements (brief explanations of the background to questions may be given for context but comments or statements about Council's activities are otherwise not permitted)
- the Chair may permit follow-up questions at the Chair's discretion, however answers to questions are not to be debated with Council
- the Chair may refuse to answer a question, or may direct a person to stop speaking if the Chair decides that the question is not appropriate or not in accordance with the above rules
- the Chair has the discretion to extend public question time if necessary.

Shane Alderton – 296 Main Road, Austins Ferry
(received by email, 21 April 2020)

Q: My first question is a response to an email I sent to the Mayor and Alderman. While the reasons around the 30 March online Council meeting was clearly explained, the following was not answered satisfactorily. As Council held their online meeting on 30 March 2020 and legislation to my understanding to hold this type of meeting was not passed and gazette to 3 April 2020, under the Act did Council conduct a legal meeting?

A. Council's answer to your question was set out in the Mayor's email of 9 April 2020 which has been posted in-full on Facebook (with the Mayor's consent). Council is comfortable that as a result of our direct liaison with the officer of the Premier and the Minister for Local Government prior to the meeting, the decisions taken at that meeting have legal effect.

Q: The State Government recently announced the Wilkinson Point/DEC development proposed agreement between LK group and the State Government is non-binding. Is the agreement between LK Group and Glenorchy City Council including the cost of providing any supporting infrastructure for this proposed project also non-binding?

A. At its Special Council meeting on 28 February 2020, Council completed the regulatory process required for it to sell the DEC to the State Government and agreed to the key terms of the deal reached.

Council's resolution made in Item 4 in the open part of that meeting (available on this link or at http://glenorchy.infocouncil.biz/), provided that the sale was subject to:

- The General Manager agreeing with the Tasmanian Government the terms of an agreement for the sale, which are to be generally in accordance with the key terms, and

- Council reaching a satisfactory agreement with LK Group for the transfer of the business of the Derwent Entertainment Centre

Contracts between the three parties have not yet been exchanged, and the commitments given are not binding until this occurs.

Q: As Council approved the development of a Skate Park at Montrose Bay and the overall plan is to integrate this area with the proposed Wilkinson Point/DEC development, will Council be working with other relevant organisations/State departments to provide safer access and exiting from this area across the Brooker Highway intersection at Foreshore Road and Duncan street?

Council continues to work with all stakeholders in relation to pedestrian crossings and ensuring safe and appropriate access to and amenity of the area.

7. PETITIONS/DEPUTATIONS

None.

COMMUNITY

Community Goal: "Making Lives Better"

8. RECREATION AND PLAY INFRASTRUCTURE PROJECTS UPDATE

Author:	Sport and Recreation Project Manager (Neal Ames) Manager Property, Environment and Waste (Alex Woodward)
Qualified Person:	Director, Infrastructure and Works (Ted Ross)
ECM File Reference:	Major Projects

Community Plan Reference:

We continue to be a safe, inclusive, active, healthy and vibrant community. Young people will be listened to, involved and included in decision making especially about recreation, entertainment and support services. Young people and their families will be encouraged to play an active part in their education and their community. Community facilities and services are important to us.

Strategic or Annual Plan Reference:

<u>Making lives better</u>

Objective 1.3	Facilitate and/or deliver services to our communities
Strategy 1.3.2	Identify and engage in partnerships that can more effectively deliver defined service levels to our communities

Reporting Brief:

To brief Council on the progress of the recreation and play projects for which Council has received Australian and Tasmanian Government funding.

Proposal in Detail:

Council's commitment to the community is to provide affordable sport and recreation opportunities through the provision of high-quality infrastructure that will increase participation and enhance the physical activity undertaken by the community. Council's *City of Glenorchy Community Plan 2015-2040* seeks to "*provide a safe city with quality open space and community and recreation facilities and services for all age groups*".

Both the Australian Government and the Tasmanian Government have committed to providing grant funding to Council for several recreation and play projects. Funding commitments from the Australian Government are being managed by the Department of Infrastructure, Cities, Regional Development and Communication (**DICRDC**) through the Community Development Grant (**CDG**) program. Additional grants through the Levelling the Playing Field (**LTPF**) and Major Facility (**Majors**) grant programs have also been received from the Tasmanian Government, managed by the Department of Communities, Sport and Recreation (**DCSR**).

In addition, a grant of $1m to the Glenorchy Knights Soccer Club through the CDG program for the purchase and refurbishment of the administration building at the KGV football facility is acknowledged and considered.

For the purpose of this report, the suite of grants and their respective recreation and play projects will be referred to as **the recreation and play portfolio**.

At the time of reporting, all grants have been formally approved, with funding agreements executed, except for the Northern Suburbs Football Redevelopment (North Chigwell) grant, which is still in consultation between Council and the DICRDC.

DICRDC has advised Council that it is supportive of the re-scoped project that was detailed in the Request for Information submitted to DICRDC on 18 September 2019. This re-scoped project involved splitting the $12.8m grant into two components, with 70% to be allocated to the redevelopment of the North Chigwell site and 30% to be allocated to an upgrade of the KGV Football facility. Council and the DICRDC are currently working through the process of developing a funding agreement in accordance with this new re-scoped project.

Project portfolio status

- **Montrose and Giblins Playspace (CDG)**
  - $3.4m project to upgrade play spaces at Montrose Bay Foreshore and Giblins Reserve. Play spaces will be regional level facilities constructed for all ages.
  - $2.0m funding has been approved, with the funding agreement executed in December 2019
  - site masterplans and detailed playspace designs are underway
  - the design phase has included extensive community consultation, conducted in February and March 2020
  - draft designs are to be released for public comment in early May 2020. Final plans are to be presented to Council for endorsement at the June Council meeting
  - with Council's endorsement (at its March meeting) of the location of its proposed skate park at Montrose Foreshore Park, the skatepark is now being incorporated into the project
  - construction is targeted to commence before the end of 2020.
- **Eady Street Amenity (CDG)**
  - $1.1m project to construct a new amenity building at the Eady Street cricket ground
  - $1m in funding from CDG has been approved and a further $80k from the Major Facility grant program. Both funding agreements have been executed
  - the tender for the architectural design of the building was awarded in February 2020

    - the design phase has included stakeholder input into design, including one-on-one meetings with resident sports clubs and an amenity building design workshop conducted with Glenorchy sports clubs. These were conducted in February 2020, with additional consultation being held with the stakeholders
    - draft design options were provided to resident clubs in April 2020
    - the final plans are targeted to be provided to Council for endorsement in June 2020
    - construction is targeted to commence before the end of 2020

- **Northern Suburbs Football Redevelopment**
    - total funding of $12.8m has been approved in principle
    - the funding was originally allocated for the development of a Junior Football Hub at the North Chigwell Reserve
    - DITRDC has confirmed that they will support a 70/30 split between North Chigwell Oval and KGV. Both are discussed separately, below
    - Council and the Department are currently working through the development of a funding agreement

- **KGV (LTPF and proposed CDG)**
    - $3.84m has been re-allocated from the Northern Suburbs Football Development project (see above). A funding agreement has yet to be executed
    - the project will upgrade the football facilities at KGV, including a new amenity building, resurfacing of the synthetic field and sports lighting
    - $0.96m is allocated to construct the new amenity building, which included $0.5m approved from the LTPF (funding agreement executed on 15 January 2020).
    - a grant of $1m has been given to the Glenorchy Knights Soccer Club through the CDG program for the purchase and refurbishment of the administration building from Football Tasmania (**FT**). This separate, but inter-related, project has been considered as part of master planning for the area. The project has a direct impact on Council's proposed projects. Council is working with both the Knights and FT to ensure the best outcome for both football and the community
    - a draft KGV Master Plan has been completed and contains options that Council and resident stakeholders are considering. Council is working with the Glenorchy Knights and FT to better understand the issues and work through any concerns before presenting a recommendation to Council for endorsement. It is proposed to present the options to Council at the May Council meeting for consideration
    - the design phase for the amenity building is targeted to commence in the second half of 2020

  - some of the works are targeted to commence over the 2020/21 summer football off-season

- **North Chigwell (CDG)**
  - $8.7m has been allocated from Northern Suburbs Football Development project. A funding agreement has yet to be executed
  - the project will upgrade the North Chigwell Reserve, including the upgrade of the sport fields, construction of a new amenity building, a playspace, car parking and sports field lighting
  - Council is currently awaiting re-scoping approval from DICRDC for the proposed $12.8m grant, to re-allocate $8.7m to North Chigwell and $4.1m to KGV
  - Once approved, it is expected that detailed planning will commence in the second half of 2020.

- **Glenorchy City Tennis Centre Lighting Upgrade**
  - $165,000 has been allocated to upgrade the sports lighting at the Glenorchy City Tennis Centre at Berriedale to LED sports lighting
  - an $80,000 grant applied for by Council, on behalf of the Glenorchy City Tennis Club, was approved through the CSR Major Facility Program. Council is providing the balance of the funds
  - Council is providing project management support to the Club for the project
  - a procurement process has been conducted and a contract has been awarded
  - construction should commence in June 2020, dependent on travel restrictions caused by the COVID-19 pandemic
  - state-of-the-art LED lighting along with new technology base-hinge poles is included in the project
  - the club is very excited to be receiving the upgrade and the new technology. It will result in significant savings for the Club through reduced electricity consumption, which is in-line with Council's goal of delivering affordable sport.

Council has carried out extensive negotiations with the Australian and Tasmanian Governments around funding agreement milestones that include timelines and financials which will guide Council in the delivery of these projects.

Consultations:

Director Infrastructure and Works
Manager Property, Environment and Waste
Australian Government Departmental Representative, DICRDC
State Government Department of Community, Sport and Recreation
Football Federation Tasmania

Andrew Wilkie MP
Glenorchy Knights
Glenorchy Knights Juniors
Wellington Cricket Club
Glenorchy Rugby Club
Claremont Metro Football Club
Chair of Healthy Communities Advisory Committee
Goodwood Community Centre
Goodwood State School
Glenorchy Art and Sculpture Park (GASP)
Inclusive Play working group
Hobart City Council
Clarence City Council
Kingborough Council
Variety Tasmania

Human Resource / Financial and Risk Management Implications:

<u>Financial</u>

This report is for information only, and there are no material financial implications as a result of its adoption. However, Council is in line to receive approximately $18m in grant funding from State and Australian Governments for the recreation and play projects. Council will co-contribute approximately $1.610m.

Assuming an average asset life of 40 years the depreciation alone for these assets will be in the order of $500k per annum. Ongoing operation and maintenance costs are expected to be in the order of $500k per annum.

Prior to proceeding with construction of these recreation and play projects Council will ensure that management plans are in place that detail the leasing arrangements and respective responsibilities of Council and users.

The detailed design process will also focus on sustainable and low maintenance design to ensure that sport and recreation remain affordable.

Council will be presented with a more detailed financial analysis of the budget impacts of projects prior to committing to construction.

<u>Human resources</u>

Delivery of the projects will be performed by Council staff as part of their ordinary duties, with any additional staff resources required to be funded through the grants.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation				
Criticism or negative feedback from stakeholders and the general community. This may include design issues or general criticism on council activities in relation to the projects.	Minor (C2)	Unlikely (L2)	Low	Reasons for decisions and their benefits are adequately communicated to the public. A communications and engagement plan has been produced and engagement strategy been developed.
Council is unable to meet grant milestones or spend grant amount, leading to reputational damage and difficulties in obtaining similar grant funding in the future.	Moderate (C3)	Unlikely (L2)	Moderate	Council has developed a governance structure to manage each project. Council has developed effective relationships with funding bodies and is providing regular updates.
Rescope of North Chigwell project to allocate funds to KGV not approved	Major (C4)	Unlikely (L2)	Moderate	Develop independent feasibility study, business plan and site master plan for North Chigwell to mitigate negative impacts.
The new infrastructure results in high ongoing maintenance and operation costs to Council	Moderate (C3)	Likely (L4)	Notable	Management and operational plans will be finalised and detailed financial impact will be provided to Council as part of final approval to proceed with works.

Community Consultation and Public Relations Implications:

Community consultation

A preliminary round of stakeholder consultation took place in September to December 2019, specific to each project. In the case of the sport projects, consultation with sport club representatives was undertaken to confirm project scope.

A Communication and Engagement Plan has been produced which identifies all stakeholders, what their level of engagement should be and what form that engagement will take. Regarding the two playspace projects (Montrose and Giblins), an extensive consultation phase has commenced for the development of site master plans and detailed designs. The next phase will include use of Social Pinpoint to provide the community with an opportunity to engage online as per Council’s Pathways, Tracks, and Trails project.

For the sport projects, detailed plans are being developed through one-on-one meetings with sport clubs and a workshop of the majority of the Glenorchy sports clubs to gauge their needs for the specific projects.

Public relations

Close liaison between the project team and Council's Communications team has seen a number of articles on the projects published in the Glenorchy Gazette in December 2019 with a further Gazette article published in April 2020 to inform the community of the released draft plans seeking input.

Recommendation

That Council:

> RECEIVE and NOTE the report on the progress of the recreation and play projects for which Council has received Australian and State Government funding.

Attachments/Annexures

Nil.

ENVIRONMENT

Community Goal: “Valuing Our Environment”

9. DISPOSAL OF COUNCIL LAND

Author:	Open Space Coordinator (Alli Coombe)
Qualified Person:	Manager Property Environment and Waste (Alex Woodward)
ECM File Reference:	Disposal Council Land

Community Plan Reference:

Leading Our Community

We will be a progressive, positive community with strong council leadership, striving to make Our Community's Vision a reality.

The communities of Glenorchy will be confident that the Council manages the community's assets soundly for the long-term benefit of the community.

Strategic or Annual Plan Reference:

Leading our community

Objective 4.1	Govern in the best interests of our community
Strategy 4.1.1	Manage Council for maximum efficiency, accountability and transparency
Strategy 4.1.2	Manage the City's assets soundly for the long-term benefit of the community
Objective 4.2	Prioritise resources to achieve our communities' goals
Strategy 4.2.1	Deploy the Council's resources effectively to deliver value

Reporting Brief:

To brief Council on the results of the community consultation on the potential disposal of Council land, and recommend that Council, after considering all representations, resolve to dispose of land at the following five locations:

- 1 Bournville Crescent, Claremont
- 14a Colston Street, Claremont
- 3 Edgar Street, Claremont
- 345 Main Road, Glenorchy
- 5a Taree Street, Chigwell

Council officers are continuing to work with the communities surrounding 15 Hestercombe Road, Granton and 9 Barclay Crescent, Berriedale about the potential disposal of those properties. These properties were previously identified for disposal along with the five above and preliminary investigations undertaken. However, a number of concerned about their potential disposal have been raised, which are being worked through in consultation with residents and other stakeholders.

Proposal in Detail:

Under section 178 of the *Local Government Act 1993* (**the Act**), Council can sell, lease, donate, exchange or otherwise dispose of public land owned by it in accordance with the process set out in that section.

This report recommends that Council considers all representations received and approves the disposal of the various Council properties in accordance with section 178 of the Act and Council's Disposal of Council Land Policy (**the Policy**).

The Land

The five (5) properties previously identified for disposal were:

- 1 Bournville Crescent, Claremont
- 14a Colston Street, Claremont
- 3 Edgar Street, Claremont
- 345 Main Road, Glenorchy
- 5a Taree Street, Chigwell

The properties identified are zoned as either 'Public Open Space' or 'Utilities' under the *Glenorchy Interim Planning Scheme 2015* (**Planning Scheme**). A rezoning application would need to be submitted to Council if any of the properties were adopted for disposal as an outcome of the s. 178 process. Council has not indicated any intention or plans to redevelop the identified sites.

These properties were identified as public land which no longer provides a benefit to the community. Each property underwent a fit-for-purpose assessment prior to exploring its potential disposal and was found to be unfit for its current or original proposed use. In addition, several of the properties were previously identified in Council's Open Space Strategy for potential disposal. This indicates that either the relevant property does not have the right physical characteristics to meet the purpose it was planned for or that there is adequate open space located nearby which provides a greater benefit for the community.

Two of the properties proposed identified for disposal (Edgar Street and Taree Street) were identified in Council's Open Space Strategy as being suitable for potential disposal because of either their unsuitability or under-utilisation. This was confirmed through the fit-for-purpose evaluation process (Attachments 1 and 2).

The Taree Street and Colston Street properties (Attachment 3) were approved for rezoning and disposal by Council at its meeting on 6 December 2010. However, given the nine-year time lapse it is recommended that their disposal is ratified by the current Council to ensure transparency and that the community has had the chance to provide further input.

The evaluation revealed that two of the properties (Taree Street and Colston Street) were potential sites that could increase the supply of land for affordable housing in the municipality.

345 Main Road Glenorchy (Attachment 4) is not being proposed for disposal by sale but could be made available for a lease. The property is zoned as 'Utilities' under the Planning Scheme, which means its potential uses under the Planning Scheme are heavily restricted. A 'Central Business' zoning would allow this property to be developed for uses that would complement and enhance the current CBD. This would require a planning scheme amendment, pending the outcome of the section 178 process.

The Bournville Crescent property has been in Council ownership since January 1998 and has not been developed, nor are there any plans for its development (Attachment 5). It has been listed for consideration after an approach from the Claremont Bowls Club to initiate a joint zoning amendment to the planning scheme, which would allow this underutilised serviced land to be potentially developed.

Process under section 178 of the Act

Section 178 of the Act sets out the process that must be followed by a council which intend to dispose of public land. The Disposal of Public Land policy deems all land owned by Council to be 'public land' for the purposes of the Act, meaning that any proposed disposal by Council is subject to the section 178 process.

Council has completed the public notification of its intent to sell public land and the public's right to object in accordance with the requirements of section 178. Following the completion of the notification, Council is now required to consider any objections lodged and decide whether to take any action regarding the objection.

After making a decision, Council must then write to any objector within seven days to notify them of Council's decision and advise them of their right to appeal against the Council decision under section 178A.

A person's right to appeal a council decision regarding an objection

Under section 178A of the Act, a person who lodged an objection regarding Council's intention to sell public land (under section 178) can appeal to the Resource Management and Planning Appeal Tribunal (**RMPAT**) against Council's decision.

Appeals must be made to the RMPAT within 14 days after receiving written notification of the Council's decision and must be made in accordance with the *Resource Management and Planning Appeal Tribunal Act 1993*.

An appeal under section 178A may only be made on the ground that the decision of the Council is not in the public interest in that:

- the community may suffer undue hardship due to the loss of access to, and the use of, the public land, or
- there is no similar facility available to the users of that facility.

Possible outcomes of RMPAT appeal

Under section 178B of the Act, upon hearing an appeal against a decision of a Council regarding a public objection to a Council's intent to dispose of public land, the RMPAT may:

- confirm the council's decision
- set aside the council's decision
- set aside the council's decision and
  - substitute it for another decision, or
  - remit the matter to the council for reconsideration.

Under subsection 178A(5), a decision of the RMPAT on hearing an appeal is final.

Compliance with Council's Disposal of Public Land Policy

The Policy requires that, following the completion of the statutory twenty-one (21) day advertising period, a report is to be presented to Council which is to contain the following information:

1. The current use and history of the Council Land

345 Main Road, Glenorchy and 14a Colston Street, Claremont are zoned as Utilities under the *Glenorchy Interim Planning Scheme 2015*. The remaining properties are zoned as Open Space. All except for 345 Main Road, Glenorchy are currently vacant blocks. 345 Main Road, Glenorchy is currently a sealed car park. The recreation information in the table below comes from a review of the land by @Leisure consultants in 2014.

As noted above, the land serves no strategic purpose for Council and all 5 properties have been identified as 'no longer needed' and consequently recommended for disposal.

2. Details of the cultural heritage, environmental, recreation, landscape values of the Council Land.

Property	Heritage	Environmental	Recreation	Landscape
1 Bournville Crescent, Claremont	No records	No records, waterway and coastal protection code applies to coastal edge of property	Local Neighbourhood, accessway/trail	No scenic amenity code applies (GIPS 2015).
14a Colston Street, Claremont	No records	No records	Local Neighbourhood, redundant powerline easement. Accessway/trail	No scenic amenity code applies (GIPS 2015).

Property	**Heritage**	**Environmental**	**Recreation**	**Landscape**
3 Edgar Street, Claremont	No records	No records	Local Neighbourhood, vacant block	No scenic amenity code applies (GIPS 2015).
345 Main Road, Glenorchy	No records	No records, sealed car park. Waterway and Coastal Protection Code applies to King George V Ave entrance to the property	No value, car park	No scenic amenity code applies (GIPS 2015).
5a Taree Street, Chigwell	No records	No records, residential block	Local Neighbourhood, large vacant block	No scenic amenity code applies (GIPS 2015).

3. The results of the valuation of the Council Land (obtained under 4.2)

Valuations for all properties have been received. The results of the valuations can only be discussed in closed Council, on the basis that they contain "*information that, if disclosed, is likely to confer a commercial advantage or impose a commercial disadvantage on a person with whom the council is conducting, or proposes to conduct, business;*" (r. 15(2)(b) *Local Government (Meeting Procedures) Regulations 2015*).

4. Any statutory or legal considerations

All lots recommended for disposal would need to be rezoned for any development to occur. Any conveyancing or negotiations of a legal nature would be undertaken in-house by Council's legal services section.

5. The consultation process undertaken and consideration and response to every objection lodged

In the second half of 2019, Council undertook initial informal consultation with local communities affected by the potential disposals. The feedback was presented to Council at its open meeting on 28 October 2019. At that meeting, Council resolved to form an intention to dispose of those sites and to commence the community consultation process set out in section 178 of the Act, together with the additional requirements set out in the Policy.

Council's intention to dispose of the land was advertised on two occasions in the Mercury and a copy of the notice was displayed on each property boundary notifying the public that objection to the proposal could be made to the General Manager within 21 days of the date of the first publication.

In accordance with the Policy, a plan, along with relevant property information, was displayed on the community noticeboard in Council's chambers (near the chambers' rear public entrance). Owners of neighbouring and affected properties were also notified of the proposed disposal.

The number of objections and expressions or interest received in response to the public consultation are set out in the following table:

Property	No. of responses	Objections	Expressions of Interest	Other
1 Bournville Crescent	9	5	3	1
14a Colston Street	1	0	1	0
3 Edgar Street	2	2	0	0
345 Main Road	1	1	0	0
5a Taree Street	3	1	2	0

Details of the objections received during the 21-day timeframe are provided in Attachments 6, 7, 8 and 9 (names of objectors have been included but other personal information has been redacted). No objections were received for 14a Colston Street.

The following section sets out the ground of objection and the officer responses to those grounds, with a conclusion in relation to the relevant property.

1 Bournville Crescent – 5 objections received

Ground of objection	Officer response
Traffic concerns regarding volume of traffic and width of roadway impacted by car parking and provision of future car parking.	This is a planning matter under the *Land Use Planning and Approvals Act 1993* that would be resolved as part of a future subdivision and rezoning application.
Believes Council acquired land as 'private open space'	There is no protective covenant on the title or on Council's files that require this land to be retained as open space.
Inconsistent with the Special Area Plan for the Peninsula	The specific area plan for the Claremont Peninsula does not apply to this title.
Loss of public access to the foreshore	The proposed subdivision/boundary adjustment would improve public access to the foreshore.
Loss of open space and health benefits	The part of the open space proposed for disposal is not well utilised and poorly aligned for community use. The part that provides health benefits is the recreational link that Council intends to retain as an important pathway.
Loss of bird habitat	There are no records of threatened species on this site. The Biodiversity overlay does not apply. The lack of mature hollow bearing trees means that any future development on this site would be unlikely to impact on birds.

Ground of objection	**Officer response**
Bowling Club committee members should not be allowed to purchase property.	If Council chooses to dispose of this parcel, then it would be sold through an open and transparent process.
Concerned about the notification process	Council has revisited the original mail out list used for the initial consultation and notified some additional property owners who were missed due to an administrative error. The revised list was used to notify residents as part of the s.178 process, meaning that all residents had the opportunity to object.
Concerned the sale would benefit either the GCC or Claremont Bowls Club	The sale of part of this open space would allow for upgrades to the foreshore access at this reserve or to nearby Windermere Playground. The only benefit to the Claremont Bowls Club would be a joint rezoning application for their land and the GCC land. Council would end up in a better alignment of open space for foreshore access.
Would like a condition of sale on Lot 2 that limits the number, size and type of dwelling which could be built	Council have not proposed any covenants that limit the development on this title. Development on the site be regulated in accordance with Council's Planning Scheme and applicable planning laws.
Future development should be compatible with the housing density and heritage mix of the area	This is a planning matter under the *Land Use Planning and Approvals Act 1993* would apply to any future developments if the site is rezoned.
Foreshore access should allow for emergency access and be designed to comply with Crime Prevention Through Environmental Design (CPTED) principles	Council would ensure that the width of the foreshore access would allow access by vehicles and any fencing, sightlines and landscaping would follow CPTED principles.
Concerned about the initial consultation and that they did not receive communication from Council	This was an administrative error that was rectified. The initial consultation process is an additional step that is not legally required. Council ensured that all residents were given the chance to make submissions under the section 178 process.
Decrease in surrounding property values due to impact to views and loss of privacy.	There is no evidence to show this would occur.

<u>3 Edgar Street – 2 Objections</u>

Ground of objection	**Officer response**
Should be developed into a playground/park, children already visit the property	The land does not meet fit for purpose requirements for a park. There is nearby open space that could be better utilised for this purpose.
Loss of water views by adjacent property owner	This would be assessed during the Planning application stage for any future development.

Land too small to build a house	The land size meets planning scheme requirement (if it is rezoned).
Told the land would always remain open space	There are no restrictions on the title. Land would require rezoning.
Tas Networks have been undertaking work on the property and believe this is because Council have already decided to dispose of the land	Tas Networks have been upgrading power connections to connect a new subdivision on Hilton Road.
Land has recently been used as a storage site and temporary site office.	Council has provided temporary access permits in the past to different authorities. There is other land available in the area where this could happen if required, as we do througout the municipality.

<u>345 Main Road – 1 objection</u>

Ground of objection	**Officer response**
Opposed to selling the car park, however supportive of leasing car spaces, so long as some could still be public free spaces.	This car park has historically been leased to the tenants of the adjoining building. Current tenants require less spaces. The remainder of the car park is proposed to be leased on an annual basis. There is plenty of free public parking nearby.

<u>5a Taree Street – 1 Objection</u>

Ground of objection	**Officer response**
Opposed to increased housing density	Housing density would reflect the surrounding neighbourhood and be consistant with the Regional Land Use Strategy
Confined access, potential fire hazard	The design of the access and vehicle passing bays would be resolved through the planning process
Allows access to rear of my property.	There is no access agreement or licence in place.

6. The rationale for the recommended disposal, including details of any internal referrals

Council's Coordinator Planning Services, Senior Engineer, Acting Environment Coordinator Manager of Community and Operations and Maintenance Supervisor were consulted prior to the section 178 process commencing. Those consultations did not identify any significant issues with the disposal of the properties.

Some of the specific comments provided by Council officers and the responses to them are provided below.

<u>Senior Engineer referral</u>

- 14a Colston St: Regarding the potential paths, tracks and trails link from Austins Ferry Primary through the open spaces to the south down to Claremont Link

Road, are we able to use the TasWater easement to maintain access or can Council retain an access easement?

- 345 Main Road: There is the potential that this space may be required if Council was to ever to undertake upgrade works to the Elwick Rd Roundabout.

Officer response

14a Colston Street was previously approved by Council for rezoning and disposal. Part of the process commenced in 2013 was an agreement to provide an access to the primary school. The intention would be to honour this agreement.

The rezoning and long-term lease of 345 Main Road will not affect the option to utilise this land for future roadworks, as the current zoning restricts the use associated with the carparking requirements for discretionary uses within the General Business Zone.

Any potential impact on the future requirements for road widening would be addressed if and when a Development Application was submitted for the site.

Acting Environment Coordinator referral

In relation to the proposed disposal of the property at 5a Taree Street, Chigwell.

- Disposal revenue could be invested into the nearby open space at Bethune Street Reserve and Catherine Street Reserve. While Bethune Street Reserve already has considerable infrastructure, Catherine Street Reserve has none.
- Catherine Street Reserve is a bushland reserve with high habitat and open space values. Weeds and the lack of infrastructure are the biggest issues and funds could be used from the sale of 5a Taree Street to significantly enhance it.
- Suggested works could include construction of a gravel pathway system (linking Bethune Street to Catherine Street), selective plantings and weed controls.

Officer response

It is recommended that some of the funds received through the sale of open space be used to improve parks and reserves as identified in the Open Space Strategy.

7. The recommended method of sale

It is recommended that due to the high number of expressions of interest received that Council engages a real estate agent to negotiate with interested parties.

8. The recommended sale price range

The recommended sale prices would be dependent on the results of the valuations for each property. These are required to be discussed in closed Council for the reasons identified in paragraph 3 (above).

9. Any encumbrances on the Council Land (easements, mortgages etc)

- 14a Colston Street has a Tas Water easement
- 345 Main Road has right of way on the title
- 2 Bournville Crescent has a right of way

10. The estimated timeframe for the disposal

Depending on whether any appeals against the s. 178 outcome are lodged, Council would aim to complete the sales of the properties within 18 months after a decision by Council to dispose of them. This is to take into account the rezoning applications which may take between 6-12 months.

11. Any other relevant matters in the circumstances

There are no other material matters for consideration by Council.

12. The recommended course of action.

It is recommended that Council resolve to dispose of the five properties and commence the sale and negotiation process for each. Commencement of the process to occur after the relevant appeal periods have lapsed or in the event of appeal, if a favourable appeal outcome is achieved and would also be subject to the approval of rezoning applications by Council.

Expressions of interest:

As part of the section 178 process, Council received several expressions of interest These would be shared with a real estate agent, who will be selected in accordance with Council's procurement guidelines to handle any sale process that is approved.

Council has also received interest from affordable housing entities on the availability of land.

Council has not entered into an agreement with any party and propose to dispose of any of the properties.

Consultations:

Director Infrastructure and Works
Manager Infrastructure, Engineering and Design
Manager Community
Coordinator Planning Services
Senior Engineer
Acting Environment Coordinator
Operations and Maintenance Supervisor

Human Resource / Financial and Risk Management Implications:

Financial

The cost of disposal of the recommended properties would be approximately $125,000, which includes valuation costs, infrastructure costs, agent fees and legal costs.

Human resources

Council staff would facilitate the disposal processes as part of their normal duties.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation Adverse public reaction of decision to advertise Council's intention of disposal	Moderate (C3)	Possible (L3)	Moderate	Council considers all objections received during the statutory consultation process, as required under s. 178 of the Act. Ability for objectors to appeal to the independent Resource Management and Planning Appeal Tribunal.
Council does not achieve best value for the community on disposal of the land.	Moderate (C3)	Possible (L3)	Moderate	An independent valuation will be obtained by Council and will be the minimum asking price for each property.
Do not adopt the recommendation Council will delay the opportunity to potentially dispose of surplus land that serves no strategic purpose and may be able to be disposed of for money or land with greater strategic benefits.	Moderate (C3)	Likely (L4)	Notable	Council gives consideration to a strategy for realising land assets that are not required for strategic purposes. Council articulates any issues with the proposed disposal and instructs officers to address these in a future report.

Community Consultation and Public Relations Implications:

Community consultation

Extensive community consultation has already been undertaken as part of the investigations into whether to dispose of these properties. This is detailed in the body of this report.

Public relations

There are no material public relations implications. The properties identified for disposal have been subject to fit for purpose assessment and subject to a section 178 process under the Local Government Act. There are rights of appeal for objectors and future rezoning processes would also provide further public input.

Recommendation:

That Council:

1. RECEIVE and NOTE the responses received during the respective processes conducted under section 178 of the *Local Government Act 1993* for the following properties (**the Public Land**):
   - 1 Bournville Crescent, Claremont (Certificate of Title 134788 Folio 1)
   - 14a Colston Street, Claremont (Certificate of Title 135712 Folio 1)
   - 3 Edgar Street, Claremont (Certificate of Title 9041 Folio 2)
   - 345 Main Road, Glenorchy (Certificate of Title 64613 Folio 9, Certificate of Title 64613 Folio 7 and Certificate of Title 77918 Folio 2), and
   - 5a Taree Street, Chigwell (Certificate of Title 43591 Folio 1)
2. Having considered all the submissions and objections received APPROVE the Disposal of the Public Land by way of exchange, sale or lease, in whole or in part, and
3. AUTHORISE the General Manager to take any actions necessary to give effect to the disposal of the Public Land.

Attachments/Annexures

1 3 Edgar Street Fit for Purpose Assessment

2 5a Taree Street Fit For Purpose Assessment

3 14a Colston Street Fit For Purpose Assessment

4 345 Main Road Fit For Purpose Assessment

5 Bournville Crescent Fit For Purpose Assessment

6 Bournville Crescent Objections

7 3 Edgar Street Objections

8 345 Main Road Objections

9 5a Taree Street Objections

10. DISPOSAL OF COUNCIL LAND: PART OF 671 MAIN ROAD, BERRIEDALE

Author:	Open Space Coordinator (Alli Coombe)
Qualified Person:	Director Infrastructure and Works (Ted Ross)
ECM File Reference:	Disposal Council Land

Community Plan Reference:

Leading Our Community

We will be a progressive, positive community with strong council leadership, striving to make Our Community's Vision a reality.

The communities of Glenorchy will be confident that the Council manages the community's assets soundly for the long-term benefit of the community.

Strategic or Annual Plan Reference:

Leading our community

Objective 4.1	Govern in the best interests of our community
Strategy 4.1.1	Manage Council for maximum efficiency, accountability and transparency
Strategy 4.1.2	Manage the City's assets soundly for the long-term benefit of the community
Objective 4.2	Prioritise resources to achieve our communities' goals
Strategy 4.2.1	Deploy the Council's resources effectively to deliver value

Reporting Brief:

To brief Council on the results of the community consultation on the disposal of Council land at 671 Main Road Berriedale (part of the Berriedale Foreshore Reserve) and recommend that Council, after considering all objections, resolve to dispose of part of the that parcel of land.

Proposal in Detail:

At its meeting on 23 December 2019, Council made the following resolution:

That Council:

1. *FORM an intention under section 178 of the Local Government Act 1993 to dispose of public land, being the part of the Berriedale Foreshore Reserve at 671 Main Road, Berriedale outlined in red in Figure 2 in the report to Council* ***(the land)***

2. *AUTHORISE the General Manager to take all actions necessary to complete public notification of Council's intention to sell the Land in accordance with section 178 of the Act and Council's Disposal of Council Land Policy*
3. *AUTHORISE the General Manager to consider and acknowledge any objection received pursuant to section 178(6) of the Act and report to a future Council meeting, and*
4. *INSTRUCT the General manager to undertake further consultation with the sporting clubs at Berriedale in relation to:*
   (a) The optimal location for a BMX park, and
   (b) Identification of suitable arrangements to ensure continuity of use of BMX facilities within the City.

Under section 178 of the *Local Government Act 1993* (**the Act**), Council can sell, lease, donate, exchange or otherwise dispose of public land owned by it in accordance with the process set out in that section.

This report recommends that Council considers all representations received and approves the disposal of part of the Council property in accordance with section 178 of the Act and Council's Disposal of Council Land Policy (**the Policy**).

The report also discusses the need to undertake more detailed work around master planning for both the Berriedale Foreshore Reserve and Tolosa Park. The planning work currently being undertaken at Tolosa Park is considering how BMX facilities can be incorporated into the Tolosa Park area.

If Council adopts the recommendation to dispose of the land, it is Council's absolute intention that the Southern City BMX Club is provided with a replacement facility that is better than its current one.

The Land

The Berriedale Foreshore Reserve is a parcel of land owned by Council at 671 Main Road Berriedale. It sits on the Berriedale Peninsula adjacent to the Moorilla Estate and Cameron Bay Sewerage Treatment Plant with a total area of 8.1 hectares.

Council's *Open Space Strategy 2015* (**the Open Space Strategy**) identified that Council should protect the Berriedale Foreshore Reserve and access along the foreshore from incremental development by MONA. The Open Space Strategy also identified that Council should upgrade the reserve, relocate the BMX track to Tolosa Park and develop a foreshore trail to connect MONA with Berriedale.

This property is zoned as 'Recreation' under the *Glenorchy Interim Planning Scheme 2015* (**Planning Scheme**). This may impact on the potential uses of the land.

For the purposes of this report, the part of the reserve proposed for disposal will be referred to as **the Land**. The approximate location of the Land is the area outlined in red in figure 1 below. The Land is bordered by Moorilla Estate to the south, the Cameron Bay Sewerage Treatment Plant to the east, the Glenorchy City Tennis Club to the north east and Main Road to the west.

*Figure 1. Area of **the land** advertised for investigation into the disposal*

MONA has lodged a development application seeking to expand the existing carpark area to a multi-storey facility (application no. PLN 19-194). Alternative options are being explored by MONA which require additional land. These were described in the report to Council's September 2019 meeting.

In addition to obtaining the necessary planning approvals through the statutory assessment process, MONA would need to negotiate with Council in relation to its ongoing use of the Land, whether through a renewed lease or an outright purchase if Council were to approve.

Process under section 178 of the Act

Section 178 of the Act sets out the process that must be followed by a council which intend to dispose of public land. In addition, the Policy deems all land owned by Council to be 'public land' for the purposes of the Act.

Council has completed the public notification of its intent to sell public land and the public's right to object in accordance with the requirements of section 178. Following the completion of the notification, Council is now required to consider any objections lodged and decide whether to take any action regarding the objection.

After making a decision, Council must then write to any objector within seven days to notify them of Council's decision and advise them of their right to appeal against the Council decision under section 178A.

A person's right to appeal a council decision regarding an objection

Under section 178A of the Act, a person who lodged an objection regarding Council's intention to sell public land (under section 178) can appeal to the Resource Management and Planning Appeal Tribunal (**RMPAT**) against Council's decision.

Appeals must be made to the RMPAT within 14 days after receiving written notification of the Council's decision and must be made in accordance with the *Resource Management and Planning Appeal Tribunal Act 1993*.

An appeal under section 178A can only be made on the ground that the decision of the Council is not in the public interest in that:

- the community may suffer undue hardship due to the loss of access to, and the use of, the public land, or
- there is no similar facility available to the users of that facility.

Possible outcomes of RMPAT appeal

Under section 178B of the Act, upon hearing an appeal against a decision of a Council regarding a public objection to a Council's intent to dispose of public land, the RMPAT may:

- confirm the Council's decision
- set aside the Council's decision
- set aside the Council's decision and
    - substitute it for another decision, or
    - remit the matter to the council for reconsideration.

Under subsection 178A(5), a decision of the RMPAT on hearing an appeal is final.

Compliance with Council's Disposal of Public Land Policy

Council's Disposal of Public Land policy requires that, following the completion of the statutory twenty-one (21) day advertising period, a report is to be presented to Council which is to contain the following information:

1. The current use and history of the Council Land

Council currently has a lease agreement with MONA over a parcel of land approximately 5400m^2 in area, which is being used as MONA's overflow car park. The lease expires in June 2021. Immediately to the west of the car park area is a BMX track currently leased to the Southern City BMX Club with an area of approximately 8500m^2 and a further small area abutting Main Road of approximately 600m^2.

A draft masterplan was prepared jointly some time ago with MONA for the Berriedale Peninsula. However, the masterplan was never finalised or adopted by Council. Planning is underway to revisit this draft masterplan and to undertake further community consultation to articulate the community and council vision for this reserve.

2. Details of the cultural heritage, environmental, recreation, landscape values of the Council Land.

Heritage	Environmental	Recreation	Landscape
No records	No records	Berriedale BMX track	No scenic amenity code applies (GIPS 2015).

3. The results of the valuation of the Council Land (obtained under 4.2)

A valuation of the land has been received. The results of the valuation can only be discussed in closed Council, on the basis that it contains "*information that, if disclosed, is likely to confer a commercial advantage or impose a commercial disadvantage on a person with whom the council is conducting, or proposes to conduct, business;*" (r. 15(2)(b) *Local Government (Meeting Procedures) Regulations 2015*).

4. Any statutory or legal considerations

Any part of the lot recommended for disposal may need to be rezoned and subdivided to accommodate future uses.

Any conveyancing or negotiations of a legal nature would be undertaken in-house by Council's legal services section.

5. The consultation process undertaken and consideration and response to every objection lodged

In the second half of 2019, Council undertook initial informal consultation with the whole community and adjacent sporting clubs affected by the potential disposal. The feedback was presented to Council at its open meeting on 23 December 2019. At that meeting, Council resolved to form an intention to dispose the Land and to commence the community consultation process set out in section 178 of the Act, together with the additional requirements set out in the Policy.

Council's intention to dispose the land was advertised on two occasions in The Mercury and a copy of the notice was displayed on each property boundary notifying the public that objection to the proposal could be made to the General Manager within 21 days of the date of the first publication.

Council staff also met with the sporting clubs and MONA on-site during the consultation period. These discussions are described further below.

In accordance with the Policy, a plan, along with relevant property information, was displayed on the community noticeboard in Council's chambers (near the chambers' rear public entrance). A notice was also placed on Council's website and Facebook page.

Three objections and one expression of interest were received in response to the public consultation. One submission from the Tasmanian Conservation Trust was received after the 21-day period had ended.

Details of the objections received during the 21-day timeframe are provided in Attachment 1, 2 and 3. The single expression of interest can be viewed in Attachment 4.

The following section sets out the ground of objection and the officer responses to those grounds, with a conclusion in relation to the relevant property.

Ground of objection	Officer response
Coastal inundation that leads to a loss of the remaining reserve and financial costs to Council to protect the reserve.	The coastal inundation modelling for 2100 shows that there will be a slight impact to the reserve adjacent to the playground car park. This is based on Coastal Futures LiDAR data. It may slightly reduce the current useable area of the reserve. There will be no impact from the bay to the south.
Concerned Council is proceeding with the proposal despite majority opposing the proposal.	Council's resolution in December clearly acknowledged that there was need for further consultation with the community and sporting clubs. This has occurred and has resulted in positive outcomes.
Concerned MONA is not a good tenant as they left the caravan park in an unusable state.	Any lessees are bound by conditions in the lease which include maintenance and rehabilitiation clauses.
Loss of open space	There could be a loss of overall open space, however the areas currently occupied by car

Ground of objection	Officer response
	parking and the BMX Club are not used by the majority of the community.
Believes the land is public reserve under the *Crown Lands Act 1967* and that Council cannot dispose.	The Land is not and has never been a public reserve under the *Crown Lands Act*. Council owns this land in fee simple and any disposal is therefore required to comply with *the Local Government Act 1993.*
Concerned that the loss of the BMX facility will disadvantage young people	The BMX facility would be relocated, and not lost. Council is working cooperatively with the BMX club to ensure that the new facility is better than the current one and that they would not be without a facility. This would lead to an improved facility for young people.
Cost to Council to remediate and relocate BMX facility to be paid for by ratepayers.	Prior to the relocation of the BMX facility, Council would undertake a detailed financial analysis to ensure that the move benefits all parties.
Conflict of Interest as the draft Berriedale Master Plan was prepared in consultation with MONA	This document has not been endorsed by Council and needs to be revisited. Council would also consult with our community on the Masterplan. This disposal is being considered separately to the development of a masterplan.
Additional parking may not be required by MONA due to decrease in tourism and why not park on the disused caravan park.	Parking is a planning matter. The future use of the disused caravan park needs to be looked at when revising the Berridale Masterplan.
Impact to natural values in nearby Berriedale Bay and Frying Pan Island	Any development on the land would require assessment against the *Glenorchy Interim Planning Scheme 2015.*

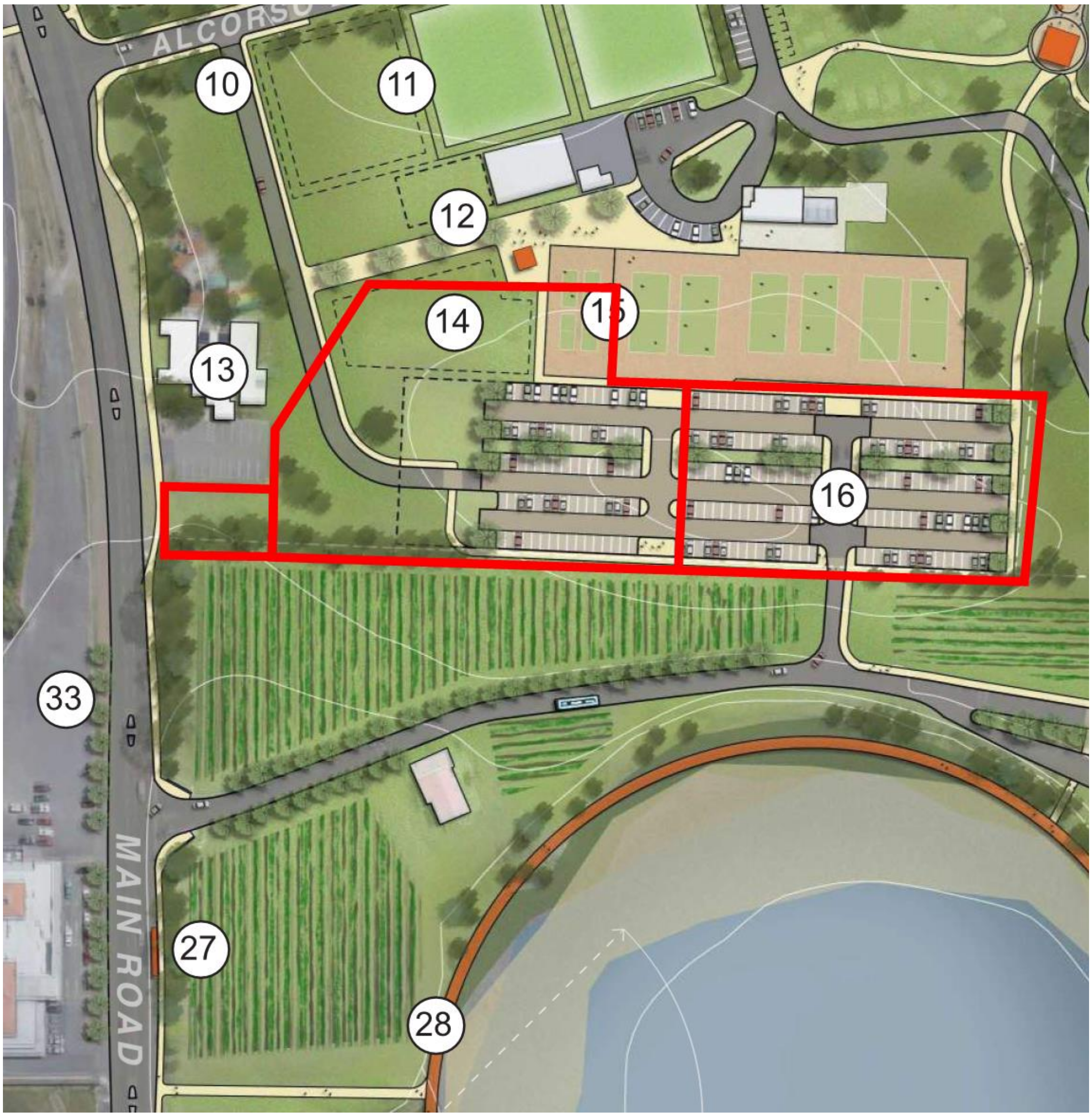


Figure 2. Area of the Land overlaid on draft Berriedale Master Plan

Discussion with Berriedale sporting clubs

Two meetings were held with the resident BMX, Bowls and Tennis clubs. At the first meeting, the clubs identified concerns about potential impacts of any disposal. The key issues for the clubs were the concern for the future of the BMX club and the potential for the MONA development to impact on the remaining clubs. The clubs also raised how well they were cooperating with each other and providing support to one another.

Officers discussed the proposal and detailed how the recommendations around the potential disposal would ensure that the BMX club is not relocated until a new facility is constructed at Tolosa Park. The benefits of having a central 'bike hub' at Tolosa Park were detailed and acknowledged. Officers further detailed how the disposal would not impact on the remaining sports clubs. It was agreed an additional meeting would be held with MONA to clarify their proposal.

At the second meeting, MONA met with the participants from the first meeting and outlined their proposal for the site. At the conclusion of the meeting, representatives from the BMX club advised that club was supportive of the proposal. The other clubs then outlined how they supported the BMX club's decision, would not oppose the disposal and would not be submitting an objection to the section 178 process.

6. The rationale for the recommended disposal, including details of any internal referrals

Council was approached by MONA who expressed an interest in developing a long-term plan for managing car parking on the peninsula.

The proposed multistorey carpark on the existing gravel overflow car park is one option that would satisfy the car parking requirements. Given the long-term nature of the investment, MONA's preference would be to own this parcel of land. This would assist MONA with securing the necessary finance for the project and provide it with long-term surety of tenure.

An alternative would be to have parking at ground level over a broader area including both the existing gravel overflow car park and the adjoining parcel of land on which the BMX facility is sited. Under this scenario, a long-term leasing arrangement securing the use might be acceptable to MONA.

Another alternative would be to negotiate a combination of purchasing part of the land (existing gravel overflow car park) and leasing the area on which the BMX facility is currently located.

In-terms of the community benefit, there are pros and cons with each of these alternatives. A sale would provide an upfront payment and ongoing rates, while leasing would provide ongoing revenue for Council without the long-term loss of open space.

Council has been working with the BMX club over a long period in respect to its potential relocation to Tolosa Park. A design to site the BMX facility at Tolosa Park is currently being considered as part of the draft Glenorchy Mountain Bike Masterplan.

By moving to Tolosa Park, the BMX club would be able to develop a facility that meets the standards to hold national level events and would also be part of a cycling hub that includes the criterium circuit, mountain biking and learn to ride facilities. The co-location of cycling disciplines at Tolosa Park would create opportunities to provide structure and pathways for our community.

Funding from the sale and/or lease of land as described in this report could be used to relocate the BMX facility. As described in this report, further work is required to detail the financial implications.

Council's Parks and Recreation Coordinator, Property Coordinator, Child Care Delivery Coordinator and Operations and Maintenance Supervisor were consulted during the section 178 process. Those consultations did not identify any issues with the disposal of the land.

7. The recommended method of disposal

If Council agrees to the disposal, it is recommended Council enter into an exclusive negotiation period of 120 days with MONA. This period would provide Council with sufficient time to make a decision on the relocation of the BMX facility and to undertake more detailed financial analysis on the disposal alternatives.

It is proposed that any agreement for the sale and/or lease of this property would come back to Council for final approval.

A probity advisor would also be engaged as part of the negotiation process to ensure that discussions are conducted in a fair and transparent manner and in-line with Council's resolution.

8. The recommended sale price range

If Council agrees to dispose of the land, a report would be brought back to a future meeting with respect to the proceeding with sale and/or lease of the land.

At that time, a recommended sale price would be provided dependent, on the result of a market valuation. If a lease is the preferred mechanism, then a market assessment would be undertaken to allow a comparison for the purposes of demonstrating fair value.

These aspects will be discussed in closed Council for the reasons identified in paragraph 3 (above).

9. Any encumbrances on the Council Land (easements, mortgages etc)

- a declared gas line corridor (adjacent to Main Road),
- a gravity main stormwater pipe (adjacent to Berriedale Child Care Centre)
- a burdening wayleave easement with the benefit of a registration as to user of land in favour of Aurora Energy.

10. The estimated timeframe for the disposal

Depending on whether any appeals against the decision to dispose of the land are lodged, Council would aim to complete the negotiation of a sale or long-term lease of the part of the land within 18 months after a decision by Council to dispose.

It should be noted that a future purchaser or lessee may need to rezone and subdivide part of the land for its intended use and that this process may take 6 to 12 months.

Officers expect to better understand the timeframe requirements after completing the proposed 120-day negotiation period with MONA and would report back to Council with more details of the disposal timeframe.

11. Any other relevant matters in the circumstances

There are no other material matters for consideration by Council.

12. The recommended course of action.

It is recommended that Council agrees to dispose of the land and to negotiate with MONA and the BMX club on the disposal and/or lease of part of the land. This negotiation process must not commence until the relevant appeal period has lapsed or, in the event of appeal, unless a favourable appeal outcome is achieved.

Consultations:

Director Infrastructure and Works
Manager Infrastructure, Engineering and Design
Manager Development
Parks and Recreation Coordinator
Property Coordinator
Child Care Delivery Coordinator
Operations and Maintenance Supervisor
Acting Environment Coordinator

Human Resource / Financial and Risk Management Implications:

Financial

The cost of disposal and or lease of the land Is estimated to be in the order of $20,000. This cost includes officer time, valuation, planning and legal costs. The exact cost will depend on the complexity of the negotiations.

There will be a considerable cost to relocate the BMX facility. The club estimates that this could be in the order of $500,000. It is intended that this would be partially funded by any proceeds from a sale or lease of the Land.

Human resources

Council staff will facilitate the disposal processes as part of their normal duties.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation				
Adverse public reaction of decision to advertise Council's intention of disposal	Moderate (C3)	Possible (L3)	Moderate	Council considers all objections received during the statutory consultation process, as required under section 178 of the Act. Objections under the s.178 process may appeal to the Independent Resource Management and Planning Appeal Tribunal.
Council does not achieve best value for the community on disposal of the land.	Moderate (C3)	Possible (L3)	Moderate	Use of independent valuations to demonstrate fair value. Engagement of a probity advisor to ensure fair and transparent negotiations.
Do not adopt the recommendation	Moderate (C3)	Likely (L4)	Notable	

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Council could miss an opportunity to receive income from either a long-term lease or sale of land.				Council gives consideration to a strategy for realising land assets that are not required for strategic purposes. Council articulates any issues with the proposed disposal and instructs officers to address these in a future report.

Community Consultation and Public Relations Implications:

Community consultation

Details of the community consultation already undertaken as part of the investigations into whether to dispose/lease of part of the land is contained in the body of this report.

The community will be provided with an opportunity to comment on the BMX facility relocation as part of engagement on the draft Glenorchy Mountain Bike Masterplan. This is expected to occur in or around June 2020.

Public relations

There are no material public relations implications.

Recommendation:

That Council:

1. RECEIVE and NOTE the responses received during the process conducted under section 178 of the *Local Government Act 1993* to dispose of part of 671 Main Road, Glenorchy (Certificate of Title 139511 Folio 1)
2. Having considered all the submissions and objections received, APPROVE the disposal of the part of 671 Main Road, Glenorchy by way of, sale or lease, in whole or in part
3. AUTHORISE the General Manager to take any actions necessary to give effect to the disposal of the public land, except as provided in clause 5 below.
4. AUTHORISE the General Manager to enter into exclusive negotiation with MONA on the sale and/or lease of the property for a period of 120 days, and
5. REQUIRE that any proposed agreement on the sale and/or lease of part of 671 Main Road, Glenorchy is brought back to Council for final approval.

Attachments/Annexures

1 Objection 1 - Disposal of 671 Main Rd Berriedale

2 Objection 2 - Disposal of 671 Main Road, Berriedals

3 Objection 3 - Disposal 671 Main Road, Berriedale

4 Expression of Interest - 671 Main Road Berriedale

GOVERNANCE

Community Goal: “Leading our Community”

11. COVID-19 RESPONSE STATUS REPORT APRIL 2020

Author:	General Manager (Tony McMullen)
Qualified Person:	General Manager (Tony McMullen)
ECM File Reference:	Business Continuity COVID-19 2020

Community Plan Reference:

Leading our Community

We will be a progressive, positive community with strong Council leadership, striving to make our Community's Vision a reality.

Strategic or Annual Plan Reference:

Making Lives Better

Objective 1.3	Facilitate and/or deliver services to our communities
Strategy 1.3.1	Deliver defined service levels to our communities

Open for Business

Objective 2.1	Stimulate a positive economy
Strategy 2.1.1	Foster an environment that encourages investment and jobs
Strategy 2.1.2	Build relationships with government and the private sector that create job opportunities for our communities

Leading our community

Objective 4.2	Prioritise resources to achieve our communities' goals
Strategy 4.2.1	Deploy the Council's resources to deliver value
Objective 4.3	Build relationships to deliver our communities' goals
Strategy 4.3.1	Foster productive relationships with other levels of government, other councils and peak bodies to achieve community outcomes

Reporting Brief:

To provide an update on Council's response to the COVID-19 pandemic during April 2020.

Proposal in Detail:

Background

At its meeting on 30 March 2020, Council resolved to:

5. *DIRECT the General Manager to prepare a further report to the next ordinary Council meeting providing an update on the status of the emergency response and the development of further community support measures for the 2020/21 financial year to respond to COVID-19.*

Letter from Premier and Minister for Local Government

The Premier and Minister for Local Government wrote to the Mayors and General Managers of Tasmanian councils on 16 April 2020 (see Attachment 1)

Key points in the letter were:

- The government's highest priority is the health, wellbeing and safety of Tasmanians.
- Local government's efforts will be critical to keeping Tasmania functioning and keeping Tasmanian's in business and jobs.
- Local government, like State and Federal Governments, is in a unique position to use its balance sheet (*i.e. use savings and borrowings*) to support the economy and the community.
- All Councils are encouraged to consider individual community care packages to support the community as a matter of urgency, including rate increase freezes and generous hardship policies.
- We expect Councils to endeavour to retain as many employees as possible during this challenging period which will likely require different budget and financial positioning strategies than is traditional (*i.e. deficit budgets*).
- Where appropriate, councils should also redirect staff to support their COVID-19 response measures and community relief and recovery initiatives.
- The Tasmanian Government has extended its three-year, interest free loan scheme to $150 million with flexible criteria around encouraging investment and employment and council COVID-19 response measures. We are committed to work individually, if necessary with each council to assist access to the scheme.
- Councils will benefit from capping of electricity and water prices.
- The government will work with LGAT re: the application of the Commercial Tenancy Code of Conduct.
- The government will advocate to the Federal Government on behalf of the local government sector to gain clarity around Financial Assistance (FAGS) Grants in 2020-21.
- Thanks for what you have done to date. We are all in this together – and our shared efforts will help us recover from this extraordinary challenge.

Status of Glenorchy City Council COVID-19 Pandemic Response

Impact on Council Services

Council has developed Business Continuity Plans for all its services and departments and has now determined a prioritisation of those services to ensure resources are made available to allow Council to stay operational during the disruption period.

The Council offices have been closed to the general public since 24 March 2020. However, Council's Customer Services call centre continues to operate from two locations and officers continue to be contactable by email.

Council's Works Centre continues to operate, with new Reflex software being trialled to facilitate remote dispatch for maintenance tasks. This will facilitate better efficiency, both during the pandemic and in the longer term. The trial of this software was not due to occur for some months, but was expedited as a result of the need brought about by the pandemic.

All public halls, playgrounds and reserves are closed to the public.

Most staff who usually work in the Council offices are now working from home, leaving a balance of 50 employees still working from the Council offices. This is in line with social distancing requirements, and is also necessary from a business continuity perspective, to prevent an outbreak of COVID-19 among Council staff which would have the potential to seriously impact operations.

The Moonah Art Centre is closed to the public. However, the MAC is providing digital online alternatives for exhibitions and arts-based activities for all ages.

The Derwent Entertainment Centre is closed to the public.

Council's Child Care Connections services have been modified in response to a reduction in demand and changes to Federal government benefits. From 27 April 2020, the Berriedale Child Care Centre will continue to operate from Mondays to Fridays and the Benjafield Child Care Centre will operate on Mondays, with children transferred from Benjafield to Berriedale Child Care Centre on the other weekdays.

Council's parking functions are operating on a more relaxed basis, with a focus on customer service and only major infringements (which lead to genuine safety issues) being penalised.

Critical corporate services functions such as ICT and Finance and development regulatory functions are being delivered through a combination of work from home and split locations.

Council's Community Department has refocused their actions to work with local networks to share information, develop support packages for the vulnerable and facilitate deliveries to community members. Community Department officers are also shifting programs to internet based to allow continued service to the community where possible.

Community Assistance Package for 2019/20 Year

At its meeting on 30 March 2020, Council resolved to:

2. *ADOPT an interim community assistance package to assist community members, organisations and businesses adversely affected by COVID-19 to apply between now and 30 June 2020, as follows:*

   (i) *waive rental instalments for grassroots community and sporting clubs for the rest of 2019/20* *(ii) consider applications from commercial tenants adversely affected by COVID-19 for relaxation or deferral of rent instalments on a case by case basis*

(iii) waive any penalties and interest that would have otherwise applied to overdue rate instalments for the fourth quarter

(iv) develop and apply amended guidelines for the Financial Hardship Policy to ensure relevant and timely consideration of applications from those seeking relief as a result of the COVID-19 incident, and

(v) action the business support package.

Council officers wrote to grassroots community and sporting organisations on or about 10 April 2020 advising them that rent or licence fees up to 30 June 2020 will be waived.

At the time of writing, Council officers are in the process of considering requests for assistance from 5 businesses and 5 residential ratepayers.

The low level of requests to date is believed to be a result of the timing of the fourth rate instalment in 2019/20, which pre-dated the escalation in the COVID-19 pandemic. Officers expect a substantial increase in demand for the first instalment in 2020/21.

Council officers are in the process of developing decision guidelines for hardship applications tailored to the COVID-19 circumstances. The focus is on targeted assistance to those needing it, rather than a blanket approach.

The amended financial assistance guidelines as well as a streamlined application form are expected to be finalised over the coming week and will be publicised on Council's website and Facebook page to ensure as wide a reach as possible.

A factor in the development of these guidelines has been the National Cabinet's Commercial Tenancy Code of Conduct which is yet to be brought into effect at State level. Nevertheless, officers have had regard to these in developing the Council guidelines.

In terms of business support, all businesses registered with an email on ABR sent information email. Council officers have been making small business support outreach phone calls to highly impacted sectors.

Officers are in the process of establishing a local business directory / information portal for business online.

Economic stimulus prospectuses have been also been developed for submission to both Federal and State Governments.

<u>State and Federal Government Assistance to Local Government</u>

Tasmanian government loan scheme

On 30 March 2020, Council relevantly resolved to:

4. ADVOCATE for the State Government $50M assistance package to local government to be provided as grants to assist with provision of essential

> *services and for the delivery of 'funding ready' projects identified as part of the Australian Government Stimulus Package,*

The Premier and Minister for Local Government's letter to Tasmanian councils dated 16 April 2020 made it clear (in summary) that:

- The Tasmanian Government has extended its three year, interest free loan scheme to $150 million with flexible criteria around encouraging investment and employment and council COVID-19 response measures. We are committed to work individually, if necessary with each council to assist access to the scheme.
- The Tasmanian Government made it clear that it had no further capacity to financially assist the local government sector in relation to COVID-19.
- Council has made submission via the Greater Hobart Strategic Partnership expressing interest in a potential $5M in funding under the scheme.

Child Care Subsidy

The Federal Government has made provision for the childcare sector by paying an amount equal to 50% of the normal childcare subsidy to registered childcare providers. Council has access to this scheme.

There is also the potential to seek a further supplementary payment in respect of childcare places for those with additional needs. Council has made application for this supplementary payment and is awaiting the outcome of its application.

Job Keeper – no special access for local government

The Federal Government, in recent weeks announced its 'Job Keeper' scheme which provides a fortnightly job subsidy to assist eligible organisations which have suffered a minimum 30% decrease in turnover to keep staff on. The Federal Government has made it clear that this subsidy will apply consistently across the board – and there will be no special access for local government to the scheme.

<u>Local Government Sector Initiatives</u>

Local Government Association of Tasmania

Following a General Meeting by video link on 24 March, the President of LGAT wrote to the Premier setting out general principles relating to the response of the sector to COVID-19 (refer to <u>Attachment 2</u>).

It was resolved at that meeting that:

LGAT Voting Representatives agree to take back the following relief mechanisms, to their Council for determination of a formal position on them as soon as practicable for this point in time with a review before 30 June 2020.

1. *No penalties, charges, interest or debt collection for late rates payments and extended payment periods (with such measures in place) until 30 June 2020*

[Comment: Council resolved this on 30 March 2020 as part of the interim Community Assistance Package]

2. *Rent relief on council owned buildings where tenants are experiencing financial hardship until 30 June 2020.*

[Comment: Council resolved this on 30 March 2020 as part of the interim Community Assistance Package]

3. *A common approach to hardship/assistance policies with LGAT to develop a model policy based on engagement with councils.*

[Comment: Council has been working on COVID-19 specific modifications to its existing Financial Hardship Policy. See below]

4.

a. Community grants to be refocussed as appropriate to support local business and not for profit recovery or conversion to a digital environment or circular economy until 30 June 2021.

[Comment: Council adopted a business support package at its meeting on 30 March 2020]

b. As a means of supporting local business recovery and injecting funds into communities in a timely manner, councils be encouraged to settle creditor invoices within a maximum 14-day timeframe (or sooner), irrespective of normal trading terms.

[Comment: Council normally submits two payment runs each month. In response to the current pandemic, for each payment run, Council's Accounts Payable section is paying all authorised invoices regardless of the applicable due date. This effectively achieves the maximum 14 day turn around. Accounts Payable is also responding to *ad hoc* requests with special payment runs where greater urgency exists around payment]

5. *A 0% increase on general rates for 2020-21 but fees and charges may be indexed by CPI .*

[Comment: See discussion below.]

6. *Seek the option of relaxing depreciation requirements or extending standard asset life for 2020-21 upon agreed criteria with the Auditor General (including asset condition) and subject to the Auditor General adjusting financial indicators accordingly.*

[Comment: This approach is not supported as it is not considered sustainable upon a return to business as usual. While it has the potential to artificially improve Council's 'bottom line' in the short term, the reality is that the average life of Council assets is 40 years and it does not make sense to assume a different depreciation level or asset life for just one year of the life of assets.]

(Items 1-4 were carried unanimously by those attending the meeting.)

Greater Hobart Strategic Partnership

Council continues to work informally with its inner metropolitan sister councils at Mayor and General Manager level to co-ordinate responses to the pandemic.

Development of Further Community Support Measures for 2020/21

When Council resolved to adopt an interim community support package at its meeting on 30 March 2020, its focus was on assistance to the end of the current 2019/20 financial year.

Council officers are now working to reframe the 2020/21 budget recommendation to Council in the light of the need for further community support measures.

Paramount considerations are the need to balance provision of a generous community assistance package and structuring measures to support a strong economic recovery while ensuring the financial sustainability of the Council.

<u>Community Assistance Package</u>

Rates "Freeze"

Consistent with the LGAT resolution and the spirit of communications from the State Government, officers are working on a proposal to freeze rate increases in the 2020/21 year. The particulars of this are still being worked through and will be considered by Council as part of the 2020/21 budget decision in mid-June.

Financial Hardship

Rates remissions are already addressed under Council's current financial hardship policy. However, there is a need to prepare guidelines that specifically respond to the circumstances of those affected by the COVID-19 pandemic. The focus of the guidelines will be upon deferral of rates and deferral of interest and penalties.

Work on the guidelines is advanced and is expected, at the time of writing, to be finalised within a week.

The process will be widely publicised and will require a Plain English application form to be completed along with submission of evidence to support genuine financial hardship as a result of COVID-19 (for example, by way of a bank statement, letter from an employer or a statutory declaration). The measure will apply to ratepayers and tenants who can demonstrated their liability to pay rates under a lease.

Applications will be considered by Council's Finance Department, with a strong focus on the process being 'user friendly' for applicants.

Commercial Rent Relief

Consistent with Council's resolution on 30 March 2020 to consider applications from commercial tenants adversely affected by COVID-19 for relaxation or deferral of rent instalments on a case by case basis, officers will apply the Federal Government's mandatory code for commercial tenants.

It is anticipated that this code will be legislated by the States in the near future. If a business has lost turnover, Council, in its capacity as a commercial landlord, would be required to give relief equivalent to the same percentage. Half of the relief would be in the form of a full waiver of rent and half would be a deferral of rent for the term of the lease. Assessment under this scheme would be administered by the Manager Property Environment and Waste.

Measures to support Strong Economic Recovery

Council has made a preliminary submission identifying projects for potential funding under the State government's three-year, interest free, $150M loan program. It is important to note that the preliminary submission does not commit Council to any borrowing.

These projects focus on targeted measures to support a strong economic recovery, including:

- Activity City – immediate support for businesses to adapt and build resilience
- Greater Glenorchy plan - supporting strategic investment in tourism, retail and hospitality precincts
- Cityscape – creating an active, vibrant city centre for Glenorchy
- Green-shoots in Glenorchy – a small business start-up and incubator
- Showcase – creative workforce hub and strategy (phase 1)
- MONA backdoor corridor
- Marine and defence precinct and innovation
- Regional Sport and Recreation Hub Glenorchy
- Relocation of the Southern City BMX track
- Making Berriedale Caravan Park development-ready

Financial Sustainability

Council must ensure that the revenue reductions from assistance measures and any borrowings do not threaten its continuation as a going concern.

The impacts of various measures will be carefully modelled to ensure that anticipated deficits do not threaten Council's capacity to meet its obligations as and when they fall due. This involve updating of Council's 10-year long term financial management plan to identify future anticipated operating results and cashflow.

Consultations:

Council workshop 20 April 2020
All Directors
Local Government Association of Tasmania
Greater Hobart Strategic Partnership
Regular internal COVID-19 Incident response team meetings

Human Resource / Financial and Risk Management Implications:

Financial

Council's Finance Department is continuing to refine its modelling of the anticipated impact on Council's finances as more detailed information comes to light about the impact of government measures.

A budget deficit of approximately $500k is anticipated for the current 2019/20 financial year.

A much more substantial budget deficit in the vicinity of $8M to $10M is now anticipated for 2020/21, depending on the duration of the pandemic and related government measures and a range of revenue and expenditure variables including rates, fees and charges, funding levels from dividends and government grants, borrowings, employee costs and the cost of COVID-19 relief and recovery measures.

Human resources

At this point, consistent with the expressed desire of the State government, Council is working to maintain its officers in employment, with some officers redeployed from their usual roles to COVID-19 tasks such as business support.

Risk management

The recommendation is for noting only.

Community Consultation and Public Relations Implications:

Community consultation

Council officers wrote to grassroots community and sporting organisations on or about 10 April 2020 advising them that rent or licence fees up to 30 June 2020 will be waived.

Public relations

The interim community support package was publicised via a Mayoral Facebook video immediately after the meeting. The information has also gone onto Council's website and remains on the Facebook page.

Council will continue to update its public-facing information as further decisions are made in relation to COVID-19 relief measures.

Recommendation:

That Council:

NOTE the COVID-19 Response Status Report for April 2020.

Attachments/Annexures

1 Premier's letter to councils

2 LGAT letter to Premier

12. TREATMENT OF HISTORICAL UNPAID INFRINGEMENTS

Author:	Manager Finance and ICT (Tina House) Manager Customer Services (Robbie Shafe)
Qualified Person:	Director Corporate Services (Jenny Richardson)
ECM File Reference:	Centralised Debtors Project

Community Plan Reference:

Leading Our Community

We will be a progressive, positive community with strong council leadership, striving to make Our Community's Vision a reality.

Strategic or Annual Plan Reference:

Leading Our Community

Objective 4.1	Govern in the best interests of our community
Strategy 4.1.1	Manage Council for maximum efficiency, accountability and transparency

Reporting Brief:

To brief Council on the current status of unpaid infringements dating back to 1996 and recommend that remedial action be taken to either write-off or pursue those amounts and improve processes around future infringement recovery.

Proposal in Detail:

Background

In June 2017, an internal audit by Deloitte identified issues relating to the recording and accounting treatment of infringement notices issued by Council.

A key recommendation from the Audit was that there needs to be a single point of oversight for all infringement notices issued across various departments within Council (e.g. parking infringements, planning infringements etc). In response to that recommendation, Council is in the process of implementing a centralised debtors process under which all regulatory debts will be overseen by a dedicated officer within the finance team, rather than each separate department being responsible for its own collection and management of infringement revenue.

Part of the transition to the new process (which was also one of the recommendations from the audit) requires Council to determine what action to be taken in response to historical unpaid infringement amounts, so that appropriate accounting treatments can be applied.

This report outlines the issues around historical unpaid infringement revenue and recommends the remedial action to be taken.

Summary of Recommendations

This report recommends that Council approves the following actions to remediate the issues around historical infringement revenue. These actions will address the recommendations from the audit and ensure that Council's treatment of any future infringement revenue is in-line with a sound and efficient process. The recommendations are that Council:

1. writes-off any unpaid infringement amounts from infringement notices issued in the period 1996 to 2007, being prior to the commencement of the Monetary Penalties Enforcement Service (**MPES**)
2. excludes from write-off any infringements issued in the period 1996 to 2020 that has been subject to a Court judgement and are recorded by MPES (which may still be able to be recovered)
3. reconciles the infringements owing in the Council database to the MPES database and performs accounting adjustments to the Council amount owing to align with the MPES data
4. initiates a collection process for unpaid infringements in the period 2008 to 2019 that have not been lodged with MPES
5. investigates and report back to Council on an alternative collection process that engages an external collection agent for future infringements before Council lodges them with MPES

Power to Issue

Depending on their role, delegated Council Officers have the authority to issue infringements under the following legislation:

- *Road Rules 2009*
- *Traffic Act 1925*
- *Traffic (Compliance and Enforcement) Regulations 2017*
- *Dog Control Act 2000*
- *Local Government Act 1993*
- *Food Act 2003*
- *Public Health Act 1997*
- *Environmental Management and Pollution Control Act 1994*
- *Building Act 2016*
- *Land Use Planning and Approvals Act 1993*
- *Glenorchy City Council Animal Management By-Law (No. 1 of 2014)*
- *Glenorchy City Council Environmental Amenity By-Law 2017*

Council has a role in the community to enforce sections of these acts and regulations to discourage unlawful behaviour and to promote a healthy, safe and economically active municipality.

While the processes for investigating unlawful matters and issuing infringement notices are different for each area of Council with regulatory responsibility, they all essentially have this same goal.

The processes of each enforcement area are described below.

Parking Compliance

To maximise the use of parking spaces and keep the flow of customers constant for local businesses.

To ensure the safety of road users and pedestrians, decreases congestion and assist with orderly traffic flow.

Animal Management Compliance

To ensure safety of the community by encouraging residents to be responsible pet owners by registering their dogs, keeping their animals in appropriate enclosures and managing dangerous dogs.

To facilitate the retrieval and return of lost animals and assist with animal attacks and nuisances within Glenorchy.

Environmental Health Compliance

To protect the health and well-being of the community through food handling/preparation inspections, pollution monitoring, water testing and mitigating other nuisances that might endanger the health of the community.

Planning and Building Compliance

To ensure development within the municipality occurs within the scope of issued permits. To ensure development which has occurred without a permit is dealt with through the proper regulatory processes.

The following table is an analysis of infringements issued in for the five calendar years 2015-2019:

Table 1: Number of infringements issued in calendar years 2015-2019

Type	2015	2016	2017	2018	2019
Animal Management By-Law	5	1	9	-	6
Building	-	5	8	-	3
Environmental Amenity	-	-	-	-	2
Dogs	706	441	363	317	639
Environmental Management and Pollution	3	-	1	-	-
Food	16	30	13	11	4
Public Health and Nuisance	4	1	1	1	3

Litter	7	6	1	-	-
Parking	4,438	4,915	6,258	6,188	5,635
Planning	1	5	3	1	-
Plumbing	-	-	-	-	-
Total	**5,180**	**5,404**	**6,657**	**6,518**	**6,292**

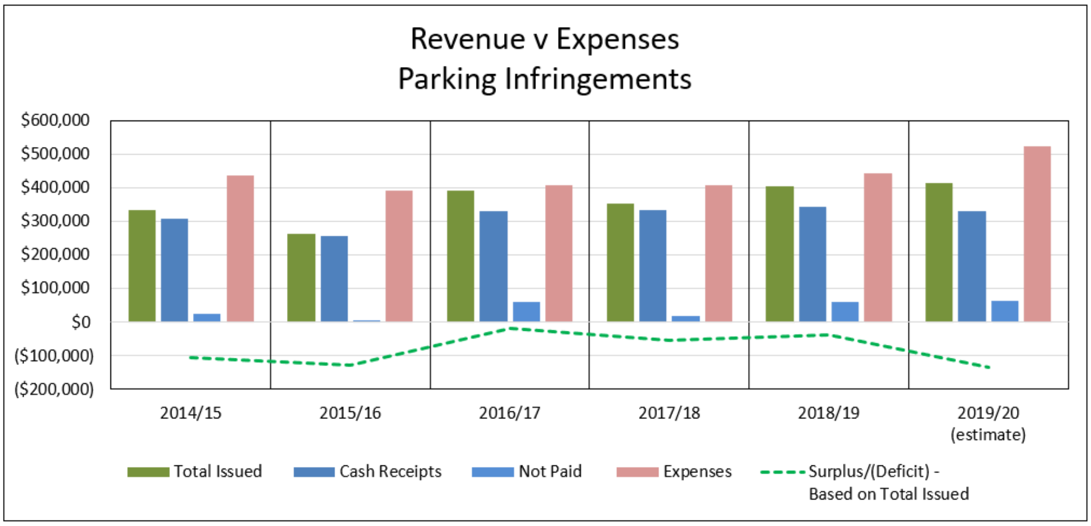
Cost/benefit considerations

The primary focus in issuing infringements must always be to enforce rules and regulations for the benefit of the community. The level of resources required should be commensurate with the problem at hand, which may result in the expense exceeding the revenue.

As a result, the cost/benefit measure is more than just a financial calculation; it must also take community expectations into consideration.

For example, parking compliance is the major contributor to the amount of infringements issued, making up on average 91% of the annual total revenue. However, the following chart demonstrates that the total cost to Council of enforcing parking regulations (being essentially the difference between revenue realised and actual costs such as the salaries of parking officers and their equipment) is around $100k per annum over an extended period. That difference represents the real cost to the community to enforce parking rules and regulations for the community's benefit.

Chart 1: Analysis of Parking Compliance Revenue v Expenditure 2015-2019



Source: Local Government Data Collection CDCS 2014/15-2018/19 and Technology One

Enforcement and Collection

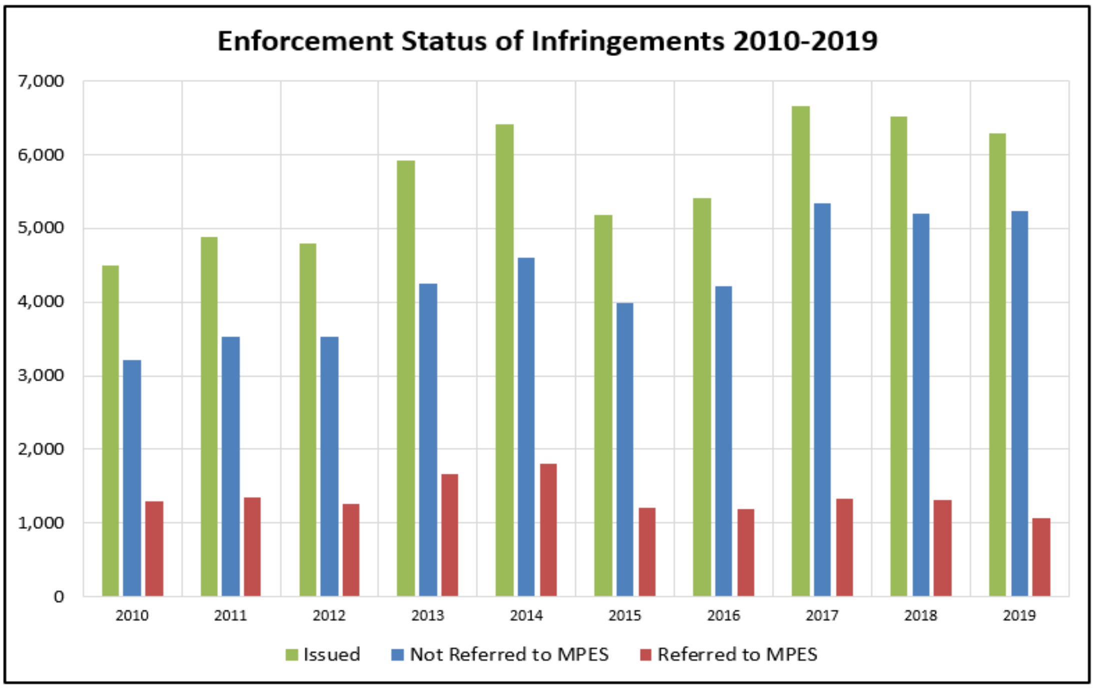
After an infringement notice is issued, the recipient has 28 days to either pay or dispute the infringement.

Once the 28 days has expired, a courtesy reminder is sent prompting the infringement to be paid. At this stage if, the infringement has not been paid, withdrawn or the recipient has not elected have the matter heard in the Magistrates Court, the offender is taken to be convicted of the offence.

At this point, Council has six months within which to lodge the infringement with MPES for collection (which MPES charges Council for). If it doesn't lodge within six months, it is unable to do so. Most infringements are submitted to MPES within four months after they are issued. Those not submitted within this timeframe are usually in dispute or under further investigation or negotiation.

The following chart shows the number of infringements issued vs those referred to MPES between 2010 and 2019.

Chart 2: Enforcement status of infringements issued 2010-2019



Monetary Penalties Enforcement Service (MPES)

MPES commenced in 2007 through the enactment of the Monetary Penalties Enforcement Act 2005. The legislation states that MPES is the sole authority for enforcement of any monetary penalty imposed by an infringement notice issued by a local government authority and, if the notice is referred to MPES by the authority, MPES also becomes the sole authority for collection of money paid under the notice.

MPES has legislated powers to recover debt through varying methods such as those described on their website:

- *Suspend your driver licence or eligibility to hold a driver licence*
- *Suspend registration of vehicles registered to you*
- *Publish your name, address, driver licence number, and details of your penalty on the MPES website*
- *Issue an enforcement warrant to:*
    - *Impose a charge on any land you have an interest in*
    - *Seize and sell your property*

- *Redirect money that belongs to you by an employer, a financial institution or other entity holding money on your behalf*

MPES has enhanced facilities to follow up on all delinquent fines regardless of age. Unless withdrawn by the issuing authority, paid in full or being paid in accordance with terms of a Variation of Payment Conditions Notice, all monetary penalties are enforced.

Unpaid Infringements – Not Referred to MPES 1996 - 2007

A large proportion of Council's unpaid infringements were issued prior to 2008. At that time the collection process required Council to issue a Magistrates Court summons and obtain judgement for the non-payment of the fine. The judgement would then be enforced by the Bailiff with varying degrees of success.

A report was presented to Council in 2009 that highlighted the difficulty in collecting Court processed infringements. The recommendation would have put in place a rolling five-year write-off process for unpaid amounts until 2013 for non-judgement infringements, resulting in a substantial reduction of carried forward debt.

Unfortunately, the recommendation was not adopted, meaning the current Council is now required to make decisions on this issue.

In summary, Council currently has 2,711 unpaid infringements totalling $231,216.12 recorded in its Council database as being issued in the period from 1996 to 2007 (refer Attachment 1).

The following charts show both the number of infringements issued in each of those years and the total amount of the infringements issued.

Chart 3(a): 1996 – 2007 not with MPES
*Outstanding infringements **prior** to MPES commencing – **by number***

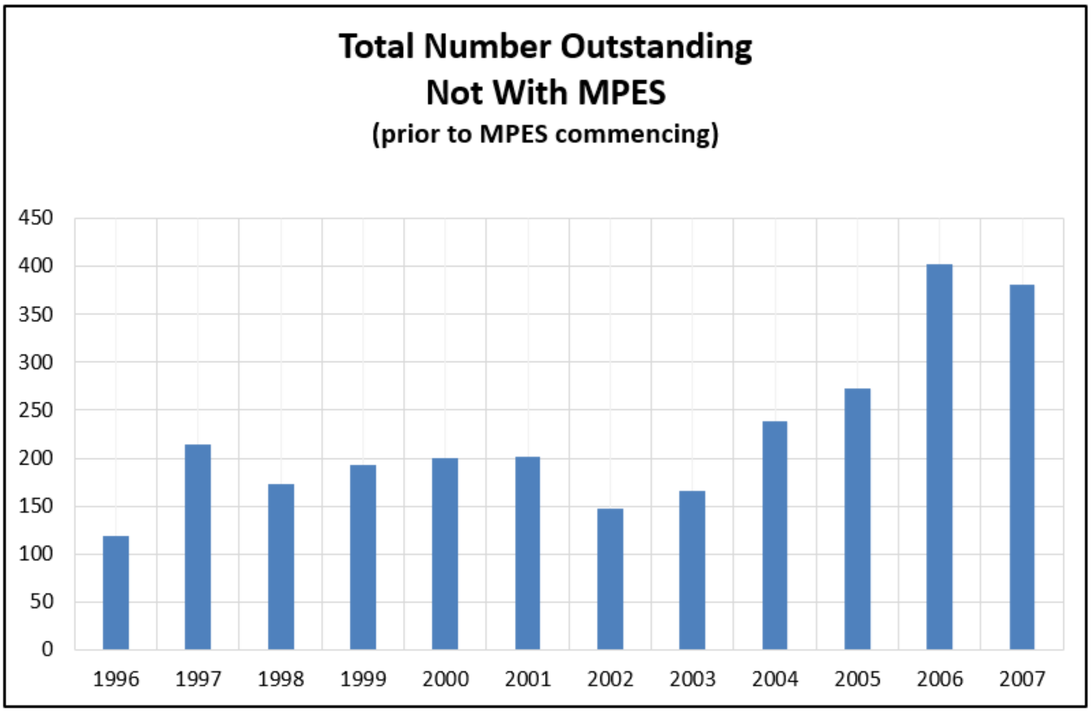
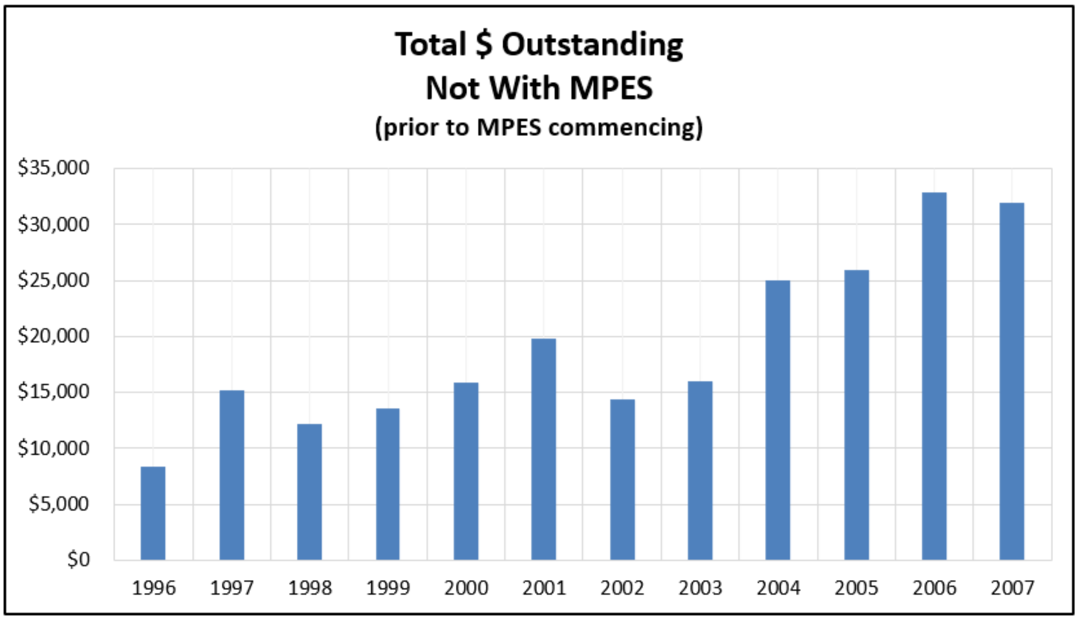


Chart 3(b): 1996 – 2007 not with MPES
*Outstanding infringements **prior** to MPES commencing – **by $ value***



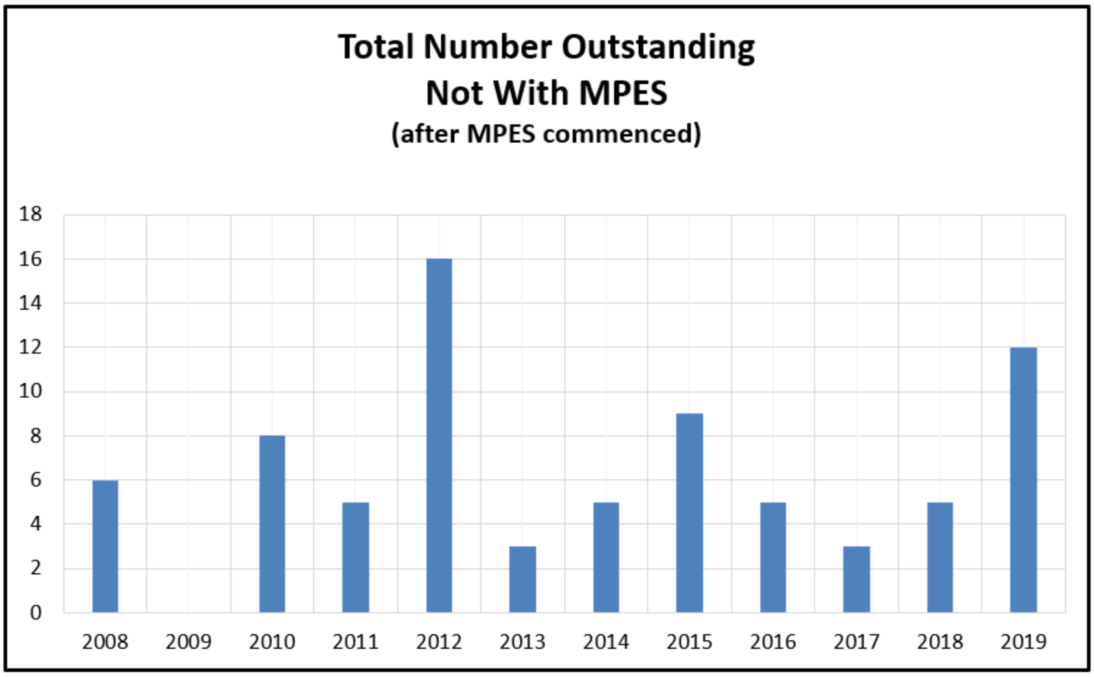
Unpaid Infringements – Not Referred to MPES 2008 - 2019

Following the commencement of MPES, a substantial reduction in both the number and value of unpaid infringements is clearly evident.

However, for a variety of reasons, there are 77 infringements totalling $26,642.85 that were not referred to MPES and are outside the six-month timeframe (refer Attachment 4).

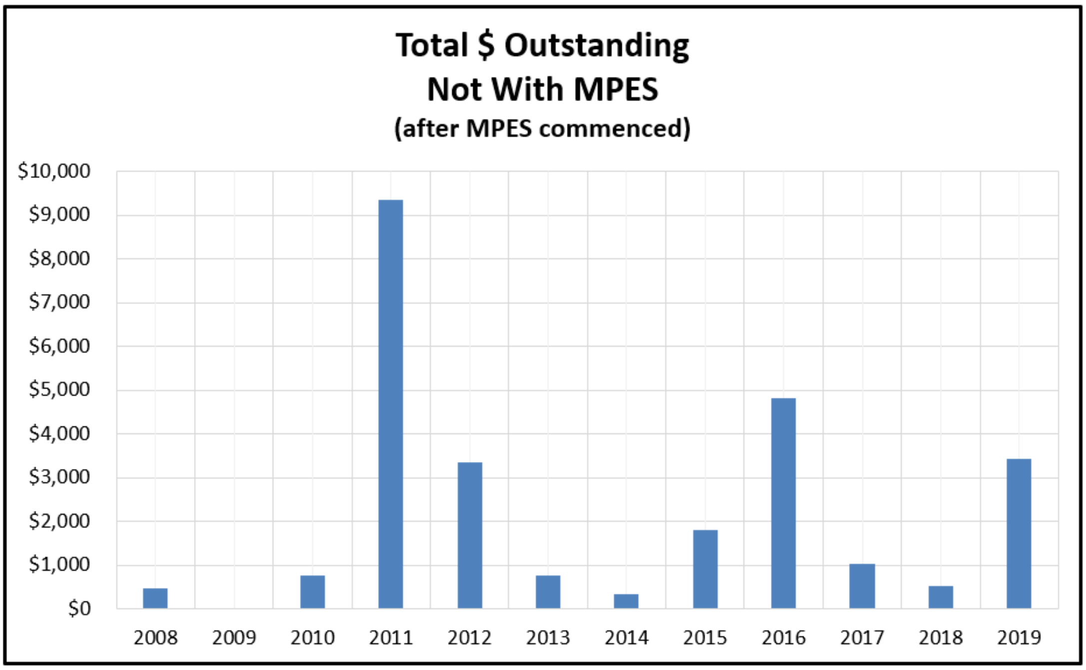
It is proposed that Council does not approve a blanket write-off of these infringements off, but instead instructs that they be investigated on a case-by-case basis and a decision made on the most appropriate course of action for each:

Chart 4(a): 2008 – 2019 not with MPES
*Outstanding infringements **after** MPES commenced – by number*



Note: These are infringements outside of the six-month MPES referral period

Chart 4(b): 2008 – 2019 not with MPES
*Outstanding infringements **after** MPES commenced – by $ value*

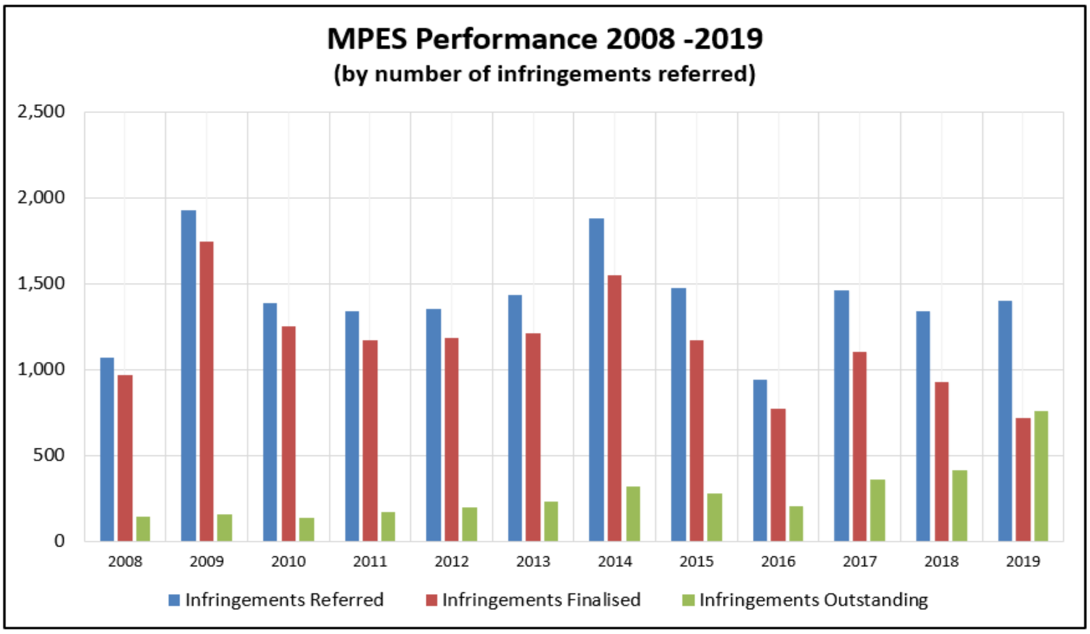


Note: These are infringements outside of the six-month MPES referral period

Unpaid Infringements – Referred to MPES

Most unpaid infringements are ultimately referred to MPES within the statutory timeframe. The following table details the performance of MPES since its commencement in 2008.

Chart 5(a): 2008 – 2019 MPES Performance - by number referred

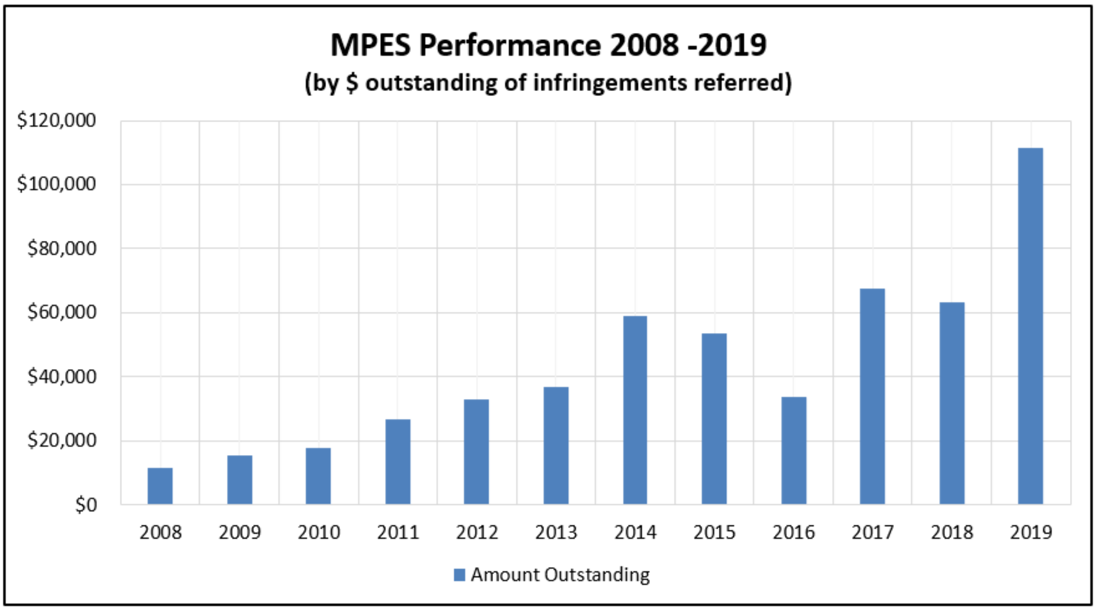


Note: The status of finalisation is applied for several reasons such as payment made, declared uncollectable, withdrawn by Council or satisfied by community service.

In relation to infringements with MPES that are still unpaid, the MPES database discloses it currently has 4,276 infringements referred by Council, totalling $612,794. This includes pre-MPES Court judgements sourced and recorded by MPES.

Of this, some will be unrecoverable, however a large proportion would be classed as 'recent' debt as MPES' collection processes have not had sufficient time to take effect.

Chart 5(b): 2008 – 2019 MPES Performance -by $ outstanding



Note: Excludes pre-MPES Court judgements sourced and recorded by MPES

The above analysis of infringements referred to MPES indicates that there is an acceptable level of finalisation of debts by MPES. In addition, the above chart does highlight that time expiration does play a role in collection performance with 'recent' debt featuring prominently.

MPES Cost of Recovery

A referral fee is charged by MPES for each infringement that Council lodges with it. For the 2019/20 year, this fee is $48.60. This fee is added to the original infringement amount and then becomes the new amount owing for MPES to collect and remit.

This results in a zero cost to Council for infringements that are subsequently paid but an unrecoverable cost if the infringement is subsequently declared uncollectable, withdrawn by Council or satisfied by community service.

The offender incurs further costs from MPES if they fail to pay upon demand and an Enforcement Order is obtained. The initial cost is $84.00 followed by further specific action costs. These are not costs for which Council is liable.

Alternative Recovery Processes

Some other Tasmanian councils engage third-party debt collection agencies before sending their unpaid infringements to MPES. An example of this process for Parking Infringements issued under the *Road Rules 2009* from another Southern Tasmanian Council is as follows:

- infringement issued
- recipient has 28 days to pay or dispute infringement
- after 28 days has expired, a reminder letter is sent
- 28 days after sending the reminder letter, the unpaid infringement is sent to a third-party debt collection agency (which receives a % commission if retrieved)

- if the infringement is still unpaid 5 months and 3 weeks after the infringement is issued, the infringement is then sent to MPES for collection (as noted above, infringements must be sent to MPES within 6 months of issue).

Officers are still conducting a cost-benefit analysis as to whether Council ought to refer unpaid infringements to an external agency before lodging them with MPES. A future report will be presented to Council detailing the feasibility of engaging a third-party debt collection agency, including any costs or commission details (as per recommendation 7).

Alignment of Council and MPES Databases

A reconciliation of the MPES and Council databases has identified 803 instances of financial data misalignment, totalling $105,239.57 (refer Attachment 3). There are various reasons why the two databases may differ, such as:

- MPES has declared the infringement uncollectable
- MPES has declared recovery of the infringement administratively unviable
- MPES records the infringement as paid
- Council has not accurately added MPES costs to the infringement
- Council has withdrawn the infringement
- the infringement has been part paid
- the infringement has been overpaid
- the infringement has been satisfied in a non-financial manner (e.g. community service)

It is important both the MPES and Council databases are in alignment as both organisations rely on accurate information for recovery action and financial reporting.

To align the Council and MPES databases, there will be a reduction of in the value of infringements recorded in the Council database. As MPES is the sole enforcer and collector of these infringements, Council will only ever receive what is recorded in the MPES database.

Writing Off Debts

Local Government Act 1993

Any decision to write-off infringement amounts must have regard to section 76 of the *Local Government Act* 1993, which provides: as follows:

76. Writing off bad debts

(1) A council may write off any debts owed to the council –

(a) if there are no reasonable prospects of recovering the debt; or

(b) if the costs of recovery are likely to equal or exceed the amount to be recovered.

(2) A council must not write off a debt unless the general manager has certified –

(a) that reasonable attempts have been made to recover the debt; or

(b) that the costs of recovery are likely to equal or exceed the amount to be recovered.

The following reasons are provided in support of the use of these legislative powers:

a) the amount of time that elapsed is proportional to the prospect of recovering the debt (i.e. the longer the time, the less chance of recovery)

b) costs incurred in collection action are not proportional to the debt

c) costs incurred in recovery action would exceed the debt

d) contact details for the offender may be out of date and indeterminable

e) taking further action may not be in the public interest

General Manager Delegation

Council has delegated its power under section 22(2)(ba) of the *Local Government Act 1993*, (to write off any debts owed to Council) to the General Manager to a maximum amount of $20,000. If Council approves the recommendations in this report, it is proposed that future write-offs or adjustments to infringement amounts will be approved by the General Manager in accordance with that delegation.

Summary

Council currently has a substantial number of uncollectable infringement notices on its books. Council has the statutory power to write these debts off, and it is recommended that it does so, as the alternative would be to incur significant financial and human resources costs in taking recovery action that is unlikely to be successful and would result in a net expense to Council even if it were (which is not in the public interest)

For the reasons detailed above in this report, it is recommended that Council:

1. Write-off infringements that were issued in the period 1996 to 2007 being prior to the commencement of MPES (Attachment 1)
2. Exclude from write-off any infringement issued in the period 1996 to 2020 that has been subject to a Court judgement and is recorded by MPES (Attachment 2)
3. Reconcile the infringements owing in the Council database to the MPES database and perform adjustments to the Council amount owing to align with MPES (Attachment 3)
4. Initiate a collection process for unpaid infringements in the period 2008 to 2019 that are not with MPES (Attachment 4)
5. Investigate and report back to Council an alternative collection process that engages an external agent prior to lodgement with MPES
6. Endorse the use of the delegated power afforded to the General Manager to approve infringement adjustments or write-offs

If Council adopts the recommendations, the overall financial impact[1] and recovery status[2] outcomes will be as set out in the following tables:

Table 2: Financial Impact

Details	**Total Number**	**Total Value**
Opening Balance	7,636	$1,008,101
Recommendation 1: Write Off 1996-2007	(2,711)	($231,216)
Recommendation 2: Exempt from Write Off 1996-2020	708	$55,086
Recommendation 3: Adjustments Council v MPES (of which 620 will result in $0 balance[3])	(803)	($105,240)
Closing Balance[3]	**5,013**	**$726,731**

[1] It is important to note there will be no direct financial impact on the budget as Council only recognises these infringements as revenue when they are paid, not when they are issued. The recommendations merely reflect what Council might collect into the future, with diminished probability of payment over time.

Table 3: Recovery Status

Details	**Total Number**	**Total Value**
With MPES: 1996-2007 (pre MPES court judgements)	708	$55,086
With MPES: 2008-2020 (post MPES commencement)	3,568	$557,708
With GCC: Outside of 6 month MPES referral period	77	$26,643
With GCC: Still within 6 month MPES referral period	660	$88,943
Closing Balance	**5,013**	**$726,731**

[2] *All infringements owing after the recommendations are implemented will be subject to some form of recovery processes, either through MPES or internal Council monitoring by Centralised Debtors.*

Moving forward into the future, there will be an ongoing dedicated Centralised Debtors officer responsible for overseeing all non-rates debt, including infringements. This position will implement control measures to monitor and follow-up unpaid amounts across all areas of Council to avoid any future situations similar to that covered in this report.

Consultations:

Aldermen
Executive Leadership Team
Manager Finance and ICT
Manager Customer Service

Human Resource / Financial and Risk Management Implications:

Financial

It is important to note there will be no direct financial impact on the budget as Council only recognises these infringements as revenue when they are paid, not when they are issued. The recommendations merely reflect what Council might collect into the future, with diminished probability of payment over time.

Recommendation 1: write-off infringements that were issued in the period 1996 to 2007 being prior to the commencement of MPES (Attachment 1) totalling **$231,216.12**

Recommendation 2: exclude from write-off any infringement issued in the period 1996 to 2020 that has been subject to a Court judgement and is recorded by MPES (Attachment 2) totalling **$55,086.38**

Recommendation 3: reconcile infringements owing in the Council database to the MPES database and perform adjustments to the Council amount owing to align with MPES (Attachment 3) totalling **$105,239.57**

Recommendation 4: initiate a collection process for unpaid infringements in the period 2008 to 2019 that are not with MPES (Attachment 4) totalling **$26,642.85**

Note:
MPES numbers and dollars in this report are current as at 1 April 2020.
Council numbers and dollars in this report are current as at 7 April 2020.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation There may be a public perception that Council is waiving more than just the pre-MPES (i.e. 2008) outstanding infringements	Minor (C2)	Possible (L3)	Moderate	The report makes it clear Council is only waiving very old pre-MPES (ie 2008) infringements and will take appropriate action against each unpaid infringement issued after 2008 that is not with MPES
Do not adopt the recommendation Future internal audits of this nature will identify Council has not resolved significant findings in the Deloitte Non-Rate Revenue Audit	Minor (C2)	Almost Certain (L5)	Notable	Council communicates why it does not approve any adjustments and provides guidance on how it prefers the matter be addressed.

Community Consultation and Public Relations Implications:

Community consultation

Community consultation was not required or undertaken

Public relations

There are no material public relations implications.

Recommendation:

That Council:

1. APPROVE the write-off of infringements that were issued in the period 1996 to 2007 prior to the commencement of MPES, totalling $231,216.12, as detailed in Attachment 1
2. APPROVE the exclusion from the write-off of any infringement issued in the period 1996 to 2020 that has been subject to a Court judgement and is recorded by MPES, as detailed in Attachment 2
3. APPROVE adjustments resulting from the reconciliation of infringements recorded as owing in Council's database to the MPES database, totalling $105,239.57, as detailed in Attachment 3
4. APPROVE the initiation of collection processes for unpaid infringements in the period 2008 to 2019 that have not been lodged with MPES, as detailed in Attachment 4
5. ENDORSE the investigation of an alternative collection process that engages an external debt collection agent prior to lodgement with MPES and request a future report detailing the feasibility of such an arrangement.

Attachments/Annexures

1 Attachment 1 - Write-Off Infringements 1996-2007

2 Attachment 2 - Exclude From Write-Off 1996-2020

3 Attachment 3 - Adjust Council Amount to Match MPES Amount

4 Attachment 4 - Initiate Collection Processes 2008-2019

5 Attachment 5 - Applicable Penalty Amounts 2019-20

13. QUARTERLY REPORT - Q3 2019/20

Author:	Executive Officer (Bryn Hannan) Reporting Officer (Allan Wise)
Qualified Person:	General Manager (Tony McMullen)
ECM File Reference:	Corporate Reporting

Community Plan Reference:

Leading Our Community

We will be a progressive, positive community with strong council leadership, striving to make Our Community's Vision a reality.

Strategic or Annual Plan Reference:

Leading Our Community

Objective 4.1	Govern in the best interests of our community
Strategy 4.1.1	Manage Council for maximum efficiency, accountability and transparency
Action 4.1.1.01	Monitor Council expenditure and drive efficiency across the organisation
Action 4.1.1.02	Develop and monitor Council's Budget, Long Term Financial Plan, Annual Plan and Annual Report

Reporting Brief:

To provide Council with the Quarterly Report for the quarter ending 31 March 2020.

Proposal in Detail:

The Quarterly Report for the period ending 31 March 2020 provides detail on Council's key strategic projects, strategic and key operational risks, core business activities, financial performance and forecasting and monitoring of Council's Annual Plan.

The Quarterly Report comprises the following:

- Quarterly Report (Attachment 1), and
- Quarterly Annual Plan Progress Report (Attachment 2).

The purpose of the report is to assist Council in its strategic oversight of Council operations and progress on implementation of the Council's Annual (Operational) Plan.

A further benefit of this reporting is that it helps to make Council's operations more transparent to the community.

Quarterly Report

The Quarterly Report contains the General Manager's summary of strategic and operational highlights during the quarter, and Council's Quarterly Financial Performance Report.

Council should note that while the report covers the period to 31 March 2020, it does not yet reflect the full impact of the COVID-19 pandemic on Council. The operational changes necessitated by social distancing requirements and the hardship being faced by the community are likely to have a significant impact on our 2020/21 budget and will become evident in our fourth quarter report.

Due to operational disruption caused by the COVID-19 Pandemic, this quarter's report does not contain the Directorate Key Performance Indicators section that has appeared in previous editions. Officers are currently working to develop a set of revised KPIs that enable a more accurate picture of Council's performance than the KPIs that have been produced clearly. These will be discussed at a Council workshop and included in the Q4 report.

Annual Plan Progress

The Annual Plan Progress Report currently records that of the 19 priority items, 2 are complete, 11 are on track and 9 are tracking slightly behind but are being actively progressed.

Financial Performance

At 31 March 2020 (**Quarter 3**), Council's operating result was $2.395 million ahead of the budgeted position. This is an increase on the $1.853 million positive result reported at 31 December 2019 (**Quarter 2**).

A summary of the key financial indicators detailed in Attachment 1 is as follows.

Revenue

Revenue at the end of Quarter 3 is $611,000 (1.1%) above the budgeted position. The comparative result for Quarter 2 was $404,000 (0.8%) above budget.

Although the bottom-line position is marginally favourable, there are revenue streams within the overall program that contribute either positively or negatively to the above position. These are predominately subject to external influences and are not the result of any action or inaction of Council staff.

Of particular note, these include:

- Initial impact of Councils COVID-19 Interim Community Assistance Package
- Reduced economic and public participation activities due to COVID-19
- Changes to landfill arrangements to extend the life of the Jackson Street facility
- Unplanned closure of the Derwent Entertainment Centre
- Reduction in official interest rates impacting investment returns
- Unbudgeted capital grants and contributions received

It is considered our established revenue streams will be further impacted in quarter 4 and beyond, however to what extent is not currently ascertainable.

Expenditure

Expenditure at the end of Quarter 3 is $1.784 million (4.0%) below budget. The comparative result for Quarter 2 was $1.449 million (4.9%) below budget.

Unlike the many variables in the revenue budget, expenditure is primarily under budget due to reduced Employee costs of $1.577 million, which represents a consistent 7% to 10% across each month year to date.

This indicates a consistent vacancy rate across the organisation with initial vacant positions being filled but being offset by existing staff leaving and those positions remaining vacant.

Prudent budgeting practices and the aim of full employment dictates all positions must be allowed for in the budget, however subsequent needs analysis of vacant and resigned positions may lead to savings, as is currently the case.

Capital Works

Capital works expenditure is $8.897 million against an annual budget of $14.009 million, delivering approximately 64% of the program. The comparative result for Quarter 2 was $5.133 million representing 37% of the program.

While current forecasts indicate that the capital works program will be substantially completed, there are a series of projects that are being delayed due to various factors. Council officers estimate that the impact on the capital works program in 2019/20 could be as high as $1m. Further detail will be provided as part of future reporting.

Council makes every effort to achieve the budget by bringing forward works from the forward program to manage projects that are delayed. The timing of COVID-19 and administration of the Australian Government grants have made this more difficult and are outside of Council's control. On several projects, Council has been unable to engage consultants, access materials and contractors from outside of the state and undertake required consultation.

Council expects that the delays will push these projects into the 2020/21 financial year and does not anticipate any roll-on effect on works planned for next financial year.

More detailed information on noteworthy revenue and expenditure variances can be found in the Explanatory Notes in Attachment 1.

COVID-19 Response

Council's financial position from March 2020 onwards and into the next financial year is expected to be significantly adversely impacted by the current COVID-19 crisis.

On 30 March 2020, Council adopted its COVID-19 Interim Community Assistance package to assist community members, organisations and businesses adversely affected by COVID-19. There are a range of financial concessions which will impact Councils financial position in the coming months to 30 June and beyond.

The effects of these concessions will be reported to Council in future Financial Performance Reports.

Consultations:

General Manager
Executive Leadership Team
Officers responsible for Capital and Operational Budget reporting

Human Resource / Financial and Risk Management Implications:

The Quarterly Report assists in Council's active risk management by monitoring and reporting on the progress of Annual Plan actions, major projects, key activities of Council and financial performance.

This enables Council to have oversight of the performance of the organisation, enabling informed decision-making and appropriate risk mitigation.

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation				
The strong year-to-date financial result may be interpreted as being of direct benefit in formulating the budget for the year ending 30 June 2021.	Minor (C2)	Possible (L3)	Moderate	Explanations are provided for material variances to inform the reasons leading to the variance are "year specific" in nature. It also contains a statement the 2019/20 forecast result does not directly translate into the 2020/21 budget.
Impacts of COVID-19 are yet to be fully realised and are not evident in the current report, leading to misinterpretation of data.	Minor (C2)	Possible (L3)	Moderate	Aldermen emphasize to community the COVID-19 impacts will become evident in future performance reporting and may be significant.
Do not adopt the recommendation				
There may be a misunderstanding of the information presented in the report leading to a perception the Council lacks confidence in its forecast financial position	Moderate (C3)	Possible (L3)	Notable	To assist with understanding the financial position of Council, the report contains information in various formats including charts, tabular and commentary.

Community Consultation and Public Relations Implications:

Community consultation

As this is a report on the outputs and outcomes of Council services and activities, no community consultation was undertaken.

Public relations

There are no material public relations implications.

Recommendation:

That Council:

RECEIVE and NOTE Council's Quarterly Report and the Quarterly Annual Plan Progress Report for the quarter ending 31 March 2020.

Attachments/Annexures

1 Quarterly Report - Q3 2020-221

2 Q3 Annual Plan Progress Report

14. PROCUREMENT AND CONTRACTS - MONTHLY REPORT

Author:	Manager Corporate Governance (Tracey Ehrlich)
Qualified Person:	Director Corporate Services (Jenny Self)
ECM File Reference:	Procurement

Community Plan Reference:

Leading our Community

The communities of Glenorchy will be confident that Council manages the community's assets soundly for the long-term benefit of the community.

Strategic or Annual Plan Reference:

Leading our Community

Objective 4.1	Govern in the best interests of our community
Strategy 4.1.1	Manage Council for maximum efficiency, accountability and transparency
Strategy 4.1.3	Maximise regulatory compliance in Council and the community through our systems and processes

Reporting Brief:

To inform Council of exemptions that have been applied to procurements under Council's Code for Tenders and Contracts for the period 12 March 2020 to 15 April 2020 and provide updates on other relevant procurement matters.

Proposal in Detail:

Exemption Report

Council's Code for Tenders and Contracts (**the Code**) has been made and adopted by Council as required under section 333B of the *Local Government Act 1993*.

Under clause 10.2 of the Code, the General Manager is required to provide a regular report to Council on exemptions that have been authorised to the procurement requirements under the Code. Clause 10.2 relevantly provides:

> *In accordance with Regulation 28(j), the General Manager will establish and maintain procedures for reporting to Council **at the first ordinary meeting of Council after the event** in relation to the procurement of goods and/or services **in circumstances where a public tender or quotation process is not used**. Such report will include the following details of each procurement:*
>
> *a) a brief description of the reason for not inviting public tenders or quotations (as applicable);*

b) a brief description of the goods or services acquired;

c) the approximate value of the goods or services acquired; and

d) the name of the supplier.

For the period of 12 March 2020 to 15 April 2020 there have been no exemptions to Council's Code for Tenders and Contracts.

Expenditure on External Legal Services

For the month of March 2020, the total amount spent on external legal services for all of Council was $2,265.00. This expenditure was incurred with regards to planning matters and rates recovery fees.

Expenditure update - Sugden & Gee (KGV consultancy services)

At its meeting on 29 October 2018, Council approved additional expenditure of $100,000 with Sugden & Gee Pty Ltd for ongoing services in relation to the KGV project, bringing the total expenditure on Sugden & Gee to $500,000 (incl. GST).

Council also approved the non-application of the tender process for the contract with Sugden & Gee on the basis that extenuating circumstances meant that a satisfactory result would not be achieved by inviting tenders. The reasons for that decision are outlined in the report to Council's October 2018 meeting.

Council has requested that it be kept informed of the running total of expenditure on Sugden & Gee for its services in relation to KGV.

A single invoice for Sugden & Gee was paid on 2 April 2020 for $572.52. This invoice covered tenancy negotiations for KGV for the period of November 2019 to March 2020. At the date of this report, the total expenditure on Sugden & Gee is $417,281.88.

On 12 August 2019 the Director Regional Programs and Financial Reporting wrote to Council confirming the redevelopment of the KGV Sports and Community precinct is complete and the five (5) year operational period, as per the funding agreement, has commenced.

Council had previously requested that it receive a monthly update on Sugden & Gee expenditure for KGV, so that it could monitor the total amount spent and ensure that the approved limit of $500,000 was not exceeded. Sugden & Gee's work on the KGV project is now largely complete with $82,718.12 remaining before that limit is reached. It is not expected that any further invoices will be issued, and if they are, they will be minimal. On that basis, it is recommended that Council removes the requirement for monthly reporting and instead requests an update only if there are developments which would result in the limit being approached or exceeded.

Consultations:

Executive Leadership Team
Senior Legal Counsel
Accounts Payable Supervisor

Human Resource / Financial and Risk Management Implications:

Human resources

There are no material human resources implications.

Financial

The report identifies the following budgeted operational expenditure that has been approved during the reporting period:

- $2,265.00 on external legal services, and
- $572.52 on Sudgen and Gee project management expenses.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation Criticism of Council's acceptance of procurement process exemptions and associated expenditure.	Minor (C2)	Unlikely (L2)	Low	Council notes the reasons identified for the exemptions and satisfies itself that each is sound and in accordance with approved procedures.
Do not adopt the recommendation Council officers less likely to seek exemptions in accordance with approved processes, leading to business inefficiency and excessive administrative burden on staff and suppliers.	Moderate (C3)	Possible (L3)	Moderate	Council communicates reasons for refusal and identifies preferred practices and information required for future exemptions.

Community Consultation and Public Relations Implications:

Community consultation was not required or undertaken.

There is unlikely to be any material public relations impact.

Recommendation:

That Council:

1. RECEIVE and NOTE the Procurement and Contracts Monthly Report for the period from 12 March 2020 to 15 April 2020, and
2. REMOVE the requirement for monthly reporting of Sugden & Gee expenditure, noting the project is substantially completed and further significant expenditure unlikely.

Attachments/Annexures

Nil.

15. NOTICES OF MOTIONS – QUESTIONS ON NOTICE / WITHOUT NOTICE

CLOSED TO MEMBERS OF THE PUBLIC

16. CONFIRMATION OF MINUTES (CLOSED MEETING)

That the minutes of the Council meeting (closed sessopm) held on 30 March 2020 be confirmed.

17. APPLICATIONS FOR LEAVE OF ABSENCE

18. NOTICES OF MOTIONS – QUESTIONS ON NOTICE / WITHOUT NOTICE (CLOSED)