

Corporate & Strategy Reports

Committee Consideration – 8 June 2021
Council Resolution – 22 June 2021

Table of Contents

Item No.	Page No.
CPS12.21 Nedlands Tennis Club – Liquor Licence Variation	2
CPS13.21 RFT 2020-21.03 Provision of City Finance System	7

CPS12.21	Nedlands Tennis Club – Liquor Licence Variation
-----------------	--

Committee	8 June 2021
Council	22 June 2021
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Andrew Melville – Acting Director Corporate & Strategy
Attachments	Nil.
Confidential Attachments	Nil.

Executive Summary

Nedlands Tennis Club ('NTC' or 'the Club') intend to apply to the Department of Racing Gaming and Liquor ('Department') to vary the Club's current Liquor Licence trading hours and licensed area.

A Lease ('Agreement') between the City of Nedlands ('City') and NTC is in place for use of portion of the vested Reserve 1669 and the facility known as Nedlands Tennis Club, located on Bruce Street in Nedlands. Pursuant to Clause 42 of the Agreement, City consent is required for any amendment to a Liquor Licence or Permit as regulated by the *Liquor Control Act 1988*.

As part of the application, the Department require a letter of consent from the City confirming there are no objections from the City's Administration to the proposed variations, and that NTC have unrestricted access to the facility during the proposed times that have been applied for (*Liquor Control Act 1988, Section 72(1)*).

This item is now presented to Council for consideration.

Recommendation to Committee

Council:

1. **Supports the Nedlands Tennis Club's application to vary the approved Liquor Licence trading hours and licensed area on the provisions detailed within this report; and**
2. **Requests the CEO provide a letter of consent to Department of Racing Gaming and Liquor**

Voting Requirement

Simple Majority.

Discussion/Overview

Nedlands Tennis Club ('NTC') was established in 1925. They have approximately 320 members, and it is estimated that 80% of those members reside within the Western Suburbs. The club is located on Bruce Street in Nedlands and operates from the facility known as the Nedlands Tennis Club.

NTC have an exclusive use year-round lease agreement ('Agreement') for the facility and surrounding tennis courts which commenced on 1 December 2006 and will expire on 30 November 2021. NTC provide a wide range of tennis related activities to community members of all ages, every day of the week.

NTC have experienced good growth over the last few years, with the success in competition tournaments being a key point of difference to attract new members.

Currently, NTC are restricted by their Liquor Licence times and areas. The Club have had to hire alternate facilities outside of the City of Nedlands district for social events and functions at significant cost to the Club. NTC have applied for a number of one-off Liquor Licence extensions which also incur additional fees for the Club.

A variation to the licensed area and trading hours has been requested by NTC to allow the Club take advantage of its membership growth by fostering a strong relationship with its current members, enhancing its community connections.

The variations requested are detailed below;

Trading Hours

Day	Existing Trading Hours	Proposed Trading Hours
Monday	4:00pm – 8:30pm	3:00pm – 10:00pm
Tuesday	4:00pm – 8:30pm	3:00pm – 10:00pm
Wednesday	4:00pm – 8:30pm	3:00pm – 10:00pm
Thursday	4:00pm – 8:30pm	3:00pm – 10:00pm
Friday	4:00pm – 10:00pm	12:00pm – 10:00pm outside 12:00pm – 12:00am inside only
Saturday	12:00md – 10:00pm	12:00pm – 10:00pm outside 12:00pm – 12:00am inside only
Sunday	1:00pm – 10:00pm	No Change

Initially, NTC had requested an extended trading time until 11pm on Monday-Thursday, but due to the potential noise impacts to nearby residents, an extension only until 10pm on those days is recommended by Administration.

In addition, for Saturday and Sunday, it is recommended that all outside permissions cease at 10pm, whilst inside sale and consumption of liquor may occur until 12-midnight. When advised of this detail, NTC were agreeable to this amendment.

Licensed Area

The current licensed area extends only to the internal space within the building and to the line adjoining the sheltered area underneath the 'terrace'.

The proposed area will allow for the Club members to be able to consume liquor outside of the un-airconditioned and building in the grassed areas that the Club maintain to an above average standard. The Club has advised that applying for an extended area is far more appropriate than investigating internal building alterations, given the small size of the clubhouse, and the restrictions imposed on any alterations to a heritage listed building.

Initially, NTC had requested an extended trading area that extended in a westerly direction by an additional 12m to the diagram below, however, given the scale of the proposed increase, it is recommended an 80m buffer be maintained from residents in order to support the extension. When advised of this detail, NTC were agreeable to this amendment.

A visual showing the current and proposed licensed areas as agreed with NTC is shown below.



Section 72(1) of the *Liquor Control Act 1988* states the licensing authority must not grant an application for approval unless the owner and lessor has consented to the application. Therefore, the Club requires a letter of consent be provided by the City to the Department of Racing Gaming and Liquor in support of the proposed variation.

Key Relevant Previous Council Decisions:

CM43.06 – Ordinary Council Meeting 10 October 2006

Council resolved to enter into a lease agreement with Nedlands Tennis Club for a 15-year term.

Consultation

Upon receiving a request to vary the approved Liquor Licence from NTC, consultation was completed with the City's internal teams to confirm that there are no objections to the application and its proposed variation.

Planning Services:

The City's Planning Services have confirmed they have no objection to the proposed variation of the approved Liquor Licence.

Community Development:

The City's Community Development Team have confirmed they have no objection to the proposed extension of the liquor trading hours or licensed area and are supportive of the Club taking advantage of its recent membership growth.

Leased Assets:

The City's Leased Assets Coordinator has confirmed that there is no objection to the proposed extension of the liquor trading hours or trading area and has advised that the Agreement with NTC specifically indemnifies the City from any risk associated with the Liquor Licence, ensuring compliance with any conditions that the Department may impose on it (such as a House Management Policy etc.). The Club is also to provide a copy of the amended Liquor Licence and any related plans to the City, once approved by the Department.

Environmental Health Services:

The City's Environmental Health Service has reviewed the application and confirms there is no objection to the proposed variations. NTC hold a current Public Building approval under the *Health (Public Building) Regulations 1992* and has a maximum accommodation number of 50 persons. In addition, NTC must submit a Form 1 (application to construct, extend or alter a Public Building) & Form 2 (application for a certificate of approval) to obtain Public Building approval for the extended area.

The kitchen is also registered in accordance with the *Food Act 2008* as a Medium Risk Food Business.

Noise emissions from the premises are to comply with the assigned levels of the *Environmental Protection (Noise) Regulations 1997*, which significantly reduce after 10pm until 7am (Monday to Saturday) and 9am (Sundays and Public holidays) the following day. NTC will need to ensure the use of the external area during the extended hours being sought, complies with the regulations, and does not result in unreasonable noise being received at nearby noise sensitive residences. Given the close proximity of the external licensed area to nearby noise sensitive receivers (80m), Environmental Health Service recommends that liquor consumption in the external area cease at 10pm, to mitigate potential adverse noise impacts for nearby residences.

Strategic Implications

KFA: Community Development

Consenting to this application supports NTC, a local sporting club within the district, in providing a facility for community engagement among parents of young players. This is in line with the Community Development KFA of providing opportunities for community interaction and supporting local community organisations and sporting clubs.

Who benefits?

The members of NTC benefit from this change in hours. The approved change will assist the Club in engaging new members, and encourages current members, parents of members, and supporters to engage socially within the Club. It also allows for the raising of revenue and promotes a sustainable sporting club.

Does it involve a tolerable risk?

There is minimal risk associated with this application for a variation as the variation is compliant with noise regulations and due to the location of the facility, the potential for any additional noise disturbances for surrounding residences is minimal.

Do we have the information we need?

Yes. All relevant information has been presented.

Budget/Financial Implications

Nil.

Can we afford it?

There is no cost to the City.

How does the option impact upon rates?

There is no impact on rates.

Conclusion

The City of Nedlands and the Nedlands Tennis Club have an ongoing relationship, and the City recognises the Club's contribution to the Community. The Club's strong reputation and standing within the Community is reflected in its growing membership.

Support of the Club's request to vary to approved Liquor Licence as listed within this report, will facilitate the Club's improving financial position and allow it to take advantage of the increase in membership.

The Club's requests are compliant with relevant regulations and when considering the risk management processes in place, risk to the City is very low.

CPS13.21	RFT 2020-21.03 Provision of City Finance System
-----------------	--

Committee	8 June 2021
Council	22 June 2021
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Andrew Melville – Acting Director Corporate & Strategy
Attachments	1. Enterprise Resource Planning System - Scope of Integrated Modules
Confidential Attachments	1. Tender Evaluation and Recommendation Report

Executive Summary

A Request for Tender (RFT) for the provision of an Enterprise Resource Planning system was published to pre-qualified vendors listed on the WALGA Business Systems Preferred Supplier Program on 22nd December 2020 via the WALGA Vendor Panel portal in accordance with the Local Government (Functions & General Regulations 1996) requirements. Four (4) submissions were received by the closing date of 5th February 2021.

Details of the submissions received, and the tender panel evaluation of submissions are provided in the confidential attachment to this report.

Recommendation to Committee

Council:

1. approve the supplier, TechnologyOne, to be awarded the contract for RFT 2020-21.03 – Provision City Finance System (Enterprise Resource Planning System) for the initial term of 5 years, comprising the initial 3 years with two one-year extensions, to be awarded under Local Government (Functions & General) Regulations 1996 11(2).
2. agrees to enter a contract with TechnologyOne to purchase their Enterprise Resource Planning System, called OneCouncil, with final contract subject to Chief Executive Officer approval; and
3. notes;
 - a. the adoption of the Integrated Enterprise Resource Planning approach for implementing Information Systems; and
 - b. the implementation of the TechnologyOne OneCouncil solution using the Cloud model called “Software as a Service”.

Discussion/Overview

When the City of Nedlands procured the Authority solution, it was anticipated that over time Authority would cater for the City's future integrated Information Systems requirements. This did not occur. The City drifted towards a "best of breed" Information Systems strategy. This 'drift' is evidenced by the many disconnected systems (i.e. Authority, Trim, SharePoint, inhouse developed databases, email, spreadsheets etc.) that are currently in place.

A review of the Authority System has identified the following issues:

- That the City currently has many niche information technology solutions that support business processes (i.e., adhoc spreadsheets, email, in house developed databases, manual notes etc). Often data is repeated across these databases, affecting accuracy;
- It has data gaps and is lacking in basic reports required for audit purposes. Information currently must be extracted and manually scrutinised to provide relevant performance information to management and the auditors;
- It is inadequately supported by the supplier in terms of resources, resolution of issues and there is minimal investment on new functionality and features;
- The Authority system is now outdated technology. It is difficult to use, is not intuitive, is underutilised and does not meet the basic needs of a modern Local Government Authority;
- Authority is unable to integrate with the City's Asset Management System, Records Management System, or any other business system critical to the effective functioning of the City;
- The Authority system does not support the contemporary communication expectations of rate payers, with its limited functionality to support electronic lodgement and e-services, and the lack of integration requires manual intervention, and repeated data entry to complete processes;
- Authority has inadequate automation of business processes and no Customer Relationship Management Functions. There is no ability to view a history of all contact with a member of the community; and
- The Authority system is installed in the Cloud using a model called "Platform as a Service". This model requires the City to provide technical support of the Cloud environment. Moving to a Cloud model called "Software as a Service" will shift the IT support to the vendor which will reduce the City's internal IT requirement to undertake these tasks.

There are many services provided to our customers that go through multiple systems. This is a serious concern as it results in significant additional work. As a result, the risk of errors is heightened, and there are inconsistent processes and actions across the organisation. When this occurs, the outcome for the customer is a sub-optimal service from the City.

Key Relevant Previous Council Decisions:

Nil.

Consultation

Consultation with Administration staff regarding the replacement of the existing information system (Authority), with an Enterprise Resource Planning System has taken place across the City's business units. This has included a presentation of the recommended solution to the City's Directors, Managers and Supervisors.

Strategic Implications

How well does it fit with our strategic direction?

The City needs to adopt an Information Systems Strategy that sets the foundation for all organisational information systems and other supporting technologies. Investing in information systems and technology will provide the City of Nedlands with the requisite tools to plan, execute, evaluate all existing and future operations.

Information systems need to be procured, implemented, and maintained with a clear Information Systems Strategy. The strategy is the principle that guides all decision making of information systems over the long term (minimum 5 years).

The anticipated benefits of a clear strategic direction include but are not limited to:

- Staff and customers accessing accurate and timely information essential to the delivery of effective services to the community; and
- Online services being integrated with operational information systems. This includes online submission and payment of all statutory applications, tracking of statutory applications, all forms of payment (i.e., debtors, infringements, cat/dog licence renewals, food premise, compliance etc), registration of dogs/cats, changes of address, customer service requests, registers for rates notices by email, requests for copies of plans, employment applications and community consultation or stakeholder feedback.

The City requires a holistic Enterprise Resource Planning approach, when procuring Information Systems. The key elements of this approach are:

- The implementation of a suite of core systems from a single vendor that specialises in local government software;
- The modernising and upgrading of the underlying information systems infrastructure so it can meet the City's business needs in terms of capability and performance; and
- The recognition that good information is the desired outcome from the City's systems and technology, and that effective management of that information is essential.

Cloud computing is changing the way the Information and Communication Technology Service Team buys technology. There are a range of secure options for procuring Cloud services, including infrastructure, platforms and applications that are available from Cloud providers as online services.

Cloud computing has provided some of the benefits that City has utilised over the last year during the COVID lockdowns and has offered flexibility for staff to work from home. The key elements of this approach are:

- The implementation of a suite of core systems from a single vendor that specialises in local government software;
- The modernising and upgrading of the underlying information systems infrastructure so it can meet the City's business needs in terms of capability and performance; and
- The recognition that good information is the desired outcome from the City's systems and technology, and that effective management of that information is essential.

The benefits of implementing an Enterprise Resource Planning approach in the Cloud with the "Software as a Service" model are:

- Shorter implementation time due to the single vendor and its integration of the various system modules;
- Administration, support, upgrades, 'patching', and security of the system and software is provided as part of the Cloud service provider;
- A single user interface to train staff in, one installation process, and a single point of contact for upgrades and support;
- All City information will be stored in a single database ensuring its accuracy.
- Minimal future information technology infrastructure asset replacement costs for information technology servers, storage and backup and recovery;
- Establishment of a disaster recovery (DR) site for business continuity purposes;
- Computing power and storage is scalable, so it can easily be adapted as the City grows and expands.

Technology One solution is fully aligned to our Cloud First approach.

Who benefits?

The City's business systems are critical to its functionality, due to the integral nature of the data being held, analysed and reported on by the City. The City's information technology that supports business processes, has poor integration, and as a result creates difficulties in the reporting and collation of information. The now outdated technology is difficult to use, and the lack of long-term investment has affected system functionality and its effective utilisation.

The City's administrative staff will benefit from the implementation of this system by:

- Creating of more efficient and effective processes,
- Being able to access to information from a single source, enabling better business decisions.
- Improving data collection, recall and reporting processes.

The Council will benefit from this initiative by:

- Improving transparency and governance processes. Ensuring that the City remains accountable via efficient information and process reporting for the Auditing process.
- Reduced capital costs and equipment replacement.
- Having confidence that the City can operate in a modern business environment.
- Having confidence that the City's operations can continue in a disrupted operating environment.

The Community and other stakeholders will benefit from this initiative by:

- The reasons as have been described above that will increase confidence in the City's operations.
- Having an improved customer and interface experience with the availability of online processes that can be completed at their convenience, not only during the City's operating hours as is the current situation.
- Simplification of the customer's communication and engagement with the City of Nedlands.

Does it involve a tolerable risk?

Awarding this Tender and commencing the project implementation involves tolerable and necessary risk.

There are risks associated with retaining the existing Information System, Authority, as it does not support the City's future growth, business operations or business continuity needs.

Conversely, with the implementation of transformational change also has inherent risks. These risks will be formally identified, and risk mitigation strategies will be identified and implemented. A project risk register will be developed as part of the implementation of the Enterprise Resource Planning System, and the project risk register will inform the Corporate Risk Register. This will be supported by implementing robust project governance and project management to ensure visibility and accountability over the progress of the project.

A key risk mitigation strategy will include establishing a Memorandum of Understanding (MoU) with other local governments that currently use the Technology One solution. This will enable the City to utilise information, system setup configuration, lessons learnt and various project deliverables (i.e., Test Plans, training material, project plans etc.) to minimise resource effort, cost, and risk in the City's overall implementation.

Importantly, adopting a pre-configured business process that another local government has already implemented will give the City a solid foundation on which to commence the implementation.

The Cities of South Perth, Canning, and Serpentine Jarrahdale have demonstrated their willingness to share information, their system setup configuration, and their experiences. The City of Canning started their implementation of Technology One's OneCouncil in 2017, and has worked through most of the challenges, being one of the first OneCouncil implementations in Western Australia. The City of South Perth commenced their implementation of OneCouncil in 2018 and the City of Serpentine Jarrahdale in 2019.

There is a risk of slow or underperforming telecommunications as the City increases reliance on Cloud based services. However, as the City is already using many Cloud based services, this risk is being address as part of business as usual for the Business Systems team. To this end the City has already budgeted and planned for an upgrade to its telecommunications capacity. This upgrade, to telecommunications capacity, will link the City to the high speed NBN fibre network. The upgrade has commenced and is scheduled for completion in September 2021. This telecommunications upgrade will increase the City's telecommunications by over 300%, over current capacity levels, and is more than enough to support all of the City's Cloud computing services for the foreseeable future.

Using Cloud based services increases reliance on telecommunications for the City to operate. The risk of a major telecommunications outage between Perth and the Eastern States may be possible but is very unlikely. This is because corporate telecommunication providers provide redundancy in their telecommunication networks so that they and their customers are not reliant on a single telecommunications link to the Eastern States. That is, they have multiple telecommunication paths installed so that if one telecommunication link has an outage all users are re-directed automatically to an alternate telecommunications link. This high availability level of telecommunications is factored into service level agreements with corporate customers. Furthermore, the TechnologyOne service is available at any time and on any device so this supports staff working from home or anywhere where there is an Internet / Wi-Fi service is available. The Technology One solution also supports business continuity whereby they have the ability to operate their solution from multiple Cloud locations should the need arise. This further mitigates risks associated with telecommunications into specific Eastern State locations.

The risk associated with contract cost escalations is addressed in the TechnologyOne Software as a Service offering as the annual software as a service fee is fixed and only subject to annual CPI adjustments. Estimated annual CPI increases are factored into the overall contract value. The Software as a Service fee also includes disaster / recovery capability, data backup /recovery, two (2) new releases every year of their solution which includes all new features/functionality and technical support.

Another risk addressed in the Tender was ensuing that the City would be provided with appropriate service level agreements and technical support. The TechnologyOne Tender submission contained a detailed Service Level Agreement for technical support of their solution which was assessed by the Tender evaluation panel as robust. The TechnologyOne technical support centre as well resourced and they have clearly documented priority setting guidelines, target response times and target resolution timeframes. The Tender evaluation panel verified these claims by confirming with TechnologyOne reference sites.

Do we have the information we need?

The City has sufficient information to recommend a preferred supplier for the provision of an Enterprise Resource Planning System for RFT 2020-21.03. The information included the following:

- Detailed submissions and Clarifications from the four (4) Tender respondents;
- Checking the reference sites provided by Tender respondents to verify their claims of implementing projects of a similar size and complexity - as required;
- Presentations of the Enterprise Resource Planning solution by Tender respondents to the Evaluation Panel which has informed this recommendation.

Budget/Financial Implications

Can we afford it?

The provision of the Cloud hosting fees and implementation services is included in the City of Nedlands 2021/22 Annual Budget.

How does the option impact upon rates?

The provision of the Cloud hosting fees and implementation services is included in the annual budget and is therefore factored into the City's rates.

Conclusion

The technology landscape has changed dramatically over the past decade. The widespread adoption of new digital technologies such as Cloud computing and Integrated Enterprise Resource Planning Systems affects ways in which all levels of government operate, and ultimately how they deliver their value proposition to their customers. The City is poised to take advantage of these to improve the services that we provide to our customers and residents.

A modern integrated Enterprise Resource Planning System does not simply enable the City to conduct its business better or faster, it provides a whole new way of doing business more effectively.

The importance of embracing change is now even more critical as the City grows over the next decade. For such a change to be successful, the City must be clear in its strategies, investments, and commitments. Leading the way towards transforming the City now and for the future is the implementation of an Enterprise Resource Planning System based on Cloud technologies.

The implementation of an integrated Enterprise Resource Planning System to manage the City's operations, delivered in the Cloud (Software as a Service), will strategically position the City for future growth. It will also allow the City to leverage the benefits of a contemporary cloud based integrated Enterprise Resource Planning System to deliver improved customer services and administrative efficiencies.

Enterprise Resource Planning System

Scope of Integrated Modules

