



City of Nedlands

Corporate & Strategy Reports

Committee Consideration – 13 October 2020

Council Resolution – 27 October 2020

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CPS22.20	List of Accounts Paid – August
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Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	1. Creditor Payment Listing – August 2020; and 2. Credit Card and Purchasing Card payments – August 2020 (28 Jul – 27 Aug).
Confidential Attachments	Nil.

Executive Summary

In accordance with Regulation 13 of the *Local Government (Financial Management) Regulations 1996* Administration is required to present the List of Accounts Paid for the month to Council.

Recommendation to Committee

Council receives the List of Accounts Paid for the month of August 2020 as per attachments.

Discussion/Overview

Background

Regulation 13 of the *Local Government (Financial Management) Regulations 1996* requires a list of accounts paid to be prepared each month, showing each account paid since the last list was prepared. This list is to include the following information:

1. the payee's name;
2. the amount of the payment;
3. the date of the payment; and
4. sufficient information to identify the transaction.

The list is to be presented to the Council at the next ordinary meeting of the Council after the list is prepared and recorded in the minutes of that meeting.

Risk Management

The accounts payable procedures ensure that no fraudulent payments are made by the City, and these procedures are strictly adhered to by the officers. These include

the final vetting of approved invoices by the Manager Finance and the Director Corporate and Strategy (or designated alternative officers).

Conclusion

The List of Accounts Paid for the month of August 2020 complies with the relevant legislation and can be received by Council (see attachments)

Consultation

Required by legislation:

Yes

No

Required by City of Nedlands policy:

Yes

No

Strategic Implications

The 2020/21 approved budget is in line with the City's strategic direction. Payments are made to meet the City's spend on operations and capital expenses undertaken in accordance with the approved budget.

The 2020/21 approved budget ensured that there is an equitable distribution of benefits in the community

The 2020/21 budget was prepared in line with the City's level of tolerance of risk and it is managed through budgetary review and control.

Budget/Financial Implications

The payments are made in accordance with the approved budget and achieves a surplus cashflow balance.

CPS23.20	UPDATE – Implications of COVID-19 on the City’s Tenancy Portfolio
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Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	1. Proposed Amendments – Hardship Provisions Policy.
Confidential Attachments	Nil.

Executive Summary

At the Special Council Meeting of 14 April 2020, Council endorsed the application of the Hardship Provisions Policy to Community/Sporting Groups and to Commercial and Residential tenants, in supporting them during the COVID-19 emergency; and requested a further item be presented to Council to consider the ongoing implications of the pandemic on the City’s Tenancy Portfolio.

The concessions approved by Council at the time reflected the principles covering Federal Government Code of Conduct for Commercial Agreements and also of the recent request by the Premier, Hon Mark McGowan, that all local governments consider concessions on Rates, Fees and Charges to provide relief for families and businesses from the impacts of the COVID-19 Pandemic.

This report provides an update to Council on the positive effect its previous decision has had on the City’s Tenancy Portfolio and considers the options available to Council should the state suffer the effects of a ‘second-wave’ and in the event government restrictions on human movement and interaction are re-tightened.

Recommendation to Committee

Council

1. **Authorises Administration to:**
 - a) recommence ‘normal’ pre-COVID-19 Hardship Provisions management of the City’s Tenancy Portfolio in line with obligations under each agreement, including charging rent as of 1 July 2020; and
 - b) amend Clauses 3, 5(c) and 5(d) of the Hardship Provisions Policy to reflect this decision; and

- 2. requests a further item be presented to Council, should the State suffer the effects of a ‘second-wave’ of infection and government restrictions on human movement and interaction are re-tightened to Phase 3, 2 or 1.**

Discussion/Overview

Background

At the time of writing the previous report (14 April 2020), the City had a Tenancy Portfolio of 60 agreements. 29 of those agreements were where a Tenant exclusively uses a space in exchange for rent.

Those 29 agreements reflect an annual rental of approximately \$345,000 per annum, or the equivalent of \$28,750 per month. It is notable that this was not averaged equally through the year as some rentals are paid annually, and some on a seasonal basis (sporting clubs).

Of the 29 agreements that pay rent, 13 were agreements of a Commercial nature, 11 were Management Licences to not-for-profit Community Groups, and 5 were Residential properties.

At Special Council Meeting of 14 April 2020, Council agreed to apply the Hardship Provisions Policy to the City’s Tenancy Portfolio. In relation to City tenants, the Hardship Provisions Policy dictated that where COVID-19 Hardship was evident, rent-free terms would be offered to Commercial Tenants, Residential Tenants and Management Licence Holders until 30 June 2020.

At the time of writing the previous report (14 April 2020), risk management measures had progressively been put in place by Officers as advice was provided by State and Federal Government. The City had already enforced closure of all Community Halls. This decision alone had forced 9 Management Licence Holders to cease operations.

The same report indicated 18 of the 24 spaces (cannot include the residential properties) were already closed and that as the nation officially enters ‘complete lockdown’, it was likely that 23 of the 24 spaces would close at some point.

That assumption was almost correct, and except for space leased by the City of Subiaco and Kidz Galore, all facilities in which the City offers space under Lease or Management Licence Agreement were forced to close for some period of time.

Effects of Council’s Decision

The effects of Council’s decision to grant such generous concessions have been extremely positive. Since the State Governments instruction to move into Phase 4 restrictions on 27 June 2020, City staff have specifically contacted all rent paying tenants. Those discussions have shown that none of the City’s tenants have been forced to close permanently and the financial concessions offered were received with great thanks. For businesses like Shorehouse Restaurant and Annie’s Playschool, the relief was extremely valuable.

Financially, the concessions resulted in an \$81,791.56 loss of revenue for the City as shown below.

1 April 2020 - 30 June 2020				
Agreement Type	Budgeted Rental Income	% Rebate	Amended Rental Income	Revenue Loss
Commercial Lease/Sub-Lease	\$42,565.40	100%	\$0.00	\$42,565.40
Management Licence	\$9,197.23	100%	\$0.00	\$9,197.23
Residential Lease	\$30,028.93	100%	\$0.00	\$30,028.93
Peppercorn Lease	\$0.00	0%	\$0.00	\$0.00
Total	\$81,791.56		\$0.00	\$81,791.56
			Percentage Loss	100.00%

The concessions also complied with the mandated Code of Conduct for Commercial Agreements and the State Governments Commercial Tenancies (COVID-19 Response) Act 2020 ('Act') which indicated that in the event a tenancy was closed due to the pandemic, at least a 50% reduction in rent was required.

Ongoing Implications of the COVID-19 Pandemic

On 10 September 2020, WA's Commerce Minister announced the emergency period under the Act was to be extended for a further six months.

After 29 September 2020, the extended protections and relief will be refined to apply only to tenants who are continuing to experience financial hardship as a direct consequence of the pandemic and are eligible for the Commonwealth's revised JobKeeper program.

However, with most human movement and interaction restrictions being lifted as part of the State Governments movement into Phase 4 on 27 June 2020, the State is currently in a very good position in its ongoing battle with the virus. As part of the easing of restrictions, all City Tenancies have now resumed full operations and at the time of writing this report have not indicated a need for further financial concessions.

Given the above, it is recommended by Administration that the City resume 'normal' management of the City's Tenancy Portfolio in line with obligations under each agreement, including charging rent as of 1 July 2020 and the amendment of the Hardship Provisions Policy to reflect the change.

Potential for 'second-wave' of Infection

As recently seen in Victoria, the effects of a 'second-wave' of infection can be dire. It is likely that if Western Australia were subject to a significant 'second-wave', then human movement and interaction restrictions would need to be re-tightened.

As the City has maintained a flexible approach throughout the pandemic, it is recommended by Administration that should Western Australia suffer the effects of a 'second-wave' of infection and government restrictions on human movement and interaction are re-tightened, the CEO negotiate the concessions required under the

Act with eligible tenants and a further report to Council would be required to advise the financial impact of those negotiations

Hardship Provisions Policy Amendments

Further to the detail listed in the report above, the proposed amendments to the Hardship Provisions Policy are shown in attachment 1.

The amendment of Clauses 3, 5(c) & 5(d) will ensure the City can resume 'normal' management of its Tenancy Portfolio and will also ensure the CEO has the flexibility he needs to negotiate further financial concessions under the Act (if required) in a timely fashion.

Legislative Requirements

All agreements of tenure have been entered into pursuant to Section 3.58 of the *Local Government Act 1995* and the conditions therein.

Section 6.12 of the *Local Government Act 1995* allows a local government to waive or grant concessions in relation to any amount of money which is owed. This is an absolute majority decision of Council.

All concessions agreed to by Council must comply with the Commercial Tenancies (COVID-19 Response) Act 2020

Key Relevant Previous Council Decisions:

All minutes as noted at Special Council Meeting 14 April 2020 which was held for the purpose of a COVID-19 response.

Consultation

As the COVID-19 Pandemic has evolved, Officers have been continually consulting with Tenants as new information has come to hand.

Strategic Implications

How well does it fit with our strategic direction?

City's Strategic Community Plan 2018-2028 lists eight values that it will strive to abide by. Council's decision to offer rental relief will fit the following values:

- Great Governance and Civic Leadership
- Great Communities
- Great for Business

The recommendations contained in the previous report provided support to those Businesses and Community groups operating from City premises when it was required

Who benefits?

This had a direct benefit to the Tenants and the community they serve

Does it involve a tolerable risk?

The recommendations contained in this report have minimal risk as all City Tenancies are now fully operational under the State Governments Phase 4 restrictions. However, should the restrictions change in the event of a ‘second-wave’, Council would need to remain flexible with timely decision making.

Do we have the information we need?

All information available has been presented to Council.

Budget/Financial Implications

Nil. There are no financial implications as part of this recommendation.

Can we afford it?

N/A

How does the option impact upon rates?

N/A

CPS24.20	Future of Nedlands Child Health Clinic – 152 Melvista Avenue, Nedlands
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Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	1. Draft Management Licence – Department of Health 2. Building Maintenance Inspection – May 2020 3. Asset Management Inspection – May 2020
Confidential Attachments	Nil.

Executive Summary

This item is presented to Council to consider the future of the facility at 152 Melvista Avenue, Nedlands – better known as the ‘Nedlands Child Health Clinic’.

In October 2015, Council agreed to enter into a Lease Arrangement with the Department of Health on the basis that the Lessee be responsible for all running costs (including utilities, cleaning and consumables) and routine maintenance and the City be responsible for capital works onsite. Rental was to be charged at a rate sufficient to cover costs of capital works and ongoing maintenance.

At the time, Council also agreed to consider the budget necessary to undertake works at the facility to restore the building to an acceptable condition and to allocate funds in its ongoing annual budget to provide for necessary capital works onsite.

This has resulted in the City investing a total of \$36,817 towards renovations to restore the building to an acceptable condition with a further \$61,500 investment required as soon as possible for repairs to the roof and gutters. The City has also spent an average of \$8,199 per year on other ongoing maintenance requirements during that time.

Since the resolution in 2015, the City and Department Health have been unable to agree on terms for a formal agreement of tenure and this report outlines the options available to Council in order to move forward.

Recommendation to Committee

Council:

1. a) **Endorses the draft Management Licence Agreement as contained in Attachment 1, and accepts the variances requested by the Department of Health, with the exclusion of the request to reduce the Licence Fee to \$5,000 per annum; and**
- b) **Instructs the CEO to advise the Department of Health that the City's final offer for a Licence Fee will remain at \$10,000 per annum.**
- c) **Should the Department of Health accept the City's terms, approves the Mayor and CEO to execute the agreement and apply the City's common seal.**
- d) **Should the Department of Health decline to accept the City's terms, instruct the CEO to request the Department vacate the premises, giving 3 months' notice and request Administration investigate possible cost-neutral or revenue generating options for the facility, including detail and cost implications surrounding demolition of the facility and provide a further report to Council.**

OR

2. a) **Endorses the draft Management Licence Agreement as contained in Attachment 1, and accepts the variances requested by the Department of Health, including the request to reduce the Licence Fee to \$5,000 per annum; and**
- b) **Approves the Mayor and CEO to execute the agreement and apply the City's common seal.**

OR

3. a) **Instructs the CEO to request the Department vacate the premises, giving 3 months' notice; and**
- b) **Requests Administration investigate possible cost-neutral or revenue generating options for the facility, including detail and cost implications surrounding demolition of the facility and provide a further report to Council.**

Discussion/Overview

Background

The Nedlands Child Health Clinic ('Clinic') is a purpose-built clinic constructed in 1951. The Clinic is located on Crown Reserve 21657 with purpose "Child Health Centre". A Management Order for this reserve vests the City of Nedlands with the care control and management over the reserve.

The Child and Adolescent Health Service ('CAHS') is a branch of the Department of Health ('Department'). According to its website, CAHS provide a comprehensive service supporting the health, wellbeing, and development of young Western Australians. They aim to ensure that children and young people get the best start in life through health promotion; early identification and intervention; and patient-centred, family-focused care.

In particular, the Department has utilised the Clinic for its 'Community Health' services which are a range of community-based early identification and intervention services for children, young people and families. They include child health assessments (also known as Purple Book appointments), screenings, immunisations, school health and other general support and advice.

In August 2020, Administration requested a formal Data Release Request from the Department to ascertain current numbers of current health clients (babies) that the Clinic services. That data is listed below:

- Current clients: 706
- Current clients who reside with the City boundaries*: 489
- Clients serviced over the last 3-years (July 2017-June 2020): 1640
- Clients serviced over the last 3-years who reside with the City boundaries: 1042
- Over the last 3-years, the clinic has also provided 153 group sessions to its clients.

*Note: *City of Nedlands suburbs included Dalkeith, Floreat, Mount Claremont, Nedlands, Shenton Park, Swanbourne and Karrakatta*

Council are advised that child health checks are not compulsory, and some clients choose to see their GP instead. Given current client numbers in ratio to clients serviced over the past 3-years, it is estimated that 71% of City of Nedlands residents who are listed as a client, utilise the service.

The Department also noted as part of the data release that clients who do choose to utilise the service have a 'universal schedule' of 5x appointments in the babies first 2-years of life.

As noted in the Council Report of October 2015, there has never been a formal agreement of tenure outlining the terms of use of the Clinic by the Department. It is understood that these services have in many local governments been delivered through a partnership between Local Government Authorities and the Department of Health with Local Government providing the facility from which the Department provided the service.

The City's Administration has previously attempted to negotiate a lease agreement for the building. In 2010, following a request to the Minister for Lands, the City received in-principle consent to lease this reserve to the Department of Health. This request was made in preparation for negotiations at the time and this in-principle consent was valid for a period of 6 months from issue and that the City would need to make a further request when new terms have been negotiated. At the time WALGA was involved in leading negotiations with the Department of Health to seek some form of agreement, however this was subsequently abandoned, now that the City has re-joined WALGA an opportunity may present itself to reinstate these negotiations.

In September 2014, Administration briefed Councillors on the matter noting the absence of any lease arrangements between the City and Department and advising that the City would be liaising with the Department with view to requiring a lease be in place by the end of the financial year (2014/15). Terms of this lease were to reflect the City's standard leasing practices for a community purpose – that is the Department responsible for operating and maintenances costs.

Further to this briefing session the City wrote a letter to the Department with request for lease negotiations to commence and outlined the requirement for terms to be based on the City's standard terms. The correspondence provided a copy of the City's standard Deed of Lease and also noted the example of the arrangement to the south of the Clinic, at 150 Melvista Avenue, where the Department of Education leases the Nedlands Park Early Learning Centre premises.

Following no response from the Department, the City further contacted the Department requesting response. In March 2015, the Department responded with an annotated copy of the City's standard Deed of Lease with annotation essentially noting that the Department was unable to assume responsibility for items of capital maintenance as it was contrary to Department policy.

In October 2015, Council agreed to enter into a Lease Arrangement with the Department on the basis that the Lessee be responsible for all running costs (including utilities, cleaning and consumables) and routine maintenance and the City be responsible for capital works onsite. Rental was to be charged at a rate sufficient to cover costs of capital works and ongoing maintenance.

At time, Council also agreed to consider the budget necessary to undertake works at the facility to restore the building to an acceptable condition and to allocate funds in its ongoing annual budget to provide for necessary capital works onsite.

Moved – Councillor James
 Seconded – Councillor Shaw

Council Resolution / Committee Recommendation / Recommendation to Committee

Council;

1. **Agrees to consider the budget item necessary to undertake works at the Nedlands Child Health Clinic at 152 Melvista Avenue, Nedlands, to restore the building to an acceptable condition.**
2. **Agrees to enter into a Lease arrangement with the Department of Health for premises at Reserve 21657 on the basis that the lessee is responsible for all running costs of the building (including utilities, cleaning and consumables required) and routine maintenance and the City is responsible for capital works onsite. Rental will be charged at a rate sufficient to recover costs of capital works and ongoing maintenance.**
3. **Agrees to give consideration in its ongoing annual budget to allocating sufficient funds to a 'sinking fund' to provide for necessary capital works onsite.**

CARRIED EN BLOC 11/-

In November 2016, the City's Executive reviewed the progress with the Clinic's upgrades and tenancy and decided Technical Services would create schedule of works for the Clinic from which negotiations on tenancy agreement could be based.

While the model for the City's asset management for tenanted buildings was developed, progress on formalising the tenancy was slow. It was also decided at this time that a Management Licence would better suit the model for this tenant. McLeods produced a draft licence agreement which was provided in to CAHS in May 2019 for review. The essential terms of the agreement were:

- The City would maintain and insure the building
- CAHS as licensee would pay an annual licence fee of \$10,000 (as per Management Licence Framework presented at a Council briefing in 2018).
- CAHS would pay all outgoings
- CAHS would have exclusive use of the premises during the term
- The term of the licence was 10 years

On 27 November 2019, CAHS requested the City reconsider the Management Licence with noted variances to the essential terms as listed above:

- CAHS as licensee requested an annual licence fee of \$5,000 which would be consistent with most other child health facilities that are accommodated within Local Government Authorities.
- CAHS as licensee requested the term of the licence is 10 years be split into a five (5) year initial term + an option to renew for five (5) years. This was to align with CAHS Strategic Service Planning and associated Facility Planning.

- CAHS as licensee agreed to pay all outgoings. However, the State Solicitors Office included some draft clauses within the agreement which in short ensure complete transparency with any on-costed amount. It was recommended that sub-meters be installed for both Water and Electricity at the site. Currently, there is no Water Sub-Meter.

Administration advises that there is no risk to the City associated with the variance to the term and recommends that the installation of a Water Sub-Meter be a responsibility of the Licensee.

The Clinic

At the time of writing this report, the City's Building Maintenance Team have advised the last inspection report was undertaken in May 2020 (see attachment 2) and that *'The inside of the building was refurbished two years ago and is still in good condition throughout. Security was also upgraded to be added to the City's access control system. The City has begun taking over routine maintenance obligations. Externally the roof, gutters and downpipes need immediate work due to rusting and sagging. The City has received quotes to ascertain an idea of the cost of this work – those estimates equate to approximately \$61,500. Building Maintenance recommend this work be undertaken as soon as possible.'*

The City's Asset Management Team have advised the last inspection report was undertaken in May 2020 (see attachment 3) and that *'When aligned in to the four categories Structure, Fit out, Mechanical and Roof, the building as a whole is rated structurally in good condition.'*

Since the resolution of Council in October 2015, the City has invested \$36,817 towards renovations to restore the building to an acceptable condition and has spent an average of \$8,199 per year on other ongoing maintenance requirements during that time. There is also an estimated cost of \$61,500 to refurbish the roof, gutters, and downpipes – works which will need to be undertaken as soon as possible

Discussion

It is unquestionable that the service provided from the Nedlands Child Health Clinic by the Department of Health's CAHS branch is a valuable and worthwhile service to the community. However, the City has competing requirements in its 'Use of Council Facilities for Community Purposes' policy which requires that a tenancy on an exclusive use basis be in the form of a lease or management licence agreement is based on no cost to Council.

There are many examples of this around the City with community and sporting groups as well as two premises leased to the state government. This is particularly relevant in that the Department of Education leases 2 premises – one in Nedlands; and one in Dalkeith, on the basis of a peppercorn rental with all maintenance undertaken by the Department. Therefore, it seems unfounded to say that state government departments do not assume responsibility for items of capital maintenance at lease premises.

The City acknowledges that historical practice involved a partnership between local government and state government in the provision of health clinics throughout the community where a local government would provide the building from which the

Department of Health would provide the service. Over time this arrangement has shifted somewhat with cost pressures and resource rationalisation. It was evident in 2015 that the model at Nedlands Child Health Clinic needed review and formalisation and that has not changed.

Given the City and Department are still yet to agree to terms of tenure, Council are now asked to consider their options to move forward.

Alternate Options

Any alternative options to dispose of the building on a cost-neutral basis would need to be consistent with both Section 3.58 of the *Local Government Act 1995* and the current purpose of the Reserve Management Order which is 'Child Health Centre'.

To entertain a disposal of any other purpose (than Child Health) there would be a requirement to amend the Management Order. This involves a process with Department of Planning, Lands and Heritage whereby any application from the City for consideration would require a proposed alternate use, demonstrated public consultation and an endorsement of Council.

Council may also choose to demolish the asset.

Note: As the facility is located on land not owned by the City, the facility cannot be sold.

Conclusion

Given the circumstances as detailed above:

- The difficulties faced with negotiating an agreement which satisfies both the City's requirement for agreements of exclusive tenure to be cost-neutral whilst also allowing the Department to maintain a valuable service for the community; and
- The significant investment over the last 5-years the City has committed towards renovations to restore the building to an acceptable condition (\$36,817) and the significant investment required to repair the roof and gutters as soon as possible (\$61,500); and
- The significant investment and resource requirements to investigate alternate use of the facility, which may not in the end be approved.

Administration recommend Option 1 be approved by Council

Key Relevant Previous Council Decisions:

PD43.15 – On 27 October 2015, Council agreed to enter into a Lease Arrangement with the Department of Health on the basis that the Lessee be responsible for all running costs (including utilities, cleaning and consumables) and routine maintenance and the City be responsible for capital works onsite. Rental was to be charged at a rate sufficient to cover costs of capital works and ongoing maintenance.

CPS07.15 - On 24 March 2015, Council resolved to adopt the City's reviewed policy entitled "Use of Council Facilities for Community Purposes". The policy guides the leasing of City premises for community purposes and specifically includes lessees such as government departments.

Consultation

The City has remained in constant communication with the Child and Adolescent Community Health branch of the Department of Health on future terms of its tenancy at the Nedlands Child Health Clinic. CAHS have conveyed they remain committed to moving towards a formal agreement of tenure as the site is a well-established, free service to the Nedlands community. They have noted that the data as provided in August 2020 show that as part of a broader Child Health Service, a service in or nearby to the current location is preferable. The closest service to the Clinic is 'The Grove Child Health Clinic' (Peppermint Grove), some 6kms away.

In consultation with internal departments, the following comments from the City's Community Development Team were noted:

'Community Child Health Services provided by the State Government are valuable and necessary services provided to our local community. These services support parents of young children at a critical time of their lives and of the development of those children. These services assist with assessing developmental milestones, supporting parents in their roles as caregivers and in providing health information and support. These services are valuable and highly valued by community members

It has been traditional over many decades for local governments and the state government to ensure that such services are available to the community, by sharing some of the costs. While the state government provides the actual service run from the facility, in many instances the relevant local government provides the building from which the service is run.

Community Development is of the view that the City should provide that building to the state government on the same basis that buildings are provided to sporting clubs that require exclusive use of a building – that is, that the building should be made available at no cost to Council.'

Strategic Implications

How well does it fit with our strategic direction?

KFA: Community Development - an agreement of tenure for the premises with the Department of Health will ensure the much-valued child health service continue in the community.

KFA: Governance and Civic Leadership – an agreement of tenure for the premises with the Department of Health on the City's standard terms will ensure consistency with the City's 'Use of Council Facilities for Community Purposes' policy. Formalising an agreement of tenure over the building on either basis as discussed above will ensure the City's asset is properly maintained on a cost-neutral basis.

Who benefits?

The City of Nedlands community benefit from having the critical service available

The City's ratepayers benefit from the sound and sustainable financial decision making.

Does it involve a tolerable risk?

An agreement of tenure reduces any risk to the City by having clear and concise terms from which the asset can be managed.

Do we have the information we need?

All required information has been provided to Council.

Budget/Financial Implications

Can we afford it?

Given the average 'ongoing maintenance costs' over the last 5-years equates to \$8,199 per annum, the proposed Management Licence Fee of \$10,000 per annum ensures the arrangement would ensure no-cost to the City.

However, the estimated cost to repair the roof, gutters and downpipes totaling \$61,500 is currently unbudgeted and is likely to be considered for budget inclusion within the next financial year.

How does the option impact upon rates?

Given the average 'ongoing maintenance costs' over the last 5-years equates to \$8,199 per annum, the proposed Management Licence Fee of \$10,000 per annum ensures the arrangement would not have a negative impact on rates.

An inclusion of \$61,500 in a future budget would equate to a 0.26% impact on rates

CPS25.20	Future use of Haldane House, 109 Montgomery Avenue, Mt Claremont
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Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	Nil.
Confidential Attachments	Nil.

Executive Summary

This item is presented to Council to consider the future of the facility at 109 Montgomery Avenue, Mt Claremont – better known as the ‘Haldane House’. Haldane House is a purpose-built respite facility constructed in 2000 utilising funds from the Home and Community Care Capital Funding

Since 1 January 2000, Haldane House has been leased to The Bethanie Group Inc (formally known as the ‘Churches of Christ Homes and Community Services Inc’) for the purposes of providing Adult Day Centre services and respite to carers. Council agreed to the current lease agreement in May 2010 for a 10-year term, commencing 1 January 2010 and expiring 31 December 2019, with an option to extend for a further 5 years.

The City received formal notification from The Bethanie Group Inc on 21 August 2020 that they did not wish to invoke their option to extend the term and their intention to vacate the facility as of 31 August 2020.

Given the unexpected vacancy, Administration have identified that there may be an opportunity to explore the potential movement of the Nedlands Community Care Service to the Haldane House site.

The recommendation within this report reflects a request to investigate this potential opportunity.

Recommendation to Committee

Council:

- 1. notes that Haldane House is currently vacant.**
- 2. instructs the CEO to commence an investigation into the feasibility of moving the operations of the Nedlands Community Care Service to Haldane House.**
- 3. requests a further report to Council outlining the results of the investigation and a recommendation on whether the movement of the Nedlands Community Care Service is viable.**

Discussion/Overview

Background

Haldane House is a purpose-built respite facility constructed in 2000 utilising funding from Home and Community Care ('HACC') capital funding. The facility is located on portion of Lot 6987 on Deposited Plan 167276, being part of the land contained in Certificate of Title Volume 2115 Folio 135. Access to Haldane House is off Montgomery Avenue, Mt Claremont.

Lot 6987 was transferred to the City in fee simple by way of Crown Grant Trust in 1992 for the specific purpose of providing Civic/Community Services. However, when this land is no longer required for its specific purpose it may be sold and the value of the land returned to the Government. With the introduction of the *Land Administration Act 1997*, Crown Grants are no longer created and registered at Landgate. For all intents and purposes, this land is vested to the City.

On 27 July 1999, Council considered Expressions of Interest for respite services to be provided at Haldane House. At that meeting, Council resolved to accept a proposal from The Bethanie Group Inc, formally known as the 'Churches of Christ Homes and Community Services Inc ('Bethanie').

Bethanie has utilised the facilities with the original lease commencing 1 January 2000 and expiring 31 December 2009. In May 2010, Council agreed to a new lease commencing 1 January 2010 and expiring 31 December 2019 with further option of 5 years available to Bethanie, should both parties agree. In the lease agreements, Bethanie was responsible for all maintenance, cleaning, utilities and insurance of the facility and consequently, the City charged an annual peppercorn rental.

Throughout their tenure, Bethanie have provided Adult Day Services to the community and respite to carers. The clients of Haldane House include people who suffer from Dementia related disorders or are frail, and people with intellectual or physical disabilities. Primarily, the service has centred around providing an opportunity for clients to attend programs in a supportive and safe environment. These programs include food and nourishment skills, site-based recreation, and other general connection and engagement activities. Bethanie also offer attendees stimulating outings.

Historically, the service operated up to 6-days per week with programs being delivered between the hours of 8am & 8pm. Times and days of operation have fluctuated over the years dependant on the client numbers and type of activities being offered.

Nedlands Community Care ('NCC') has been providing home support services to elderly residents in the City of Nedlands since June 1982. Initially operating as Nedlands Elderly Persons Home Support Services and staffed by volunteers and a coordinator, the service supported seniors in need of assistance.

In 1989, the City successfully applied for Home and Community Care ('HACC') funding to assist with the centres operating costs.

On 1 July 2018, funding formerly provided from the State and Federal Governments ceased and a new arrangement began in the form of the Commonwealth Home Support Programme ('CHSP'). Reduced funding for HACC services was also received for the few remaining HACC clients.

At the time of writing this report, there are currently 230 clients receiving CHSP services. The following outlines a list of services NCC provide to eligible CHSP clients:

- Social Support: Individual
- Social Support: Group
- Domestic Assistance
- Home Maintenance
- Personal Care
- Flexible Respite
- Transport

As detailed above, it is clear NCC offers similar services to the community to that which was provided by Bethanie. The following indicative reasons show it would be prudent for the City to investigate the feasibility of the NCC service being undertaken at the Haldane House site.

- Similar Services are being offered by both Bethanie and NCC.
- The Haldane House location has benefits for immediate consideration that the current NCC site does not have. These include a very large garden area for clients to enjoy outdoor activities, access to the Mt Claremont Community Centre for various activities and presentations, reduced heavy traffic area as experienced on Waratah Avenue.
- Mount Claremont Community Centre being utilised for Civic/Community purposes and viewed by the community as a 'Community Hub'.

- NCC has secured funding until 30 June 2022. When the current funding source ceases, service delivery requirements may change to meet client needs and future funding availability. Haldane House may present as a more flexible facility should the direction of aged care services change.
- When linked with a land investment outlook, a move may create flexibility and greater opportunity for the current NCC site, if the site was vacant.
- Impacts the forthcoming development of the 95A Waratah Site, which is due to commence in late 2020 and may take 18-months to complete. It is envisaged that although manageable, these works may have some effect on the NCC service over the course of the works, including noise, parking, asbestos management, dust etc.

It is envisioned by Administration that an investigation to summarise the pros and cons of a potential move can be presented in a report to Council by March 2021. If supported by Council, the move could be conducted before the end of the financial year.

The recommendation within this report reflects a request to investigate this potential opportunity so Council may make a sound decision when considering the best and highest use of it's assets, whilst also strongly considering the perspective and needs of the community.

Key Relevant Previous Council Decisions:

D27.10 – On 25 May 2010, Council agreed to enter into a new Lease Arrangement with The Bethanie Group Inc commencing 1 January 2010 for a period of 10-years with an additional 5-year option.

C35.04 – On 22 June 2004, Council agreed to enter into a new Lease Arrangement with The Bethanie Group Inc (formally known as the 'Churches of Christ Homes and Community Services Inc') commencing 1 January 2000 for a period of 10-years.

Consultation

As the report is based around an investigation only, at this stage no consultation has been required.

Strategic Implications

How well does it fit with our strategic direction?

The investigation would align with the Strategic Community Plans Key Focus Area of 'Governance and Civic Leadership' through high quality decision making whilst maintaining a sound and sustainable financial position.

Who benefits?

The City's ratepayers benefit from the sound and sustainable financial decision making.

Does it involve a tolerable risk?

There is no risk associated with the recommendation.

Do we have the information we need?

All required information has been provided to Council at this stage.

Budget/Financial Implications

Can we afford it?

Aside from staff time, there is no cost associated with the recommendation

How does the option impact upon rates?

There is no impact on rates.

CPS26.20 Land Investment Strategy and Policy	
Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	<ol style="list-style-type: none"> 1. Schedule of City Freehold Land Portfolio; 2. Current ‘Disposal and Acquisition of Land’ Policy 3. Current ‘Disposal and Acquisition of Land’ Policy with Track Changes 4. Proposed Updated ‘Retention, Acquisition, Improvement and Disposal of Land’ Policy; 5. 12x Identified Projects for Possible Investigation; and 6. Anticipated Timeline.
Confidential Attachments	Nil.

Executive Summary

Further to Council briefing on 1 September 2020, this report requests Council’s consideration in taking a holistic view on the financial and social values associated with obtaining the ‘best and highest use’ for the City’s land asset portfolio.

When considering the guiding principles of sound financial management, best-practice asset management and functionality from the community’s perspective, the adoption of an amended ‘Disposal of Land’ policy and the undertaking of a formal ‘Land Investment Strategy’ is required to guide the City in its decision making processes.

Endorsement of the recommendation provided by Administration will ensure the City has a robust framework for understanding the diverse values associated with its land and property assets. In addition to increasing opportunities for wealth generation and in-turn decreasing the pressure on rate revenue, it will also ensure prudent management of the City’s assets, and will allow Council to make informed, accountable, and transparent decisions.

Recommendation to Committee

Council:

1. **adopts the proposed changes to the City’s ‘Disposal of Land’ Policy, with the policy to be known as the ‘Retention, Acquisition, Improvement and Disposal of Land’ Policy for the purpose of public comment; and**

- 2a. **authorises administration to commence the undertaking of a formal ‘Land Investment Strategy’, to be presented to Council by June 2021, with the strategy to include detail surrounding the identification of potential projects and the due process for investigation and consultation with the community and Council; and**
- 2b. **approves a budget request of \$100,000 which is to be used in the current financial year to resource the development and implementation of the ‘Land Investment Strategy’ and to secure external expert advice to review and make recommendations on the future use of the City’s land asset portfolio; and**
- 3a. **approves the \$40,000 currently budgeted to prepare a business case detailing the options considered and whole-of-life cost/benefit analysis for relocation of Broome Street Depot be reallocated to the ‘Land Investment Strategy’ as part of a holistic approach to land investment; and**
- 3b. **notes that the business case into the potential relocation of the Broome Street Depot is to be re-captured at a later date in line with the prioritisation of the potential ‘Land Investment Strategy’ projects;**
4. **approves the CEO to commence the 56 Dalkeith Road Sump Project and in particular project investigation into the ‘best and highest use’ of the site, undertake community and stakeholder consultation and provide a report to Council for consideration; and**
5. **notes that these recommendations are consistent with the CEO’s Key Result Areas in particular;**

5.3 Improved Asset and Wealth Management,

5.3.1 Develop an Asset, Investment and Wealth Management Policy and Guidelines for Council Adoption

5.3.2 Review the City’s tangible assets with the intention of enhancing services, reducing costs and debt, and where possible increasing rate of return generated by assets.

Discussion/Overview

Background

The City is custodian of 229 parcels of land within its boundaries. This includes 75 parcels of freehold land and 154 parcels of Crown Land vested to the City with defined purposes for control, care, and management.

The City’s freehold portfolio has an estimated accounting value of over \$100 million and are currently utilised for a variety of purposes including Residential Housing, Drainage, Administration, Recreation/Culture, Public Open Space and Car-Parking. The zonings and values are also diverse and range from Public Open Space to

Residential and Commercial (R-AC1). A schedule of the freehold portfolio and relative details is contained in attachment 1

Over the past 6-months, Councillors have demonstrated a specific appetite to investigate options for alternate revenue generation and in-turn decrease the pressure on rate revenue which includes setting the CEO a Key Results Area ('KRA') to 'Develop an Asset, Investment and Wealth Management Policy and Guidelines for Council adoption' – KRA 5.3.1. The 'best and highest use' rationalisation of the City's land portfolio provides an opportunity to achieve this.

At the Council Briefing of 1 September 2020, Councillors were advised of what a Land Investment Strategy and accompanying Policy might look like. This included detail on 'why' Local Governments undertake this work, 'what' needs to be considered as part of this work, and 'how' Council can achieve positive outcomes. The below principles were conveyed:

WHY

- to strongly consider the needs of the Nedlands community, now and in the future
- to help in the management of the City's 'Wealth Portfolio' by identifying how the City can best utilise its land assets

WHAT

- ensuring the needs of the Nedlands community are being met, now and in the future
- to maximise the value of the City's land assets by ensuring each parcel is contributing to the ongoing financial viability of the collective portfolio

HOW

- undertake a holistic approach to land rationalisation, using asset management, financial management and functionality as guiding principles for decision making
- to make sound land acquisition and disposition decisions, based on those principles and strong Policy documents

Updated Policy

The first step in undertaking the journey is to ensure the City's Policy documentation is adequately reviewed. The adoption of an updated policy contributes towards the ability for Council to make informed, accountable, and transparent decisions.

The City currently has a 'Land Disposal and Acquisition Policy' which can be amended to reflect City's direction. Councillors were briefed on the proposed changes on 6 October 2020 and attachments 2, 3 & 4 shows the current policy, current policy with track changes and proposed version, to be known as the 'Retention, Acquisition, Improvement and Disposal of Land' Policy ('Policy')

The objectives of the Policy are to:

- to provide a framework in which the City can consider best and highest use of its asset portfolio, using a methodical and informed approach
- to ensure the City makes sound, open and accountable decisions in relation to its land and facility holdings where possible
- to maximise revenue for current and potential land and facility holdings to increase alternate revenue streams and decrease the pressure on rate revenue

This Policy does not list or prioritise any specific land for further consideration. It is solely for the purpose of establishing principles for the highest and best use of land.

Council are advised that the adoption of the amended Policy would also satisfy the CEO's KRA 5.3.1 as shown below.

"5.3.1 - Develop an Asset, Investment and Wealth Management Policy and Guidelines for Council adoption."

Land Investment Strategy

The purpose of a Land Investment Strategy ('Strategy') is to provide a framework for City land assets and how they should be utilised to meet financial and social obligations to the community. The plan will identify and prioritise current and future land rationalisation project opportunities where the City can undertake investigations to determine the 'best and highest use' from its financial or social values.

Following the briefing on 1 September 2020, Councillors were also asked to submit their feedback/comments on the matters they would like to see incorporated into the Policy and Strategy. The consistent view was that where possible, the following should be incorporated:

- Only dispose of land where it is deemed 'surplus' (refer amended Policy)
- Unless in extenuating circumstances, reinvest all revenue generated into a 'Property Reserve', which shall only be used to acquire or improve other properties which suit a strategic objective for the City or that generate other forms of revenue, thus decreasing pressure on rate revenue. That is build a land portfolio that yields a financial return and is set aside for capital growth and expenditure in preference to operation expenditure.
- Co-locate services where possible, including the investigation of Civic Hubs.
- Promote strong Community Consultation and Stakeholder Engagement principles.

When considering the above, the guiding principles of sound financial management, best-practice asset management and functionality from the community's perspective are pivotal to the Strategy achieving the following outcomes:

- 1) to ensure all land assets have a clearly identifiable current and future purpose
- 2) to ensure all land assets financial and social values are defined and understood
- 3) to ensure all land assets are performing to an acceptable financial or social level.
- 4) to ensure any financial returns received from the land asset portfolio are being reinvested into other land asset projects that deliver enhanced financial or social goals.

The recommendation provided by Administration will allow for the City to engage an external expert ('Consultant') who can review the City's land portfolio, identify opportunities and make recommendations to the City for best and highest future use. The Consultant will be instructed to assess the land asset portfolio and provide detail where improvement, acquisition or disposition has been identified.

In accordance with the Policy, Council will then have the opportunity to decide whether each project is to be treated as a 'Retention', 'Acquisition', 'Improvement' or 'Disposal'. This is a significant decision point for Council as it contributes to future long-term

planning of the City and contributes to the achievement of the Strategic Community Plan and of key initiatives contained within the 10-year financial plan.

To aid the decision-making process by Council, each project will undergo a Community Engagement Phase to ensure interested stakeholders and impacted parties are considered and a summary of feedback received will be included within the report to Council. Community members will also have the opportunity to provide feedback via the City's 'Your Voice' webpage.

Once Council have made an informed decision, all transactions to ensure 'Improvement' or 'Disposition' will be undertaken by Officers as specific projects in the most transparent manner, consistent with the *Local Government Act 1995*. Some larger more, complex projects may require a third party being engaged - such as Selling Agents or Development Experts.

The ongoing implementation of the Strategy will require annual minor reviews as part of City budget preparation and be subject to major review every 5-years to ensure goals and outcomes are reflective of the current appetite of the community.

The Interim

While the undertaking of the Land Investment Strategy and the engagement of a Consultant is taking place, Council have an opportunity to commence projects that have already been identified via Administration and Councillor feedback if they so choose. Following the briefing on 1 September 2020, Councillors were asked to submit their feedback/comments on 12x identified projects (see attachment 5). The following table shows the results of the feedback received.

<u>Project Name</u>	<u>Admin Rank</u>	<u>Avg Councillor Rank</u>
56 Dalkeith Road^	2	2.4
60 Stirling Hwy Precinct*	3	3.4
71 Stirling Hwy Precinct*	6	3.4
Kidz Galore^	1	5.0
Dalkeith Hall/NCC*	4	5.0
17 Cooper St Carpark	9	6.0
15 Hampden Rd Carpark	7	6.4
Tresillian*	11	7.2
Annie's Playschool	5	7.6
Leura Park	8	9.2
Goldsmith Rd/Reserve	10	9.8

The Depot*^	12	9.8
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*denotes what is considered by Administration to be a larger/complex project

^denotes the project is subject to Council resolution

Given that three out of five of the highest ranked projects by Councillors are considered larger, more complex projects and would therefore warrant specialist Consultant advice, and that Kidz Galore (ranked equal 4th overall by Councillors) has a resolution to be considered in March 2021, there is potential for Administration to commence the 56 Dalkeith Road Project which Councillors have demonstrated an appetite for.

The recommended funds will ensure that officers can commence project investigation into the 'best and highest use' of the site, undertake community and stakeholder consultation and provide a report to Council for consideration.

At the Ordinary Council Meeting of 23 June 2020, item 14.5 Council approved a Notice of Motion ('NOM') which instructed the CEO to prepare a business case on the economic and community whole-of-life costs, benefits and risks of relocating the Broome Street Depot for which Administration advised a budget of \$40,000 is required (see excerpt below). However, at the time of this NOM Councillors had not yet had the opportunity to consider this project's priority ranking in relation to the other 11 identified projects, this project is now ranked last by both Administration and on average by Councillors

Council Resolution:

Council instructs the CEO:

1. **to prepare a business case for presentation to Council in October 2020 on the economic and community whole-of-life costs, benefits and risks of relocating the Broome St depot. The business case shall address but not be limited to:**
 - a. **alignment with the City's Vision, strategic plans and the Local Planning Strategy;**
 - b. **identification and transparent analysis (including sensitivity analysis) of all options for relocation including opportunity cost of not relocating and opportunities for higher value use of the current site;**
 - c. **engagement with adjacent landowners, businesses, Town of Claremont and community;**
 - d. **impacts of COVID 19 and availability of funding and financing to assist with project;**
 - e. **timeframes, resources, procurement strategy and governance issues; and**
 - f. **options for a relocation site and associated costs.**

Given this work will be incorporated as part of a holistic approach to land investment, it is recommended that this work be delayed to commence in line with the priorities as identified in the Land Investment Strategy and the funds be reallocated to the 'Land Investment Strategy as noted in the recommendation.

Conclusion

The undertaking of a holistic and strategic approach to land investment requires sound policy and documentation to enable Councillors to make informed and transparent decisions that are of the most benefit to the ratepayer. The recommendations contained within this report will guide Council through this process in a methodical manner which gives the City the best opportunity to achieve the most positive and productive outcomes.

If the recommendation is approved by Council, attachment 6 is a visual depiction of the anticipated timeline which can achieve the most positive outcomes.

Key Relevant Previous Council Decisions:

Item 14.5 of Council Meeting 23 June 2020 where Council instructed the CEO to prepare a business case on the economic and community whole-of-life costs, benefits and risks of relocating the Broome Street Depot

CPS40.13 – 10 December 2013 where Council endorsed the updated 'Disposal of Land' Policy

Consultation

Councillors attended a briefing on 1 September 2020 where they were advised on what a Land Investment Strategy and accompanying Policy might look like. This included detail on 'why' Local Governments undertake this work, 'what' needs to be considered as part of this work, and 'how' Council can achieve positive outcomes. Councillors were also asked to provide comments and feedback relating to the overall ideologies and principles they would like to see as part of this framework and asked to provide indicative appetite for identified projects.

To date, no community engagement or stakeholder management has taken place as the City has only undertaken preliminary investigative work. However, if the recommendation is approved by Council, each project as part of the Land Investment Strategy will have undergone a Community Engagement Phase to ensure interested stakeholders and impacted parties are considered and a summary of feedback received will be included within the report to Council. Community members will also have the opportunity to provide feedback at any time via the City's 'Your Voice' webpage.

Strategic Implications

How well does it fit with our strategic direction?

The investigation aligns with the Strategic Community Plans Key Focus Area of 'Governance and Civic Leadership' through high quality decision making whilst maintaining a sound and sustainable financial position.

Who benefits?

The City's ratepayers benefit from the sound and sustainable financial decision making.

Does it involve a tolerable risk?

With every property transaction, there is financial and reputational risk. Sound Policy and Strategy framework helps alleviate that risk by enforcing strong, accountable and informed decisions are being made.

Do we have the information we need?

All required information has been provided to Council. On occasion, external Consultancy will be required to achieve the outcomes as noted within this report.

Budget/Financial Implications

Can we afford it?

The recommendation contained within this report requests a \$100,000 investment this financial year into the procurement of expert Consultancy advice, and the internal resourcing to undertake the Strategy. This is an unbudgeted request.

However, approval of the recommendation by Administration includes the reallocation of \$40,000 which is currently set aside for a business case on the economic and community whole-of-life costs, benefits and risks of relocating the Broome Street Depot. These funds can offset the impact of the budget request.

How does the option impact upon rates?

An inclusion of an additional \$60,000 in this years' budget would equate to a 0.25% impact on rates

CPS27.20	Request for Funding to Engage a Consultant to Assess the need for Childcare Services
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Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	Nil.
Confidential Attachments	Nil.

Executive Summary

The City needs to engage an expert in the Strategic assessment of childcare needs who can provide Council with a report on the needs for Childcare Services in the City south of Stirling Highway, there is no allocation in the 2020/21 budget for this item. This request is as a result of the resolution of Council of 22nd September 2020.

Recommendation to Committee

Council:

1. approves funding of \$40,000 for the engagement of a consultant to review and provide a report on the need for Childcare Services in the area south of Stirling Highway
2. instructs the CEO to arrange for quotations for the provision of these services and to appoint a consultant who demonstrates best value for money and the ability to deliver the requirements.

Discussion/Overview

City Officers have considered how best to deliver the resolution of Council of 22 September 2020,

Item CPS20.20 Review of Point Resolution Child Care Centre

That Council:

1. *'defers this item to the March 2021 round of meetings in order to review the long-term needs for Child Care South of Stirling Highway in reference to the City's land assets and undertake full community consultation with all stakeholders'.*

There are no City Officers who are trained or experienced enough in this complex area of expertise to be in a position to provide Council with a report and guidance that would be sufficiently detailed and robust enough to assist Council to make a fully informed decision on the matter.

This is further challenged by the timeframe which is truncated by the Christmas and New Year holiday period. Therefore, City Officers are seeking approval for funding to be allocated to engage a consultant, who is an expert in the field, to assess the matter and provide an expert opinion and Report to Council at its meeting in March 2021.

This engagement would be done in accordance with the Council Procurement Policy which could take 2-3 weeks to complete. The estimated cost for the engagement would be \$40,000

Key Relevant Previous Council Decisions:

At the Ordinary Council Meeting of 22 September 2020 Council resolved

Item CPS20.20 Review of Point Resolution Child Care Centre

That Council:

1. *'defers this item to the March 2021 round of meetings in order to review the long-term needs for Child Care South of Stirling Highway in reference to the City's land assets and undertake full community consultation with all stakeholders'.*

Consultation

Executive have considered this and concluded that external expertise is necessary.

Strategic Implications

How well does it fit with our strategic direction?

The City, through its *Strategic Community Plan / Strategic Direction / Values* is committed to the provision of a "High Standard of Services" to Nedlands residents and through its *Strategic Community Plan / Strategic Direction / Roles and Services* makes specific mention to "services such as childcare"

Who benefits?

City Residents and in particular those that have a specific interest in Childcare needs South of Stirling Highway.

Does it involve a tolerable risk?

The engagement of a consultant will minimize the risk of Council not being adequately informed when deciding on this matter.

Do we have the information we need?

City Officers do not have the necessary skills to expertly advise Council on the best strategy and require external expertise.

Budget/Financial Implications

It is estimated that the cost of this engagement will be \$40,000.

Can we afford it?

The requested funds are currently unbudgeted.

How does the option impact upon rates?

The budgeted amount of \$40,000 represents 0.25% of rates revenue.

CPS28.20	Corporate Business Plan - Review
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Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	1. Corporate Business Plan Review
Confidential Attachments	Nil.

Executive Summary

By reporting to Council on progress towards the Corporate Business Plan, the City ensures that it is meeting the requirements of the Department’s Integrated Planning and Reporting framework as well as the expectations of its community.

This review is presented here for the Council to receive. The report outlines what the City planned to achieve and has achieved so far.

Recommendation to Committee

Council received the report on the progress towards “Nedlands 2023 – Making it Happen”, the Corporate Business Plan.

Discussion/Overview

Background

All local governments in Western Australia are required to have a Strategic Community Plan and a Corporate Business Plan. To work towards achieving these, Administration will provide Council with reports quarterly regarding progress.

The Corporate Business Plan was developed to meet the expectations and commitments identified in the City’s Strategic Community Plan.

Discussion

The Corporate Business Plan has been reviewed by Administration. Updates to the document has been made (see attachment 1) and are presented to Council for their review.

Key Relevant Previous Council Decisions:

Council adopted the City’s Corporate Business Plan “Nedlands 2023 – Making it Happen” on 20th June 2013.

Consultation

Nil.

Strategic Implications

How well does it fit with our strategic direction?

The Corporate Business Plan was developed to meet the expectations and commitments identified in the City’s Strategic Community Plan.

Who benefits?

The City of Nedlands community benefit from the Corporate Business Plan.

Does it involve a tolerable risk?

There is no risk associated with the recommendation.

Do we have the information we need?

All required information has been provided to Council.

Budget/Financial Implications

Can we afford it?

Nil.

How does the option impact upon rates?

Nil.

CPS29.20	Request for Tender RFT 2020-21.02 – Waste Management Services
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Committee	13 October 2020
Council	27 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	Nil.
Confidential Attachments	1. RFT 2020-21.02 Tender Evaluation and Recommendation Report

Executive Summary

The City provides waste management services as an essential service to all City residents. The current waste management contract has been in place since 2013 and is due to expire on December 2 2020. The City commenced a process to test the market and publicly invite bids from suitably qualified and experienced contractors to provide the services from that date for an initial period of five (5) years with two (2) options for extension, each of one (1) year duration, these to be awarded at the sole discretion of the City.

This process has now been finalized and Council is requested to accept the evaluation and recommendation for award of the new contract to Suez Pty Ltd. The attached RFT 2020-21.02 Tender Evaluation and Recommendation Report is provided to assist you in your decision.

Recommendation to Committee

Council:

1. **approves the award of the contract for Waste Management Services to Suez Pty Ltd in accordance with the City's Request for Tender number RFT 2020-21.02 and comprising of that request, the City's Conditions of Contract, the Suez tender submissions inclusive of the Schedule of Rates and all post tender clarifications and negotiations.**
2. **instructs the CEO to arrange for a Letter of Acceptance and a Contract document to be sent to Suez Pty Ltd to be executed.**
3. **Instructs the CEO to arrange for all other tender respondents to be advised of the tender outcome**

Discussion/Overview

The provision of waste management services is an essential City service and is high value contract with many components.

City officers started working on the preparation of the request for tender documents in February 2020 and these were ready for advertising to the public in June 2020.

Full details of the timeline are provided in the attachment to this report.

A transparent process was ensured at all stages through the provision of oversight and guidance to the Evaluation Panel by the Procurement Coordinator who was an independent advisor on probity and equity throughout the process from beginning to end.

The results of the Evaluation Panel members assessment and subsequent recommendation for award is the purpose of this report.

Key Relevant Previous Council Decisions:

At a Special Council meeting on 01 October 2013 Council resolved as follows:

Council:

1. agrees to award RFT2013/14.01, the residential and commercial waste, recycling and greenwaste collection service contract and the disposal of the City's residential and commercial putrescible service, to Perthwaste Pty Ltd; and
2. authorises the Chief Executive Officer to sign the acceptance of offer.

Consultation

Consultation on the contract preparation and subsequent tender and evaluation process was conducted between multiple parties, both internal and external to the City. Transparency and Confidentiality were maintained at all times during the process.

Strategic Implications

How well does it fit with our strategic direction?

The City, through its *Strategic Community Plan / Strategic Direction / Values* is committed to the provision of a "High Standard of Services" to Nedlands residents

Who benefits?

City of Nedlands residents.

Does it involve a tolerable risk?

The provision of waste management services is an essential service requirement for the City and the ongoing engagement of a suitable contractor will remove the risk of City not fulfilling this requirement

Do we have the information we need?

Specialist City Officers have the necessary skills to expertly advise Council on the best contractor to supply the services at best value to the City.

Budget/Financial Implications

Waste Management Services are an essential service and are budgeted for each financial year.

Can we afford it?

The recommended contractor is offering the best value for money to the City

How does the option impact upon rates?

Minimal as this is an ongoing essential service.