

COUNCIL AGENDA

MONDAY, 29 APRIL 2019



GLENORCHY CITY COUNCIL

QUALIFIED PERSON CERTIFICATION

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

A handwritten signature in blue ink, likely of Tony McMullen.

Tony McMullen
General Manager

24 April 2019

Hour: 6.00 p.m.

Present:

In attendance:

Leave of Absence:

**Workshops held since
last Council Meeting**

Date: Monday, 8 April 2019

Purpose: To discuss:

- Budget Update / Long Term Financial Management Plan / Annual Plan
- LVC Update
- Community Engagement / Precinct

Date: Monday, 15 April 2019

Purpose: To discuss:

- Landfill / FOGO Implementation

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1. APOLOGIES

2. CONFIRMATION OF MINUTES (OPEN MEETING)

That the minutes of the Council Meeting held on 25 March 2019 be confirmed.

3. ANNOUNCEMENTS BY THE CHAIR

4. PECUNIARY INTEREST NOTIFICATION

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Bob Pettit - Binya Street, Glenorchy (25 March 2019)

Q: What is the position of Glenorchy City Council on the ban on petroleum based single use plastic products (which the City of Hobart recently moved to ban)?

A: During the March Council meeting a motion was moved for Officers to prepare a report on the options for and impacts of reducing the use of single-use plastics in our community. This report will be developed and presented to a future Council meeting to enable Council to have an informed position on this matter.

Q: Does the Council have a policy that dictates whether they use asphalt or concrete to construct footpaths?

A: Council has a Footpath Policy that preferences the construction of concrete footpaths. This includes new development and subdivisions, where Council are replacing the kerb, and in areas of high use (e.g. CBD areas). Asphalt footpaths are still a valid treatment and are specifically used for some repair work and where Council is aligning the lives of a number of assets (for example, a road needs reconstruction within a 20-year time period so asphalt (20+ year life) is used in preference to concrete (80+ year life)).

James Bryan - England Avenue, Montrose (25 March 2019)

Q: In relation to the Proposal to Dispose of Public Land – Mill Lane (Existing Car Park), today's agenda says that public submissions will be invited until 11 April 2019, however the advertisement in the papers listed the date as 1 April 2019. Which date is correct?

A: The correct date was 11 April 2019. The listing of 1 April 2019 was a misprint. The notice was re-advertised in the public notices section of The Mercury on 27 March 2019 with the correct date listed and the error expressly noted.

Q: At Council's meeting on 17 December 2018 it was decided to provide \$11m of ratepayers funds to the Hobart City Deal over a period of years. Do the following objectives as outlined in the draft *Greater Hobart Act 2018* best describe how Council envisages how this funding will be used:

- 1. to facilitate the efficient flow of transport in the Greater Hobart area**
- 2. to further the maintenance and accessibility of existing and the development of new cultural sporting and recreational and community facilities,**
- 3. to encourage, promote and provide for urban renewal and affordable housing and their creation through higher density housing**

Is this how those funds would be used?

A: The \$11m Council contribution was calculated based on Council's ongoing commitment to infrastructure along the transit corridor. This includes the development of new shared paths, the maintenance and renewal of the existing footpath network, and Council's management of the corridor including vegetation and litter management.

Q: In response to Alderman Fraser's questions about the Hobart City Deal, reference is made to the Glenorchy to Hobart Transport Study prepared by GHD dated October 2016. There are two reports by GHD: The 'Glenorchy to Hobart Public Transport Corridor Study' and the 'Glenorchy to Hobart Public Transit Corridor Value Capture Funding Analysis'. Neither are on the Glenorchy City Council Website. As these could have profound influence over decisions to be made in the future, could this be rectified so that ratepayers are better informed?

A: Officers will examine the contents of the reports and will publish them on Council's website if there is nothing in them that requires they remain confidential.

Q: Does the Council believe that a Special Local Government Rate, a mechanism to extract a portion of the financial benefits realised by local households to support the upfront cost of capital infrastructure investments, will need to be added to the current rate levied on Glenorchy Residents as discussed in the two rail corridor reports? This is to ease the funding burden to Government to provide those services. On page 9 of the report it suggested that Glenorchy City Council may need to provide \$30 to \$35 million in funding to support this project.

A: Council has not yet undertaken any detailed consideration of the conclusions or recommendations of the GHD Report, nor has it endorsed any such recommendations. Council supports the development of the rail corridor but does not have any position on this specific issue.

Janine Foley - Bethune Street, Chigwell (25 March 2019)

Ms. Foley submitted a series of written questions and background information. The questions (as submitted) are extracted below:

Question 1 – Insolvency

Q. Can GCC confirm that it reported (complied) to all relevant oversight (legislative) flow lines their concerns around their financial position in 2018? Did GCC comply with 'duty of care' requirements and expectations to report comprehensively to all relevant markets - in particular those sectors that would have experienced 'market shock' and resulting exposure to potential catastrophic lines/levels of risk from a GCC implosion?

A: Council has fully complied with all financial disclosure requirements in the 2017/18 audited annual report financial statements.

Question 2 – GCC claims around community being able to ‘absorb’ the 12.5% tax

Q. How does GCC intend to prove that the tax increase has not led to community hardship?

A: Council reviews its rates debt collections monthly. There is no indication that collection percentages have changed since the rates revenue rise on 1 July 2018.

Q What measurable, observable matrix has GCC constructed to monitor and watch for unintended consequences? For example MPES <http://www.justice.tas.gov.au/fines/enforcementsanctions> has a range of sanctions available from "Suspend your driver licence or eligibility to hold a driver licence" to Monetary Penalty Community Service Orders (MPCSOs). Is GCC monitoring any increase in MPES activity that may indicate an increase in hardship and suffering related to the inability to meet the 12.5% tax burden?

A: Council is not aware of any increase in MPES activity this financial year.

Question 3 – Major project failure – Deed of grant framework Derwent Park Water Treatment Plant

Q. Prior to 28 May 2018 how (greenlight report line) did GCC establish (deed milestone release) ownership of asset base valued by GCC at decommission at AUD \$12 million?

A: The Derwent Park Water Treatment Plant related assets, owned by Council prior to 28 May 2018, had a written-down value of approximately \$14.5 million. That value was determined by the extraction of data from Council's asset management system, based on original capitalised cost and depreciation.

Q Does GCC retain any IP rights associated with project/asset?

A. The decommissioning of the Derwent Park Water Treatment Plant has no impact on the status of any IP rights associated with the project or its assets.

Q. When will the release of the business case to stakeholder (ratepayers who were forced to be investor/ stockholder/ shareholder in this project with the expectation of return on investment) take place? What form will this information be presented in? How will stakeholder feedback be harvested and invested into historical risk management review?

A. Council is unable to release the business case in full because it contains commercial in-confidence information.
However, the business case was presented to the Australian Government and, through a negotiation process, ultimately accepted, resulting in Council signing an agreement with the Commonwealth to the effect that Council was absolved of the requirement to repay the grant funds, provided Council took certain actions to improve stormwater quality of water to protect the Derwent catchment.

The principal learnings that Council identified and which were presented in the Business Case were:

1. the need for improved scoping and business case development to ensure that projects meet satisfactory thresholds before selection, and
2. the need for improved project management of major projects.

Improved practices to address the above are currently being implemented as part of new projects including the CBD Revitalisation and the Waste Management Strategy and associated projects.

Question 4 – Return to market – Sale of public asset – Wilkinsons Point including DEC

- Q. Where is the information brief relating to a comprehensive analytic of DEC financial position (2016 – current) that will anchor discussion around performance, capacity/capability, and reputation of the DEC that the Mercury article is based on? This document should clearly explain how much ratepayers have invested in the DEC and how that return on investment will be realised? It must also honestly and with organisational integrity explain that the current extensive community usage will cease unless council negotiates continued usage patterns remain after this public commons is lost to future generations of Tasmanians.**
- A.** It is not clear which Mercury article is being referred to. However, the information on which Council based its decision to dispose of the DEC and the land on which it is situated was contained in the reports to the special Council meetings of 9 July and 20 August 2019.

Question 5 – Internal audit and emergent risk management – GCC assumptions around underwriting of unacceptable and high-level risk practice

- Q. Can GCC assure stakeholder community that it is confident that it can rigorously and robustly defend current practice regime, conduct, and risk management and organisational infrastructure against likely claims which may be constructed in relation to unacceptable/problematic risk in relation to herbicide usage across GCC LGA?**
- Q. Is GCC confident of robust organisational hygiene practice which will allow an ability to defend against potential claim from agricultural sector about use including incompetent, non— compliant usage, monitoring and audit of herbicide driving herbicide resistance that may threaten agricultural practice and result in loss or damage?**
- Q. Is GCC confident/ secure in assumptions around stakeholder ability and willingness to underwrite risk around emergent and historical areas of concern relating to herbicide usage across the GCC LGA?**

- Q. Is GCC confident that it is managing emergent / historical risk in relation to workplace applicators? This includes practice relating to container disposal — reinstate — provision of laundry facility— regular health monitoring, recording and audit of work based practice to limit exposure (ingestion, inhalation and absorption) to applicators?**
- Q. Is GCC confident that it is managing emergent/historical risk in relation contract applicators? This includes practice relating to container disposal — reinstate — provision of laundry facility - regular health monitoring, recording and audit of work based practice to limit exposure (ingestion, inhalation and absorption) to contract applicators ?**
- Q. Is GCC confident that it is managing emergent and historical risk in relation members of the public? This includes practice relating to educating, informing, managing exposure (ingestion, inhalation and absorption) related health risk? This involves pathways of mitigation offered to and data management around preventing exposure to vulnerable and at risk population i.e. children, pregnant women, elderly, chronic illness, cancer diagnose, cancer remission, cancer treatment, environment and so on. This includes information management and audit process around mitigation (e.g. Do Not Spray, Adverse Effects and so on) to prevent exposure of self-selecting population who have conducted personal risk assessment around GCC use of herbicide across GCC LGA.**
- Q. Has GCC sought input consultation in relation to use of herbicide and emergent and historic risk e.g. The Cancer Council - RCGP - and so on?**
- A. Answers to these questions will be provided at a future Council meeting.**

6. PUBLIC QUESTION TIME (15 MINUTES)

Please note:

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

7. PETITIONS/DEPUTATIONS

A petition by Janiece Bryan of England Avenue, Montrose, will be tabled.

COMMUNITY

Community goal: “Making lives Better”

8. ANNOUNCEMENTS BY THE MAYOR

Author: Mayor (Ald. Kristie Johnston)
Qualified Person: General Manager (Tony McMullen)
ECM File Reference: Mayoral Announcements

Community Plan Reference:

Under the City of *Glenorchy Community Plan 2015 – 2040*, the Community has prioritised 'transparent and accountable government'.

Strategic or Annual Plan Reference:

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

Reporting Brief:

To brief Council on the activities of the Mayor for the period from Tuesday, 19 March 2019 to Monday, 22 April 2019.

Proposal in Detail:

The following is a list of events and external meetings the Mayor has attended during the period Tuesday, 19 March 2019 to Monday, 22 April 2019.

Tuesday, 19 March 2019

- Attended a meeting with representatives of OneCare

Wednesday, 20 March 2019

- Attended and participated in the Glenorchy Library's Harmony Week Book Reading event
- Attended the National Council of Women Tasmania meeting
- Attended an Aldermanic Briefing and Tour of the UTAS Installation Room by the Vice Chancellor
- Attended and presented awards at the Claremont College Presentation Evening

Thursday, 21 March 2019

- Attended an interview on ABC Breakfast radio
- Attended a meeting with Shadow Local Government Minister, Anita Dow, and Kingborough Mayor, Dean Winter

- Attended the Greater Glenorchy Group meeting
- Attended the Thread Film - Experience of Refugees in Hobart

Friday, 22 March 2019

- Attended the Hear Our Voices Women's Gathering event
- Attended a meeting with representatives from the Department of Foreign Affairs and Trade

Saturday, 23 March 2019

- Attended the Local Government Association of Tasmania's Elected Members Professional Development day in Launceston

Sunday, 24 March 2019

- Attended and officially opened the Moonah Taste of the World Festival

Monday, 25 March 2019

- Chaired the Council meeting

Tuesday, 26 March 2019

- Attended a meeting with Minister David Littleproud in relation to the Derwent Park Stormwater Harvesting and Reuse Project
- Attended a meeting with representatives of Aurora Disability Services and ABC Radio
- Attended a meeting with a representative of the Hobart Vintage Machinery Society

Wednesday, 27 March 2019

- Hosted a Civic Reception for the past and current recipients of the Eric Reece Scholarship
- Attended the SES Appreciation Dinner

Thursday, 28 March 2019

- Attended a meeting with representatives of the Salvation Army
- Travelled to Devonport for the Local Government Association of Tasmania General Meeting

Friday, 29 March 2019

- Attended and presented at the Local Government Association of Tasmania General Meeting in Devonport

Sunday, 31 March 2019

- Officially opened the Science in the Park event at Tolosa Park

Tuesday, 2 April 2019

- Attended a meeting with residents regarding a telecommunications tower

Friday, 5 April 2019

- Hosted Goodwood Primary School's visit to Council Chambers
- Attended the Glenorchy Knights Sponsors Night

Saturday, 6 April 2019

- Attended the Glenorchy District Football Club's Heritage Round Dinner

Sunday, 7 April 2019

- Attended the Fred Binns Walk for Parkinsons
- Attended the Lutana Woodlands Clean-Up activity

Monday, 8 April 2019

- Chaired the Council workshop

Tuesday, 9 April 2019

- Hosted Guilford Young College Legal Foundation Studies students at Council Chambers
- Attended a tour and briefing at Cosgrove High School

Wednesday, 10 April 2019

- Attended and participated in the ANZAC Schools Flag Parade

Thursday, 11 April 2019

- Officially opened the Maker's Space at Bowen Road Primary School
- Attended a meeting with a business representative

Friday, 12 April 2019

- Attended and officially opened the 'Market in the Carpark' Youth Week event
- Hosted the 'Inside Peace' film night at the Moonah Arts Centre

Saturday, 13 April 2019

- Officially opened the Chapel Street Dog Park
- Attended and presented awards at the Glenorchy City Bowls Club Presentation Night

Monday, 15 April 2019

- Attended a meeting with the General Manager of Nyrstar
- Chaired the Council workshop
- Chaired the Glenorchy Planning Authority meeting

Wednesday, 17 April 2019

- Hosted the Governor of Tasmania, Her Excellency Professor the Honourable Kate Warner AC, and Mr. Warner, for an official visit to the City of Glenorchy

Thursday, 18 April 2019

- Attended the Greater Glenorchy Group meeting

Sunday, 21 April 2019

- Hosted and participated in the monthly Clean Up Glenorchy Taskforce activity

A significant number of other internal Council meetings and administrative duties were also undertaken.

Consultations:

Nil.

Human Resource / Financial and Risk Management Implications:

Nil.

Community Consultation and Public Relations Implications:

Nil.

Recommendation:

That Council:

RECEIVE the announcements about the activities of the Mayor during the period from Tuesday, 19 March 2019 to Monday, 22 April 2019.

Attachments/Annexures

NIL

ECONOMIC

Community goal: “Open for business”

9. PROPOSAL TO DISPOSE OF PUBLIC LAND - WILKINSONS POINT

Author: Executive Officer (Bryn Hannan)

Qualified Person: General Manager (Tony McMullen)

ECM File Reference: DEC Proposals

Community Plan Reference:

City of Glenorchy Community Plan 2015-2040

Making lives better

Our city is easy to get around, with a range of transport choices available to visit family or friends or to access services. The city is well-connected by extensive and well-maintained walking and bike paths, public transport and road networks. Our social, recreational and cultural facilities, events and experiences will attract and retain people in Glenorchy to share our wonderful way of life.

Valuing our environment

Our walking path and bike path networks will be extended, connecting our natural environment and open spaces to the built environment. Our natural environment, and created open spaces will be inviting places to be.

We will work actively to clean up and enhance the River Derwent and foreshore so that we can enjoy it for recreation, hospitality, arts and tourism. Our city will celebrate its foreshore, sharing it with locals and visitors alike.

Leading our community

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

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

Strategic or Annual Plan Reference:

Glenorchy City Council Strategic Plan 2016-2020

Making lives better

Objective 1.1 Know our communities and what they value.

Strategy 1.1.1 Guide decision making through continued community engagement based on our Community Plan.

Valuing our environment

Objective 3.2 Manage our natural environments now and for the future.

Strategy 3.2.3 Enhance, protect and celebrate the Derwent Foreshore.

Leading our community

Objective 4.1 Govern in the best interests of our community

Strategy 4.1.1 Manage Council for maximum efficiency, accountability and transparency

Strategy 4.1.2 Manage the City's assets soundly for the long-term benefit of the community

Objective 4.2 Prioritise resources to achieve our communities' goals

Strategy 4.2.1 Deploy the Council's resources effectively to deliver value

Reporting Brief:

To recommend that, in relation to Council's proposed disposal of public land at 601A and 601B Brooker Highway, being the land in Certificate of Title Volume 157350 Folios 1 and 2, more commonly known as Wilkinsons Point (**the Land**), Council:

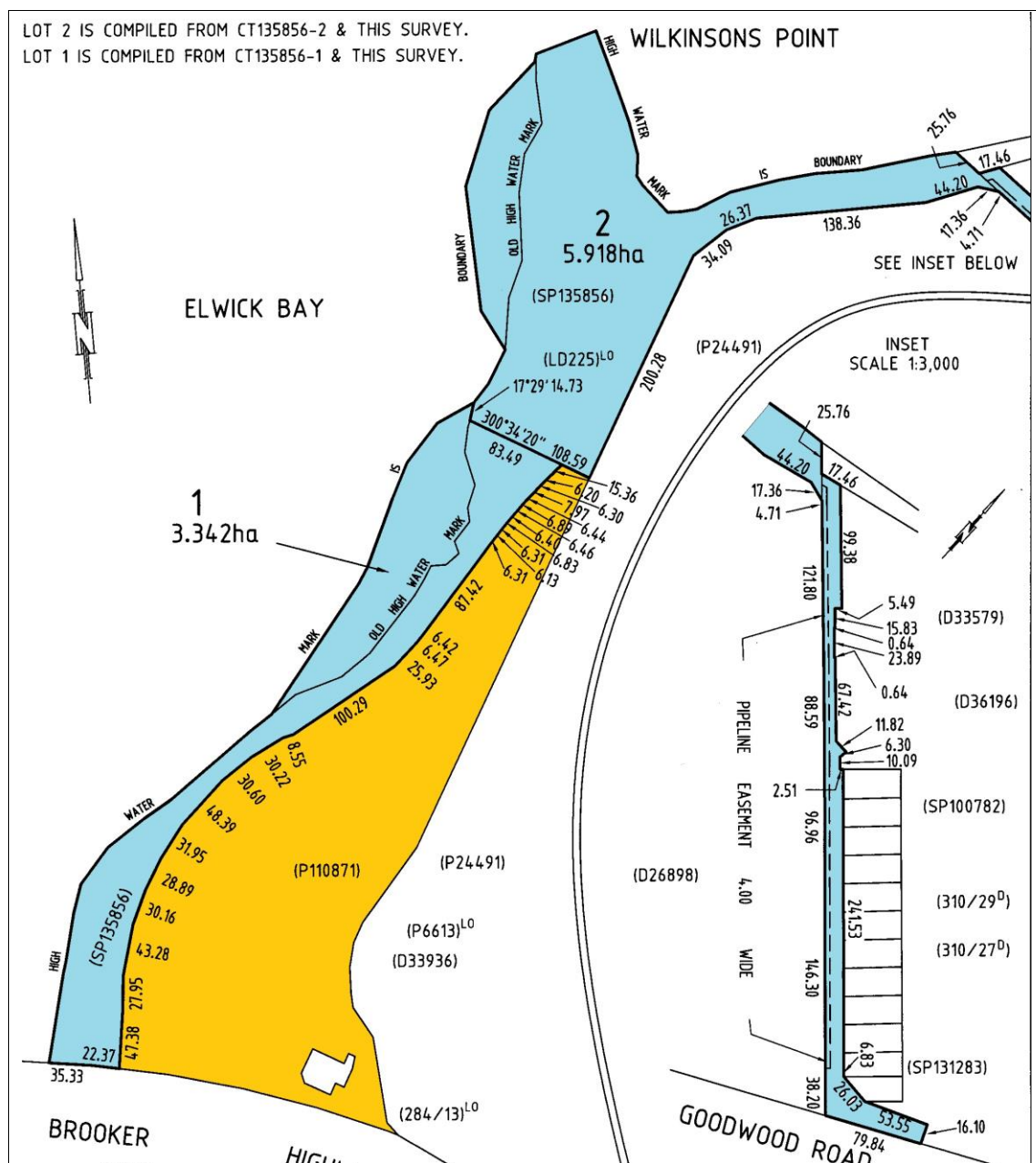
- (a) considers the objections lodged during the public notification and consultation period, and
- (b) approves the disposal of the Land, subject to the conditions that public access to the entire foreshore is maintained and an appropriate community consultation process is undertaken.

Proposal in Detail:**Background**

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

At its meeting on 25 March 2019, Council resolved to form an intention under section 178 to dispose of the land in Certificate of Title Volume 157350 Folios 1 and 2, more commonly known as Wilkinsons Point (**the Land**).

The proposed disposal of the Land follows Council's decision made on 20 August 2018 to dispose of the Derwent Entertainment Centre (**DEC**) and the parcel of land it is situated on (Certificate of Title 110871, Folio 1) (**the DEC Site**). The Land and the DEC Site are shown on the following plan (the Land is the blue area and the DEC site is the orange area):



Process under section 178 of the *Local Government Act 1993*

Section 178 of the Act sets out the process that must be followed by a council which intends to dispose of public land.

Section 178(3) states that a resolution of the Council to sell, lease, donate, exchange or otherwise dispose of public land is to be passed by an absolute majority of Council. If such a resolution is passed:

- the intention to dispose must be advertised on two (2) occasions in a daily newspaper circulating in the municipal area, and

- a notice in regard to the disposal must be displayed on any boundary of the public land that abuts a highway and notifies the public that objection to the proposal may be made to the General Manager within 21 days of the date of the first newspaper publication.
- owners of neighbouring and affected properties must be notified of the proposal.

If the General Manager does not receive any objection under subsection (4) and an appeal is not made under section 178A, the council may sell, lease, donate, exchange or otherwise dispose of public land in accordance with its intention as published under subsection (4).

Compliance with the section 178 Process

Absolute majority

The resolution of Council passed on 25 March 2019 was passed unanimously by Council, meaning that an absolute majority was achieved.

Public advertisements

Public notices of Council's intention to dispose of the land were published in The Mercury on two occasions, being Wednesday, 27 March 2019 and Wednesday, 3 April 2019. Both advertisements advised the public that any objections must be received by the General Manager by 17 April 2019, 21 days after the date of the first publication on 27 March 2019. A copy of the advertisement, which was the same on both occasions, is Attachment 1.

Display of notices

On 27 March 2019, A3 sized copies of the public notices were displayed on the boundaries of the Land at the Brooker Highway and Loyd Road, in accordance with the requirements of s. 178.

A notice was also placed on the notice board in Council's chambers.

All notices remained on display throughout the notification period and were removed after 17 April 2019.

Public Objections and Submissions

Section 178 (6) of the Act requires that Council must:

(a) Consider any objection lodged; and

(b) By notice in writing within 7 days after making a decision to take or not take any action under this section, advise any person who lodged an objection of –

(i) that decision; and

(ii) the right to appeal against that decision under section 178A

Section 178A allows for appeals to be made on the basis that Council's decision is not in the public interest, on the following two grounds:

(a) The community may suffer undue hardship due to the loss of access to, and the use of, the public land; or

(b) There is no similar facility available to the users of that facility.

It is considered that these are the two primary criteria that Council needs to weigh up when deciding whether to confirm its intention to dispose of the Land.

Of course, Council also has the discretion to consider other matters when coming to its decision.

Submissions received

Council received 35 submissions in total. Of those, 32 people objected to the proposed disposal, one (1) was in support and, one (1) was neutral and another one (1), from GASP, was neutral but generally in-support. Five (5) of the submissions were received after the advertised closing date for submissions, however it is recommended that Council accepts those submissions regardless and includes them in its consideration.

A table listing all of the submissions, categorising them, and providing a brief summary of the each is Attachment 2 to this report.

Attachment 3 contains copies of each of the submissions listed in Attachment 2.

The majority of the responses received were objections. The objections can generally be categorised as being in relation to one of the following:

- concern about the impact on the Glenorchy Art and Sculpture Park (**GASP**), the loss of this facility, and
- concern about the loss of public open space and access to Elwick Bay foreshore, and the associated impacts on community and cultural amenity.

Of the 34 submissions received, 25 refer to the loss of GASP, and 24 of those object on the basis that the impact on GASP is either the only, or a large part of, the reasons for the objection.

A large number of submissions (18 in total) objecting to the disposal based on the possible impact on GASP were received on or after 16 April 2019, and followed the issue of a media release by GASP on 15 April 2019 calling for the area of the land that is licenced to GASP to be exempt from any future sale. It is worth noting that GASP's submission is generally in support of the development of the Land, provided GASP is consulted and involved in any negotiations.

It should also be noted that there has been a large amount of misinformation being circulated in the community, seeking to paint Council's consideration of the potential disposal of Wilkinsons Point as a decision to 'sell the GASP' [sic]. This has included fliers posted on the Land and other Council property directing people to a website opposing the sale and containing similar misinformation. The creators of the website and this campaign have gone to some lengths to hide their identity.

Officers' responses to objections

The following table sets out some of the common objections received during the objection period and officers' responses to them.

<i>Concern about the impact on GASP and the misapprehension that GASP is to be sold.</i>
<p>Submissions received in relation to the potential impacts of the disposal on GASP focus on two key concerns:</p> <ul style="list-style-type: none"> the potential loss of access to the infrastructure which is currently licensed to GASP (the boardwalk and GASP pavilion) and associated loss of walking trails and public recreation areas, and the impact on the GASP organisation (GASP Inc.) and its provision of public artworks and cultural activities. <p>In relation to the potential loss of access, Council's resolution of 25 March 2019 was made on the basis that public access to the entire foreshore is maintained, and this is reaffirmed in the recommendations to this report.</p> <p>Both the boardwalk and the GASP pavilion are situated on the foreshore, meaning that access to them would be maintained if the recommended resolutions are adopted.</p> <p>GASP Inc. (as opposed to the Glenorchy Art and Sculpture Park - the physical GASP infrastructure) is a corporate entity which utilises the Council owned infrastructure. Council is committed to its vision expressed in its Community Plan to make Glenorchy a City of arts and opportunity. The GASP facility is an important part of this vision. Council will continue to work with GASP Inc. to assist it to deliver on its commitment to provide arts and cultural activities on the GASP site. However, GASP Inc. itself will ultimately need to demonstrate that Council's continued funding of its activities at the GASP site provides value for money for the Community.</p> <p>Importantly, a resolution by Council to dispose of the Land at the current meeting is <u>not</u> a resolution that Council is selling GASP, or that GASP will cease to exist. The scare campaign currently being run by anonymous persons in the community has clearly caused a great deal of distress to many people who have been incorrectly led to the conclusion that Council intends to sell-off the GASP infrastructure and remove public access to the site. This is not the case.</p>
<i>Concerns about the loss of access to walking trails, and other community infrastructure including the GASP boardwalk and pavilion.</i>
<p>This is largely addressed above, particularly in relation to the GASP boardwalk and pavilion. However, the vision expressed in the Wilkinsons Point Master Plan, which is captured in Council's Planning Scheme, is of a connected area that provides continuous foreshore open space, including the development of shared trails.</p> <p>It is not Council's intention to sell the entire site to a developer and remove public access to it. Council is aware that its vision for the site is likely to result in a lower financial return for Council than if the Land was simply sold to the highest bidder, however is committed to achieving the best possible use of the site as a valuable community asset that also provides commercial opportunities and economic benefits to Glenorchy.</p>

Concerns about the site being placed in private ownership and the loss of public space and community facilities.

Council's Planning Scheme, and particularly the Specific Area Plan that applies to the Land (discussed further below) places constraints on the type of development that can occur on the Land. Many of the concerns expressed in the objections are addressed by the provisions in the planning scheme, which apply irrespective of whether the land is in public or private ownership.

Concerns about the impact on aboriginal cultural heritage.

A search of the Aboriginal Cultural Heritage Register indicates that there may be some registered aboriginal relics on the land comprising Folio 2 (the headland lot). It is recommended that Aboriginal Heritage Tasmania is consulted as part of any negotiations to dispose of the site in the future to ensure that appropriate protection of any heritage sites can be provided.

The short-sightedness of selling public land for short-term financial gain which has long-term impacts.

Council has sought to develop Wilkinsons Point over many years, which has included the development of a Master Plan which is captured in Council's Planning Scheme. Council's vision for the site is one of an iconic waterfront location with a mix of uses including foreshore open space and community facilities.

The development of Wilkinsons Point is therefore part of a long-term plan. Ultimately Council is required to go through the disposal process if the site is to be developed and leased or sold. Council cannot develop the site itself, as this is not an appropriate use of ratepayer funds, and Council lacks the necessary expertise in property development. However, Council can control who purchases the site, based on a detailed analysis of any proposal that is submitted, and, by extension, what is developed there.

The assertion that Council will simply sell off the land and not have any control over what is ultimately placed on it is not correct.

The impact on Council's cultural values and as a destination for arts and culture if GASP is lost.

Council's Planning Scheme contains the Specific Area Plan for Wilkinsons Point (SAP). The SAP emphasises the importance of arts and culture as a cornerstone of Council's vision to activate the site. Council wishes to work with GASP and any potential purchaser of the site to ensure that these cultural and artistic values are maintained and enhanced as the site is developed.

Concerns about development at the site that is unsightly, and impacts on the site's community values

The Planning Scheme places restrictions on the built form and design of buildings for the site. Council has always sought to ensure that Wilkinsons Point is developed in a sustainable and attractive way that is sympathetic to the surrounding environment, and gone to considerable lengths over many years to place constraints on the development of the site that will enable this.

The GASP pavilion and wharf at the end of the point would be a good spot for a ferry terminal if a ferry service is introduced in Hobart in the future.

The disposal of the site will not prevent the use of the jetty or pavilion for a future ferry service if one is introduced. Foreshore access is to be maintained as part of any disposal, meaning that this opportunity would not be lost.

It would also be in the interests of any purchaser of the site have a ferry terminal in that location, to increase the site's accessibility and appeal.

Concerns about probity given Council's recent history

Council has sought independent legal and expert advice throughout the process to this point and will continue to do so.

If and when Council gets to the point of considering a specific proposal for the site, Council will engage probity auditors to monitor and report on and disposal process and associated negotiations, to give the public comfort that Council has followed appropriate processes and has acted in the community's best interests.

It is intended that Council will be as open and transparent around any negotiations as possible and will only consider issues in closed sessions where commercial or legal realities make full public disclosure untenable.

How concerns can be addressed by Council

As noted above, the primary concerns about the potential disposal of the Land are around the impacts on GASP and the potential loss of public open space (and particularly walking trails along the foreshore).

While the entire area of the Land, and the DEC site, is included in the area which is the subject of the proposal, that does not commit Council to selling the entire area. It will be open to Council to consider which parts of the Land it disposes of, and Council would likely do this in consideration of a specific proposal that meets Council's requirements for the site.

The intention behind potentially offering the entire area for sale is to encourage parties which might be interested in the site to determine how the area can best be activated, without being constrained by property boundaries which have been determined by Council.

In the report to Council that was considered at the 25 March Council meeting, the importance of maintaining foreshore access was emphasised. It is worth repeating the officers' comments from that report for completeness:

Council has recognised and endorsed the significance of the Wilkinsons Point and the Elwick Bay foreshore area for the Glenorchy municipality for many years and sought to ensure public access and quality development in the area. The vision for Wilkinsons Point is one of an iconic waterfront location integrating with and contributing to a richly vibrant, mixed use waterfront precinct – a place that is engaging, contemporary and culturally relevant. This vision strongly aligns with the priorities in Council's Community Plan.

It is officers' firm recommendation that it be made clear from the outset that any decision to dispose of the site is made on the express understanding that Council will not consider any proposal to purchase the Land that does not include full and complete access to the foreshore. While the Land has significant value as a saleable asset, the maintenance of connectivity to open space and the Derwent River and its preservation for the use of the community is something to which a price arguably cannot be assigned.

The mechanism by which that access could be preserved would be a matter for consideration if, and when, a proposal for the Land was received and was under consideration by Council. Naturally the public roadway on Loyd road would not be offered as part of any sale.

Officers' recommendations about foreshore access have not changed. The large number of public submissions that have emphasised the need to maintain community access to the foreshore and other parts of the site accentuate the importance of this in any future consideration by Council of any proposal to purchase the site.

There are a number of mechanisms that Council could use to ensure that appropriate public access to the site is maintained and that the site is developed in a way that activates the space for the benefit of the community and in a way that is acceptable (and potentially exciting to the majority of community members). Some of these are summarised below.

1. Resolve to protect foreshore and road access

The recommendations to this report reflect Council's previously expressed view that any disposal of the Land must protect public access to the entire foreshore.

By resolving not to consider any proposal to purchase the site, Council can provide comfort to those people who have objected to the proposed sale, and the wider community, that it is not prepared to consider any option for the disposal and ultimate development of the site that is at the expense of the maintenance of the area as a public asset with appropriate connectivity and utilisation of the site's natural features.

Maintaining access to the entire foreshore would also ensure that the area of the GASP boardwalk and pavilion are maintained as publicly accessible facilities, meaning that the public will not lose access to and the use of those facilities.

2. Only offer part of the Land for sale

If Council resolves to dispose of Wilkinsons Point, Council is not bound to sell all or any part of the site. It could determine, based on advice, to subdivide the site and only sell certain portions (or indeed, not to sell it at all if it does not receive a suitable proposal). This would allow Council to maintain ownership of foreshore land, including, for example, the GASP Pavilion and Boardwalk.

The disadvantage of carving off a portion of the site prior to offering it for sale is that it may constrain the development of proposals by potential purchasers, without first giving Council and the community the opportunity to review them. Some such proposals may, for example, provide different ideas and concepts about how access to the foreshore can be facilitated and enhanced than are currently envisaged. By constraining that creative process, Council would deprive itself and the community of the opportunity to review and consider those ideas.

In practice, it would be more practical for Council to consider which parts of the site to retain if and when a firm proposal is received.

3. Rely on existing planning constraints

The current Wilkinsons Point and Elwick Bay Specific Area Plan (**SAP**) is encapsulated in Council's Planning Scheme. The SAP was developed to reflect the Wilkinsons Point Master Plan, which Council developed with expert consultants in or around 2005 and 2006 and was revised in 2013. As is touched on above, the key purpose of the SAP is to:

...develop the Wilkinsons Point and Elwick Bay area as an iconic waterfront location with quality environments and structures that complement each other, integrate well into the surroundings and contribute towards a richly vibrant waterfront precinct – a place that is engaging, contemporary and culturally relevant."

Other objectives of the SAP include to:

- *consider a mix of appropriate uses and development that would create the opportunity for feasible investment and partnership arrangements in the redevelopment of the area*
- *provide comfortable and continuous foreshore open space, including the development of shared trails, along the entire length of foreshore through the study area*
- *promote public health and well-being through the provision of significant amounts of open space and the promotion of linkages within the area and to the broader City.*

A full copy of the SAP is available as part of the Glenorchy Interim Planning Scheme 2015, which is available at www.iplan.tas.gov.au.

The SAP provides a strong set of planning constraints which are aimed at providing for the sustainable development of the site into an iconic waterfront destination, providing for a mix of recreational and commercial uses with designs and built forms that respond to the physical setting and use of the area, and which provide appropriate access to open space.

Those planning constraints provide considerable protection for the area and will prevent the inappropriate development of the site for uses that are inconsistent with the vision that was originally expressed in the master plan.

The SAP also divides the site into 4 specific precincts shown on the SAP precinct map which is Attachment 4.

Of these, the Elwick Bay Foreshore Public Open Space Precinct is the largest, extending along the entire foreshore of the site. The first stated objective of that precinct is to:

To maintain the natural values and enhance community, cultural and recreational use of the foreshore as a linear open space link between Montrose Community Park, Wilkinsons Point and beyond.

Though it would be open to any purchaser of the site to seek an amendment to the SAP to accommodate a specific design, any attempt to deviate significantly from objectives in the SAP would, for obvious reasons, present a risk to a developer. Accordingly, the presence of the SAP provides general protections for the site which align with many of the concerns expressed in the objections.

4. Consult with the Community

It is clear from the submissions received that the community has a significant interest in the Wilkinsons Point area and its value as a community asset. While Council ultimately seeks to activate the space through appropriate development by enhancing its features and general appeal, it is clear that the community and users of the site wish to be consulted about any development that may impact on their ability to use it, and how it is used.

It is recommended that Council consults with the community about how they would like the site to be used and what will give the community the most value. This could be done either before any sale is considered, or as part of the consideration of any specific proposal that is received and that Council is investigating.

The methods and extent of community consultation are not required to be determined for Council to make a decision on the recommendations in this report. However, the recommendations to this report reflect that a community consultation process should be undertaken at some point before Council makes a decision to sell the Land (or otherwise dispose of it) and to consider the outcomes of that process.

Council's Disposal of Land Policy

In addition to the information that has been provided above, Council's Disposal of Land Policy requires that, following the completion of the statutory twenty-one (21) day advertising period, a report is to be presented to Council which contains the certain information about the site that is proposed of.

That information is set out below:

1. The current use and history of the Council Land

This history of the Land was set out in the report to the 25 March 2019 Council meeting, but is repeated below:

Council has sought to ensure public foreshore access while encouraging appropriate commercial development at Wilkinsons Point since the State Government transferred ownership of it to Council in 2001.

Initially, this was envisaged through the development of a master plan which outlined the design of outdoor public areas, landmarks, and structures to achieve environmental, social-behavioural and aesthetic outcomes.

Following the master plan's implementation, Council developed and undertook an expression of interest process to develop the site in 2008 but received no viable submissions (the global financial crisis likely contributed to this).

Between 2010 and 2012, with GASP Stage One and Two funding secured and implemented, Council received some interest in the Brooker Highway frontage area but decided not to proceed with ad-hoc development on the site. As a strategic response to the success of GASP and the international profile of MONA, Council endorsed a recommendation to review the master plan and adopted a revised master plan in April 2013.

To facilitate development, surveyors prepared a subdivision plan for Council to suit the proposed sites in the master plan. In August 2013, consultants were engaged to provide valuations of the subdivision lots.

In June 2014 Council staff prepared plans to support subdivision of Wilkinsons Point for consultants to provide infrastructure cost estimates. A cost of \$3.2 to \$3.5 million was estimated to construct the infrastructure required for the subdivision project, based on the consultants' report and in-house calculations.

As noted above, the Land is subject to the Wilkinsons Point and Elwick Bay Specific Area Plan (referred to above as the SAP) under the *Glenorchy Interim Planning Scheme 2015*.

The Land is currently used predominantly for public recreation and cultural activities. The bulk of the use takes place along the GASP boardwalk, which proves a walking track from the Montrose foreshore through to the GASP pavilion on the point. The remainder of the land, back from the foreshore, is vacant and largely devoid of infrastructure, other than Loyd road and some gravel roads and fencing.

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

The foreshore area of the land holds significant value to the community as a recreational area, which is the reason for the recommendation that foreshore access is maintained.

The Land is home to GASP. While parts of the site are licenced to GASP Inc. to carry out various cultural activities on the GASP site, the bulk of GASP's activities are located in the Pavilion at the end of the point.

The Land does not contain any significant landscape or environmental values.

As noted above, a search of the Aboriginal Cultural Heritage Register indicates that there may be some registered aboriginal relics on the land comprising Folio 2 (the headland lot). It is recommended that Aboriginal Heritage Tasmania is consulted as part of any negotiations to dispose of the site in the future to ensure that appropriate protection of any heritage sites can be provided.

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

Council has obtained two (2) separate valuations of the Land from independent registered valuers. Given that Council is likely to engage in a commercial negotiation with a potential purchaser of the site if a suitable proposal is obtained, it is not appropriate for the results of those valuations to be released in open Council.

4. Any statutory or legal considerations

Council should consider that a disposal of public land must adhere to the requirements of s. 178 of the Act and consider whether these provisions have been complied with.

Council should also note that under section 178A, any person who has lodged an objection to the proposed disposal has a right to appeal the matter to the Resource Management and Planning Appeal Tribunal on the basis that, either:

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

The recommendations to this report are intended to address those issues by ensuring that appropriate access to and use of the Land is maintained.

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

The consultation process is outlined above. Council has not directly responded to any of the submissions received (other than through this report), but will do so as required under section 178.

6. The recommended sale price

It is premature to recommend a sale price for the Land. That will be determined in the future based on a number of considerations, including the results of any valuations, the proposed use and development of the site, market conditions that exist at the time of the sale.

It is recommended that the quantum of any sale price is considered in the context of what a potential purchaser proposes for the site. It is likely that proposals that provide the best outcomes for the community (i.e. which provide for larger amounts of open space) are likely to attract a lower sale price.

Council's primary consideration should not be attracting the highest offer, but rather balancing the best possible use of the site in line with its previously stated aims with an appropriate financial return.

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

The Land is limited in depth to 15 metres. It is also subject to a pipeline easement along the length of Loyd Road and a boundary fencing covenant.

None of the easements or covenants have any material impact on Council's proposed disposal of Land.

8. The estimated timeframe for the disposal

It is difficult to put an estimated time frame on the disposal. This would depend on the level of interest received in the site, the method of disposal chosen by Council (which should be subject to further consideration), the complexity of negotiations and any number of other factors.

Despite that uncertainty, officers are of the view that it would take a minimum of 12 months (and likely longer) before any disposal was realised.

9. Any other relevant matters in the circumstances

All of the relevant circumstances have been set out above.

10. The recommended course of action

It is recommended that Council resolves to dispose of the Land, with appropriate protections to ensure that public foreshore and road access are maintained, and that a report be brought back to Council at a future meeting about the possible methods of disposal.

Consultations:

Mayor

Executive Leadership Team

A public consultation process was also undertaken, as outlined above

Human Resource / Financial and Risk Management Implications:

Financial

Council has also incurred costs of around \$20,000 in obtaining advice from expert consultants in property valuation.

Human resources

There are no material human resources implications.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation Public concern at the potential impacts of the proposed sale on public foreshore access and the continued operation of GASP.	Minor (C2)	Possible (L3)	Moderate	The recommended resolutions will act to protect public access to the entire foreshore. The impacts on Council's decision and the fact that it does not commit Council to any particular course of action or method of sale and merely enables the disposal of the site on appropriate terms should be properly communicated to the public.

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
The Land is developed in a way that does not provide acceptable outcomes to the community in terms of continued access to public open space and walking trails, and arts and culture.	Major (C4)	Unlikely (L2)	Moderate	Council conducts a community engagement process in respect to any proposal to purchase the site that it is considering, to assist in negotiations and ensure that the Community is satisfied with the nature and scope of any development proposed.
Council's decision is appealed to the Resource Management and Planning Appeals Tribunal, leading to legal costs for Council and the potential loss of opportunity to dispose of the land.	Major (C4)	Possible (L3)	Notable	The recommendations to this report are intended to insulate against a possible appeal by preserving foreshore and roadway access, including the GASP pavilion. Ultimately, whether someone chooses to launch an appeal is beyond the control of Council.
Do not adopt the recommendation	Major (C4)	Likely (L4)	Significant	Council reconsiders its strategy for Wilkinsons Point to attempt to capitalise on the current investment interest in Hobart and obtain a sound community outcome that can work with the potential sale of the DEC Site.
Lost opportunity to disposal of the DEC Site and Wilkinsons Point as a single asset, leading to limitation of development potential for the site and a significant lost opportunity to activate this precinct.				

Community Consultation and Public Relations Implications:

Community consultation

The community was consulted on the potential disposal as part of the section 178 process as outlined above.

Public relations

The decision to commence the consultation process received a largely positive media response. However, if the recommendations to this report are adopted, there is likely to be significant media interest, and the potential for public criticism of Council from community members opposed to the disposal.

Council will need to ensure that the reasons for and the impacts of the decision are made clear, and particularly that this decision is not a decision to sell Wilkinsons Point, but does enable a future sale if an appropriate proposal is received.

Recommendation:

That Council:

1. NOTE the responses to the section 178 process and thank all responders for their time and consideration of the issue
2. Having considered all of the submissions, RESOLVE to dispose of the public land, namely at 601A and 601B Brooker Highway, being the land in Certificate of Title Volume 157350 Folios 1 and 2, more commonly known as Wilkinsons Point (**the Land**) in whole or in part, on the condition that Council must not consider any proposal to purchase or lease the Land that does not provide for the maintenance of access to the entire Elwick Bay foreshore and road access via Loyd Road by the public
3. AUTHORISE the General Manager to actively pursue opportunities to give effect to resolution 2 (above)
4. REQUIRE that any proposal to purchase the subject land that is being actively considered by Council be subject to a community consultation process to ensure that any proposal that is accepted by Council is generally satisfactory to the community
5. WRITE to all responders to the section 178 process for whom sufficient address details are available advising them of Council's decision and the right of any person who lodged an objection to appeal against the decision of the Council under section 178(6).

Attachments/Annexures

- 1 Mercury advertisement



- 2 Summary of Submissions Received



- 3 Copies of Submissions



- 4 Special Area Plan precinct map



10. PROPOSAL TO DISPOSE OF PUBLIC LAND - STOURTON STREET, ROSETTA

Author: Acting Manager, Property Assets (Alex Woodward)

Qualified Person: Director Infrastructure and Works (Ted Ross)

ECM File Reference: Stourton Street

Community Plan Reference:

Leading Our Community

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

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

Strategic or Annual Plan Reference:

Leading our community

Objective 4.1 Govern in the best interests of our community

Strategy 4.1.1 Manage Council for maximum efficiency, accountability and transparency

Strategy 4.1.2 Manage the City's assets soundly for the long-term benefit of the community

Objective 4.2 Prioritise resources to achieve our communities' goals

Strategy 4.2.1 Deploy the Council's resources effectively to deliver value

Reporting Brief:

To recommend that Council approves:

- (a) The disposal of public land at 29 Stourton Street, Rosetta (in accordance with the process under section 178 of the *Local Government Act 1993*), and
- (b) the method of disposal being by sale to the owner of 31 Stourton Street Rosetta.

Proposal in Detail:

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

This report recommends that Council determines, under section 178 of the Act, to dispose of a 418m² parcel of public land at 29 Stourton Street, Rosetta, Folio Identifier 239438/1 (**the Land**) by way of a contract of sale to the owner of 31 Stourton Street, Rosetta.

Process under section 178 of the *Local Government Act 1993*

Section 178 of the the *Local Government Act 1993* (**the Act**) sets out the process that must be followed by a council which intends to dispose of public land.

Section 178(3) states that a resolution of the Council to sell, lease, donate, exchange or otherwise dispose of public land is to be passed by an absolute majority of Council. If such a resolution is passed:

- the intention to dispose must be advertised on two (2) occasions in a daily newspaper circulating in the municipal area
- a notice in regard to the disposal must be displayed on any boundary of the public land that abuts a highway and notifies the public that objection to the proposal may be made to the General Manager within 21 days of the date of the first newspaper publication, and
- owners of neighbouring and affected properties must be notified of the proposal.

If the General Manager does not receive any objection under subsection (4) and an appeal is not made under section 178A, the Council may sell, lease, donate, exchange or otherwise dispose of public land in accordance with its intention as published under subsection (4).

Compliance with the section 178 Process

The resolution of Council passed on 25 February 2019 was passed by an absolute majority (see [Attachment 2](#)).

Following this, a notice was published in The Mercury on Wednesday, 16 March 2019 and Saturday, 20 March 2019 advising the public that any objections must be received by the General Manager within 21 days of the date of the first publication (which was 8 April 2019). Copies of the advertisements are [Attachment 3](#)).

In addition, notices were placed on the boundapry of the public land at the Stourton Street frontage.

Council's Disposal of Land Policy

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

1. The current use and history of the Council Land

The Land is zoned as General Residential under the Glenorchy Interim Planning Scheme 2015. It is currently vacant block and being used as part of a broader public open space area (although does not have any facilities installed).

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

Council has no intention or plans to redevelop the site to a playground or local park. The Land serves no strategic purpose for Council and has been identified in Council's property strategy as 'no longer needed' and consequently recommended for disposal.

There are no buildings on the Land and subsequently the Land is not considered to hold any cultural or heritage values.

The Land contains no environmental values with biodiversity significance. There are no listed threatened flora or fauna species nor vegetation communities on the Land.

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

A valuation of the part of 29 Stourton Street, Rosetta was obtained as \$41,800.00 from Tasmanian Valuation Services (Tasvals) (Attachment 1).

The valuer determined that the Land is zoned General Residential.

The valuation assessment was based on reasonably similar sales in the Rosetta, Berriedale and Montrose areas, was that the land is worth \$41,800.00.

4. Any statutory or legal considerations

A disposal of public land must adhere to the requirements of s. 178 of the Act and consider whether these provisions have been complied with.

Approval for the boundary adjustment has been obtained through Council's Planning Department.

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

During the advertising period one representation was received from the public. The representation was an objection received by a telephone call to Council.

The representor was concerned that Council was selling an additional portion of the land to the parcel that was previously approved by Council (which was incorrect)

When it was explained that it was not the case, the representor was agreeable to the sale taking place.

6. The recommended sale price

The recommended sale price be in accordance with the valuer's report of \$41,800.00.

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

The Land does not include any easements or covenants.

8. The estimated timeframe for the disposal

The estimated timeframe for the disposal is approximately 6 months, as the purchaser will need to prepare and register a plan for the boundary adjustment, excising the parcel of land to be transferred from Council.

9. Any other relevant matters in the circumstances

There are no other relevant matters for consideration.

10. The recommended course of action

The recommended course of action is to approve the disposal of the Land to the owner of 31 Stourton Street Rosetta for the sum of \$41,800.00

Consultations:

Acting Property Assets Coordinator
Director Infrastructure and Works
Tasmanian Valuation Services

Human Resource / Financial and Risk Management Implications:Financial

Council will receive the sale price as revenue. All costs associated with the sale will be borne by the purchaser.

Human resources

Council's Property Sales and Acquisitions Officer will deal with this matter with the assistance of the Property Officer and the Manager Property, Environment and Waste.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation	Insignificant (C1)	Unlikely (L2)	Low	Council officers respond directly to any specific concerns that are raised.
Adverse public reaction to decision to advertise Council's intention of disposal via a land swap.				
Do not adopt the recommendation	Moderate (C3)	Possible (L4)	Moderate	Council could look to disposing of the land privately in the future and will potentially have no problem finding a buying, however the advantage of obtaining a useful parcel of land may be lost.
Council will delay or miss an opportunity to potentially dispose of surplus land that serves no strategic purpose.				

Community Consultation and Public Relations Implications:

The Section 178 process of the Act provided the public the opportunity to comment on the proposed disposal. There were no objections lodged, and accordingly there are not likely to be any public relations implications.

Recommendation:

That Council:

1. APPROVE the Disposal of a 418 m² section of 29 Stourton Street, Rosetta, being part of CT239438/1 (**the Land**) by way of sale to the owner of 31 Stourton Street, and
2. AUTHORISE the General Manager to take all actions necessary to complete the transaction.

Attachments/Annexures

Nil.

GOVERNANCE

Community goal: “Leading our community”

11. NEW FOOD BUSINESS RISK CLASSIFICATION SYSTEM

Author: Manager, Development (Paul Garnsey)

Qualified Person: Director Strategy and Development (Samantha Fox)

ECM File Reference: Food Businesses

Community Plan Reference:

Leading Our Community

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Strategic or Annual Plan Reference:

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Strategy 4.1.2 Manage the City's assets soundly for the long-term benefit of the community

Objective 4.2 Prioritise resources to achieve our communities' goals

Strategy 4.2.1 Deploy the Council's resources effectively to deliver value

Valuing our environment

Objective 3.1 Create a liveable and desirable City

Strategy 3.1.4 Deliver new and existing services to improve the City's liveability

Action 3.1.4.09 Promote, implement and monitor public health standards

Reporting Brief:

To inform Council of the new Food Business Risk Classification System required under the *Food Act 2003* and seek Council's approval of a proposed new fee structure.

Proposal in Detail:**Background:**

Australian Government regulatory bodies have endorsed a *National Risk Profiling Framework* to be used to assess the risk carried by food businesses. The Framework provides guidance on the allocation of Australian food business sectors into categories based on their likelihood of contributing to foodborne disease and the potential magnitude of that contribution.

The State Government ratified implementation of the *Tasmanian Food Business Risk Classification System (the RCS)*, as did all other States and Territories across Australia. The Department of Health (**DoH**) is now requiring local governments across Tasmania to subscribe to and implement the system by 30 June 2019. The DoH has chosen this date to allow all councils to make necessary changes to their budgets and information technology systems to support the new system. Council's Technology One system fully supports the RCS.

The DoH has undertaken stakeholder consultation and is providing training to Environmental Health Officers across the State. Training of Glenorchy City Council Environmental Health Officers occurred in June 2018. The DoH will also provide further materials to assist with informing food businesses about the new RCS.

Current risk classification system used in Glenorchy

The *Food Act 2003 (the Act)* is the primary food safety legislation in Tasmania and applies to all Tasmanian food businesses. Enforcement of the Act is a joint responsibility of the DoH and local government.

A key principle of food safety regulation is that food safety is managed according to the level of risk that the food business presents to the community. The higher the level of risk, the more regulation and monitoring required.

Council currently uses a risk category rating based on the *Food Standards Code* which is supported by the Act. The rating reflects the risk of the foods being served, the types of methods of handling, the numbers of consumers at risk, their level of compliance and an Environmental Health Officer's assessment of confidence in the business's food safety history.

Under the existing system, Glenorchy businesses are rated as shown in Table 1, with the frequency of inspections linked to the risk category. Businesses with a poor history of compliance with the *Food Standards Code* were elevated in risk category and received more inspections. Similarly, businesses that improved standards and demonstrated a better compliance history were assigned to a lower risk category. In total, over 700 inspections are conducted each year.

Table 1: Current risk rating category and inspection regime

Risk Category	Inspection regime	Examples of types of business
Category A	Every 3 months	High risk foods with poor history of compliance
Category B	Every 4 months	Sushi manufacturers, caterers
Category C	Every 6 months	Restaurants, cafes, supermarkets
Category C+	Every 6 months	Businesses with multiple kitchens on site
Category D	Every 12 months	Service stations
Category E	*This is a discounted fee category. The inspection regime is as per their risk category.	School canteens, community groups and not-for-profit organisations

New classification system

The new RCS model classifies food businesses into risk categories based on the types of food handled by the business and the size and method of its food handling activities. Food businesses that handle many types of food or undertake diverse processes will be classified according to the food or process with the highest risk. Unlike the existing classification system, there will be no movement permissible between categories based on compliance or performance (these will now only change inspection frequencies).

There are four classifications under the RCS, from the highest risk category of Priority 1 (P1) through P2, P3, P3N to the lowest category of P4. The assessment of the risk category is done on site and after interviewing the food business owner about the foods and processes which occur on the premises.

Under the new classification system, Council is required to register all food businesses placed into either P1, P2 or P3 classifications. Examples of these are provided in Table 2. P3N and P4 businesses are notification only businesses and are not required to hold a food business registration under the Act.

Table 2: Examples of types of business and corresponding RCS category

Classification	Business type examples
P1	Sushi; hot chicken; manufacturers; caterers – registerable
P2	Delis; sandwiches; supermarkets; fast food outlets; – registerable
P3	Ice cream; coffee vans; yoghurt – registerable
P3N & P4	Alcoholic beverages; whole fresh fruit and vegetables; dried fruit & nuts; milk – notification only – non-registerable

The RCS includes a range of inspection frequencies for each risk classification as shown in Table 3. Businesses that show good compliance with the *Food Standards Code* are rewarded with fewer inspections and businesses with poor compliance receive an increased number of inspections. However, businesses must be inspected no less than the minimum number allocated to the nominated classification.

Table 3: New risk rating and inspection regime

Classification	Frequencies (every x months)		
	Starting Point	Minimum (high compliance)	Maximum (low compliance)
P1	6	3	12
P2	12	6	18
P3	18	12	24
P3N & P4	Initial assessment to confirm risk		Reinspect on complaint or risk change

Current fee structure for food business in Glenorchy

Current legislation allows each local government to set its own fees for registration of food businesses and there is a specific allowance in the Act for this. The fees that businesses currently pay to Council are linked to the risk rating of the business.

Fees cover the costs of inspection audits and associated administration. The higher the risk category, the more frequent the inspections and the higher the fee. Additionally, it is recognised that the higher risk category businesses take longer to inspect due to the increased complexity of their processes.

A poorly performing business, from a food safety risk perspective, may have its risk category increased. This offsets the costs of the increased number of inspections to mitigate the risk of food borne illness.

Under this structure, fees are proportionate to risk (and therefore Council time to manage) and provide a more equitable method of recovering some of Council's costs in administering/managing public health.

The current risk categories, numbers of businesses and total revenue is shown in Table 4.

Table 4: Current food business fees

Category	Fee for 2018/19 (GST EXEMPT)	Total registered in each category	Revenue
Cat A	\$1,483.00	0	\$0
Cat B	\$597.00	20	\$11,940
Cat C+ (multiple premises)	\$1,483	5	\$7,415
Cat C	\$398	177	\$70,446
Cat D	\$199	129	\$25,671
Cat E (school canteens & community organisations)	\$89	46	\$4,094
	TOTAL	377	\$119,566

Category E is a discounted fee which applies to school canteens, community groups and not-for-profit organisations. Some of these types of business only open once a week and are run by volunteers. Consideration to their financial position and the viability of their service is recommended. Some of these businesses may choose to close rather than pay an increased fee.

There are 46 businesses receiving the charity rate of \$89. The collective subsidy Council is providing to this group is approximately \$8,794.

Options for a new fee structure

The change to the RCS is mandatory and all local governments in Tasmania will be required to change to the new system.

The change to the new structure has necessitated a review of fees for registration of food businesses in Glenorchy. In determining options for a new fee structure, it is assumed that Council will maintain its current level of revenue from food business registrations to recover costs associated with audits and associated administration. All fees are proposed to increase by the consumer price index each year.

There are three options for Council to consider for a new fee structure are set out below.

Option 1 – Flat fee for all food business registrations

Five Tasmanian local governments charge a single fee for registration, regardless of the risk. If Glenorchy charged a flat fee, and maintained current levels of revenue, each of the 377 registerable food business would be charged \$315 per year.

Advantages include:

- the registration process would be simpler
- current revenue would be maintained, and
- businesses in higher risk categories would pay lower fees (the current fee of \$1,483 per year would be reduced to \$315).

Disadvantages include:

- businesses in lower risk categories would pay higher fees (\$315 instead of \$199 per year)
- charitable businesses (schools and charities) would pay higher fees (\$315 instead of \$89 per year), and
- small businesses would effectively be subsidising bigger businesses.

Option 2 – Flat fee for all food business registrations, with discount for charitable businesses

This option would apply a flat fee of \$349 for all food businesses, except for charitable businesses. The fees for charitable premises would be preserved at the 2018/19 fee of \$89 for the first year and then be subject to consumer price index increases (along with all other businesses for each subsequent year).

Advantages include:

- charitable food businesses would be unaffected
- the registration process would be simpler
- current revenue would be maintained, and
- businesses in higher risk categories would pay lower fees (\$349 instead of \$1,483 per year).

Disadvantages include:

- businesses in lower risk categories would pay higher fees (to \$349 instead of \$199 per year), and
- small businesses would effectively be subsidising bigger businesses.

Option 3 – Fee for food business registrations based on risk (similar to the current structure)

In this option, fees for food business registrations would correspond to the risk category. Each risk category would be assigned a multiplier of a base fee to reflect the frequency of inspections required. The starting base fee has been determined based on the current hourly inspection fee and to maintain overall revenue levels.

In this option, a discount fee would be implemented for school canteens, community groups and not-for-profit organisations.

The proposed Option 3 structure is outlined in Table 5 below:

Table 5: Proposed food business fees

Category	Proposed fee (GST exempt) 2019-2020	Approximate total expected registered in category	Revenue
P1	\$422 (2 x base fee)	134 (includes 4 charitable)	\$54, 860
P2	\$317 (1.5 x base fee)	200 (includes 41 charitable)	\$50,403
P3	\$211 (1 x base fee)	43 (includes 2 charitable)	\$8,651
P3N & P4 EXISTING (notification only)	\$0	49	\$0
P3N & P4 NEW (notification only)	\$30	24 (estimated)	\$720
Charitable	\$106 (0.5 x base fee)	47	\$4,982
	Total registerable	377	\$119,616

Under the new classification system, some previously low risk rated (Cat D) businesses will be re-allocated to either a Priority 1 or 2 classification. Initial work on the re-classification suggests that five businesses will be re-allocated from Cat D to P1, with a resulting fee rise from a \$199 per year to \$422 per year. A further 42 businesses will also be re-classified from Cat D to P2 with a proposed fee rise from a \$199 per year to \$317 per year.

The collective subsidies provided to charities under this structure will be approximately \$10,392.

Advantages include:

- businesses in higher risk categories would pay lower fees (for example, multi-departmental businesses such as supermarkets would pay \$422 instead of \$1,483 per year)
- fees for charitable businesses would only increase by a very small amount (\$106 instead of \$89 per year)
- this option recovers inspection and administration costs on an equity basis, and
- is a similar system to that which is already in place.

Disadvantages include:

- if the proposed discount for charitable businesses is not implemented, these would pay higher fees of between \$122 and \$333 per year, which may jeopardise their viability.

Comparisons with other councils

Table 6 provides information on fees neighbouring Councils are currently charging in relation to food businesses. Glenorchy City Council applies the highest charges across the region and still does not fully recover the cost of administering the Act.

Table 6: Highest risk food business fees by local government area (based on current system)

Local Government Area	Highest risk food fee	Cost of registration of Woolworths as a comparison	Cost of registration of a 'corner store' as a comparison	Cost of Notification fee
Glenorchy City Council	\$1483	\$1483	\$398	\$30 (only from 2019/2020)
City of Hobart	\$350	\$350	\$300	\$20
Clarence City Council	\$943	\$620	\$213.60 - \$320.46	\$32.20
Derwent Valley Council	\$590	\$190	\$275.00	\$30
Kingborough Council	\$396	\$760	\$232	\$67
Launceston City Council	\$226	\$720	\$185	\$0
Sorell Council	\$905	\$905	\$301.50	\$0
Huon Valley Council	\$393	\$393	\$263	\$0

Recommendation for Council

It is recommended that Council endorses a risk-based system for levying fees for food business registration, as outlined in Option 3 and Table 5.

This option will allow Council to charge based on risk and the number of inspections required. It is more equitable and better reflects Officer costs. This approach minimises the number of food businesses subject to a fee increase and the magnitude of that increase and as such the change is not expected to negatively impact on food business viability.

The discounted fee for charitable businesses will allow small community/charitable businesses to continue operating within Glenorchy. Discounting fees for charitable businesses is a common practice adopted by other councils such as Huon Valley, Launceston City, Derwent Valley, and Hobart City Councils.

Consultations:

Coordinator, Environmental Health Services
Manager Development
Director, Strategy and Development
Department of Health

Human Resource / Financial and Risk Management Implications:

Financial

Approval of Option 3 will ensure that current revenue is maintained and would result in no financial impact.

An alternative resolution may impact either positively or negatively on revenue.

Human resources

There are not expected to be any material human resources impacts.

The number of food premises inspections is not likely to increase. Council's Environmental Health staff have used the past year to reclassify food premises to reflect the new system.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation 78 of the 377 food businesses will be re-categorised to a higher risk rating a result of adopting the recommendation. There will inevitably be a degree of dissatisfaction with this from business owners and may lead to complaints. 31 of these already receive a charitable discount leaving 47 subject to a material fee increase.	Minor (C2)	Likely (L4)	Moderate	Further information will be provided to food businesses regarding the changes during the registration renewal process in June. It will be clear in this messaging that this is a state-wide legislative change to how businesses are risk categorised.
Do not adopt the recommendation Failure to change to the new food business risk classification system will be in breach of the <i>Food Act 2003</i> .	Major (C4)	Almost Certain (L5)	High	Hold a Council workshop at the earliest opportunity to identify an appropriate risk classification system and fee structure that complies with the Act.

Community Consultation and Public Relations Implications:Community consultation

Wider community consultation is not warranted, however a letter to all food businesses explaining the introduction of the new classification system will accompany the annual registration renewal process in May 2019.

Public relations

There may be a negative public relations impact given that the changed system would result in some businesses paying lower registration fees and other businesses paying higher fees. The key messages that need to be communicated are:

- Council is changing the food premises registration fees in line with a new national food business classification system which is based on risk.
- this will mean that the fees paid by some food businesses will increase while others will decrease.
- however, a discounted fee of 50% is being recommended for charitable and community-based businesses to protect those operations and their employees.

Recommendation:

That Council:

ADOPT the new food business risk classification system and the associated fee structure (option 3 in the report) effective 1 July 2019 in accordance with the following table:

Category	Proposed fee (GST exempt) 2019-2020
P1	\$422 (2 x base fee)
P2	\$317 (1.5 x base fee)
P3	\$211 (1 x base fee)
P3N and P4 EXISTING (notification only)	\$0
P3N and P4 NEW (notification only)	\$30
Charitable	\$106 (0.5 x base fee)

Attachments/Annexures

Nil.

12. COUNCIL POLICY - TRAFFIC CALMING DEVICES

Author: Executive Officer (Bryn Hannan)
Qualified Person: Director, Infrastructure and Works (Ted Ross)
ECM File Reference: Council Policy

Community Plan Reference:

Leading our Community

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

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

Strategic or Annual Plan Reference:

Leading our Community

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

Reporting Brief:

To present a proposed new Traffic Calming Devices Policy to Council for adoption.

Proposal in Detail.

Attachment 1 is a copy of a proposed new Traffic Calming Devices Policy (**the Policy**). The Policy is recommended to Council for adoption.

The Policy sets out the circumstances in which Council will investigate and consider the installation of traffic calming devices on roads that Council manages.

It has been prepared in response to the significant number of requests that Council officers receive from residents seeking the installation of traffic calming devices in their streets, and the need to provide clarity and consistency around when it is (and is not) appropriate for Council resources to be spent investigating whether the installation of traffic calming devices is an appropriate remedy to the issues which have led to the complaint.

Part of the rationale for the implementation of the Policy is to manage residents expectations and misconceptions that the installation of traffic calming devices (such as road humps) will solve issues such as hooning or will not result in other negative impacts.

Consultations:

General Manager
 Director Corporate Services
 Manager Corporate Governance

Human Resource / Financial and Risk Management Implications:

There are no material human resource or financial implications.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation Dissatisfaction with the outcomes in the policy leading to frustration and potential complaints.	Minor (C2)	Unlikely (L2)	Low	Expectations are managed by officers providing clear and easy to understand information about the benefits and impacts of traffic calming devices and the relevant considerations from a traffic engineering perspective.
Do not adopt the recommendation Processes and procedures around traffic calming devices are inefficient due to a lack of structure and lost opportunity to provide clarity and consistency.	Moderate (C3)	Likely (L4)	Notable	Officers implement procedures and processes in-line with the policy, without a formal governing document.

Community Consultation and Public Relations Implications:

There has not been any community consultation undertaken about the policy. The policy itself provides for a four-week period of community consultation wherever it is proposed to install traffic calming devices in a street.

There are not expected to be any material public relations impacts.

Recommendation:

That Council:

ADOPT the updated Traffic Calming Devices Policy in the form of Attachment 1.

Attachments/Annexures

1 Traffic Calming Devices Policy



13. QUARTERLY REPORT

Author: Executive Officer (Bryn Hannan)

Qualified Person: General Manager (Tony McMullen)

ECM File Reference: Corporate Reporting

Community Plan Reference:

Leading Our Community

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

Strategic or Annual Plan Reference:

Making Lives Better

Objective 1.3 Facilitate and/or delivers services to our communities

Strategy 1.3.2 Directly deliver defined services to our communities

Leading Our Community

Objective 4.1 Govern in the best interests of our community

Strategy 4.1.1 Manage Council for maximum efficiency, accountability and transparency

Objective 4.2 Prioritise resources to achieve our communities' goals

Strategy 4.2.1 Deploy the Council's resources effectively to deliver value

Reporting Brief:

To provide Council with the Quarterly Report for the quarter ending 31 March 2019.

Proposal in Detail:

The Quarterly Report for the quarter ending 31 March 2019 provides detail on Council's key strategic projects, core business activities, financial performance and forecasting and monitoring of Council's Annual Plan.

The Quarterly Report comprises the following:

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

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

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

Financial Performance

At 31 March 2019, Council's operating result is \$604k ahead of its budgeted position. The Quarterly Report provides detailed information however a summary of the key financial indicators is as follows:

Revenue

- revenue is \$723k above budget, representing a favourable variance of 1.33%

Expenditure

- expenditure is \$120k above budget representing an unfavourable variance of 0.29%

Capital Works

- capital works expenditure is \$7.497m against the year-to-date budget of \$9.590 million, an underspend of \$2.093m. Project reallocation is occurring to accelerate the capital works spend. The underspend is primarily a reflection of delays in business case development for landfill extension and asset management mobility.

Consultations:

The Quarterly Report is compiled in consultation with the Directors of each area of Council, with Council's Finance section contributing the financial reporting content.

Annual plan progress reporting is undertaken by individual management team members for each of their allotted annual plan actions, and vetted by Council's four Directors.

Human Resource / Financial and Risk Management Implications:

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

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

Community Consultation and Public Relations Implications:

Community consultation

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

Public relations

There are no material public relations implications.

Recommendation:

That Council:

RECEIVE and NOTE Council's Quarterly Report and the Quarterly Annual Plan Progress reports for the quarter ending 31 March 2019.

Attachments/Annexures

- 1 Quarterly Report - Q3



- 2 Quarterly Annual Plan Progress Report - Q3



14. MINISTERIAL DIRECTIONS - MONTHLY AND FIFTH QUARTERLY REPORT

Author: Executive Officer (Bryn Hannan)
Qualified Person: Director, Corporate Services (Jenny Self)
ECM File Reference: Ministerial Directions

Community Plan Reference:

Under the *City of Glenorchy Community Plan 2015 – 2040*, the Community has prioritised ‘transparent and accountable government’.

Strategic or Annual Plan Reference:

Leading our Community

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

Reporting Brief:

To inform Council of the progress towards completing the action items out of the Ministerial Directions Implementation Plan for the period ending 23 April 2019 and recommend that Council endorses the fifth quarterly report to the Minister.

Proposal in Detail:

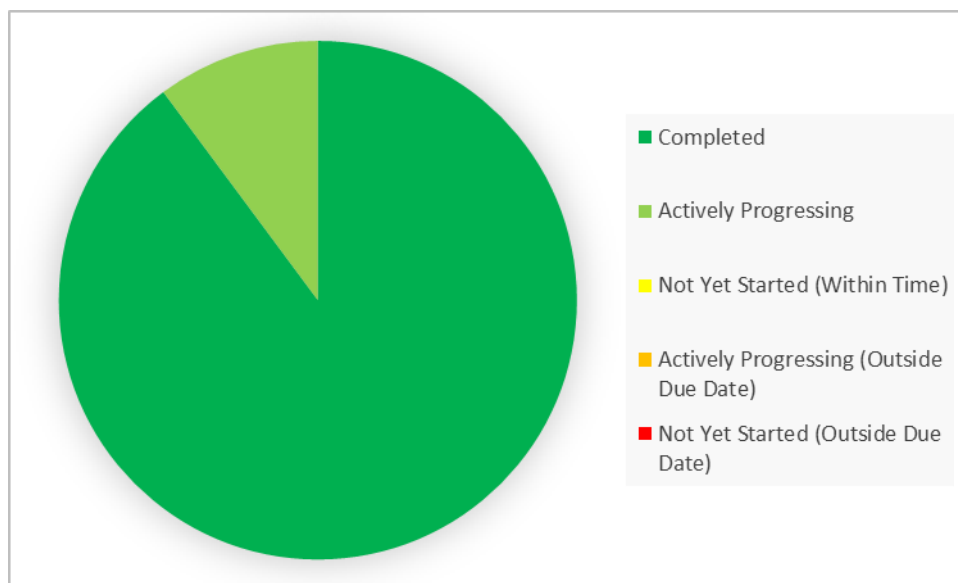
At its meeting of 25 March 2019, Council was informed of the progress of satisfying the Ministerial Directions as at 19 March 2019.

As detailed in Attachment 1, there are 58 Ministerial Direction actions that are required to be actioned by Council. Council did not complete any additional actions during the reporting period, leaving the number of actions completed to date at 53 (with all remaining actions being actively progressed).

Council adopted a revised Legal Services Policy at the 25 March Council meeting (and subsequent revisions to the internal Legal Services Directive that supports the Policy) to address concerns from the Director of Local Government that the policy framework did not adequately address ministerial directions 3(i)(i – iii). The completed date for that direction has been revised to 25 March 2019 to reflect this.

Council’s progress of actions required to comply with the Directions is summarised as follows:

- Actions completed 53
- Actions being actively progressed 5
- Actions not yet started but within time 0
- Actions being actively progressed and outside due date, and 0
- Actions not yet started and outside due date 0

58**Quarterly Report**

Direction 7 requires Council to report quarterly to the Minister for the term of the current Council the progress of actions taken to comply with the Directions. The quarterly report is also required to be made publicly available on Council's website.

The Ministerial Directions Implementation Quarterly Progress Report has been drafted to satisfy this requirement. The draft report is [Attachment 2](#).

It is recommended that Council endorses this report with the view that the Mayor can forward it to the Minister in accordance with Direction 7.

Consultations:

Mayor
General Manager
Director, Corporate Services

Human Resource / Financial and Risk Management Implications:

There are not considered to be any material financial or human resources implications.

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
<p>Do not adopt the recommendation</p> <p>If Council does not comply with the Ministerial Directions as provided under section 225(2) of the <i>Local Government Act 1993</i> then there is potential for a complaint to be lodged for non-compliance under section 339E and further scrutiny and sanction by the Director of Local Government</p>	Major (C4)	Likely (L4)	Significant	Council continues to progress actions required to comply with these Directions

Community Consultation and Public Relations Implications:

There has been no community consultation due to the nature of the document.

Recommendation:

That Council:

1. NOTE the progress satisfying the Ministerial Directions as at 24 April 2019
2. RECEIVE the Ministerial Directions Implementation Report for April 2019 in the form of Attachment 1
3. ENDORSE the fifth Ministerial Directions Quarterly Report to the Minister of the progress of actions taken to comply with the Ministerial Directions in the form of Attachment 2 and approve the report being provided to the Minister, and
4. NOTE that the fifth quarterly report will be made publicly available on Council's website.

Attachments/Annexures

- 1 Ministerial Directions Implementation Progress Report (April 2019)



- 2 Fifth Ministerial Directions Quarterly Report



15. PROCUREMENT AND CONTRACTS - MONTHLY REPORT

Author: Executive Officer (Bryn Hannan)

Qualified Person: Director, Corporate Services (Jenny Self)

ECM File Reference: Procurement

Community Plan Reference:

Leading our Community

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

Strategic or Annual Plan Reference:

Leading our Community

- | | |
|----------------|---|
| Objective 4.1 | Govern in the best interests of our community |
| Strategy 4.1.1 | Manage Council for maximum efficiency, accountability and transparency |
| Strategy 4.1.2 | Manage the City's assets soundly for the long-term benefit of the community |
| Strategy 4.1.3 | Maximise regulatory compliance in Council and the community through our systems and processes |

Reporting Brief:

To inform Council of exemptions that have been applied to the procurement requirements under Council's Code for Tenders and Contracts for the period 19 March 2019 to 19 April 2019 and provide updates on other relevant procurement matters.

Proposal in Detail:

Exemption Report

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

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

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

- a) a brief description of the reason for not inviting public tenders or quotations (as applicable);*
- b) a brief description of the goods or services acquired;*
- c) the approximate value of the goods or services acquired; and*
- d) the name of the supplier.*

A copy of an extract from Council's Purchasing Exemption Register (**Exemption Report**), which is delivered to Council as required under clause 10.2 is Attachment 1 to this report.

The Exemption Report covers the period from 19 March 2019 to 19 April 2019. There have been three (3) exemptions approved for the period, accounting for \$11,455.45 in budgeted operational expenditure.

Expenditure on external Legal Services

For the month of March 2019, the total amount spent on external legal services for all of Council was \$21,640.00.

This amount was inflated because of three invoices for work carried out in 2018 (and which were issued in 2018) being paid during March 2019.

The amount does not include amounts paid for rates debt collection activities, which are based on fixed-fee amounts with a contracted provider are offset by recovered amounts.

Expenditure update - Sugden & Gee (KGV consultancy services)

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

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

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

At the date of this report, the total expenditure on Sugden & Gee is \$398,409.92. Only \$22,262.24 of that has been incurred in 2019, being the amount of an invoice issued in March 2019.

Consultations:

Executive Leadership Team
Accounts Payable Supervisor

Human Resource / Financial and Risk Management Implications:

Human resources

There are no material human resources implications.

Financial

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

- \$11,455.45 in operational expenditure
- \$21,640.00 on external legal services, and
- \$22,262.24 paid to Sugden & Gee for KGV project management services.

This does not result in any material financial impacts.

Risk management

Risk Identification	Consequence	Likelihood	Rating	Risk Mitigation Treatment
Adopt the recommendation				
Criticism of Council's acceptance of procurement process exemptions and associated expenditure.	Minor (C2)	Unlikely (L2)	Low (4)	Council notes the reasons identified for the exemptions and satisfies itself that each is sound and in accordance with approved procedures.
Do not adopt the recommendation				
Council officers less likely to seek exemptions in accordance with approved processes, leading to business inefficiency and excessive administrative burden on staff and suppliers.	Moderate (C3)	Possible (L3)	Moderate (9)	Council communicates reasons for refusal and identifies preferred practices and information required for future exemptions.

Community Consultation and Public Relations Implications:

Community consultation was not required or undertaken.

There is unlikely to be any material public relations impact.

Recommendation:

That Council:

RECEIVE and NOTE the Procurement and Contracts Monthly Report for the period from 19 March 2019 to 19 April 2019.

Attachments/Annexures

- 1** Procurement Exemption Register - March/April 2019



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

16.1 NOTICE OF MOTION - ALDERMAN DUNSBY - FOGO OPT-OUT OPTION

Author: Director, Infrastructure and Works (Ted Ross)

Qualified Person: Director Infrastructure and Works (Ted Ross)

ECM File Reference: Waste Services

Reporting Brief:

To consider a notice of motion by Alderman Jan Dunsby submitted in accordance with the requirements of Regulation 16(5) of the *Local Government (Meeting Procedures) Regulations 2015*.

Motion: FOGO Services roll out

That residents who can demonstrate significant hardship by the introduction of the FOGO service can opt-out by way of submission of a statutory declaration.

Rationale:

There is no doubt that the introduction of Food Organic, Garden Organic management practices are the next step for Glenorchy City Council to adopt in its approach to dealing with all waste and demonstrates educated support of the environment both now and for future generations. All Aldermen clearly orated support for this at the council meeting held on 25 March 2019.

However, the lack of an opportunity to opt-out of this service has resulted in huge objections from some members of the community. It has added a black cloud and community anger at a time when we should be celebrating introduction of forward-thinking processes.

The compulsory component could be viewed as a means to punish some of those very people who are already environmentally conscious. I raise this point on behalf of those who already compost their food and organic waste. Unlike regular waste or recycling, residents already have a choice to manage this on their own properties, or, again by choice, engage other services, such as gardeners or trashpacks for management of same.

We also have a large portion of our community who are on fixed incomes and have demonstrated to me in huge numbers that this flat fee impost will bring financial hardship to them. I am aware of people who have all green waste tended to through Aged Care Packages and with the delivery of pre-prepared meals, do not generate food organic waste. The compulsory fee in this case is bringing personal stress and financial hardship for a service never to be utilised.

With the majority of Glenorchy households (66.2%) having only one or two people living there, such examples are replicated across the municipality. Many people in this situation have advised me that they often stretch out the current bin collection to monthly as they just do not generate large amounts of waste and recycling.

Statistically, 53.5% of households in our community also fall into the lowest two quartiles when it comes to income, and whilst they are not all ratepayers, as tenants, the increasing costs are being passed on. The estimated charge of almost \$100 a year on top of already stretched budgets has me genuinely concerned for capacity to pay for a service they are having forced upon them, and that has other options, unlike the current waste and recycling bins.

We justify fortnightly rubbish collection by offering a user pays system for weekly, and that is fair, but the current proposed FOGO arrangements force people to pay good money for a service some people may never utilise and this is not just a few vocal people, the community outcry has been overwhelming and cannot be ignored.

I believe that ratepayers must be given the clear option to opt-out of this service. This could be by statutory declaration, thus creating onus on the applicant to put forward the evidence of their household situation. The current strict references to opt-out need to be clearly orated, strengthened and be able to be met.

I know this consideration causes conflict for Aldermen, when we have to balance the governance requirements and budget of council, versus the community wants and needs. However, that very community elected each of us to represent them and I have to put this very strong view forward on their behalf. Now is the time to see the criteria for opt-out made clear and to allow us time to consider potential budgetary ramifications.

I implore my colleagues around the table to reconsider this aspect of an otherwise worthy progression in waste management in our community.

Officer's Response:

There are three issues that this motion raises. Each is addressed separately below:

1. The option of an opt-out of FOGO

The FOGO service is being provided to Glenorchy ratepayers as a universal service alongside general waste and recycling.

The three kerbside bins represent a total waste management service that delivers benefits to the community including:

- a more frequent waste collection service
- reducing waste going to landfill, and
- providing an affordable green waste service that is currently being paid for by a large section of the community.

To provide an option to opt-out of the service would reduce the benefits to the broader community by increasing the cost of the service to other residents and reducing the amount of waste diverted from landfill.

2. Pricing of the FOGO service

Council has yet to consider the pricing of a FOGO service.

While the standard service for residential blocks will be a 240L fortnightly service, the service will vary in multi-unit dwellings where shared bins are used. It is also envisaged that members of the community may opt for smaller bins. This will be considered as part of the implementation plan.

The estimated annual cost of providing FOGO is \$1.8 million. Once Council has tendered for both collection and disposal costs in the second half of 2019, there will be a more accurate understanding of the costs. In determining the pricing Council also has the option to consider subsidising the FOGO service through the general rate or a waste levy.

There are many costs for providing a FOGO service regardless of the number of ratepayers who use the service. The modelling in the business case demonstrated that if the service is provided to less people then the cost to each ratepayer for the service will increase and no longer be affordable.

3. Affordability and Council assistance

Council provides assistance to ratepayers in a number of ways including:

- a 'Driver-to-collect' service for those who find it difficult to place their bin on the kerbside due to age, illness, or physical disability (although in some instances Council may not be able to provide this service), and
- assisting those experiencing financial hardship who are able to contact Council for assistance with paying rates, fines, or other fees, including kerbside waste services.

While Council is sympathetic to those who object to the FOGO service because they are (for example) experiencing financial hardship or have medical difficulties, it does not want to dilute the effectiveness of the FOGO service as part of the overall waste management strategy by providing a general opt-out ability. Council does not offer the ability to opt out of general waste or recycling services or the payment of rates, and the ability to opt out of a FOGO service is impractical for the same reasons.

A more appropriate course of action is for Council to consider the issue of the affordability of Council services more generally (not just in relation to the FOGO services). Officers therefore recommend that this is further investigated, and that a report is brought to Council at the May Council meeting that provides relevant information and proposes options for how Council can assist ratepayers who are experiencing financial hardship more generally (for example, through structured payment arrangements or some other means).

Attachments/Annexures

Nil.

CLOSED TO MEMBERS OF THE PUBLIC

17. CONFIRMATION OF MINUTES (CLOSED MEETING)

18. APPLICATIONS FOR LEAVE OF ABSENCE

GOVERNANCE

19. REDISTRIBUTION OF GRANT FUNDS TO YMCA - GLENORCHY COMMUNITY PARK

This item is to be considered at a closed meeting of the Council by authority of the Local Government (Meeting Procedures) Regulations 2015 Regulation 15(2)(c) (Commercial information of a confidential nature that, if disclosed, is likely to: prejudice the commercial position of the person who supplied it; confer a commercial advantage on a competitor of the Council; or reveal a trade secret).

20. WRITE OFF OF DOUBTFUL DEBT - LVC CONTRACT DAMAGES STORMWATER HARVESTING AND REUSE PROJECT

This item is to be considered at a closed meeting of the Council by authority of the Local Government (Meeting Procedures) Regulations 2015 Regulation 15(2)(i) (Matters relating to actual or possible litigation taken, or to be taken, by or involving the Council or an employee of Council).

21. AUDIT PANEL MINUTES

This item is to be considered at a closed meeting of the Council by authority of the Local Government (Meeting Procedures) Regulations 2015 Regulation 15(2)(g) (Information of a personal and confidential nature or information provided to the Council on the condition it is kept confidential).

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