



AGENDA

**FOR BUDGET AND FINANCE COMMITTEE MEETING TO BE HELD ON
12 DECEMBER 2016 AT CONCLUSION OF POLICY AND PLANNING
COMMITTEE
IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY**

MEMBERS

Cr R Zahra (Chairman)
Mayor G Aldridge
Cr D Balaza
Cr S Bedford (Deputy Chairman)
Cr D Bryant
Cr C Buchanan
Cr G Caruso
Cr L Caruso
Cr R Cook
Cr E Gill
Cr D Pilkington
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr B Vermeer
Cr S White
Cr J Woodman

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr M van der Pennen
General Manager Community Development, Ms P Webb
Manager Governance, Ms T Norman
Manager Communications and Customer Relations, Mr M Bennington
Team Leader Corporate Communications, Mr C Treloar
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Budget and Finance Committee Meeting held on 21 November 2016.

Presentation of the Minutes of the Confidential Budget and Finance Committee Meeting held on 21 November 2016.

REPORTS

Administration

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December 2016 19

OTHER BUSINESS

CONFIDENTIAL ITEMS

6.9.1 Contract Renegotiation - Management Services of Recreation Centres

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. Pursuant to Section 90(2) and (3)(b)(i) and (d)(i) of the *Local Government Act 1999*, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:
 - it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and
 - commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party.
2. In weighing up the factors related to disclosure,
 - disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations
 - in contract renegotiations

*On that basis the public's interest is best served by not disclosing the **Contract Renegotiation - Management Services of Recreation Centres** item and discussion at this point in time.*
3. Pursuant to Section 90(2) of the *Local Government Act 1999* it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.

CLOSE



**MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN THE
COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON**

21 NOVEMBER 2016

MEMBERS PRESENT

Cr D Pilkington (Chairman)
Mayor G Aldridge
Cr D Balaza
Cr G Caruso
Cr L Caruso
Cr E Gill
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr B Vermeer
Cr S White
Cr J Woodman
Cr R Zahra

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr M van der Pennen
General Manager Community Development, Ms P Webb
Manager Governance, Ms T Norman
Manager Communications and Customer Relations, Mr M Bennington
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

The meeting commenced at 6:38 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from Cr S Bedford, Cr D Bryant, Cr C Buchanan and Cr R Cook.

LEAVE OF ABSENCE

Nil.

PRESENTATION OF MINUTES

Moved Cr R Zahra
Seconded Cr E Gill

The Minutes of the Budget and Finance Committee Meeting held on 17 October 2016, be taken and read as confirmed.

CARRIED

Moved Cr R Zahra
Seconded Cr J Woodman

The Minutes of the Confidential Budget and Finance Committee Meeting held on 17 October 2016, be taken and read as confirmed.

CARRIED

REPORTS

Administration

6.0.1 Future Reports for the Budget and Finance Committee

Moved Cr R Zahra
Seconded Cr J Woodman

1. The information be received.

CARRIED

6.0.2 Minutes of the Program Review Sub Committee meeting held on Monday 14 November 2016

6.0.2-PRSC1 Program Review Brief - Inspectorate Services

Moved Cr J Woodman
 Seconded Cr L Caruso

1. Information be received.
2. The Inspectorate Services Program Review Project Brief and Inspectorate Services Background Paper as set out in Attachments 1 and 2 to this report be endorsed.

CARRIED

6.0.2-PRSC2 Program Review Update

Moved Cr J Woodman
 Seconded Cr L Caruso

1. That the Program Review Update report be noted.
2. A further report be brought back this financial year regarding the future of the Program Review Sub Committee, including alternative approaches to enable future reviews of levels of service.
3. Following the conclusion of the current schedule of program review activity a report outlining the status of work undertaken by the Program Review Committee, including achievements, benefits and issues encountered through the course of the program review process be prepared.

CARRIED

Finance

6.1.1 Council Finance Report - October 2016

Cr G Caruso declared a perceived conflict of interest on the basis of his employer being on debtors list.

Cr G Caruso left the meeting at 06:39 pm.

Cr L Caruso left the meeting at 06:40 pm.

Cr L Caruso returned to the meeting at 06:41 pm.

Moved Cr R Zahra
 Seconded Mayor G Aldridge

1. The information be received.

CARRIED

Cr G Caruso returned to the meeting at 06:51 pm.

6.1.2 First Quarter Budget Review 2016/17

Cr D Balaza declared a perceived conflict on the basis of being employed by a company that may tender for items noted in the Budget Review, e.g. Wave Slide and Mangrove Trail. Cr D Balaza left the meeting at 6:53 pm.

Moved Mayor G Aldridge
 Seconded Cr G Reynolds

1. The budget variances identified in this review and contained in the Budget Variation Summary (Appendix 1) be endorsed and net operating \$736,200, net capital \$732,900 be debited to the Sundry Project Fund. This will bring the balance to **\$1,469,100.**

2. Funds be allocated for the following **non-discretionary** net bids:

OPERATING

▪ Multicultural Event – September 2017	\$ 10,000
▪ Cat Management	\$ 7,500
▪ Waste Levy Fee	\$ 400,000
▪ Military Museum Contribution	\$ 53,800
▪ Repairs to Mangrove Trail Boardwalk (Northern Loop)	\$ 50,000
▪ Salisbury Secret Garden	\$ 83,700
▪ Verge Cutting – additional resources to meet scheduled timeframes	\$ 50,000

CAPITAL

▪ Tranche 1 - Walpole Road 1, Greentree Walk	\$ 33,300
▪ Tranche 1 - Diment Road, The Reserve	\$ 99,700
▪ Salisbury Water Distribution Linkages – Connection of Daniel Ave	\$ 75,000
▪ St Kilda Wave Slide	\$ 75,000

TOTAL \$ 938,000

(NB: If parts 1 & 2 of this resolution are moved as recommended this will bring the balance of the Sundry Projects Fund to \$531,100.)

3. Funds be allocated for the following **discretionary** net bids:

OPERATING

▪ Ant / Mosquito Control	\$ 10,000
▪ Verge Cutting – additional residential verge cut February 2017	\$ 140,000

CAPITAL

▪ Minor Traffic Improvements Program – Bardsley Ave / Oldfield St	\$ 16,500
▪ St Kilda Flood Mitigation	\$ 110,000

TOTAL \$ 276,500

(NB: If parts 1,2 & 3 of this resolution are moved as recommended this will bring the balance of the Sundry Projects Fund to \$254,600.)

4. Not Recommended Bids:
 - St Kilda Guard Rail \$ 172,300
 - School Message Board Program \$ 12,000

5. Council approve the following transfers:
 1. Transfer \$100,000 for the Crime Prevention Grant from Community Centres to Community Capacity and Learning, where the Crime Prevention Grant is now managed.
 2. Transfer \$81,680 for the Building Safe Communities Grant from Community Centres to Community Capacity and Learning, where the Building Safe Communities Grant is now managed.
 3. Transfer \$12,100 from the Watershed Urban Sustainability Centre to Watershed -Building Maintenance to consolidate budgets.
 4. Transfer \$100,000 capital from the Road Reseal / Reconstruction Program to Diment Road, Burton/Direk – Upgrade to cover the increased scope and contract value. (Works and Services – November, Item 2.6.1.)
 5. Transfer \$190,000 capital from the Salisbury Recreation Precinct for Pool Remedial Works to the Pool Filtration System to replace the current ceramic filtration system to a sand filtration system, with the Pool Remedial Works to be reconsidered in 2017/18. (Resolution 1290/2016)
 6. Transfer \$22,500 operating from within City Development Administration and a further \$30,000 operating from within Employment Pathways to Economic Development for the EDUP China Engagement.

6. Investments / Borrowings be varied to reflect the bids and transfers endorsed by Council detailed in parts 1 to 5 of this resolution.

(NB: If parts 1 to 5 of this resolution are moved as recommended investments in 2016/17 will increase by \$254,600.)

CARRIED

OTHER BUSINESS

Nil

CONFIDENTIAL ITEMS**6.9.1 Strategic Review of the Salisbury Water Business Unit**

Moved Cr S Reardon

Seconded Cr J Woodman

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (d)(i) and (d)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *Non-disclosure of the matter and discussion of this item in confidence would protect confidential information provided by consultants, Aither Pty Ltd, related to commercial opportunities regarding the Salisbury Water Business Unit and Council's commercial position.*

*On that basis the public's interest is best served by not disclosing the **Strategic Review of the Salisbury Water Business Unit** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CARRIED

Cr D Balaza returned to the meeting at 07:05 pm.

The meeting moved into confidence at 7:06 pm.

The meeting moved out of confidence at 7:10 pm.

Cr Pilkington thanked the Committee for supporting him in the role of Chairman over the past two years.

CLOSE

The meeting closed at 7:10 pm.

CHAIRMAN.....

DATE.....

ITEM	6.0.1
	BUDGET AND FINANCE COMMITTEE
DATE	12 December 2016
HEADING	Appointment of Chairman - Program Review Sub Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	In accordance with Council resolution, this report addresses the requirement for Council to make a new appointment for the position of Chairman of the Program Review Sub Committee.
RECOMMENDATION	
	1. Cr _____ be appointed as Chairman of the Program Review Sub Committee for a term of _____.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 In December 2014 Council resolved to create the Program Review Sub Committee. At that time Cr Riccardo Zahra was appointed as Chairman for a one year term.
- 1.2 Cr Zahra was reappointed Chairman in December 2015 for a further 12 months.
- 1.3 Council is now required to make a new appointment for this position.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Nil.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

- 3.1 In December 2014 Council resolved to create the Program Review Sub Committee. At that time Cr Riccardo Zahra was appointed as Chairman for a one year term. In December 2015 he was again appointed Chairman for a further 12 month period.

- 3.2 The terms of reference for the Program Review Sub Committee specify:
- *The appointment of a Chairman will be made by the Council for a term determined by the Council.*
- 3.3 The term of the current appointment will expire this month.
- 3.4 Council is now required to make a new appointment for the position of Chairman of the Program Review Sub Committee.

4. CONCLUSION / PROPOSAL

- 4.1 Council is asked to make an appointment for the position of Chairman of the Program Review Sub Committee and specify the duration of that appointment.

CO-ORDINATION

Officer:	Executive Group	MG
Date:	06/12/2016	29/11/2016

ITEM	6.0.2
	BUDGET AND FINANCE COMMITTEE
DATE	12 December 2016
HEADING	Appointment of Deputy Chairman - Budget and Finance Committee
AUTHOR	Joy Rowett, Governance Coordinator, CEO and Governance
CITY PLAN LINKS	4.4 To ensure informed and transparent decision-making that is accountable and legally compliant
SUMMARY	This report provides information with respect to the appointment and role of Deputy Chairman of the Budget and Finance Committee. In accordance with the Terms of Reference of the Budget and Finance Committee, an appointment is required to be made.

RECOMMENDATION

1. Cr _____ be appointed as Deputy Chairman of the Budget and Finance Committee for a term of _____.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 At the December 2014 Council meeting it was resolved (Resolution Number 0057/2014):
 - 1.1.1 Cr S Bedford be appointed as Deputy Chairman of the Budget and Finance Committee for a two year term.
- 1.2 The term of the current Deputy Chair will expire at the end of December 2016, and the Committee is therefore required to make a new appointment for the position of Deputy Chairman.

2. REPORT

- 2.1 The Terms of Reference for the Budget and Finance Committee provides for the appointment of the Deputy Chairman at the first meeting of the Committee for a term determined by the Council.
- 2.2 The Deputy Chairman acts in the role of Chairman in their absence.

3. CONCLUSION / PROPOSAL

- 3.1 In accordance with the Terms of Reference for the Budget and Finance Committee, the Committee is now asked to consider the position of Deputy Chairman and determine who should fulfil this role and for what term.

CO-ORDINATION

Officer:	Executive Group	MG
Date:	06/12/2016	01/12/2016

ITEM	6.0.3
	BUDGET AND FINANCE COMMITTEE
DATE	12 December 2016
HEADING	Future Reports for the Budget and Finance Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This item details reports to be presented to the Budget and Finance Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

- 3.1 The following table outlines the reports to be presented to the Budget and Finance Committee as a result of a Council resolution:

Meeting Item	Heading and Resolution	Officer
29/04/2013 6.4.4	Fees and Charges Report - Waste Transfer Station 3. Subject to endorsement of the creation of the Program Review Sub Committee, the Program Review Sub Committee consider the cost structure and fee structure for residents/commercial vs. non-Salisbury residents/commercial accessing services at the Waste Transfer Station. Due: June 2017	Sam Kenny
26/04/2016 6.1.1	Project Budget Delegations 4. The Project Budget Delegation be reviewed during the 2017/18 Budget process. Due: April 2017	Kate George
28/11/2016 6.0.2-PRSC2	Program Review Update 2. A further report be brought back this financial year regarding the future of the Program Review Sub Committee, including alternative approaches to enable future reviews of levels of service. Due: March 2017	Charles Mansueto
28/11/2016 6.0.2-PRSC2	Program Review Update 3. Following the conclusion of the current schedule of program review activity a report outlining the status of work undertaken by the Program Review Committee, including achievements, benefits and issues encountered through the course of the program review process be prepared. Due: June 2017	Charles Mansueto

4. CONCLUSION / PROPOSAL

- 4.1 Future reports for the Budget and Finance Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer: Executive Group
Date: 06/12/2016

ITEM 6.0.4

BUDGET AND FINANCE COMMITTEE

HEADING Minutes of the Program Review Sub Committee meeting held on Monday 5 December 2016

AUTHOR Charles Mansueto, General Manager Business Excellence, Business Excellence

CITY PLAN LINKS 4.3 Have robust processes that support consistent service delivery and informed decision making.

SUMMARY The minutes and recommendations of the Program Review Sub Committee meeting held on Monday 5 December 2016 are presented for Budget and Finance Committee's consideration.

RECOMMENDATION

1. The information contained in the Program Review Sub Committee Minutes of the meeting held on 5 December 2016 be received and noted and that the following recommendations contained therein be adopted by Council:

PRSC1 Program Review Findings for the Economic Development and Urban Policy Division

1. This report, and the Economic Development and Urban Policy Program Review report (provided as Attachment 1, Item No. PRSC1, Program Review Sub Committee, 5 December 2016), be received and noted.
2. The recommendations listed in paragraph 4.5 of this report (Item No. PRSC1, Program Review Sub Committee, 5 December 2016) be endorsed.
3. The recommendations for administrative action itemised on pp 6 & 7 of Attachment 1, Item No. PRSC1, Program Review Sub Committee, 5 December 2016 be noted.
4. The General Manager City Development monitor the implementation of actions as required.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Minutes Program Review Sub Committee - 5 December 2016

CO-ORDINATION

Officer: GMBE
Date: 08/12/2016



**MINUTES OF PROGRAM REVIEW SUB COMMITTEE MEETING HELD IN
COMMITTEE ROOMS, 12 JAMES STREET, SALISBURY ON**

5 DECEMBER 2016

MEMBERS PRESENT

Cr R Zahra (Chairman)
Mayor G Aldridge
Cr D Bryant
Cr G Caruso
Cr L Caruso
Cr E Gill (Deputy Chairman)
Cr D Proleta (as Deputy to Cr Buchanan)
Cr J Woodman (as Deputy to Cr Bedford)
Cr B Vermeer

OBSERVERS

Cr S White

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Mrs P Webb
Manager Economic Development and Urban Policy, Mr G Ratsch
Manager Governance, Ms T Norman

The meeting commenced at 6:53 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from Cr C Buchanan (Cr D Proleta was in attendance as a Deputy Member) and Cr S Bedford (Cr J Woodman was in attendance as a Deputy Member).

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr D Proleta
Seconded Cr D Bryant

The Minutes of the Program Review Sub Committee Meeting held on 14 November 2016, be taken and read as confirmed.

CARRIED

REPORTS

PRSC1 Program Review Findings for the Economic Development and Urban Policy Division

Cr B Vermeer entered the meeting at 06:55 pm.

Moved Cr G Caruso
Seconded Mayor G Aldridge

1. This report, and the Economic Development and Urban Policy Program Review report (provided as Attachment 1, Item No. PRSC1, Program Review Sub Committee, 5 December 2016), be received and noted.
2. The recommendations listed in paragraph 4.5 of this report (Item No. PRSC1, Program Review Sub Committee, 5 December 2016) be endorsed.
3. The recommendations for administrative action itemised on pp 6 & 7 of Attachment 1, Item No. PRSC1, Program Review Sub Committee, 5 December 2016 be noted.
4. The General Manager City Development monitor the implementation of actions as required.

CARRIED

OTHER BUSINESS

CLOSE

The meeting closed at 7:01 pm.

CHAIRMAN.....

DATE.....