

**CITY OF MARION
GENERAL COUNCIL MEETING
30 JANUARY 2018**

CONFIDENTIAL REPORT

Corporate Manager: Sherie Walczak, Acting Manager Corporate Governance
General Manager: Vincent Mifsud, General Manager Corporate Services
Subject: Finance and Audit Committee Confidential Minutes
Reference No: GC300118F01

If the Council so determines, this matter may be considered in confidence under Section 90(2) and (3)(a), (b), (d) and (h) of the *Local Government Act 1999* on the grounds that the report contains:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);
- 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 would, on balance, be contrary to the public interest
- commercial information of a commercial nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of a person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest
- information relating to legal advice.



**Adrian Skull
Chief Executive Officer**

RECOMMENDATION

1. That pursuant to Section 90(2) and (3)(a), (b), (d) and (h) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer; Vincent Mifsud, General Manager Corporate Services; Abby Dickson, General Manager City Development; Tony Lines General Manager Operations; Kate McKenzie, Manager Corporate Governance; Jaimie Thwaites, Unit Manager Governance and Records, be excluded from the meeting as the Council receives and considers the confidential minutes of the Finance and Audit Committee, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to personal affairs, commercial information of a confidential nature and legal advice.

1. DISCUSSION:

The purpose of this report is to receive the confidential minutes from the 12 December 2018 Finance and Audit Committee relating to the following items:

- Service Review Report – Open Space Transformation Phase 1
(Report Reference: FAC121217F01)
- BMX Project Update Report
(Report Reference: FAC121217F02)

The confidential minutes are attached in Appendix One and Appendix Two respectively.

RECOMMENDATIONS

DUE DATES

That Council:

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| 1. Receives and notes the confidential minutes of the Finance and Audit Committee meeting of 12 December 2017 (Appendix 1) | 30 Jan 2018 |
| 2. Receives and notes the confidential minutes of the Finance and Audit Committee meeting of 12 December 2017 (Appendix 2) | 30 Jan 2018 |
| 3. In accordance with Section 91(7) and (9) of the Local Government Act 1999 orders that this report and Appendix 1 and 2 having been considered in confidence under Section 90(2) and (3)(a), (b), (d) and (h) of the Act be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018. | 30 Jan 2018 |

**MINUTES OF
CONFIDENTIAL ITEM**

**11.09am Service Review – Report – Open Space Transformation Phase 1
Report Reference: FAC121217F01**

Moved Councillor Kerry, Seconded Ms Presser that:

1. Pursuant to Section 90(2) and (3)(a) of the *Local Government Act 1999*, the Finance and Audit Committee orders that all persons present, with the exception of the following persons: Councillor Janet Byram, Adrian Skull, Tony Lines, Vincent Mifsud, Abby Dickson, Kate McKenzie, Mathew Allen, Brett Jaggard, Cassandra Gannon, Mel Nottle-Justice and Karen Brewster be excluded from the meeting as the Committee receives and considers information relating to the *Service Review – Report – Open Space Transformation Phase 1*, upon the basis that the Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information, relates to personnel matters.

Carried Unanimously

11.09am The meeting went into confidence

The Manager Engineering and Field Services provided an overview of the report highlighting that the intent is for the field Open Space Team to become more planned, structured and better resourced through staff, equipment and contractors. The review has identified opportunities to eliminate inefficiencies and further improve productivity. There is an opportunity to potentially reduce staff numbers which would occur through natural attrition.

To date the team has implemented a proactive tree management program that has reduced the cycle from 13 years to three (3) years. The intent is that this should reduce the number of call outs from the public. The team has also introduced tablets in the field resulting in the reduction and/or elimination of manual/paper based systems. Some work has been contracted out such as the fire breaks meaning our staff can focus on other work. There is also some evidence that the number of customer events have reduced.

The change management process has been good and well supported by Erika Comrie and the leadership team within open space.

It is estimate that the review will save approximately \$500k over a 5 year period but it may be less depending on progress.

The Committee queried if the service review had created any industrial issues. The Committee was advised that generally staff had been receptive and only one group had slight push back but it was being managed. The Committee was also advised that there was still some work to do with the union about potentially reducing staff numbers, but further work was required in this space.

It was also noted that the team has been sharing the results with other teams as they have a sense of ownership and pride which is a good outcome.

Councillor Telfer noted that there was a visible improvement and the reserves were looking well maintained. This will create positive community satisfaction.

The Committee noted that there was good rigor around the savings and impact that it can be tracked and not lost within the system. The Committee congratulated the team and indicated this was a well thought through service review.

Moved Councilor Kerry, Seconded Councillor Telfer that:

1. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that this report, any attachment to this report and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(a) of the Act except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried Unanimously

11.27am the meeting came out of confidence

CONFIDENTIAL

**MINUTES OF
 CONFIDENTIAL ITEM**

**11.27am BMX Project – Update Report
 Reference No: FAC121217F02**

Moved Ms Presser, Seconded Councillor Telfer that:

1. Pursuant to Section 90(2) and (3)(b)(i)(ii) of the *Local Government Act 1999*, the Finance and Audit Committee orders that all persons present, with the exception of the following persons: Adrian Skull, Chief Executive Officer; Vincent Mifsud, General Manager Corporate Services; Abby Dickson, General Manager City Development; Tony Lines, General Manager City Services; Kate McKenzie, Manager Corporate Governance; Donna Griffiths, Acting Manager City Activation; Ray Barnwell, Manager Finance and Contracts; Malcolm Eagles, Strategic Projects Officer; Councillor Janet Byram, City of Marion; Phil Freeman, Office of Recreation and Sport; Brian Delaney, Office of Recreation and Sport; Geoff Norris, City of Onkaparinga be excluded from the meeting as the Council receives and considers information relating to Section 48 Prudential Report – BMX Confidential, upon the basis that the Finance and Audit Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information 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 would on balance, be contrary to the public interest.

Carried Unanimously

11.27am the meeting went into confidence

The General Manager City Development provided an overview of the report highlighting the following:

- The Committee had considered the draft section 48 report at the October meeting noting the funding deficit.
- Further work has occurred regarding cost analysis and reducing the costs but the project is still over budget at the Majors Road site.
- Management has been liaising with the Minister and City of Onkaparinga regarding the potential for other sites.
- A site in Noarlunga is likely to be the most cost effective but is still over budget.

Councillor Byram sought leave of the meeting and it was granted to speak on the item. Councillor Byram noted that the Hallett Cove BMX club was having a Board meeting this evening and they will be discussing the potential location of Noarlunga, however the general discussion amongst the club is that the location is too far south.

It was also noted that the City of Onkaparinga was meeting tonight and would be receiving an update report regarding costings. Further details would be provided to the two Councils in January after consultation with both BMX clubs.

Councillor Byram indicated that both Councils really need to consider the following when making decisions:

- The noise created by BMX tracks and the impact on the community.

- The no alcohol policy for BMX meaning this may create difficulty at some sites if shared with other sports such as football.

The Committee noted there is still a number of unknowns regarding the site and funding and emphasised the criticality of good stakeholder engagement.

The Officer from Recreation and Sport noted that the southern site mentioned is located near South Adelaide Football club and it would be highly likely that the additional funding of \$1m from Recreation and Sport would be available.

Councillor Telfer noted that the costs had blown out and the report is clear regarding soil testing, however there is not a strong conclusion. Councillor Telfer suggested that further interrogation of the report should occur so we can be very clear about outcomes and risks and better understand it.

It was noted that the moisture, lime and other reactive clays are clearly identified and the advice from the experts has been it is not worth pursuing at the Majors Road site.

The Committee advised that staff should keep challenging the assumptions within the report however be careful of not cutting down too much on the amenities as it will result in it not being fit for purpose.

Councillor Byram mentioned that BMX are good at building their own facilities. The Committee advised it is best that Council manage this process if the ongoing liability for the site will rest with Council. She also noted that further work is required to assess the economic impact and feels this could be expanded in the section 48 report.

The Committee noted that the draft section 48 report did note that one major international event could generate \$1.8m in economic benefit.

It was noted that the major issue is the funding shortfall and further work is still progressing in regards to investigating potential funding opportunities.

Moved Councillor Telfer, Seconded Ms Presser that:

1. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that this report, Section 48 Prudential Report – BMX Confidential and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(i)(ii) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2018.

Carried Unanimously

11.54am the meeting came out of confidence