



W A V E R L E Y
C O U N C I L

OPERATIONS AND COMMUNITY SERVICES COMMITTEE MEETING

A meeting of the OPERATIONS AND COMMUNITY SERVICES COMMITTEE will be held in
the Randwick Council Chamber, 1st Floor, 90 Avoca Street, Randwick at:

7.00PM, TUESDAY 3 JULY 2018

Peter Monks
Acting General Manager

Waverley Council
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Delegations of the Waverley Operations and Community Services Committee

On 10 October 2017, Waverley Council delegated to the Waverley Operations and Community Services Committee the authority to determine any matter **other than**:

1. Those activities designated under s 377(1) of the *Local Government Act* which are as follows:
 - (a) The appointment of a general manager.
 - (b) The making of a rate.
 - (c) A determination under section 549 as to the levying of a rate.
 - (d) The making of a charge.
 - (e) The fixing of a fee
 - (f) The borrowing of money.
 - (g) The voting of money for expenditure on its works, services or operations.
 - (h) The compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment).
 - (i) The acceptance of tenders to provide services currently provided by members of staff of the council.
 - (j) The adoption of an operational plan under section 405.
 - (k) The adoption of a financial statement included in an annual financial report.
 - (l) A decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6.
 - (m) The fixing of an amount or rate for the carrying out by the council of work on private land.
 - (n) The decision to carry out work on private land for an amount that is less than the amount or rate fixed by the council for the carrying out of any such work.
 - (o) The review of a determination made by the council, and not by a delegate of the council, of an application for approval or an application that may be reviewed under section 82A of the *Environmental Planning and Assessment Act 1979*.
 - (p) The power of the council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194.
 - (q) A decision under section 356 to contribute money or otherwise grant financial assistance to persons,
 - (r) A decision under section 234 to grant leave of absence to the holder of a civic office.
 - (s) The making of an application, or the giving of a notice, to the Governor or Minister.
 - (t) This power of delegation.
 - (u) Any function under this or any other Act that is expressly required to be exercised by resolution of the council.
2. The adoption of a Community Strategic Plan, Resourcing Strategy and Delivery Program as defined under sections 402, 403, and 404 of the *Local Government Act*.

Live Streaming of Meetings

Due to the change of location, this meeting will not be live streamed.

AGENDA

PRAYER AND ACKNOWLEDGEMENT OF INDIGENOUS HERITAGE

The Chair will read the following Opening Prayer and Acknowledgement of Indigenous Heritage:

“God, we pray for wisdom to govern with justice and equity. That we may see clearly and speak the truth and that we work together in harmony and mutual respect. May our actions demonstrate courage and leadership so that in all our works thy will be done. Amen.

Waverley Council respectfully acknowledges our Indigenous heritage and recognises the ongoing Aboriginal traditional custodianship of the land which forms our Local Government Area”.

1. Apologies/Leaves of Absence

2. Declarations of Pecuniary and Non-Pecuniary Interests

3. Addresses by Members of the Public

4. Confirmation of Minutes

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6. Urgent Business

7. Meeting Closure

CONFIRMATION OF MINUTES OC/4.1/18.07



Subject: Confirmation of Minutes - Operations and Community Services Committee Meeting - 5 June 2018

TRIM No.: SF18/245

Author: Richard Coelho, Governance and Internal Ombudsman Officer

RECOMMENDATION:

That the minutes of the Operations and Community Services Committee meeting held on 5 June 2018 be received and noted, and that such minutes be confirmed as a true record of the proceedings of that meeting.

Introduction/Background

The minutes of the Operations and Community Services Committee meeting must be submitted to Operations and Community Services Committee for confirmation, in accordance with clause 266 of the *Local Government (General) Regulation 2005*.

Attachments

1. Operations and Community Services Committee Meeting Minutes - 5 June 2018 .



**MINUTES OF THE OPERATIONS AND COMMUNITY SERVICES COMMITTEE MEETING
HELD IN THE RANDWICK COUNCIL CHAMBER, 90 AVOCA STREET, RANDWICK ON
TUESDAY, 5 JUNE 2018**

Present:

Councillor George Copeland (Chair)	Waverley Ward
Councillor John Wakefield (Mayor)	Bondi Ward
Councillor Dominic Wy Kanak (Deputy Mayor)	Bondi Ward
Councillor Sally Betts	Hunter Ward
Councillor Angela Burrill	Lawson Ward
Councillor Leon Goltsman	Bondi Ward
Councillor Tony Kay	Waverley Ward
Councillor Elaine Keenan	Lawson Ward
Councillor Steven Lewis	Hunter Ward
Councillor Paula Masselos	Lawson Ward
Councillor Will Nemesh	Hunter Ward
Councillor Marjorie O'Neill	Waverley Ward

Staff in attendance:

Peter Monks	Acting General Manager
Mitchell Reid	Acting Director, Waverley Futures
Emily Scott	Director, Waverley Renewal
Annette Trubenbach	Acting Director, Waverley Life
Jane Worthy	Internal Ombudsman

At the commencement of proceedings at 7.00 pm, those present were as listed above, with the exception of Cr Keenan, who arrived at 7.03 pm.

PRAYER AND ACKNOWLEDGEMENT OF INDIGENOUS HERITAGE

The Chair read the following Opening Prayer and Acknowledgement of Indigenous Heritage:

God, we pray for wisdom to govern with justice and equity. That we may see clearly and speak the truth and that we work together in harmony and mutual respect. May our actions demonstrate courage and leadership so that in all our works thy will be done. Amen.

Waverley Council respectfully acknowledges our Indigenous heritage and recognises the ongoing Aboriginal traditional custodianship of the land which forms our Local Government Area.

AT THIS STAGE IN THE PROCEEDINGS, THE FOLLOWING MOTION WAS MOVED BY CR GOLTSMAN AND SECONDED BY CR BETTS:

That the audio recording of this meeting be made available on Council's website within seven days of the meeting.

THE MOTION WAS PUT AND DECLARED CARRIED UNANIMOUSLY

1. Apologies/Leaves of Absence

There were no apologies.

2. Declarations of Pecuniary and Non-Pecuniary Interests

The Chair called for declarations of interest and none were received.

3. Addresses by Members of the Public

There were no addresses by members of the public.

4. Confirmation of Minutes

OC/4.1/18.06 Confirmation of Minutes - Operations and Community Services Committee Meeting - 1 May 2018 (SF18/245)

MOTION / UNANIMOUS DECISION

Mover: Cr Copeland
Seconder: Cr Wakefield

That the minutes of the Operations and Community Services Committee meeting held on 1 May 2018 be received and noted, and that such minutes be confirmed as a true record of the proceedings of that meeting.

Cr Wy Kanak was not present for the vote on this item.

5. Reports

OC/5.1/18.06 Hollywood Car Park Teacher's Parking Permit (SF18/1675)

MOTION / UNANIMOUS DECISION

Mover: Cr Wakefield

Seconder: Cr Betts

That Council:

1. Publicly exhibits the proposed amendments to the Car Parks Fees section of the Proposed Pricing Policy, Fees and Charges 2018–19 as contained in Table A of this report for a period of 28 days, in accordance with section 610F of the *Local Government Act 1993*.
2. Notes that a further report will be submitted to Council and will include feedback from the public exhibition period.

OC/5.2/18.06 Multicultural Advisory Committee - Terms of Reference - Review (A15/0509)

MOTION / UNANIMOUS DECISION

Mover: Cr Masselos

Seconder: Cr Wy Kanak

That Council adopts the Terms of Reference for the Waverley Multicultural Advisory Committee (MAC) attached to this report and acknowledges the work of the former Chair, Cr Goltsman.

OC/5.3/18.06 Tender Evaluation - Irrigation and Small Park Upgrades (A18/0036)

MOTION / UNANIMOUS DECISION

Mover: Cr Wakefield

Seconder: Cr Masselos

That Council:

1. Treats the Tender Evaluation Matrix attached to this report as confidential in accordance with section 11(3) of the *Local Government Act 1993*, as it relates to a matter specified in section 10A(2)(c) of the *Local Government Act 1993*. The report contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
2. Under clause 178(1)(a) of the *Local Government (General) Regulation 2005*, accepts Never Stop Irrigation Pty Ltd as the preferred tenderer for the Irrigation and Small Park Upgrades project for the sum of \$155,208.69 excluding GST.
3. Authorises the General Manager, or delegated representative, to enter into contract on behalf of Council with Never Stop Irrigation Pty Ltd.
4. Notifies unsuccessful tenderers of the decision in accordance with clause 179 of the *Local Government (General) Regulation 2005*.

6. Urgent Business

There were no items of urgent business.

7. Meeting Closure

THE MEETING CLOSED AT 7.14 PM.

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SIGNED AND CONFIRMED
CHAIR
3 JULY 2018

REPORT
OC/5.1/18.07

Subject: Local Government NSW Annual Conference 2018

TRIM No.: A13/0314

Author: Natalie Kirkup, Governance and Internal Ombudsman Officer

Director: Peter Monks, Acting General Manager

RECOMMENDATION:

That Council, in respect of the Local Government NSW Annual Conference 2018:

1. Nominates the Mayor, Deputy Mayor, Councillor [INSERT NAME], Councillor [INSERT NAME] and Councillor [INSERT NAME] as voting delegates for motions.
2. Nominates Councillor [INSERT NAME] and Councillor [INSERT NAME] as reserve voting delegates for voting on motions.
3. Nominates Councillors [INSERT NAMES] to attend the Conference as observers.
4. Delegates authority to the Mayor to appoint additional delegates if required.
5. Approves the General Manager's attendance at the Conference.
6. Notes that the deadline for the submission of motions for consideration at the conference is 26 August 2018.

1. Executive Summary

The Local Government NSW (LGNSW) Annual Conference will be held in Albury from 21 October – 23 October 2018.

Council is required to notify LGNSW by 26 August 2018 of the names of councillors attending the conference as Council's voting delegates as well as any motions Council wishes to be considered at the conference.

2. Introduction/Background

The LGNSW Annual Conference is the annual policy-making event for NSW councils. The conference is the pre-eminent event of the local government year where councillors come together to share ideas and debate issues that shape the way local government is governed and to set policy for the coming year.

This year the conference will be held in Albury at the Albury Entertainment Centre from 21 October – 23 October 2018.

3. Relevant Council Resolutions

Council Meeting	Minute No.	Decision
Council Meeting 10 October 2017	CM/7.7/17.10	<p>That Council, in respect of the Local Government NSW Annual Conference 2017:</p> <ol style="list-style-type: none"> 1. Nominates the Mayor, Deputy Mayor, Cr Keenan, Cr O'Neill and Cr Masselos as voting delegates for the election of the Board and Office bearers of Local Government NSW (LGNSW). 2. Nominates the Mayor, Deputy Mayor, Cr Keenan, Cr O'Neill and Cr Masselos as voting delegates for motions. 3. Nominates Cr Lewis and Cr Copeland as reserve voting delegates for the election of the Board and Office Bearers of LGNSW. 4. Nominates Cr Lewis and Cr Copeland as reserve voting delegates for voting on motions. 5. Nominates Crs Nemes and Goltsman to attend the Conference as observers. 6. Approves the Acting General Manager's attendance at the Conference. 7. Considers any proposed motions for submission to the Conference at this meeting.

4. Discussion

Voting

Waverley Council is entitled to five delegates to vote on each conference motion and each delegate must be registered to vote and be present to cast the vote.

This year there is no roll for elections of Office Bearers and Board as this occurs every two years. Cr O'Neill was a successful candidate of the 2017 Office Bearers and Board election after being elected to the position of Treasurer.

Motions

Council can submit motions for consideration at the Conference. LGNSW advises that motions must be submitted to LGNSW by 26 August 2016 and include accompanying evidence of Council's support for the motion. Such evidence may include an extract of the minutes of the meeting at which Council resolved to submit the motion to the Conference.

In addition to requiring evidence of Council's support for the motion, the LGNSW Board has resolved that motions will only be included in the Business Paper where they:

1. Are consistent with the objects of the Association (see Rule 4 of the LGNSW rules).
2. Relate to Local Government in NSW and/or across Australia.

3. Concern or are likely to concern Local Government as a sector.
4. Seek to advance the Local Government policy agenda of the LGNSW and/or improve governance of the LGNSW.
5. Have a lawful purpose (a motion does not have a lawful purpose if its implementation would require or encourage non-compliance with prevailing laws).
6. Are clearly worded and unambiguous in nature.
7. Do not express preference for one or several members over one or several other members.

Should Council wish to submit any motions to the Conference it will need to consider them for adoption at the July or August Council meeting.

Registration fees

The registration fees for this year are as follows:

- Early Bird registration rate is \$840 (paid by 17 September 2018).
- Standard registration rate is \$940 (paid by 9 October 2018).
- Staff registration rate is \$495 (paid by 9 October 2018).

5. Financial impact statement/Timeframe/Consultation

The costs associated with attending the LGNSW Annual Conference is covered in the budget allocation for Councillors' expenses in accordance with Council's Councillor Expenses and Facilities Policy.

6. Conclusion

It is recommended that Council notify LGNSW of the names of councillors attending the LGNSW Annual Conference 2018 as Council's voting delegates as well as any motions Council wishes considered at the Conference 26 August 2018.

7. Attachments:

Nil

REPORT
OC/5.2/18.07



Subject: Related Party Disclosures Policy - Review
TRIM No.: A17/0161
Author: Teena Su, Executive Manager, Financial Waverley
Director: Peter Monks, Acting General Manager

RECOMMENDATION:

That Council adopts the Related Party Disclosures Policy attached to this report in line with the requirements of Accounting Standard AASB 124.

1. Executive Summary

The Related Party Disclosures Policy has been reviewed to assist with the requirements for the Annual Financial Statements in accordance with Accounting Standard AASB 124.

No change has proposed in this review.

2. Introduction/Background

From 1 July 2016, Council is required to disclose related party relationships and transactions in its annual financial statements in accordance with the Accounting Standard AASB 124.

3. Relevant Council Resolutions

Council or Committee Meeting and Date	Minute No.	Decision
20 June 2017	CM/7.8/17.06	That Council adopts the draft Related Party Disclosures Policy (Attachment 1) in line with the requirements of Accounting Standard AASB 124, subject to the following amendments: 1. (Page 8 of the Policy/page 359 of the agenda): Council officers to consider including some of the statements in Section 5.4 of the Policy as a description in the two disclosure forms to provide improved comprehension. 2. (Page 8 of the Policy/page 359 of the agenda): replace 'This is required by June 30 or as requested' with 'This is required by July 14 for the prior financial year, or as requested.'

4. Discussion

The Council adopted the Policy in June 2017 and to have it review in 12 months. In June 2018, staff reviewed the Policy and made no change.

It now tables to Council for its re-adoption, with the next review date in two (2) years – June 2020.

5. Financial impact statement/Timeframe/Consultation

There are no direct financial impacts of implementing the policy.

6. Conclusion

The review proposes no change to the policy, it complies with all requirements of Accounting Standard AASB 124.

7. Attachments:

1. Related Party Disclosure Policy Review - June 2018 [↓](#)

Related Party Disclosures Policy

Adoption Date	3 July 2018
Review Date	June 2020
Version	0.2
Responsible Officer (Title, Program and Sub-program)	Executive Manager, Waverley Corporate, Financial Waverley
TRIM Record Number	D18/82071

Policy Amendments

Date	Responsible Officer	Description
20 June 2017	Executive Manager, Waverley Corporate, Financial Waverley	1 st version adopted by Council 20 June 2017
20 June 2018	Executive Manager, Waverley Corporate, Financial Waverley	General revision, no change to the current version.

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1. Background

From 1 July 2016, in accordance with the Accounting Standard *AASB 124*, Council is required to disclose Related Party Relationships and Transactions by identifying Key Management Personnel (KMP) and any related compensation in its Annual Financial Statements. The Standard *AASB 124* came into effect from 1 July 2016 and the responsibilities of KMP and commence from this date.

Related Party Relationships are a normal feature of commerce and business and can affect the profit or loss and financial position of an entity. *AASB 124* contains disclosure requirements to enable users of financial statements to form a view about the effects of related party relationships on an entity's financial position, income statement and cash flows.

It is important to emphasise that *AASB 124* Related Party Disclosures (*AASB 124*) is not designed to detect and report fraud.

Under *AASB 124* there are two types of related parties:

1. KMP
2. Other related parties

2. Definitions

Term	Meaning
AASB 10	The Australian Accounting Standards Board – Consolidated Financial Statements – details the criteria for determining whether Council has significant influence over an entity.
AASB 11	The Australian Accounting Standards Board – Joint Arrangements – details the criteria for determining whether Council has significant influence over an entity.
AASB 19	The Australian Accounting Standards Board – Employee Benefits – details general recognition criteria for employee benefits.
AASB 124	The Australian Accounting Standards Board – Related Party Disclosures Standard under Section 334 of the <i>Corporations Act 2001</i> .
AASB 128	The Australian Accounting Standards Board – Investments in Associates and Joint Ventures detailing the criteria for determining whether Council has significant influence over an entity.
Arm's length transaction	A transaction between two related parties that is conducted as if they were unrelated, so that there is no question of conflict of interest. The idea of an 'arm's length' transaction allows the market to ensure that both parties in the transaction are acting in their own self-interest and are not subject to any pressure or duress from the other party.

Close family members / close members of the family	<p>Close family members of a KMP are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity. Unless estranged, this includes:</p> <ul style="list-style-type: none"> - That person's children and spouse or domestic partner - Children of that person's spouse or domestic partner - Dependants of that person, or that person's spouse or domestic partner <p>Other family members could include siblings, parents or extended family, if that family member has the ability to influence or be influenced by that person. The entity needs to apply judgement to determine if there is sufficient evidence of influence.</p>
Compensation	<p>Compensation includes employee benefits (as defined in AASB 119 <i>Employee Benefits</i>). Employee benefits are all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. Compensation includes:</p> <ul style="list-style-type: none"> • Short term benefits such as wages and salaries, paid annual and sick leave and non-monetary benefits (such as cars) for current employees, • Post-employment benefits such as pensions and other retirement benefits, • Other long term benefits including long service leave and other long service benefits if they are payable wholly within twelve months after the end of the period, • Termination benefits, and • Share based payments.
Control	<p>Control of an entity is present where there is:</p> <ul style="list-style-type: none"> • Power over an entity; Exposure to rights to variable returns from involvement with the entity, and • The ability to use power over an entity to affect the amount of returns received as determined in accordance with <i>AASB 10 - Consolidated Financial Statement</i> (paragraphs 5 – 18 Appendices A and B).
Director	<p>A reference to "Director" in the Related Party Disclosure Register is a reference to the Director of a Program and not to any other position with the word "Director" in its title.</p>
Higher Duty	<p><i>The Local Government (State) Award 2014 Clause 10 (i) and (ii) Use of Skills</i> states an employee who is required by management to relieve in a position which is at a higher grade in Council's Salary System, shall be paid for all time spent relieving in that position. This Policy requires staff acting in higher duties for at least one week (five days consecutively) or more, to comply with the Related Party Disclosure Policy.</p>

Joint Control	Contractually agreed sharing of control of an arrangement that exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.
Key Management Personnel (KMP)	Those persons with the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity.
Local Government Code of Accounting Practice and Financial reporting	The Code issued by the Office of the Local Government annually prescribing and guiding the content of Council's general purpose financial statements.
Material (materiality)	The assessment of whether the transaction, either individually or in aggregate with other transactions, by omitting it or misstating could influence decisions that users make on the basis of the entity's financial statements. For the purpose of this Policy, it is considered appropriate to set a dollar value to determine materiality. This value is set at \$10,000.
Ordinary Citizen Transaction	A transaction that an ordinary citizen of the community would undertake in the ordinary course of business with Council.
Related Party	Any person or entity that is related to Council, that is preparing its financial statements.
Related Party Transaction	A transfer of resources, services or obligations between a Council and a related party, regardless of whether a price is charged. Examples include but are not limited to: <ul style="list-style-type: none"> • Purchases or sales of goods, • Purchases or sales of property or other assets, • Rendering or receiving of services, • Rendering or receiving of goods, • Leases, • Commitments to do something if a particular event occurs or does not occur in the future, and • Settlements of liabilities on behalf of Council or by Council on behalf of that related party.
Remuneration	Remuneration package including any money, consideration or benefit received or receivable by the person but excludes reimbursement of out-of-pocket expenses, including any amount received or receivable from a Related Party Transaction.
Responsible Accounting Officer	The member of Council staff designated by the General Manager to fulfil the duties of the position (<i>cl.196 Local Government (General) Regulation 2005</i>) Council's Responsible Accounting Officer being the Executive Manager Financial Waverley.
Significant influence	Likely to influence the decisions that users of the Council's financial statements make having regard to both the extent (value and frequency) of the transactions, and that the transactions have occurred between the Council and related party outside a public service provider/taxpayer relationship.
The Act	<i>Local Government Act 1993</i>
The Regulation	<i>Local Government (General) Regulation 2005</i>

3. Objective

The objective of this Policy is to ensure that Council's financial statements contain the necessary related party disclosures to ensure transparency in dealings and the effect on Council's financial reports. It explains the related party concept, and how materiality applies to related party transactions, and provides guidance on determining whether or how a related party transaction should be disclosed in Council's financial statements.

Determining the appropriate related party disclosures depends on the specific facts and circumstances, and requires professional judgement.

4. Scope

This Policy applies to all KMP's and other related parties and their related party transactions, whether those transactions are material or not.

This Policy does not replace or meet the obligation for Councillors and staff to disclose a conflict of interest under Council's Code of Conduct.

5. Policy Content

5.1 Introduction

Council is committed to responsible corporate governance, including compliance with laws and regulations governing Related Party Transactions.

KMP, all Councillors, the General Managers and Directors, are responsible for ensuring that this Policy is understood and complied with and are responsible for identifying Related Parties and notifying Council of any Related Party Transactions.

Council will prepare and report related party disclosures in accordance with *AASB 124* and *The Local Government Code of Accounting Practice and Financial Reporting* and provide a system to identify and capture all related party relationships and transactions with Related Parties of Council.

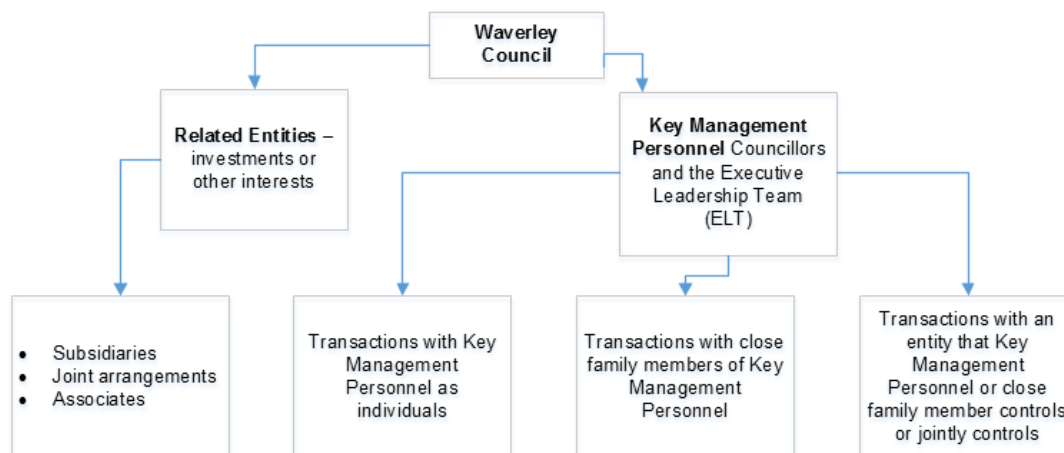
Council's Governance group is responsible for maintaining related party information in a Register and Financial Waverley are responsible for maintaining relevant disclosures to comply with *AASB 124*, as required for financial reporting.

5.2 Related Parties of Council

Related Parties of Council include:

- Related Entities (entities related to Council),
- KMP of Council,

- Close Family Members of KMP, and
- Entities that are controlled or jointly controlled by KMP, or their close family members.



5.3 Related Entities (entities related to Council)

Entities controlled by Council, jointly controlled by Council or over which Council has significant influence are Related Parties of Council. Council will need to identify transactions with these entities and may need to make extra disclosure about them in Council’s financial statements. When assessing whether Council has control or joint control over an entity, Council must consider *AASB 10* and *AASB 11* and *AASB 128* for details about the criteria for determining whether Council has significant influence over an entity.

Council’s Contracts Register, Leases and License Register and the Schedule of Debts Written Off will be reviewed to identify Related Party Transactions/Parties. This information will be included in the Related Party Register which will include all joint arrangements and updated on a quarterly/annual basis.

5.4 Key Management Personnel

KMP are persons having the authority and responsibility for planning, directing and controlling the activities of the entity (voting powers), directly or indirectly, including any director (whether executive or otherwise) of the entity. They include:



KMP's are responsible for identifying and disclosing any existing or potential related party transactions between Council and any of their related parties during a financial year and any changes to related party relationships.

Information provided will be reviewed in accordance with the Council's operational requirements and held on a centralised register managed by Governance.

In order to comply with AASB 124, all KMP must complete the Related Party Relationship Disclosure Form notifying Governance of any existing or potential related party relationships between Council and any related parties of the KMP, as per:

- AASB 124 came into effect from 1 July 2016 and the responsibilities of KMP and the entity are retrospective and ongoing,
- 30 Days after a KMP commences their term of employment with Council, or not exceeding the financial year due date, and/or
- When a person is acting in a KMP position for at least one week (or five working days).

During the financial year, KMP must proactively notify Governance of any new or potential related party partnerships that they know of or any changes to previously notified relationships, by no later than 30 days after the KMP knows of the relationship or change.

KMP must also provide Governance with a Related Party Transaction Disclosure Form notifying any existing or likely related party transactions between Council and themselves, their close family members or entities controlled or jointly controlled by them or any of their close family members. This is required by July 14 for the prior financial year, or as requested.

"NIL" returns are required to be made when a KMP has no related party relationships or related party transactions to disclose.

When assessing whether a KMP or Close Family Member controls, or jointly controls an entity, Council will need to refer to *AASB 10* and *AASB 11*.

5.5 Council Disclosure

AASB 124 provides that Council must disclose all material and significant Related Party Transactions in its Annual Financial Statements by aggregate or general description and include the following details:

- The nature of the Related Party Relationship; and
- Relevant information about the transactions including:
 - the amount of the transaction,
 - the amount of outstanding balances, including commitments,
 - their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in the settlement,
 - details of any guarantee given or received,
 - provision for doubtful debts related to the amount of outstanding balances, and
 - the expense recognised during the period in respect of bad or doubtful debts due from related parties.

All transactions involving Related Parties will be captured and reviewed by the Executive Manager Financial Waverley to determine:

- Materiality or otherwise of such transactions,

- If the transactions are Ordinary Citizen Transactions, and
- The significance of each of the transactions.

Generally, transactions with amounts receivable from and payable to KMP or their related parties that occur within normal employee, customer or supplier relationships and at arm's length and are not material or significant.

These shall be excluded from detailed disclosures and they will be disclosed in the financial statements by general description. Disclosures that Related Party Transactions were made on terms equivalent to an arm's length transaction can only be made if such terms can be substantiated.

In the event where there are contentious issues in the determination of Related Party Disclosures Council should seek advice from the External Auditor.

5.6 Materiality

AASB 124 requires management judgment in determining whether a transaction is material for disclosure in its financial statements. A transaction can be material by either size or nature.

For example, a transaction at a nominal amount (such as a peppercorn lease) may be insignificant in amount, but is likely to be material by nature (non arms length transaction) and therefore requires disclosure.

Executive Manager Financial Waverley will apply AASB 101 *Presentation of Financial Statements* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* when assessing materiality for disclosure purposes.

Transactions that are in common with the general public in the course of delivering an entity's public service objectives and that are entered into under the same terms and conditions as a public citizen are unlikely to require disclosure. Examples include:

- Paying taxes, stamp duty, levies, fines or any other statutory charges,
- Receiving tax refunds or rebates,
- Using public services (such as public swimming pools, schools, hospitals, transport etc),
- Payments for electricity, water and other utility services, and
- Renewing licences and registrations.

Further, AASB 124 paragraph 27 provides a list of factors that may also assist an entity in determining materiality. Due to the nature of related party transactions, more weight is given to qualitative factors of the transactions such as the closeness of the related party relationship in establishing the level of significance of the transaction.

5.7 Related Party and KMP Disclosure

Related Party and KMP Disclosure and the types of disclosures required:

- Relationships between a parent entity and its subsidiaries, irrespective of whether there have been transactions between them,
- KMP' compensation (remuneration) relates to all forms of consideration paid, payable, or provided in exchange for services provided in total,

- Short-term employee benefits, such as wages, salaries, paid annual leave and paid sick leave, profit sharing and bonuses (if payable within twelve months of the end of the period) and non-monetary benefits (such as medical care, housing, cars and free and subsidised goods or services) for current employees,
- Post-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical care,
- Other long-term employee benefits, including long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the period, profit sharing, bonuses and deferred compensation, and
- Termination benefits.

5.8 Higher Duties

Staff acting in KMP positions are responsible for disclosing related parties transactions for the duration of the higher duties period, including completing the Related Party Relationships Disclosure Form and Related Party Transactions Disclosure Form at the same time as signing off the Higher Duty Form. They are also responsible to provide this information to Governance before the commencement of the higher duties period. This Policy requires staff acting in higher duties for a period of at least one week to comply with the Related Party Disclosures Policy by providing the information at the same time as the Higher Duty Form is provided to Governance. One week is five days carried out consecutively in the acting position. The declaration is for the time of the acting period only.

5.9 Register of Related Party Transactions

Council will maintain a Register of Related Party Transactions that will be managed by Governance.

5.10 Information Privacy

Information provided by KMP and other related parties will be held for the purpose of compliance with Council's legal obligation and shall be disclosed where required for compliance or legal reasons only.

Any application seeking access to information either provide in a Related Party Transactions Disclosure Form or information contained in the Register of Related Party Transactions will be considered, assessed and determined in accordance with Council's *Information Guide* prepared in accordance with the *Government Information (Public Access) Act 2009*.

6. Applicable Legislation

- AASB 124 – Related Party Disclosures (July 2015),
- Australian Accounting Standards,
- *Local Government Act 1993*,
- *Local Government (General) Regulation 2005*,
- *Local Government State (Award) 2015*,
- *Government Information (Public Access) Act 2009*,
- *Corporations Act 2001*, and

- *Privacy and Personal Information Protection Act 1998 (PPIP Act).*

7. Related Policies & Procedures

- Waverley Council Code of Conduct,
- Councillor Expenses and Facilities Policy, and
- Council's *Information Guide* prepared in accordance with the *Government Information (Public Access) Act 2009*.

8. Links to the Delivery Program and Operational Plan

How does the policy relate to Waverley Together 3 and Council's Delivery Program and Operational Plan?

G1a Develop and maintain a framework of plans and policies that ensures open and transparent operations that facilitate equitable benefit sharing and progress towards sustainability.

G5a Promote and advocate the provision of financial reporting systems in an accurate, timely, transparent and honest manner to ensure sustainability of public assets and resources.

9. Review details

A review of KMP and their related parties will be completed on adoption of this Policy and then at intervals not exceeding six months and KMP are responsible for keeping Governance updated when any changes to those related parties occur outside of those times. This Policy will also be reviewed when any of the following occur:

- Organisational restructure,
- The related legislation/documents are amended or replaced,
- As a result of changes to the Office of Local Government Local Government Code of Accounting Practice and Financial Reporting, and/or
- Changes to *AASB 124*.

Attachment 1

Checklist for Key Management Personnel

Contributing Factors	Description
Period of Higher Duty where staff must fulfil requirements of KMP, as per the Policy.	1 week that is consecutively carried out.

Arm's length transaction value to be disclosed	\$10,000 or more
Non-arm's length transactions	To be disclosed irrespective of their value if it is concluded there are either quantitatively or qualitatively material to the entity's financial statements.
External commitments	Were you/a close family member a representative of a board or other body of an organisation including not for profit charity organisations that is affiliated with Council and could be subject to funding from Council?
Employment	Were any of your close family members employed in a senior position with an organisation that carries out activities or provides services to Council?
Contracts	Did you/a close family member/any entity controlled by you and/or a close family member have any transactions or arrangements on terms or conditions that were more favorable than those entered into at arm's length?
	Did you/a close family member/any entity controlled by you and/or a close family member enter into any contractual arrangements to purchase, sell, lease or transfer assets and licences, or provide purchase or transfer goods and services?
Financial	Are there any outstanding balances brought forward from a transaction or arrangement disclosed in the previous financial year, between you/a close family member and Council?
Debts	Did you/a close family member/any entity controlled by you and/or a close family member have any debts forgiven or partially forgiven?

REPORT
OC/5.3/18.07

Subject: Tender Evaluation - Boot Factory Upgrade Options Analysis

TRIM No: A18/0001

Author: Matt Henderson, Project Manager
Rachel Jenkin, Acting Director, Waverley Life

Director: Sharon Cassidy, Acting Director, Waverley Renewal

RECOMMENDATION:

That Council:

1. Treats the attachment to this report as confidential in accordance with section 11(3) of the Local Government Act 1993, as it relates to a matter specified in section 10A(2)(c) of the Local Government Act 1993. The report contains information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
2. Under clause 178(1)(a) of the *Local Government (General) Regulation 2005*, accepts Tomahawk Studios Pty Ltd as the preferred tenderer for the supply of Head Consultancy Services for Boot Factory Upgrade Options Analysis for the sum of \$[TO BE INSERTED BY COUNCIL AT THE MEETING].
3. Authorises the General Manager, or delegated representative, to enter into contract on behalf of Council with Tomahawk Studios Pty Ltd.
4. Notifies unsuccessful tenderers of the decision in accordance with clause 179 of the *Local Government (General) Regulation 2005*.

1. Executive Summary

The purpose of this report is to seek Council's approval for the appointment of Tomahawk Studios Pty Ltd for the Boot Factory Restoration Options Analysis project as recommended by the Tender Evaluation Committee (TEC).

2. Introduction/Background

The Boot Factory building is located at 27-29 Spring Street Bondi Junction, and, was constructed between 1890 and 1915 by William Sidaway and Son, who began to produce footwear in Bondi Junction around 1887.

The building consists of three (3) storeys of face brick with rendered, pilasters and string courses, multi-paned double hung timber windows and a simple moulded parapet bearing the signage "Boot Factory". Waverley Council acquired the building in 1984.

Council restored the building, and it was re-opened in 1986 as part of the "Mill Hill Community Centre". The Boot Factory was a base for a range of community services and organisations including the Inventors Association of Australia.

In 2009, the building was deemed unsafe due to structural concerns. The building has remained empty since then. In August 2013 significant remedial structural bracing was installed to ensure the stability of the building until an alternative use for the building could be found.

Council has recently passed a motion to investigate uses for the site to create a Knowledge and Innovation Hub. A further motion has been carried seeking inclusion of the site on the State Heritage register. As a result, three projects are being run in parallel:

- A Heritage Conservation Strategy to inform restoration of the Boot Factory building and forecourt, as well as investigation of State Heritage listing. Shaping Waverley is currently working with a heritage consultant to achieve these outcomes.
- Boot Factory Restoration Project comprising the design and construction of the building and forecourt restoration. Project Waverley has completed the tender process outlined in this report to engage a consultancy team to deliver a restoration options analysis report for 3 concept designs and cost estimates. Previously completed technical investigations, as well as new investigations to fill gaps, will be utilised to inform this report. The restoration options analysis findings will be presented to Councillors to inform decision making on the scope and budget of future design and construction tenders for restoration of the Boot Factory building and forecourt.
- A Knowledge and Innovation Strategy to build partnerships and support local creative and professional science and technology industries. Enriching Waverley is currently working with a consultant to deliver a needs assessment based on mapping of existing facilities, data analysis and consultation (with experts and community members). Enriching Waverley is also establishing the Waverley Innovation and Knowledge Hub Steering Committee to operate as an advisory group on the development of the Knowledge and Innovation Strategy. The Committee will also be consulted as part of the development of the Heritage Conservation Strategy and Boot Factory Restoration Project.

This tender report focuses on the options analysis for the Boot Factory Restoration Project. Council invited tenders for a suitably qualified and experienced Registered Architect (Head Consultant) to lead a multi-disciplinary design consultant team to undertake all necessary consultancy services including:

- Site Investigation and Reporting
- Concept Design Options (3 in total)
- Cost Estimates
- Restoration options analysis (final report).

3. Relevant Council Resolutions

Meeting and Date	Minute No.	Decision
Council Meeting 10 October 2017	CM/8.10/17.10	That: <ol style="list-style-type: none"> 1. Council investigates the restoration and adaptive reuse of the Boot Factory, including: <ol style="list-style-type: none"> (a) Options for establishing a maker space, creative industries incubator and/or innovation hub at the Boot Factory that aligns with the establishment of a knowledge and innovation hub at Waverley Library. (b) Technology and facilities required. (c) Potential project plan for implementation.

		<ul style="list-style-type: none"> (d) Scoping of potential budget requirements. (e) Any potential sources of State and Federal funding that are available through innovation funds or heritage restoration grants. (f) Investigations into the possibility of gaining state heritage listing for the Boot Factory. <p>2. Council investigates options for the establishment of an innovation and knowledge hub at Waverley Library, to align with the Boot Factory project, with the investigation to include:</p> <ul style="list-style-type: none"> (a) Options about the establishment of an innovation and knowledge hub at Waverley Library in conjunction with the Bondi Junction Boot Factory. (b) Work undertaken so far, including review of the Waverley Library 'My Amazing Library' Strategic Plan 2014–2017. (c) Additional technology and facilities required. (d) Potential project plan for implementation. (e) Scoping of potential budget requirements. (f) Any potential relevant sources of State and Federal funding that may be available, including but not limited to the NSW Public Library Infrastructure Grant. <p>3. An Innovation and Knowledge Hub Steering Group be established to plan and advise on oversight of the above projects, with the group to include the three Lawson Ward Councillors, community representatives, technical experts and relevant staff, and to be chaired by Cr Masselos.</p> <p>4. Officers prepare a report for the November Operations and Community Services Committee setting out a proposed charter for the Steering Group.</p> <p>5. Officers commence the preparation of information to assist the work of the Steering Group.</p> <p>6. An appropriate budget be allocated for this first investigative phase of the project, with this to be included in the first quarterly budget review for Council approval.</p>
<p>Operations Committee Meeting 7 November 2018</p>	<p>OC/5.3/17.11</p>	<p>That Council:</p> <ul style="list-style-type: none"> 1. Adopts the Waverley Innovation and Knowledge Hub Steering Group charter attached to this report. 2. Agrees to seek nominations from community members and

		<p>industry experts to join the Waverley Innovation and Knowledge Hub Steering Group, noting that nominees will be appointed following a separate report to Council as soon as practicable.</p> <p>3. Supports the primary objectives of the Waverley Innovation and Knowledge Hub Project as:</p> <p>(a) Adaptive reuse of the heritage-listed Boot Factory suitable for an innovation hub.</p> <p>(b) Establishing an innovation and knowledge hub at the Boot Factory and Waverley Library.</p> <p>(c) Involvement of the local community in decision-making processes.</p> <p>(d) Building partnerships and supporting local creative, professional, science and technology industries.</p> <p>(e) Establish a place function around the Boot Factory and Waverley Library in accordance with place-making principles.</p>
Council Meeting 12 December 2017	CM/8.7/17.12	<p>That Council:</p> <p>1. Initiates action to have the Boot Factory considered for State Heritage Listing.</p> <p>2. Investigates funding avenues that heritage listing makes available for restoration/refurbishment of old buildings of significance.</p>

4. Discussion

Invitation to tender

A Tender Evaluation Panel was established to evaluate the tenders. The Panel consisted of:

1. Fleur Mellor – Heritage Planner;
2. Bart McGuffin – Facilities Officer; and
3. Matt Henderson – Project Manager.

An RFT Evaluation & Probity Plan was developed and approved by the Evaluation Panel on 07 June 2018.

Tenders for the Boot Factory Upgrade Options Analysis were called on 2 May 2018. Advertisements for the Tender were placed on tenders online.

Tenders closed on 31 May 2018.

The Evaluation Panel used the RFT Evaluation & Probity Plan to determine which tenders offered the best value for money in the provision of the Boot Factory Upgrade Options Analysis to Council.

Tenders Received

The following tenders were received:

- Extent Heritage;
- CM Plus;
- Michael Fox Architects;
- Supercontext;
- Architect Marshall;
- Youssofzay and Hart;
- Breakspear;
- Welsh and Major; and
- Tomahawk Studios.

Late Tenders

Nil.

Non-conforming Tenders

The following non-conforming tenders were received:

The tender submitted by Michael Fox Architects was deemed to be non-conforming due to the fact they failed to submit the tender schedules and was not considered further.

Alternative Tenders

Nil alternative tenders were received.

Eight (8) tenders met the mandatory requirements and proceeded to a detailed evaluation. The conforming tenders are listed below:

CONFORMING TENDERS EVALUATED
Extent Heritage;
CM Plus;
Supercontext;
Architect Marshall;
Youssofzay and Hart;
Breakspear;
Welsh and Major;
Tomahawk Studios.

Tender Evaluation

Conforming tenders were evaluated in accordance with Council's Purchasing Procedures and RFT Evaluation & Probity Plan, the *Tendering Guidelines for NSW Local Government 2009* issued by the Office of Local Government, and the provisions of the *Local Government Act 1993* and *Local Government (General) Regulation 2005*.

The Evaluation Panel agreed on the following weightings to be used against the advertised selection criteria:

Advertised Evaluation Criteria	Weighting
Project understanding and methodology	15%
Capacity to work within proposed timeframes	15%
Experience in the delivery of similar projects	15%
Key personnel, qualifications, skills and experience	10%
Price	45%
Total	100%

Tenders were given a score on each of the evaluation criteria, resulting in a total score out of 100. Tenders were ranked in accordance with their scores. Final scores and rankings are shown in the confidential Tender Evaluation Matrix attached to this report.

Evaluation Panel's Recommendation

Following a rigorous evaluation of the tenders the Evaluation Panel recommends that the services/product offered Tomahawk Studios Pty Ltd provides the best value to Council. Tomahawk Studios Pty Ltd provided the best value to Council based on the non-price and price criteria assessment.

5. Financial impact statement/Timeframe/Consultation

Financial impact statement

The budget for the Boot Factory Upgrade Options Analysis is from cost code C0546.

The preferred tenderer's price is included in the confidential Tender Evaluation Matrix attached to this report.

The total anticipated funding required for the Boot Factory Upgrade Options Analysis is \$170,000 including GST. The total 2018/19 budget allocation for the Boot Factory Restoration Project is \$750,000. There are sufficient funds to cover the price tendered by the recommended tenderer.

Timeframe

The project will be delivered early July 2018 for a duration of up to 4 months.

Consultation

Consultation has taken place with internal stakeholders and will continue throughout the delivery of the project. The Knowledge and Innovation Hub Strategy and Steering Group consultation will also inform the Boot Factory Restoration Project.

6. Conclusion

The Tender Evaluation Panel recommends Council enter into contract with Tomahawk Studios Pty Ltd for the Boot Factory Upgrade Options Analysis.

7. Attachments

1. Boot Factory Tender Evaluation Matrix (confidential) .