

MINUTES

Property Committee Meeting

10 May 2022

Committee Members

Here within are the Minutes of the Property Committee Meeting held Tuesday 10 May 2022 in the City of South Perth Council Chamber, corner Sandgate Street and South Terrace, South Perth.

As this Committee does not hold Delegated Powers or Duties in accordance with Section 5.23 of the Local Government Act 1995 the meeting was not open to the public.



MIKE BRADFORD
CHIEF EXECUTIVE OFFICER

13 May 2022

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Property Committee Meeting - Minutes

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

In the absence of the Presiding Member and Deputy Presiding Member, the Acting CEO declared the meeting open at 6.00pm and welcomed everyone in attendance.

In accordance with Section 5.14 of the *Local Government Act 1995*, the Property Committee was to nominate one of themselves to preside at the meeting.

The Acting CEO called for nominations.

Councillor Blake D'Souza nominated Mayor Greg Milner for the position.

The Acting CEO declared Mayor Greg Milner Presiding Member.

Mayor Greg Milner assumed the Chair.

The Presiding Member welcomed Mr Nigel Oakey and Property Committee members asked questions of Mr Oakey in relation to Item 7.1.

2. ATTENDANCE

Elected Members

Mayor

Como Ward

Manning Ward

Manning Ward

Mill Point Ward

Moresby Ward

Moresby Ward

Greg Milner

Councillor Carl Celedin

Councillor André Brender-A-Brandis

Councillor Blake D'Souza

Councillor Ken Manolas

Councillor Jennifer Nevard

Councillor Stephen Russell

External Members

Mr Lewis Brock

Mr Nigel McCombe

Guests

Mr Nigel Oakey

Officers

Director Corporate Services

Acting Director Development and Community Services

Director Infrastructure Services

Manager Governance

Governance Coordinator

Governance Officer

Mr Garry Adams

Ms Patrick Quigley

Mr Mark Taylor

Ms Bernadine Tucker

Ms Toni Fry

Mr Morgan Hindle

2.1 APOLOGIES

- Councillor Mary Choy

2.2 APPROVED LEAVE OF ABSENCE

- Councillor Glenn Cridland for the period 1 May 2022 to 30 May 2022 inclusive.

3. DECLARATIONS OF INTEREST

- Mayor Greg Milner – Impartiality Interest in Item 7.4 as ‘I am an honorary member of the Salter Point Sea Scouts’.

4. CONFIRMATION OF MINUTES

4.1 PROPERTY COMMITTEE MEETING HELD: 9 November 2021

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mr Lewis Brock
Seconded: Councillor Blake D'Souza

That the Minutes of the Property Committee Meeting held 9 November 2021 be taken as read and confirmed as a true and correct record.

CARRIED (9/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Carl Celedin, Blake D'Souza, Ken Manolas, Jennifer Nevard and Stephen Russell, Mr Lewis Brock and Mr Nigel McCombe.

Against: Nil.

5. PRESENTATIONS

Nil.

6. BUSINESS ARISING FROM PREVIOUS MEETING

Nil.

7. REPORTS

7.1 FORMER MANNING LIBRARY - 144 MANNING ROAD, KARAWARA

*This item is considered **confidential** in accordance with section 5.23(2)(c) of the Local Government Act 1995 as it contains information relating to "a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting"*

File Ref: D-22-1962
 Author(s): Vicki Lummer, Director Development and Community Services
 Reporting Officer(s): Vicki Lummer, Director Development and Community Services

Summary

This report presents a proposal for the re use of the former Manning Library building.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mayor Greg Milner
Seconded: Councillor Blake D'Souza

That the Property Committee recommends to Council that it endorses the officer recommendation contained in the body of this report.

CARRIED (9/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Carl Celedin, Blake D'Souza, Ken Manolas, Jennifer Nevard and Stephen Russell, Mr Lewis Brock and Mr Nigel McCombe.

Against: Nil.

7.2 PROPOSED LEASE AGREEMENT FOR SOUTH PERTH BASEBALL CLUB

File Ref: D-22-10833
Author(s): Patrick Quigley, Manager Community, Culture and Recreation
Reporting Officer(s): Vicki Lummer, Director Development and Community Services

Summary

This report seeks Council's approval to enter into a new lease agreement with the South Perth Baseball Club for its continued use of part of Crown Reserve R36435 known as Bill Grayden Reserve, which is located at 145 Thelma Street, Como, for a five-year term with an option of renewal for a further five year term.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mr Nigel McCombe
Seconded: Councillor André Brender-A-Brandis

That the Property Committee recommends to Council that it:

1. Approves a new lease between the City of South Perth and the South Perth Baseball Club for its continued use of part of Crown Reserve R36435 known as Bill Grayden Reserve, which is located at 145 Thelma Street, Como, subject to the following terms:
 - a. Use of Bill Grayden Pavilion and the baseball batting cage;
 - b. Seasonal use only to use/occupy the facilities during the 'Summer Season' from 1 October to 31 March each year;
 - c. A period of five years with an option of renewal for a further five-year term;
 - d. An annual rental of \$2,581 per annum (plus GST), which is reviewed each year that is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 (plus GST);
 - e. Payment of outgoings, utilities and building maintenance costs; and
 - f. Ministerial consent being provided.
2. Authorises the Mayor and Chief Executive Officer to sign and affix the Common Seal to the new lease documentation between the City of South Perth and the South Perth Baseball Club.
3. Notes approval of the lease agreement is subject to Ministerial consent.

CARRIED (9/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Carl Celedin, Blake D'Souza, Ken Manolas, Jennifer Nevard and Stephen Russell, Mr Lewis Brock and Mr Nigel McCombe.

Against: Nil.

Background

The South Perth Baseball Club was established in 1947 and is located at Bill Grayden Reserve at 145 Thelma Street, Como. This is a portion of Crown Reserve 36435 under a Management Order to the City. The land is vested to the City under a management order to be provided for parks and recreational purposes, which includes the power to lease the land for any term not exceeding 21 years subject to the approval of the Minister for Lands.

A former lease agreement was in place with the South Perth Baseball Club that has now expired. In the interim until a new lease agreement can be developed, the tenant continues to provide baseball activities at the site under a 'holding over' arrangement with the City.

The City has undertaken recent consultation with the Club regarding a new lease agreement, with the Club expressing its desire to continue occupation of the premises under a new lease arrangement.

Comment

South Perth Baseball Club is an acceptable tenant as it caters to baseball players of all ages and abilities. The Club has teams in all divisions including juniors, adults and seniors.

The proposed terms for the new lease agreement have been negotiated based on the following considerations that the Club:

- Has a long history of facilitating baseball within the local community, and is willing and able to continue this role;
- Operates on a low annual operating budget and has agreed to be responsible for paying an annual rental fee, outgoings, utilities and building maintenance costs; and
- Has low-income generation ability that is mainly achieved through fund raising, membership fees and sourcing grants and corporate sponsorships.

The site plan is highlighted in **Figure 1** below.



Figure 1: Aerial photograph of the subject site (2021).

There are two main sporting tenants located at Bill Grayden Reserve, being the South Perth Baseball Club and the Trinity Aquinas Football Club, who share use of the facilities according to their respective sporting seasons. For this reason, the proposed new lease agreement with the South Perth Baseball Club will include a clause relating to this 'shared use' arrangement between the Clubs (i.e. the Baseball Club will have approval to occupy the facilities during the 'Summer Season' only from 1 October to 31 March each year). A separate agreement is already in place between the City and the Trinity Aquinas Football Club who use/occupy the facility during the Winter Season from 1 April to 30 September each year.

Additionally, the proposed duration for the new agreement with the South Perth Baseball Club will be 10 years, which is the same duration as their previous agreement; and is the same length of time agreed between the City and the Winter season tenant i.e. Trinity Aquinas Football Club.

The South Perth Baseball Club has 150 active playing members.

Consultation

The City has been in consultation with South Perth Baseball Club over a new lease agreement and they have agreed to the proposed terms and conditions. The South Perth Baseball Club has been a good tenant and the agreed terms represent an appropriate outcome for both parties. The agreement will require consent from the Minister for Lands.

Policy and Legislative Implications

The following legislation and policies are relevant:

- *Local Government Act 1995*
- City of South Perth Policy P609 'Management of City Property'

Local Government Act 1995

Under Section 3.58 of the *Local Government Act 1995* (the Act), a disposition of land includes leasing of local government property. If a local government does not dispose of property via a public auction or the public tender method, the proposal must be advertised for public comment – unless the proposal is an 'exempt' disposition.

A disposition of property is exempt from Section 3.58 under Regulation 30, Part 6 Miscellaneous Provisions of the Local Government (Functions and General) Regulations 1996 if the land is to be used for charitable, benevolent, religious, cultural, educational, recreational, sporting or other like purposes. As the South Perth Baseball Club is a not-for-profit sporting club and is seeking use of local government property for recreation purposes, the intended use of the land is exempt from section 3.58 of the Act.

City of South Perth Policy P609 'Management of City Property'

Under Policy P609 Management of City Property, leases for not-for-profit sporting clubs are to be negotiated consistently with the following principles:

- Leases will be granted for a period of five years with a five year option to provide sporting clubs with security of tenure and the ability to attract funding;
- Leases to be for an annual rental amount which is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 per annum.
- All groups will be required to adhere to the 'Property Maintenance Schedule' for the respective facility; a document which sets out the responsibilities of both parties.

Financial Implications

The majority of the operating costs associated with the South Perth Baseball Club will be the responsibility of the lessee.

The new lease agreement will attract lease fee income for the City of \$2,581 per annum (plus GST) reviewed each year; and recovery of costs from the Club through its payment of outgoings, utilities and building maintenance costs. The City will be responsible for the cost of preparation and lodgement of the lease document.

The South Perth Baseball Club is financially viable/sustainable, which is evidenced by its current financial position. The Club's Profit and Loss Statement and Balance Sheet is attached in **Confidential Attachment (a)**.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation
Risk rating	Low
Mitigation and actions	The proposed new lease agreement will mitigate a potential legislative breach by outlining the terms and conditions regarding the approved use of the land by the lessee. It will also enable the parties to comply with legislative requirements relating to leasing of local government property.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Community
Aspiration:	Our diverse community is inclusive, safe, connected and engaged
Outcome:	1.2 Community infrastructure
Strategy:	1.2.2 Effectively develop, manage and optimise the use of the City's properties, assets and facilities

Attachments

7.2 (a):	South Perth Baseball Club - Profit and Loss Statement & Balance Sheet (<i>Confidential</i>)
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7.3 PROPOSED LEASE FOR THE SOUTH PERTH CHILD HEALTH CLINIC, CNR SANDGATE STREET AND SOUTH TERRACE, SOUTH PERTH

File Ref: D-22-12079
Author(s): Patrick Quigley, Manager Community, Culture and Recreation
Reporting Officer(s): Vicki Lummer, Director Development and Community Services

Summary

This report seeks Council's approval for the City of South Perth to enter into a lease agreement with the Child and Adolescent Health Service for continued use of a portion of the South Perth Community Centre by the existing tenant known as the South Perth Child Health Clinic, located on the corner of Sandgate Street and South Terrace, South Perth, for a five-year term with an option of renewal for a further five-year term.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mr Lewis Brock
Seconded: Councillor André Brender-A-Brandis

That the Property Committee recommends to Council that it:

1. Approves a lease agreement between the City of South Perth and the Child and Adolescent Health Service for continued use of a portion of the South Perth Community Centre by the existing tenant known as the South Perth Child Health Clinic, located on the corner of Sandgate Street and South Terrace, South Perth, subject to the following main terms and conditions:
 - a. A term of five years;
 - b. A further term of five years (renewal option);
 - c. An annual rental of \$1,000 per annum (plus GST), which is reviewed each year that is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 per annum; and
 - d. Payment of all rates, taxes, outgoings, utilities and building maintenance costs.
2. Authorises the Mayor and Chief Executive Officer to sign and affix the Common Seal to the lease documentation between the City of South Perth and the Child and Adolescent Health Service.

CARRIED (9/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Carl Celedin, Blake D'Souza, Ken Manolas, Jennifer Nevard and Stephen Russell, Mr Lewis Brock and Mr Nigel McCombe.

Against: Nil.

Background

The South Perth Child Health Clinic has been operating from the lower section of the South Perth Community Centre for approximately 10 years. The Clinic is situated on the corner of Sandgate Street and South Terrace, South Perth; which is located within Lot 3 on Plan 14563 being land owned freehold by the City. The City has the power to lease the land or use it as required.

Child health clinics in Western Australia are managed by the Child and Adolescent Health Service (CAHS), as part of the state government's Department of Health. The CAHS is a legal entity that can acquire property and/or enter into property arrangements with other parties, such as lease agreements.

A current lease agreement is in place between the City and the CAHS that is due to expire on 31 May 2022; and the CAHS has recently expressed its desire to continue occupation of the premises under a new lease arrangement.

Comment

CAHS is an acceptable tenant as it offers maternal, child and family health services for people in the local community, including: health and development checks; immunisation advice; and support to families with young children.

The proposed terms for the new lease agreement have been negotiated based on the following considerations that CAHS:

- Is a state government statutory authority that provides free community health programs and services that benefits people in Western Australia;
- Has a long history of providing a child health service for the local community, and is willing and able to continue this role;
- Operates on a high annual operating budget and is responsible for the following operational costs at the child health clinic: staffing, utilities, internal building maintenance, repairs, rates/taxes, rubbish collection service, advertising/marketing, cleaning, consumables, depreciation, insurance, security, and telephone/computer; and
- Has agreed to payment of rent, rates, taxes, outgoings, utilities and building maintenance costs (*Note: under the previous lease agreement, the lessee did not pay rent as a peppercorn arrangement was in place*).

7.3 Proposed Lease for the South Perth Child Health Clinic, Cnr Sandgate Street and South Terrace, South Perth

The site plan for the proposed lease of the South Perth Child Health clinic is highlighted in **Figure 1** below.

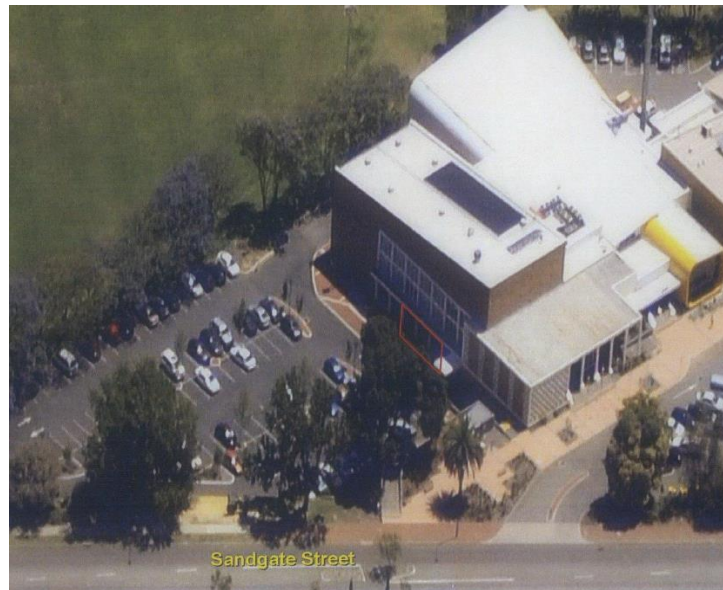


Figure 1: Aerial photograph of the subject site.

Consultation

The City has been in consultation with the CAHS over a new lease agreement and they have agreed to the proposed terms and conditions.

Policy and Legislative Implications

The following legislation and policies are relevant:

- *Local Government Act 1995*
- *Health Services Act 2016*
- City of South Perth Policy P609 'Management of City Property'

Local Government Act 1995

Under Section 3.58 of the *Local Government Act 1995*, a disposition of land includes leasing of local government property. If a local government does not dispose of property via a public auction or the public tender method, the proposal must be advertised for public comment – unless the proposal is an 'exempt' disposition.

A disposition of property is exempt from Section 3.58 under Regulation 30, Part 6 Miscellaneous Provisions of the Local Government (Functions and General) Regulations 1996 if the land is to be used for charitable, benevolent, religious, cultural, educational, recreational, sporting or other like purposes. As CAHS is a state government statutory authority and CAHS is seeking use of local government property for community health purposes, the intended use of the land is exempt from section 3.58 of the Act.

Health Services Act 2016

Under Section 32 of the *Health Services Act 2016*, the Minister for Health issued an order to establish five new health service providers in Western Australia as follows:

1. Child and Adolescent Health Service (CAHS)
2. North Metropolitan Health Service (NHMS)

7.3 Proposed Lease for the South Perth Child Health Clinic, Cnr Sandgate Street and South Terrace, South Perth

3. East Metropolitan Health Service (EMHS)
4. South Metropolitan Health Service (SMHS)
5. WA Country Health Service (WACHS)

Under Section 36 of the *Health Services Act 2016*, each of the above health services can acquire property as they are legal entities.

City of South Perth Policy P609 'Management of City Property'

Under Policy P609 'Management of City Property', leases with government bodies are to be negotiated consistently with the following principles:

1. Leases will be granted for a period of 5 years with a 5 year option; and
2. Leases are to be for an annual rental amount which is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 per annum.
3. The City may by resolution of Council grant a donation in subsidy of the rental amount where the proposed tenancy would provide a demonstrable benefit to the local community.

Financial Implications

The majority of the operating costs associated with the South Perth Child Health Clinic will be the responsibility of the lessee (Child and Adolescent Health Service).

The new lease agreement will attract lease fee income for the City of \$1,000 per annum (plus GST) reviewed each year; and recovery of costs from the Child and Adolescent Health Service through its payment of outgoings, utilities and building maintenance costs. The City will be responsible for the cost of preparation and lodgement of the lease document.

The Child and Adolescent Health Service is financially viable/sustainable, which is evidenced by its current financial position. The Child and Adolescent Health Service's Profit and Loss Statement and Balance Sheet is attached in **Confidential Attachment (a)**.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation
Risk rating	Low
Mitigation and actions	The proposed new lease agreement will mitigate a potential legislative breach by outlining the terms and conditions regarding the approved use of the land by the lessee. It will also enable the parties to comply with legislative requirements relating to leasing of local government property.

7.3 Proposed Lease for the South Perth Child Health Clinic, Cnr Sandgate Street and South Terrace, South Perth

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Community
Aspiration:	Our diverse community is inclusive, safe, connected and engaged
Outcome:	1.2 Community infrastructure
Strategy:	1.2.2 Effectively develop, manage and optimise the use of the City's properties, assets and facilities

Attachments

7.3 (a):	Child and Adolescent Health Service - Profit and Loss Statement and Balance Sheet (<i>Confidential</i>)
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Mayor Greg Milner disclosed an Impartiality Interest in Item 7.4.

7.4 PROPOSED LEASE AGREEMENT FOR SALTER POINT SEA SCOUTS

File Ref: D-22-14850

Author(s): Patrick Quigley, Manager Community, Culture and Recreation

Reporting Officer(s): Vicki Lummer, Director Development and Community Services

Summary

This report seeks Council's approval for the City to enter into a new lease agreement with the Scout Association of Australia Western Australia (trading as Scouts WA) for continued use of part of Crown Reserve R23967 on Lot 301 on Deposited Plan 4440 known as the Salter Point Scout Hall, which is located at 71 Elderfield Road, Salter Point, by the Salter Point Sea Scouts for a five-year term with an option of renewal for a further five year term.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Councillor Blake D'Souza

Seconded: Councillor André Brender-A-Brandis

That the Property Committee recommends to Council that it:

1. Approves a new lease between the City of South Perth and the Scout Association of Australia Western Australia (trading as Scouts WA) for continued use of part of Crown Reserve R23967 on Lot 301 on Deposited Plan 4440 known as the Salter Point Scout Hall, which is located at 71 Elderfield Road, Salter Point, by the Salter Point Sea Scouts subject to the following terms:
 - a. Use of the Salter Point Scout Hall;
 - b. A period of five years with an option of renewal for a further five-year term;
 - c. An annual rental of \$1,065 per annum (plus GST), which is reviewed each year that is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 (plus GST);
 - d. Payment of outgoings, utilities and building maintenance costs; and
 - e. Ministerial consent being provided.
2. Authorises the Mayor and Chief Executive Officer to sign and affix the Common Seal to the new lease documentation between the City of South Perth and the Scout Association of Australia Western Australia (trading as Scouts WA); and
3. Notes approval of the lease agreement is subject to Ministerial consent.

CARRIED (9/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Carl Celedin, Blake D'Souza, Ken Manolas, Jennifer Nevard and Stephen Russell, Mr Lewis Brock and Mr Nigel McCombe.

Against: Nil.

Background

The Salter Point Sea Scouts has a long operational history within the City of South Perth using the Salter Point Scout Hall that is located at 71 Elderfield Road, Salter Point. This is a portion of Crown Reserve R23967 that is vested to the City under a Management Order to be provided for parks and recreational purposes, which includes the power to lease the land for any term not exceeding 21 years subject to the approval of the Minister for Lands.

A current 'peppercorn' lease agreement is in place with the Scout Association of Australia Western Australia for use of the premises for a five-year term, which expires on 30 June 2022. The City has undertaken recent consultation with Scouts WA regarding a new lease agreement, with the organisation expressing its desire for the Salter Point Sea Scouts to continue occupation of the premises under a new lease arrangement.

Comment

Salter Point Sea Scouts is an acceptable tenant as it provides scouting activities for all ages and abilities, including: Joeys (6-7 years), Cubs (8-10 years), Scouts (11-14 years), Ventures (15-18 years) and Rovers (18-25 years).

The proposed terms for the new lease agreement have been negotiated based on the following considerations of the Club:

- Has a long history of facilitating scouting activities within the local community, and is willing and able to continue this role;
- Operates on a low annual operating budget and has agreed to be responsible for paying an annual rental fee, outgoings, utilities and building maintenance costs; and
- Has low-income generation ability that is mainly achieved through fund raising, membership fees and sourcing grants and corporate sponsorships.

The site plan is highlighted in **Figure 1** below.

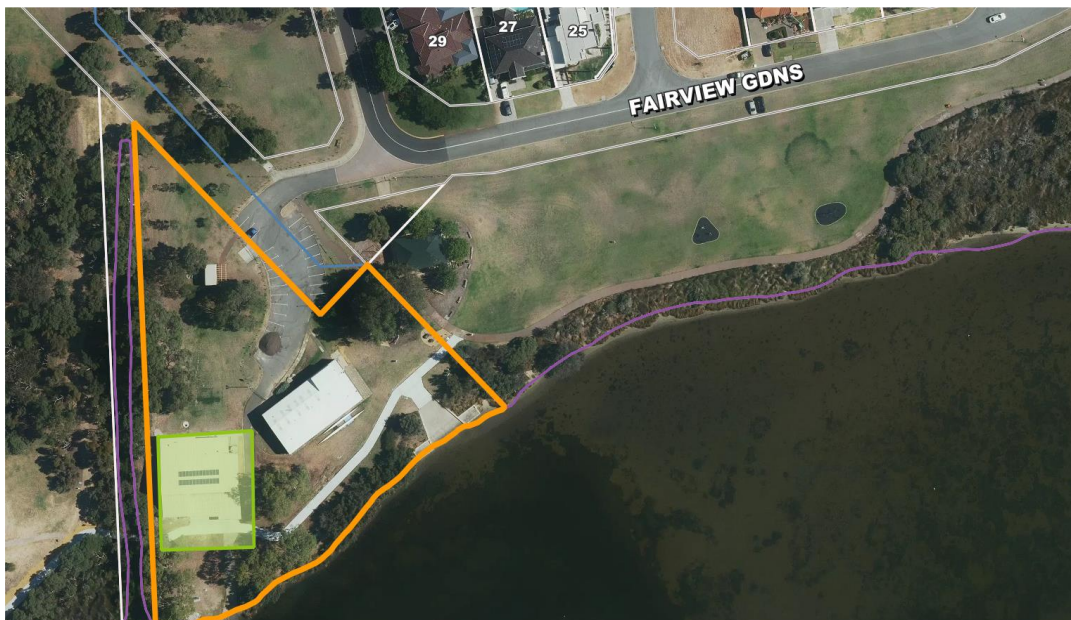


Figure 1: Aerial photograph of the subject site (2022).

The Salter Point Scout Hall is located nearby the Curtin University Boat Clubhouse in Salter Point that is leased from the City.

7.4 Proposed Lease Agreement for Salter Point Sea Scouts

The Curtin University Boat Club is proposed to redevelop their leased facility in the future, which may provide shared use opportunities for compatible users, such as the Salter Point Sea Scouts. For this reason, the lease agreement is planned to include a 'redevelopment' clause.

The Salter Point Sea Scouts currently has 73 active members.

Consultation

The City has been in consultation with Scouts WA and Salter Point Sea Scouts about a new lease agreement and they have agreed to the proposed terms and conditions. The Salter Point Sea Scouts have been a good tenant and the agreed terms represent an appropriate outcome for both parties. The agreement will require consent from the Minister for Lands.

Policy and Legislative Implications

The following legislation and policies are relevant:

- *Local Government Act 1995*
- City of South Perth Policy P609 'Management of City Property'

Local Government Act 1995

Under Section 3.58 of the *Local Government Act 1995* (the Act), a disposition of land includes leasing of local government property. If a local government does not dispose of property via a public auction or the public tender method, the proposal must be advertised for public comment – unless the proposal is an 'exempt' disposition.

A disposition of property is exempt from Section 3.58 under Regulation 30, Part 6 Miscellaneous Provisions of the Local Government (Functions and General) Regulations 1996 if the land is to be used for charitable, benevolent, religious, cultural, educational, recreational, sporting or other like purposes. As Scouts WA is a not-for-profit community association and is seeking use of local government property for recreation purposes, the intended use of the land is exempt from section 3.58 of the Act.

City of South Perth Policy P609 'Management of City Property'

Under Policy P609 Management of City Property, leases for not-for-profit sporting clubs are to be negotiated consistently with the following principles:

- Leases will be granted for a period of five years with a five year option to provide sporting clubs with security of tenure and the ability to attract funding;
- Leases to be for an annual rental amount which is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 per annum.
- All groups will be required to adhere to the 'Property Maintenance Schedule' for the respective facility; a document which sets out the responsibilities of both parties.

Financial Implications

The majority of the operating costs associated with the Salter Point Sea Scouts will be the responsibility of the lessee.

The new lease agreement will attract lease fee income for the City of \$1,065 per annum (plus GST) reviewed each year; and recovery of costs from the Club through its payment of outgoings, utilities and building maintenance costs. The City will be responsible for the cost of preparation and lodgement of the lease document.

The Salter Point Sea Scouts are financially viable/sustainable, which is evidenced by its current financial position. The Club’s Profit and Loss Statement and Balance Sheet is attached in **Confidential Attachment (a)**.

Key Risks and Considerations

Risk Event Outcome	<p>Legislative Breach</p> <p>Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation</p>
Risk rating	Low
Mitigation and actions	The proposed new lease agreement will mitigate a potential legislative breach by outlining the terms and conditions regarding the approved use of the land by the lessee. It will also enable the parties to comply with legislative requirements relating to leasing of local government property.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council’s [Strategic Community Plan 2021-2031](#):

- Strategic Direction: Community
- Aspiration: Our diverse community is inclusive, safe, connected and engaged
- Outcome: 1.2 Community infrastructure
- Strategy: 1.2.2 Effectively develop, manage and optimise the use of the City’s properties, assets and facilities

Attachments

- 7.4 (a): Scouts WA - Profit and Loss Statement and Balance Sheet *(Confidential)*

8. OTHER RELATED BUSINESS

Nil.

9. CLOSURE

The Presiding Member closed the meeting at 7.18pm.

These Minutes were confirmed at the next Property
Committee Meeting yet to be determined.

Signed: _____
Presiding Member at the meeting at which the Minutes were confirmed.