



Brighton Council

**MINUTES OF THE FINANCE COMMITTEE MEETING
OF THE BRIGHTON COUNCIL, HELD IN THE COUNCIL CHAMBERS,
COUNCIL OFFICES, 1 TIVOLI ROAD, OLD BEACH
AT 5.33 P.M. ON TUESDAY,
14 FEBRUARY 2023**

PRESENT: Cr Curran (Chairperson); Cr A De La Torre (Deputy Chairperson);
Cr L Gray; Cr P Owen and Cr M Whelan.

IN ATTENDANCE: Mr J Dryburgh (General Manager); Ms G Browne (Corporate
Executive); Mr D Allingham (Manager Development Services) and
Ms A Turvey (Acting Governance Manager).

1. Acknowledgement of Country

2. Apologies

Cr Gray moved, Cr De La Torre seconded that Cr P Geard be granted leave of absence.

CARRIED

VOTING RECORD

In favour	Against
Cr Curran	
Cr De La Torre	
Cr Gray	
Cr Owen	
Cr Whelan	

3. Public Question Time and Deputations

4. Declaration of Interest

In accordance with the requirements of Part 2 Regulation 8 of the *Local Government (Meeting Procedures) Regulations 2015*, the chairperson of a meeting is to request Councillors to indicate whether they have, or are likely to have, a pecuniary interest or conflict of interest in any item on the Agenda.

In accordance with Section 48(4) of the *Local Government Act 1993*, it is the responsibility of councillors to then notify the general manager, in writing, the details of any interest(s) that the councillor has declared within 7 days of the declaration.

Cr Owen declared an interest in Item 5.3 – Hobart Gymnasium Academy Rent and Item 5.7 - Brighton Community Grants Program Review.

Cr De La Torre declared an interest in Item 5.7 - Brighton Community Grants Program Review.

Cr Whelan declared an interest in Item 5.3 – Hobart Gymnasium Academy Rent.

5. Business

5.1 Monthly Finance Report - January 2023

Author: Corporate Executive (Ms G Browne)

Background

The monthly finance report was submitted for consideration it comprised the the Comprehensive Income statement for the first seven months of the 2022/2023 financial year. The report was updated so that it reflected the end of year format of the financial report.

Consultation

Nil

Risk Implications

Nil.

Financial Implications

Not Applicable

Strategic Plan

S4.1 – Ensure Financial & Risk Sustainability

Social Implications

Not Applicable.

Environmental or Climate Change Implications

Not Applicable.

Economic Implications

Not Applicable.

Other Issues

Nil.

Assessment

Nil

Options

1. As per the recommendation.
2. Not receive the reports.

RECOMMENDATION:

That the reports be received.

DECISION:

Cr Owen moved, Cr De La Torre seconded that the monthly finance reports be received.

CARRIED

VOTING RECORD

In favour

Cr Curran
Cr De La Torre
Cr Gray
Cr Owen
Cr Whelan

Against

5.2 Public Open Space - 110 Yellow Brick Road, Old Beach

Author: Deputy General Manager (G R Davoren)

Background

The owner of 110 Yellow Brick Road is seeking to subdivide a portion of his property. The owner has been advised that Council expects a public open space contribution. In this instance the amount is \$8,500.

The owner is hoping that Council will remit this amount for 2 reasons.

- The owner claims that he supported Council previously in land transfer discussions favourable to Council.
- The owner erected a fence between his property and Council land to stop his sheep from leaving his property. The owner paid for the fence.

Consultation

Nil

Risk Implications

There is a precedence risk for Council to remit fees that it is legislatively acceptable to receive.

Financial Implications

The contribution to public open space in this instance is \$8,500 representing 5% of the undeveloped value of the land to be subdivided.

Strategic Plan

Relates to our Goal 1 to Strengthen our communities.

Social Implications

Not applicable.

Environmental or Climate Change Implications

Not applicable.

Economic Implications

Not applicable.

Other Issues

Nil.

Assessment

It cannot be confirmed what support Council previously received by the owner of 110 Yellow Brick Road relating to land transfer discussions favourable to Council in the past.

The timing of the property transfer relates to around 2002. Council would have had the option to legally transfer land into its name with or without support.

Under the *Boundary Fences Act 1908*, Council is not obliged to contribute to the erection or repairs to fencing adjacent to public reserves.

Options

1. As per the recommendation.
2. Council to remit part or all of the public open space contribution sought for the proposed subdivision of 110 Yellow Brick Road.

RECOMMENDATION:

Council to not remit the public open space contribution sought for the proposed subdivision of 110 Yellow Brick Road, Old Beach.

DECISION:

Cr De La Torre moved, Cr Owen seconded that the recommendation be adopted.

CARRIED

VOTING RECORD

In favour

Against

Cr Curran
Cr De La Torre
Cr Gray
Cr Owen
Cr Whelan

Please note: Cr Owen and Cr Whelan left the Council meeting room at 5.44pm due to a declared interest in Item 5.3.

5.3 Hobart Gymnasium Academy Rent

Author: Deputy General Manager (G R Davoren)

Background

The President of the Hobart Gymnasium Academy has written to Council seeking rent relief for the Council owned building at 27-29 Hurst Street Bridgewater.

Council purchased the building through its subsidiary Microwise Australia Pty Ltd for \$687,500 in May 2016. Council made a small upgrade to its bathroom as agreed in a commitment made to the Academy, and has engaged a roofing contractor for immediate roof repairs at a quoted cost of \$10,000. The building has increased in value since 2016, and a valuation provided during July 2022 estimated the value to now be at \$1,200,000.

The Academy have been good tenants and are currently paying significantly more than other sporting groups that hire our buildings.

Annual Rental comparison

- Hobart Gymnastics Academy \$ 58,298
- Old Beach Cricket Club \$ 622.00
- Brighton Football and Cricket jointly \$ 7,500

The Academy is a very important sporting club where currently 300 families are actively engaged. Around half these families are from with the Brighton municipality area, and the remainder from neighbouring municipalities.

Consultation:

General Manager, Luke Martin

Risk Implications:

Not applicable.

Financial/Budget Implications:

The current rent at \$58,298 represents 4.86% of the market value being \$1,200,000. The current rental is slightly discounted on a commercial basis where 5.2% would be more realistic with an expected return in the vicinity of \$62,400 per annum. The Hobart Gymnasium Academy are seeking a 50% reduction.

Strategic Plan:

Relates to our Goal 1 to Strengthen our communities.

Social Implications:

The Academy is an important social hub of our community being one of the biggest sporting clubs in the Brighton Council district.

Environmental or Climate Change Implications:

Not applicable.

Economic Implications:

Not applicable.

Issues:

Nil

Assessment:

The Academy feels that bathroom and roofing problems with the building have not been up to the standard expected. Whilst the bathroom has undergone some upgrades in the past it is accepted that an overall renovation is required if the building was to continue as a gym. A contractor has already been engaged to repair the roof issue.

The Academy have secured grants from the Government in the past including air conditioning and wall lining which should be considered positively toward a rental discount.

Staff have not recommended major upgrades to the gym, mainly as the building is not suitable long term as a gym. The Academy has begun working with Council to explore longer term opportunities and over the next 12 months staff should be in a position to present options to Council. Options that may include extensively redeveloping the gym on its current site or moving the gym to a new purpose-built location. The Academy have an unexpended grant of \$500k available for capital works at this stage and are seeking further grants to enhance any opportunity presented.

Options:

1. As per the recommendation.
2. Council to not provide rental relief for the Hobart Gymnasium Academy at 27-29 Hurst Street, Bridgewater.

RECOMMENDATION:

Council to reduce the rent payable by the Hobart Gymnasium Academy for a period of 12 months by 50%.

Council to explore opportunities with the Hobart Gymnasium Academy over the next 12 months with the goal to develop a new purpose-built gymnastics facility in the Brighton municipality.

DECISION:

Cr Gray moved, Cr De La Torre seconded that the recommendation be adopted.

CARRIED

VOTING RECORD

In favour	Against
Cr Curran	
Cr De La Torre	
Cr Gray	

Please note: Cr Owen and Cr Whelan returned to the Council meeting room at 5.48pm.

5.4 Brighton Community Food Hub Inc - Free Use of the Civic Centre

Author: Admin Officer (I Singh)

Authorised: A/Governance Manager (A Turvey)

Background

The Brighton Community Food Hub Inc. has written to Council seeking support to use the Brighton Civic Centre. The Food Hub is a community run volunteer association and their objective and purpose is to offer support to the local community by providing access to affordable food to assist with wellbeing of individuals and families. They have been operational since March 2022 and have recently become a not-for-profit incorporated association. This program currently takes place each fortnight and supports approximately 450-500 people.

Last year Council supported the Brighton Food Hub by waiving the hire fees for the duration of six months. The Brighton Community Food Hub Inc. has contacted Council seeking support for fortnightly use of the whole Civic Centre for the year of 2023 at a higher discount rate or to waive the hire fee.

Consultation

Christine Gimblett, President of The Brighton Community Food Hub Inc.; Angela Turvey

Executive Officer; Janine Banks Governance Manager; Brittany Szlezak Community Development Officer; Megan Braslin Executive Officer; Scott Percy Works Supervisor.

Risk Implications

It is the only venue available that has multiple rooms, can cater for diverse and multiple users, and hold up to 640 people at any given time. Since the COVID restrictions have been lifted, booking for larger groups and bookings in general have increased. This will reduce the availability of the Civic Centre and reduce the quantity of paid bookings.

If the fortnightly use of the Brighton Food Hub is approved, it will be a permanent booking with no flexibility. The Council do not have an alternative space where the Food Hub can be moved to make the Civic Centre available. This will mean that the Civic Centre could not be booked for important events at short notice.

If the fees are waived, it could potentially set a precedent that Council waives fees for every project and event that is not-for-profit. It is recommended that Council consider a discount rate rather than waive fees entirely. This will help people understand the monetary value that Council provides when supporting such initiatives.

Financial Implications

The Brighton Community Food Hub have stated that they are in the process of finding alternative premises where they can operate this fortnightly event. They have also applied for several grants and are waiting for a response. Based on this information and Council's precedent, Council should consider approval of six months only. This will reduce the financial implications and give opportunity for other community groups to make use of the Civic Centre.

The Brighton Community Food Hub Inc. have requested 2 days to run this program:

- Wednesday 10am – 2 pm for set-up and;
- Thursdays 10am – 3pm for the Food Hub itself

There will be eleven (11) Food Hubs held in the considered six-month period. According to Council's Building Hire Policy 8.2 groups like this would currently be granted a 50% discount and Council provides two hours free use for set-up and pack up per event. Based on this the charges would be as follows:

- \$153 per hour x 7 hours = \$ 1,071
- \$1071 x 11 hubs = \$ 11,781

With a 50% discount applied, the Food Hub will be charged \$ 5,890.50 for the six month period. This will be the cost in lost revenue if Council agrees to waive the hire fees until July 2023.

If Council were to support the Brighton Food Hub for the year of 2023, the financial implications would be \$ 23,562 p.a. (22 Food Hubs) and with a 50 % discount, they would be charged \$ 11,781 p.a. Please note that charges will increase in the next financial year.

Other financial implications are associated with additional tasks for Council's Works Crew. Every fortnight, Council staff are responsible for rubbish removal and disposal from the Civic Centre, which is at least two trailer loads worth of cardboard boxes, a few wheelie bins and cleaning after what is a mid/large scale event at the Centre. It costs \$109.84 for rubbish removal, \$50 for disposal and \$126 for cleaning; therefore \$285.84 per Food Hub for services. The financial implication for the period of six months will be \$3,144. 24.

Day	Time	Task	Full Cost	50% discount
Wednesday	4 Hours	Set up and receiving deliveries	\$ 612	\$ 306
Thursday	5 Hours	Food Hub	\$ 765	\$ 382.50
Total			\$ 1,377	\$ 688.50
Minus the 2 hours for setup and pack up per event			\$ 1,071	\$ 535.50
Total for six months (February – July 2023)			\$ 11,781	\$ 5,890.50
Total for the year of 2023			\$ 23,562 p.a	\$ 11,781 p.a
Additional services cost per Food Hub is \$285.84			\$ 3,144 half yearly	

Social Implications

The Brighton Community Food Hub has shown a significant impact on our community and is appreciated by all. The Food Hub has substantially grown since March 2022. It is an important initiative that helps provide relief for the rising costs of living. Council has a social responsibility toward our communities and hence Council should support this initiative until a more suitable premises is found.

Economic Implications

Previously the Food Hub has requested financial support in establishing themselves. Since then, they have become an incorporated association, they have applied for grants and fundraised to sustain themselves. They are working towards a self-sustaining project model, where ongoing support may not be required.

Assessment

Council have already provided their support for the initiative by providing in-kind financial support for the last six months. The Brighton Community Food Hub has provided genuine relief to people who need it without any barriers.

Those attending the Food Hub pay \$20 for a hamper and have the opportunity to purchase additional grocery items at a highly reduced price.

Allowing free use of the Civic Centre or a higher discounted rate for a further six month period, will assist the group's financial viability and allow some time for the Food Hub to develop a model to support themselves and still provide relief to our community.

Options

1. As per the recommendation.
2. Approve a higher discount of 70% which will reduce the hire fee to \$ 3,534.30 and waive the additional services fee of \$ 3,144. 24 for the next six months.
3. Refuse to waive fees and apply only 50% discount as groups like this would ordinarily be granted and exclude the additional services fee of \$ 3,144.24.

RECOMMENDATION:

It is recommended that Brighton Council waive hire fee and services fees for use of the Civic Centre Main Hall every second Wednesday and Thursday for a period of six months on the condition that the Brighton Community Food Hub to work with Council to explore alternative premises to run their program and find ways to become financially sustainable.

DECISION:

Cr De La Torre moved, Cr Whelan seconded that the recommendation be adopted.

CARRIED

VOTING RECORD

In favour	Against
Cr Curran	
Cr De La Torre	
Cr Gray	
Cr Owen	
Cr Whelan	

5.5 1 Bedford Street, Brighton - Medical Centre Lease

Author: Executive Officer (Megan Braslin)

Authorised: Deputy General Manager (G R Davoren)

Background

Better Medical is the current leaseholder of the Council owned Medical Centre located at 1 Bedford Street, Brighton.

Better Medical indicated in Mid 2022 that the Medical Centre was not financially viable as they were unable to recruit and retain doctors at the site and subsequently closed the practice in September 2022. They have a lease in place until 30 June 2023 with the Dentist sub-leasing a space from them.

The Dentist has indicated he wishes to remain in the property and would be happy to re-negotiate with Council on expiry of the lease or if a suitable tenant to share the building was found, whichever occurs first.

Council have been trying to assist Better Medical, by actively looking for a suitable business to take over the lease with preference to the medical field.

Council have received a written submission from a GP to initially lease 3 rooms in the building with the view to expand in the future.

Consultation

Senior Management Team, Council Community Facilities officer.

Risk Implications

Possible business failure. Possible vandalism of Council assets.

Financial Implications

Council have requested an independent valuation which will set the basis for the annual rent to be calculated by occupied space and shared space of the property.

Strategic Plan

Relates to our Goal 1 to Strengthen our communities and Our Strategies S1.1 Understand/Improve Health and Wellbeing.

Social Implications

As the Brighton municipality continues to grow so does the need for medical services. Although health is not strictly a Local Government issue, it is important when the opportunity arises to increase health options within the municipality that Council supports this.

Brighton and surrounding areas are desperate for more GP services and approving this lease for a GP service is a step forward to easing the burden on the struggling system.

Environmental or Climate Change Implications

No significant climate or environmental-related issues.

Any tenant will be required to engage in activities to promote sustainable living behaviours.

Economic Implications

Demand of medical services currently exceeds supply, this lease to the GP will have a positive impact on the Brighton Community.

It is important for the Brighton Council to find occupants to lease our buildings.

Other Issues

Nil.

Assessment

The submission for a GP to lease part of a purpose-built medical building will assist in addressing the current shortage of GP services in the community and surrounding areas.

It is important that any new tenant complements the Dentist that is currently operating out of the building.

Council assets should not be left vacant for a substantial amount of time.

Options

1. As per the recommendation.
2. Do not adopt the report for a lease to a GP at 1 Bedford street Brighton.

RECOMMENDATION:

That Council adopt the report for the GP to lease part of the Medical Centre building at 1 Bedford Street, Brighton.

DECISION:

Cr Owen moved, Cr Gray seconded that the recommendation be adopted.

CARRIED

VOTING RECORD**In favour****Against**

Cr Curran
Cr De La Torre
Cr Gray
Cr Owen
Cr Whelan

5.6 Café - Brighton Civic Centre

Author: Executive Officer (Megan Braslin)

Authorised: Deputy General Manager (G R Davoren)

Background

The Civic Centre was designed and built with a designated kitchen and café area.

In November 2022 Council advertised an expression of interest (EOI) for the management and lease of a café at the Brighton Civic Centre.

From this EOI process Council obtained one application and we have been working with the potential tenant Mr Krause who lives in the municipality and is currently a business owner. His intention is to open the café in approximately May 2023.

Consultation

Senior Management Team, Council Community Facilities officer, and Community Development Officer.

Risk Implications

Possible business failure. Possible vandalism of Council assets.

Financial Implications

Council has obtained the commercial market rental valuation from OPTEON for the basis of the annual rent amount. OPTEON advised \$25,000 per annum is the commercial rate for the café at the Civic Centre.

This valuation also mentioned "It is usual in the current market to provide some form of incentive to the tenants at the commencement of the new lease. Typically, in the form of a rent-free period or a fit out contribution."

We would like to purchase the tables and chairs for the café as well as a commercial fridge as Councils incentive to the new business. These items will remain in Council ownership.

Cost of new tables and chairs \$9,000 and a commercial fridge \$5,000 will be an expense to Council in the 2022/23 budget however this expense will be recovered within 1 year under a commercial lease agreement.

Strategic Plan

Relates to our Goal 1 to Strengthen our communities and Our Strategies S1.1 Understand/Improve Health and Wellbeing.

Social Implications

The Café will provide a platform for the Bridgewater and surrounding areas of the community to socialise as well as have quality coffee and food.

Places for the community to meet and socialise are connected to the health and wellbeing of a society for customers of all ages especially if they are in walking distance then it's a chance to exercise too.

They have often acted as hubs within local communities to create and develop social networks.

Environmental or Climate Change Implications

No significant climate or environmental-related issues.

No material environmental impact is anticipated to arise from a café at the Brighton Civic Centre.

Any tenant will be required to engage in activities to promote sustainable living behaviours.

Economic Implications

Mr Krause's application details job opportunities for locals as the business grows.

The Café will support economic activity in the immediate area.

Other Issues

Nil.

Assessment

It is important for the Brighton Council constantly look for ways to improve the local social infrastructure and to engage the community. It's been noted that in the Bridgewater and surrounding areas there is not really anywhere to meet and have a drink or something to eat.

A café at the Brighton Civic Centre will provide the community with an important social gathering point.

Mr Krause's application was very good, he showed a good understanding of the municipalities socio-economic spectrum and outlines how the café fits within Councils 2050 Vision.

Options

1. As per the recommendation.
2. Do not adopt the report for a café at the Brighton Civic Centre Bridgewater.

RECOMMENDATION:

1. That Council adopt this report for a café at the Brighton Civic Centre.
2. That Council approve the unbudgeted expense from the surplus Capital Civic Centre 2022/23 budget of up to \$5,000 for a commercial fridge which will remain Councils assets.
3. Council approves the unbudgeted expense from the surplus Capital Civic Centre 2022/23 budget of \$9,000 for chairs and tables which will remain Councils assets.

DECISION:

Cr Gray moved, Cr Owen seconded that the recommendations be adopted.

CARRIED

VOTING RECORD

In favour	Against
Cr Curran	
Cr De La Torre	
Cr Gray	
Cr Owen	
Cr Whelan	

5.7 Brighton Community Grants Program Review

Author: Community Development Officer (B Szlezak)

Background

Brighton Council staff have reviewed the Community Grants Program for the first time in over 10 years. The timing of this review aligns with a new strategic plan, our 2050 Vision and the beginning of a more strategic approach to community development. Every year

Council supports a wide variety of stakeholders to access funds that support community projects. As a result of this review the following major changes are proposed:

- Four grant categories instead of two (see appendix one for an overview of this).
- Small grants can be applied for twice a year.
- Sporting grants are inclusive of other individual achievement grants on offer to people of all ages and all disciplines/expertise.
- Four separate application forms have been created for each category.
- The grants program has amalgamated most other budgeted community related funds including community transport and the PCYC and Big hART funding, making the overall annual budget for community grants \$150,000.

For context, this report should be read in conjunction with all attachments.

Consultation

Development Officer, Executive Officer, Governance Manager, Corporate Services Manager, Climate Change Officer.

Risk Implications

There is no risk to this review process as funding amounts have not changed.

Financial Implications

No additional money has been added to this grants process. A breakdown of how the existing budgeted \$150,000 is distributed can be found in appendix two of this report.

Strategic Plan

Goal 1: Strengthen our Communities

S1.1: Understand/Improve Health and Wellbeing

S1.4: Support Connected Communities

Social Implications

Council has a strategic responsibility to strengthen our communities.

Reviewing our Community Grants Program enables us to be more strategically responsive to changing community needs. This review has aimed to be inclusive of current and future trends of our growing community.

Environmental or Climate Change Implications

The Community Grants Review has been inclusive of our sustainability goals and encourages community to consider this as a priority when applying for grants.

Economic Implications

Community initiatives often require financial support to establish or maintain their projects. This review has aimed to be more strategic about the economic outcomes of this program by streamlining all allocated community funding.

Other Issues

As for any new program or process, Council will review how the new program progresses in 2024 in order to make any relevant adjustments.

Assessment

Council have reviewed the Community Grants Program in order to streamline the process as well as make it more accessible to a wider cohort of the Brighton community. Our assessment is that the new program will attract a broader range of grants for each financial year.

Options

1. Accept the changes in their entirety to the Brighton Council Community Grants Program.
2. Reject or amend the Community Grants Program as presented.

RECOMMENDATION:

It is recommended that Brighton Council implement the new Community Grants Program for 2023- 2024 financial year (as detailed in this report), in order to demonstrate a more collaborative and strategic approach to community projects across our municipality.

DECISION:

Cr De La Torre moved, Cr Gray seconded that the recommendation be adopted with the request that the Major Impact Grant is always stipulated as a range of \$30K up to \$80K.

CARRIED

VOTING RECORD

In favour	Against
Cr Curran	
Cr De La Torre	
Cr Gray	
Cr Owen	
Cr Whelan	

Meeting closed: 6.15pm

Confirmed:

(Mayor)

Date:

_____ 21 February 2023 _____