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I hereby give notice that a Council Meeting will be held on:

Date: Tuesday, 16 November 2021

Time: 6.00 p.m.

**Location: Council Chamber
Civic Centre
10 Watson Terrace
Mount Gambier**

CONFIDENTIAL AGENDA

Council Meeting 16 November 2021

A handwritten signature in black ink, appearing to read "Sarah Philpott", is positioned above the printed name.

**Sarah Philpott
Chief Executive Officer
12 November 2021**

26.2 WULANDA RECREATION AND CONVENTION CENTRE - MANAGEMENT AND OPERATION OF MOUNT GAMBIER COMMUNITY AND RECREATION HUB UPDATE – REPORT NO. AR21/71835

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 26.2 AR21/71835 Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update.

The Council is satisfied that, pursuant to section 90(3) (b), (d) and (g) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
 - conducting business; or
 - proposing to conduct business; or
 - to prejudice the commercial position of the Council
- commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected:
 - to prejudice the commercial position of the person who supplied the information, or
 - to confer a commercial advantage on a third party
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
 - breach any law, order or direction of a court or tribunal constituted by law,
 - breach any duty of confidence, or
 - breach any other legal obligation or duty

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information contained within the report and attachments presents matters relating to the negotiation and execution of a contract between Council and a contractor associated with the operation and management of the Wulanda Recreation and Convention Centre which is subject to an existing confidentiality order. The disclosure of information contained in this report and attachments could reasonably be expected to prejudice the commercial position of Council or the third parties and is considered on balance to be contrary to the public interest as it could prejudice the Councils position in obtaining best value on behalf of the community.

26.2 WULANDA RECREATION AND CONVENTION CENTRE - MANAGEMENT AND OPERATION OF MOUNT GAMBIER COMMUNITY AND RECREATION HUB UPDATE – REPORT NO. AR21/71835

Committee:	Council
Meeting Date:	16 November 2021
Report No.:	AR21/71835
CM9 Reference:	AF13/64
Author:	Barbara Cernovskis, General Manager City Infrastructure
Authoriser:	Sarah Philpott, Chief Executive Officer
Summary:	This report provides a progress update on the contract negotiations for the future management and operation of the Wulanda Recreation and Convention Centre.
Strategic Plan Reference:	Goal 1: Our People Goal 2: Our Location Goal 3: Our Diverse Economy Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage Goal 5: Our Commitment

The Committee is satisfied that, pursuant to Section 90(2) & (3) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this agenda item is:

- (b) information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business; or proposing to conduct business; or to prejudice the commercial position of the Council
- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected: to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party
- (g) information concerning matters that must be considered in confidence in order to ensure that the Council does not: breach any law, order or direction of a court or tribunal constituted by law, breach any duty of confidence, or breach any other legal obligation or duty.

REPORT RECOMMENDATION

1. That Council Report No. AR21/71835 titled 'Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update' as presented on 16 November 2021 be noted.



TYPE OF REPORT

Other

BACKGROUND

Council, at its meeting held on 15 June 2021 resolved:

- “1. That Wulanda Recreation and Convention Centre Committee Report No. AR21/34712 titled ‘Request for Expressions of Interest - AF20/515 Management and Operation of Mount Gambier Community and Recreation Hub’ as presented on 08 June 2021 be noted.
2. That having assessed the short-listed respondents Council endorse Belgravia Pty Ltd as the preferred manager for the Wulanda Recreation and Convention Centre.
3. That the Chief Executive Officer be authorised to finalise negotiations that include a risk and profit share arrangement in the management agreement with the preferred manager and the Chief Executive Officer and Mayor be authorised to affix the seal to any necessary documentation.
4. That Council note the recommended resourcing requirement identified as critical to meeting the community expectations and that the multi-use, accessibility principal for the facility is not compromised.”

This report provides a progress update on the final negotiations of the operating contract with Belgravia Pty Ltd for the Wulanda Recreation and Convention Centre.

PROPOSAL

Negotiations to formalise an agreement with Belgravia to operate the WRCC are continuing. Belgravia’s Operations Manager has been working closely with Council officers to understand the layout and function of the building. In addition, the security, data, fixtures, fittings and equipment lists have been reviewed for inclusion in the contract schedules. Given this agreement is a unique arrangement in terms of a risk and profit share model Council continue to work closely with Mark Booth who has been instrumental with supporting Council through this process.

The proposed timeline for execution of the contract is as follows:

- A ‘Letter of Intent’ to be signed by Belgravia Pty Ltd in September
- A draft contract to be presented to the September WRCC meeting to discuss/review identified KPI’s and relevant terms and conditions
- Belgravia Operations Manager will be engaged by end of September for the pre-opening term and meet regularly with Council and the PCG
- The final executed contract to be presented to the next ordinary meeting of Council for noting

LEGAL IMPLICATIONS

Legal advice has been sought regarding the contract. A meeting is scheduled for 16 November 2021 to review the final feedback and make any necessary adjustments.

STRATEGIC PLAN

The Wulanda Recreation and Convention Centre in its design, delivery and proposed operation is congruent with the goals of the Community Plan - City Futures Paper 2016-2020 and Council’s Strategic Plan 2020-2024.

COUNCIL POLICY

Execution of the contract with Belgravia Pty Ltd as a collaborative partner in the management and operation of the Wulanda Recreation and Convention Centre is being conducted in accordance with the following Council Policies:



[P415 Prudential Management](#)

[F225 Fraud and Corruption Prevention](#)

[Risk Management](#)

[P420 Procurement, & Disposal of Land and Assets](#)

[P900 Public Interest Disclosure](#)

[R180 Records Management](#)

ECONOMIC IMPLICATIONS

Revenue streams for the Belgravia Pty Ltd business models is underpinned by full service offerings including operating the gym and café.

ENVIRONMENTAL IMPLICATIONS

Belgravia Pty Ltd demonstrated a strong commitment to quadruple bottom line reporting.

SOCIAL IMPLICATIONS

Belgravia Pty Ltd demonstrated a strong commitment to quadruple bottom line reporting

CULTURAL IMPLICATIONS

Belgravia Pty Ltd demonstrated a strong commitment to quadruple bottom line reporting

RESOURCE IMPLICATIONS

A dedicated Council resource has been identified and endorsed by Council as critical to the success of the management and operating agreement to ensure that community expectations are met and the multi-use, accessibility principal for the facility is not compromised. This resourcing is yet to be recruited.

VALUE FOR MONEY

Belgravia Leisure Pty Ltd have demonstrated strength in their capability to deliver value for money.

RISK IMPLICATIONS

Belgravia Leisure Pty Ltd demonstrated strength in their performance by clearly outlining their experience, risk mitigation and capacity to partner with Local Government to deliver quality outcomes.

EQUALITIES AND DIVERSITY IMPLICATIONS

N/A to this report

ENGAGEMENT AND COMMUNICATION STRATEGY

Belgravia Operations Manager has commenced compiling a stakeholder engagement strategy in collaboration with Councils Strategic Development and Engagement Officer in readiness for when the contract is executed.

IMPLEMENTATION STRATEGY

The proposed timeline for execution of the contract is as follows:

- A 'Letter of Intent' to be signed by Belgravia Pty Ltd in September
- A draft contract to be presented to the September WRCC meeting to discuss/review identified KPI's and relevant terms and conditions
- Belgravia Operations Manager will be engaged by end of September for the pre-opening term and meet regularly with Council and the PCG
- The final executed contract to be presented to the next ordinary meeting of Council for noting



CONCLUSION AND RECOMMENDATION

This report provides a progress update on the contract negotiations for the Management and Operations of Wulanda Recreation and Convention Centre (WRCC).

ATTACHMENTS

Nil

CONFIDENTIAL



CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 26.2 AR21/71835 Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (b), (d) and (g) be kept confidential and not available for public inspection until a further order of Council to release.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CONFIDENTIAL

**MINUTES OF CITY OF MOUNT GAMBIER COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE, MOUNT
GAMBIER
ON TUESDAY, 16 NOVEMBER 2021 AT 6.00 P.M.**

PRESENT: Mayor Lynette Martin (OAM), Cr Sonya Mezinec, Cr Max Bruins, Cr Paul Jenner, Cr Frank Morello

OFFICERS IN ATTENDANCE:

Chief Executive Officer	- Mrs S Philpott
General Manager City Infrastructure	- Ms B Cernovskis
General Manager Shared Services	- Mr D Barber
General Manager City Growth	- Mr T Coote
Acting General Manager Community Wellbeing	- Mrs G Davison
Manager Governance and Property	- Mr M McCarthy
Manager Waste and ReUse	- Mr M McDonald
Manager Finance	- Ms J Scoggins
Media and Communications Coordinator	- Ms S McLean
Executive Administrator City Infrastructure	- Ms S Wilson
Executive Administrator City Growth	- Ms T Chant

26.2 WULANDA RECREATION AND CONVENTION CENTRE - MANAGEMENT AND OPERATION OF MOUNT GAMBIER COMMUNITY AND RECREATION HUB UPDATE – REPORT NO. AR21/71835

RESOLUTION 2021/385

Moved: Cr Sonya Mezinec

Seconded: Cr Max Bruins

CONSIDERATION FOR EXCLUSION OF THE PUBLIC

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and Council Officers S Philpott, B Cernovskis, D Barber, T Coote, G Davison, M McCarthy, M McDonald, J Scoggins, S McLean, S Wilson and T Chant be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 26.2 AR21/71835 Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update.

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CARRIED

RESOLUTION 2021/386

Moved: Cr Max Bruins
Seconded: Cr Sonya Mezinac

1. That Council Report No. AR21/71835 titled 'Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update' as presented on 16 November 2021 be noted.

CARRIED

RESOLUTION 2021/387

Moved: Cr Max Bruins
Seconded: Cr Paul Jenner

CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 26.2 AR21/71835 Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (b), (d) and (g) be kept confidential and not available for public inspection until a further order of Council to release.



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CARRIED