1.1 WELCOME
Mayor Sloane declared the meeting open at 5.30pm.

1.2 MEMBERS PRESENT
Mayor Bob Sloane, Crs Michael (Bim) Lange, Deputy Mayor, Mark Grossman, David de Vries, Michael Seager, Leonie Boothby (5.31pm), Christopher Harms and Richard Miller

1.3 LEAVE OF ABSENCE
Cr Scotty Milne
Cr Margaret Harris

1.4 APOLOGIES
Cr John Angas
Cr Tony Hurn

MOVED Cr Grossman that the apology received from Crs John Angas and Tony Hurn be noted.
Seconded Cr Miller CARRIED 2014-18/1375

2. DEBATE AGENDA

2.1 CHIEF EXECUTIVE OFFICER

2.1.1 APPROVAL TO PROCEED WITH FINAL CONSIDERATION OF REVOCATION OF COMMUNITY LAND CLASSIFICATION – BASEDOW ROAD, TANUNDA

Author: Governance Advisor

Mayor Sloane advised the meeting that a request from a member of the public had been received seeking deferral of the matter 2.1.1 – Approval to Proceed with Final Consideration of Revocation of Community Land Classification – Basedow Road, Tanunda to the Council meeting to be held on Tuesday 15 May 2018.

Cr Lange sought clarification on the effect of any deferral.

Mr Martin McCarthy, Chief Executive Officer, advised that Council had received the necessary statutory approval to proceed with consideration for the revocation, and it is now a matter for Council to decide to revoke the community land classification or not.
Cr Lange moved the motion as written:

**MOVED Cr Lange**

1. That pursuant to Section 194(3)(b) of the Local Government Act 1999, Council revokes the Community Land classification over Allotment 11 Basedow Road, Tanunda described in Certificate of Title Volume 5133 Folio 408, and Allotment 12 Basedow Road, Tanunda described in Certificate of Title Volume 5902 Folio 824.

2. That the Chief Executive Officer excludes Allotments 11 and 12 Basedow Road, Tanunda from the Council’s Community Land Register.

3. That the Chief Executive Officer advises adjacent landowners of the Council’s decision from the Special Council meeting held 26 April 2018.

4. That the Chief Executive Officer proceeds with negotiating the commercial arrangements for the proposed land exchange in accordance with the Council resolution of 19 September 2017 (2014-18/1168).

5. That the Chief Executive Officer facilitates the cancellation of the existing Indenture Deed with the trustees of the Elma Keil Trust, dated 28 June 1996 and replaces it with a new Indenture Deed to reflect the same restrictions with respect to the incoming land from Chateau Tanunda.

**Seconded Cr de Vries**  
**CARRIED 2014-18/1376**

**PURPOSE**

Following approval of the Minister’s delegate dated 19 April 2018 that Council has complied with requirements, Council can now proceed to final consideration of the revocation of Community Land classification over the two allotments known as 11 and 12 Basedow Road, Tanunda. Council is now asked to formally approve the revocation of the said land from Community Land classification in accordance with Local Government Act requirements.

**REPORT**

**Background**

On 19 December 2017, Council resolved:

**MOVED Cr Lange**

1. That the Council note and consider the feedback from community members and the KelledyJones Lawyers’ Independent Assessment of the consultation and proposed disposal process, which are attached to this report.

2. That, further to the Independent Assessment at page 1, as the proposed disposal of land is via an exchange of land of the same or similar size and value, and the land currently has little or no market value due to the restrictions of the Dedication of the Keil Trust and the community land classification, the Council dispenses with the requirement of its Disposal of Land and Other Assets Policy at paragraph 4.4.1(i) to obtain any independent valuations in this matter.

3. Pursuant to Section 194 of the Local Government Act 1999, that Council continue the process to revoke the Community Land classification for Allotments 11 and 12 Basedow Road, Tanunda, which are respectively contained in Certificates of Title Volume 5133 Folio 408 and Volume 5902 Folio 824.

4. That the Chief Executive Officer prepare a report and submit it to the Minister for Planning seeking approval to revoke the Community Land classification of the said land parcels.

5. That the revocation be approved by the Minister for Planning, the matter be referred back to Council for final resolution in accordance with section 194(3)(b) of the Local Government Act 1999.

6. That the Chief Executive Officer then proceed with the necessary steps to affect the
The Barossa Council 18/27538  Minutes of Special Council Meeting Thursday 26 April 2018

The report to the Minister was sent on 21 December 2017 and contained copies of reports to Council and confirmed minutes of the relevant decisions, and copies of public notices and supporting materials used for public consultation.

Approval to proceed with final consideration to revoke the community land classification was received on 19 April 2018 (see Attachment 1).

Discussion
Once the Minister (or his delegate) approves Council has complied with the legal requirements for community land revocation, section 194(3)(b) of the Local Government Act 1999 requires Council to formally resolve the revocation of the community land classification.

Upon Council’s approval, the Chief Executive Officer will then advise adjacent landowners of the Council’s decision.

Officers will remove reference to the relevant parcels in Council’s Community Land Register.

As Members will recall, the community land had additional restrictions placed on it in an Indenture from the Elma Keil Trust of June 1996 (as funds from the latter had been used to initially purchase the parcels). Further to Council’s written agreement with the trustees of the Trust, the current Indenture Deed will be cancelled and a new Deed will be finalised by the Chief Executive Officer to ensure that the incoming land from Chateau Tanunda will receive the same restrictions as were in place over the outgoing community land.

Council has been provided extensive material and information from the consultation processes undertaken and is aware of matters raised that are of interest in the planning work and this has been communicated formally to representatives of the Chateau. Further, Council is aware of the objections to this proposal by some nearby residents and has provided an opportunity to these residents to present to Council in December 2017. The Minister’s delegate has written to those that made representation to his office, informing them of the approval given to Council to proceed with final consideration.

Summary and Conclusion
The Council is asked to consider the Officer recommendation and confirm the revocation of the Community Land classification so as to give effect to the Council resolution of 17 September 2017 to exchange land with Chateau Tanunda.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES
Attachment 1: Letter from the Department of Planning, Transport and Infrastructure confirming the Ministerial delegate’s approval dated 19 April 2018.

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

How We Work – Good Governance
Corporate Plan
Community and Culture:
2.3 Support and promote community involvement and networks and provide opportunities for participation in local decision making.

Legislative Requirements
Local Government Act 1999, Section 194

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS
There are no financial or resource implications. Risk is mitigated by complying with the relevant section of the Local Government Act.

Further to Council resolution of 19 September 2017 (Resolution Number: 2014-18/1168), Council will “require the proprietor (of Chateau Tanunda) to pay all reasonable external legal, consultant and advertising and other costs arising from the community consultation and subsequent commercial
arrangements should the revocation of community land be approved by the relevant Minister” (Moved, Cr Miller, Seconded Cr de Vries).

**COMMUNITY CONSULTATION**

Community consultation for this entire revocation of community land process has occurred in accordance with Section 194 of the Local Government Act 1999 and Council’s Public Consultation Policy and been further validated by the Kellyd-Jones Independent Assessment dated 13 December 2017 and approval to proceed with final consideration by Council received from the Minister’s delegate dated 19 April 2018.

**2.1.2 BAROSSA REGIONAL CULTURE HUB – DRAFT MASTER PLAN**

Author: Director, Community Projects

**MOVED** Cr Lange that Council:

1. Receives, notes and endorses the draft Barossa Regional Culture Hub Master Plan (the Plan) dated 22 January 2018 Ref: 18/6574 for community consultation, noting that the Master Plan may be subject to future amendment and budget consideration as required.

2. Endorses the Community Consultation Plan – Barossa Regional Culture Hub Master Plan (Ref: 18/27039) to obtain feedback on the Plan for the period 30 April 2018 to the 21 May 2018 inclusive and requires Officers to bring a further report on the outcomes of the consultation to a future Council Meeting.

3. Thanks the Barossa Regional Culture Hub Working and Stakeholder Groups for their work on the ongoing development of the draft Plan.

Seconded Cr de Vries

CARRIED 2014-18/1377

**PURPOSE**

To present the current draft version of the Barossa Regional Culture Hub Master Plan (the Plan) (refer Attachment 1) for consideration by Council with a view to releasing for public consultation.

**REPORT**

**Background**

A full background to the development of the Barossa Regional Culture Hub is provided in Attachment 2 the Barossa Regional Cultural Hub – Discussion Paper June 2017 (ref: 17/46558).

In summary, the development of a Barossa Culture Hub has been discussed a number of times over the last 10 to 15 years period. The discussion around the development of a new Arts and Cultural Hub should take place within the context of the community’s desire for quality and authenticity in the cultural realm and the current prevailing view that the Barossa is punching below its weight in this area.

Whilst previous considerations and the trends are relevant, there is also an appetite for innovation and the redefining of artistic and cultural services and facilities that deliver a significant contribution to the economic diversity of the region, driving the development of the Barossa as a destination for cultural activities in its own right to support our premium wine, food and brand offering.

The role of a central hub as an incubator for culture and arts in the whole region is a recurring theme that is still supported by stakeholders.

Dealing with the challenges of providing a true hub and spoke model that does not duplicate what is already happening in the region but adds value and builds capacity has exercised the most time in the development of this concept plan rather than what the building ends up looking like. Why is this needed, why now and why in Tanunda? What is a sustainable model, what service should be provided and will it provide the desired outcomes, make the required difference and
activation of the whole region and a commensurate return on investment? Refer to the Barossa Culture Hub Premise Attachment 3 for a summary of these considerations.

There is also the context of high profile Australian culture facilities that have been successful in carving their own niche into the arts tourism landscape such as Mona, in Tasmania, the Bendigo Gallery in Victoria and most recently South Australia’s own d’Arenberg Cube in McLaren Vale. Everyone wants to replicate the success of those facilities.

Introduction

Concept Development Process:
The development process has been supported by a variety of groups and stakeholders:

1. A broad Stakeholder Group of around 30 representatives of not for profit, community or commercially based interest groups from the sector
2. A smaller, focused Working Group tasked by the Stakeholders with the development of a concept and the liaison with Council appointed Architects.
4. Input from industry specialists Play Your Part, via Maz McGann who has extensive sector expertise at practitioner, local government, State, interstate and peak body level, as well as specific knowledge of the Barossa Cultural landscape as a resident and in a professional arts and culture capacity.
5. Input from State and interstate facility curators, councils and non-government organisations obtained from a culture facility road trip around a variety of arts and culture venues during February and March 2018. Comparative notes from these visits are documented in Attachment 4.
6. The Big Project Working Group has been provided with copies of the developing plan and associated documents. Council Workshop presentations to Elected Members regarding the status of the master plan development were made in: December 2017 and April 2018 and progress reported in each quarterly update report.

Regular Stakeholder and Working Group meetings have taken place over the 8 month period – June 2017 to March 2018 and notes circulated to all participants and identified sector interest groups.

Concept Design Process

Procurement of the concept design process was achieved by inviting 3 architectural firms with a particular interest and reputation in the arts, culture and tourism sector to visit the Barossa Regional Gallery and do a walk through with representatives of the Working Group. Each was provided with the Design Brief (refer Attachment 5) and the Barossa Culture Hub Premise. Given the level of expenditure for the commissioning of the concept plan, a direct approach to a single supplier would have been acceptable within the parameters of the Council’s procurement policy and process. However, the Working Group wanted to get input from more than one perspective and so each consultant was given the opportunity to give their immediate impressions of the facility, the opportunities presented and the nature of their approach to developing a hub concept. They were asked to provide examples of concept development for a range of comparable projects.

Based on those meetings and the associated information, the Working Group representatives then selected one architect to produce the concept drawing.

One of the firms approached could not deliver the concept plans within the required timeframes and declined to quote. Of the others, one had a greater degree of tourism related design expertise, the other a larger portfolio of pure arts facilities.

In the end the selected architect was the one with the higher level of tourism experience but primarily because of the cleaner and simpler presentation of its catalogue of designs given that the concept plan needs to provide clarity to the community when presented for consultation.

It was also stressed that whilst in due course the external presentation of the building is very important, in the concept stages, the critical deliverable was to achieve the hub principle and look at the potential functional arrangement for the various components of a future facility.

Discussion

As with other concept master plans for The Big Project at this stage, the key themes arising from Working Group discussions and which inform the current concept plan documents, are presented as follows:

The Barossa Council18/27538  Minutes of Special Council Meeting Thursday 26 April 2018
1. Why is the Hub needed?
A consensus that the Barossa does not present a high calibre offering of arts and cultural content, activities and facilities. Whilst there is a significant amount of cultural content people (visitors and residents alike) do not necessarily know about it, they may not be able to readily access it and there is insufficient resource to programme and promote it professionally with too much reliance on volunteer input.

An overriding view that culture represents a significant opportunity to not only support our wine, food and tourism industry, but for a coordinated Barossan cultural experience to become a complementary attraction to the region in its own right and integrally aligned to the Barossan Brand offering. Creating opportunities to increase visitation to the area to access cultural experiences that have a uniquely Barossan appeal as well as the associated participatory benefits that flow to our own community through provision of high quality arts and culture product and facilities. Creating another reason to visit, stay, spend and talk about the region. A growth opportunity on a par with that identified in the sports tourism sector.

To provide access to the cultural heritage of the Barossa to ensure it is recorded, preserved, celebrated and leveraged.

To support the activation and promotion of arts and cultural content and venues throughout the region through a genuine hub and spoke model. The Regional Gallery venue in Tanunda was identified as the “landing point” for the greatest potential number of visitors and so should be capitalised upon as the best opportunity to signpost, generate interest and provide information and knowledge about all the other cultural activities elsewhere in the Barossa region.

In addition, to develop programmes around the use of other regional assets (ie Council halls and institutes, some of which are underutilised and have capacity) for art and cultural activities. For example a requirement of residency programmes to run workshops or exhibitions external to the main hub; educational and capacity building and the use of the hub as an incubator for artistic skills and collaboration that can add value to the whole region. In Victoria we saw examples where tenants of a centralised facility collaborated on projects to solve issues and attract investment for the benefit of the host and educational mentoring for schools and colleges at all levels. Partnerships with universities and TAFEs would be readily accessible in the Barossa.

Inventive and creative programming and an entrepreneurial mindset can generate revenue for cultural facilities to make them a more sustainable proposition for local government. Examples of charging admission for select exhibitions and events, provided they are of a high quality and have a novelty value and appeal, is a model deemed to be scaleable and transferrable by those that have adopted that approach in facilities such as the Bendigo Gallery in Victoria. It requires facilities and content of a calibre and that in turn demands dedicated and professional programming and curating expertise that we currently do not provide and facilities of a standard and quality that does not currently exist. Climate and lighting control, better use of exhibition space, storage and exhibition management from an arts perspective is lacking.

2. What is needed?
Building on the Why, recurring themes of What is required have focused on the requirement to fill gaps in provision and not to duplicate that which already exists. What already exists has been mapped to an extent by work initiated via RDA Barossa and Country Arts SA. The RDA Barossa, ArtMusicDesign Website resource is an opportunity to link and make connections within the cultural sector, but it needs that central, pivotal hub to provide the focal point and resourcing.

The development of the Barossa’s own Unique Selling Propositions and niche offerings in the cultural sector again has potential, but takes time and expertise to promote. Is that Council’s role as an economic development initiative and responsibility? Council’s Community Plan Strategy 2.6 refers to “Support (of) a vibrant and growing arts, cultural, heritage and events sector”. Of the high profile examples already referenced in this report, Mona and the Cube are private initiatives (albeit the latter received some public funding) but creating significant inward investment into their broader economies. Bendigo Gallery is a Council operated facility and has over time, developed a niche for the promotion of the highest quality international exhibitions.

The Working Group identified Barossan Heritage experience (showcased with contemporary digital media) as a potential niche product, with a rich and varied source of experiences
throughout the region and with obvious links to our food and wine culture. This would be aligned with a particular focus on aspects of musical heritage (the Hill and Son Grand Organ) and the potential for digital music production and radio. Triple B has been actively engaged, with the opportunity for them not only to be located and broadcasting as a highly visible and engaging presence in the facility, but also supporting an education, skills and training opportunity. The Barossa is seen as a place where collaboration can be achieved and is a place that people want to be – both the artists and the audiences. We need to develop strategy that builds on those unique qualities.

3. Chateau Tanunda Development
Following directly on from this is the opportunity to leverage a process that has been running in parallel to the Culture Hub development but which has not, until more recently, been aligned to it. The potential land swap between Council and Chateau Tanunda provides the direct opportunity to open up the existing Regional Gallery site facilitating expansion towards the railway line.

The Chateau development has the potential to significantly increase the passing foot and vehicular traffic along Basedow Road and raise the profile and visibility of both facilities. The inclusion of an educational and job readiness training component in the hotel project (culinary institute) again provides opportunities for collaboration across the 2 sites and venue capacity for performance and exhibition if the right conditions can be incorporated. The timing for that joint planning and discussion process and the potential for joint funding initiatives are already being considered and facilitated with support from RDA Barossa.

4. Under-utilised Assets
Part of the Big Project is to ultimately look at any legitimate asset rationalisation that may free up capacity to better manage and sustain our long term portfolio. Linked to that process is consideration of which assets are underutilised because a sustainable purpose is no longer identified, or where other activities and initiatives can support the repurposing or better activation of existing facilities. There is still work to be commenced in this area. Discussion regarding the opportunities of developing arts and culture programmes that can be used to outreach and improve services through the region in our under-utilised assets have also formed part of the Culture Hub consideration. More work is required. However, rather than allocating dedicated resource to each “spoke”, there is the potential to invest in resources that allow for transportable, “pop up” and temporary service delivery. This could be facilitated as parts of an artist or musician in residence strategy and as a requirement or condition of receiving a residency. Residencies are not necessarily just designed to attract the highest profile artists and experts; that is great if you can. Other programmes are designed to be more modest but still generate excellent content and collateral. A residency programme can be spread across numerous disciplines and a programme built up over a rolling calendar. Again this requires resource to build and sustain.

5. Resourcing
Already threaded through previous commentary; however, it is identified as the single most important and recurring theme of the development process. The Regional Gallery has functioned with the exceptional energy and commitment of volunteer effort with minimal, part time paid resourcing. There will continue to be a vital role for volunteer resources to play in an expanded and evolving facility; however, the appropriate level of specialist resourcing to programme, curate and manage the facility on the necessary full time basis, with a focus on entrepreneurial opportunity and development, will be a prerequisite to success of this venture. The modelling being developed to support funding applications takes into account a significantly higher level of resourcing for the Culture Hub. This includes operational and strategic development requirements. It will be responsible for driving content through to the regional spokes.

The success of potential operational models such as studio leasing; residencies; exhibition attraction and collection management; educational revenue development; events and function programming; content and collaborative projects; marketing and promotion are all critical skills to generate cultural tourism outcomes into the region and in turn the cultural outcomes for our residents and local ratepayers.

Collaboration with peak bodies around the potential for partnership approaches to increase the reach and impacts of the eventual resourcing model, needs further work. RDA Barossa has been
active in this space, as traditionally has Council in previous investment to kick start the shared Country Arts SA and Council Arts and Culture Officer role back in 2010.

Discussion has also taken place around the ongoing role and interface between the Culture Hub and the Barossa Visitor Centre (BVC). Is there unnecessary duplication of resourcing, opportunities for integration of the facilities, service level review and associated savings in terms of the investment in infrastructure and how it is managed?

Visitor Centres and how they and tourism services (particularly booking services) are accessed, continue to evolve and develop in an increasingly digital and online industry. The BVC continues to receive the second highest foot traffic for any Centre in South Australia next to Adelaide, but generically, visitation is trending down with more people accessing services remotely. Our Centre bucks the trends to the extent that we continue to increase the dollar spend per visitor through our facility and we have been exceptional in keeping ahead of the game with introducing strategies to raise the profile and appeal of our Centre. Its central, high street location is second to none and it has established itself as a highly regarded and valued service for our local residents, as well as our visitors, facilitating events and use of the public open space that activates the township of Tanunda and drives revenue through businesses in the town. The most recent successful grant application for international wine tourism development that allows us to fund a remodelling of the Centre, is exciting and can continue that journey of development and reinvention.

While there has not been consensus in the Working Group as to whether economies exist in an amalgamated culture and visitor service, there is not sufficient space in the BVC site for both and the loss of the Murray Street location is an issue Council would need to consider in the first instance. Others in the Working Group see the Culture Hub as part of the service offering of the BVC in a standalone capacity and that the co-location of services would potentially detract from both. The opportunity for a degree of library/heritage service sharing is articulated in item 6 below. Council will need to direct officers further if it wishes a more detailed investigation of these considerations.

6. Regional Heritage

One of the identified key themes and an area that Council has dedicated significant resource and investment during the last 3 to 5 years, culminating in the adoption of the Regional Heritage Strategy in 2016 and driven through our Library and Heritage Services.

The Culture Hub provides the opportunity to take these unique Barossa stories and experiences to the next level. A focus on a new heritage library service offering based at the facility and concentrated around digital material, access to information – a DNA profiling opportunity and ongoing archival and oral history work, could make this a unique facility in the State. Still very much based on the hub and spoke model of the Culture Hub as the landing point that then creates the sense of urgency and commitment to go out into the region and explore and dig deeper. Investment in that Intellectual Property and technology will be a pre-requisite, but the heritage, raw materials and stories are already there and accessible to us.

7. Programming

Threaded through preceding items, is discussion of potential for building a more sustainable funding model for Culture and the Arts through a new hub facility.

There are multiple and myriad options and more work needs to be done. The current concept includes the following areas that present options for programming, cost recovery; revenue generation:

- Residencies – potentially more realistically in-kind expertise to activate spaces, generate collaboration, provide or manage content, share or transfer skills (ie artist, curator, musician, designers, broadcasters, writers, thinkers etc)
- Studio space – leasing
- Exhibition – not significant expansion – linkages to Chateau Tanunda – attraction of cornerstone events and programming with associated admission charge
- Membership base / fee
- Production space – music tuition / black box space
- Broadcast opportunity
- Workshop space rental
8. Catering / Café Provision
Our research indicates that establishing a sustainable model for a café / catering function within cultural facilities remains one of the most challenging aspects for practically every facility we have visited and researched. They divert the most, non-productive resources to managing lease and tenant arrangements. Our concept plan does not include a café. It does make provision for facilities that allow catering for events, functions and exhibition openings etc and the capacity for existing food operators to provide pop ups, food vans etc.

The Working Group identified 2 further existing opportunities to work in partnership with the Tanunda Club and a future Chateau Tanunda Culinary Institute to ensure catering requirements can be covered.

9. Content of the Hub
Taking into account all of the foregoing, this results in a Culture Hub concept that provides:

Main building – controlled access
- Contemporary exhibition space and storage
- A music venue for performance, leveraging the appeal of niche organ recital and the Baroque and Bach genre
- Associated Green Room facilities
- Upgrades to electrics, air quality, conditioning, humidity, control lighting, storage
- Improved access for safe loading / unloading of materials
- Heritage library space
- Dedicated and accessible Soldiers’ memorial and commemoration space
- Improved retail space
- Courtyard and outdoor performance space
- Catering equipment for events and leases
- Gathering and meeting spaces
- Performance space
- Broadcast capacity / black box capacity
- Administration and meeting spaces

Annexe Building
- Studios / Workshops - artists / lessee spaces
- Studios/Workshops – community – flexible
- Residency space
- Community radio facilities
- Shared production / broadcast space

Outdoor
- Car parking
- Public art and exhibition
- Community gardens
- Future amphitheatre
- Access / egress
- Loading bays

Summary and Conclusion
In summary, the transformation of existing Gallery facilities into the Barossa Regional Culture Hub is an exciting and ambitious undertaking. Like any project of this kind, it comes with its own set of risks and challenges, and the investment both now and into the future for Council is substantial. The potential for return on this investment however, is also significant, not only culturally but economically and socially. The development reflects the increasing needs and expectations of both local residents and visitors to the region - with the current offering not living up to the Barossa’s renown as a community that so often “punches above its weight”.
Repeatedly, throughout Australia and the rest of the world, cultural facilities have proven themselves to be a catalyst for significant growth and renewal. Considering the strong and reputable brand position already enjoyed by the Barossa, combined with private and community partnerships and the “hub and spoke” model, the Barossa Regional Culture Hub has the potential to be a premiere cultural destination for South Australia. For this opportunity to be fully realised however, the project requires the bold and visionary approach the Barossa is known for, to be reflected in Council’s decision making and long-term support of this project.

The consultation process provides opportunities for broad community input into the detail of the facility and the future consideration of its footprint, visual architecture and impact on the site.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

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<th>Attachment</th>
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<td>Attachment 1</td>
<td>Barossa Regional Gallery Draft Master Plan - Ref: 18/6574</td>
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<td>Attachment 2</td>
<td>Barossa Regional Cultural Hub – Discussion Paper June 2017 - Ref: 17/46558</td>
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<td>Attachment 3</td>
<td>Barossa Culture Hub Premise – Ref: 17/87178</td>
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<td>Attachment 4</td>
<td>Research Notes and Themes – Ref: 18/19583</td>
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<td>Attachment 5</td>
<td>Design Brief – Barossa Culture Hub - Ref: 17/87175</td>
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<td>Attachment 6</td>
<td>Barossa Culture Hub Economic / Community Rationale - Ref: 18/27052</td>
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<td>Attachment 7</td>
<td>Barossa Regional Gallery Draft Community Consultation Plan - Ref: 18/27039</td>
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<td>Attachment 8</td>
<td>Draft - Concept Overview for Consultation - Ref: 18/27046</td>
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**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**

**Community Plan**

- Natural Environment and Built Heritage
- Community and Culture
- Infrastructure
- Health and Wellbeing
- How We Work – Good Governance

**Corporate Plan**

1.2 work toward developing township, streetscapes, entrances and open spaces that are attractive, welcoming and maintained to an agreed level of service
2.6 Provide, promote and support community arts and cultural events, programs, attractions and services.
3.1 provide regional and local walking and cycling connections between open spaces.
3.2 ensure Council’s parks, gardens and playgrounds are accessible, relevant and safe and maintained to an agreed level of service.
3.3 Ensure Council’s sporting, recreational and leisure grounds and playing areas and associated programs meet the current need of the community to an agreed level of service.
3.9 Ensure Council facilities and assets are accessible, safe and maintained to an agreed level of service.
3.11 advocate for the allocation of State and Federal funding to maintain and invest in infrastructure within our region.
4.1 Deliver and promote health and wellbeing initiatives in line with the Public Health Plan
6.4 Ensure that decisions regarding expenditure of Council’s budget are based on an assessment of whole of life cost, risks associated with the activity and advice contained within supporting plans.

**Legislative Requirements**

- Local Government Act 1999
- Development Act 1993

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**

**Financial**
The Master Plan is being prioritised, phased and costed as part of “The Big Project” feasibility study work with the associated costs to date taken from the approved project budget Q003.

Attachment 6 references a summary of research into the economic and social value rationale for facilities of this nature. Extract information includes comments from the United Nations Conference on Trade and Development (UNCTAD) which now recognises “creative industries as a new dynamic sector in world trade. While creative industries are often micro businesses or small to medium sized enterprises that focus on local markets, they can develop into powerful economic clusters, helping to drive economic growth.”

Resource
The project management work now falls within the scope of “The Big Project” with dedicated input from Director, Community Projects. Consultation and promotion support from the Communications and Marketing Officers.

Risk Management
The purpose of bringing this report to Council for the endorsement of the draft updated Masterplan at this point, is to seek broader input from the regional community in addition to that achieved via the Working Group and Stakeholder Group; flag any issues and concerns arising so that they can be addressed within future iterations of the Plan and ensure that the outcome is aligned as far as possible with community expectations.

COMMUNITY CONSULTATION
As detailed in the draft Community Consultation Plan – Barossa Regional Culture Hub Master Plan ref: 18/27039 (refer Attachment 7). The Plan considers the challenges of consulting across the region for this project and suggests a diverse, expert panel approach to work through the opportunities and issues arising from a facility of this nature that can be filmed and replayed throughout regional venues, as well as the tried and tested approach of Open Forums and Drop-in sessions and attendance at high profile community venues.

A suggested Concept Overview to assist the process is also in the development stages and presented for information as Attachment 8.

2.1.3 REGIONAL GROWTH FUND EXPRESSION OF INTEREST
B8029
Authors: Chief Executive Officer and Director, Community Projects

MOVED Cr de Vries that Council, having noted the financial, project and risk analysis undertaken and development application undertaken:

(1) Support the Project Premise for the Barossa Global Food and Wine Project (the Project) as presented in Attachment 1 (Ref: 18/27097);

(2) Endorse the prioritisation and phasing analysis for the Project presented in Attachment 2 (Ref: 18/26987);

(3) Commit to The Big Project - Phase 1 - Implementation financial estimate presented in Attachment 2 (Ref: 18/26987) and that they be included in the draft 2018-19 Annual Budget and Business Plan for community consultation; and

(4) Authorise the Chief Executive Officer to continue to negotiate and enter into a Memorandum of Understanding as contemplated by the agreement presented at Attachment 6 (Ref: 18/27049)

(5) Authorise the Chief Executive Officer to submit an Expression of Interest in respect of the Project to the Regional Growth Fund.

(6) Note that if Council is successful funding for detailed design work and assistance to complete the full Business Case will be necessary.

Seconded Cr Miller CARRIED 2014-18/1378
PURPOSE
To seek approval to submit an Expression of Interest (EOI) for the Regional Growth Fund for the Barossa Global Food and Wine Project (a component of The Generational Community Infrastructure Project (The Big Project)) and update on the progress of the associated Prudential Management Report process.

REPORT
Background
Council has been working on the Generational Community Infrastructure Project (The Big Project) since November 2016 to provide a strategic plan for sustainable development of community infrastructure assets across a 30 to 50 year intergenerational investment period.

The planning phase of that work is nearing a conclusion but a significant Commonwealth grant funding opportunity has been opened by the Federal Government through its Regional Growth Fund (RGF), which may present the chance for major components of the Big Project to be implemented within the timeframe of the next 4 financial years.

Officers and advisors are of the view that the parameters of the funding requirements and outcomes can be directly achieved through the proposed Barossa Global Food and Wine Project (the Project) and are seeking Council consideration of the financial and high level Prudential management considerations and rationale of making an Expression of Interest by the deadline of 5pm, Friday, 27 April 2018.

Introduction
This report provides Council with details of:
- The premise for a proposed submission to the RGF which includes consideration of a potential commercial partnership approach.
- The financial modelling that underpins a submission
- Consideration of the recommended funding options for the proposed model so that Council can assess whether this submission represents an appropriate funding opportunity for Council and ratepayers.
- An interim view of the Prudential Management considerations relevant to the proposed submission.
- Steps taken to promote and determine support for the project
- The process, key milestones and requirements for a RGF submission

Discussion
1. The Project Premise
The Project Premise is contained in the Barossa Global Wine & Food Project – Needs & Value for Money Assessment – Executive Summary – to the proposed RGF EOI provided as Attachment 1 and has previously been provided for discussion at a Council Workshop (refer Agenda 18 April 2018).

The premise is to prioritise the elements of The Big Project that most closely align to deliver the required outcomes of the RGF, namely:
- Jobs
- Economic Growth for Australia
- Building the capacity of regional communities
  Note: these outcomes are weighted in the EOI assessment process

The assessment criteria for these outcomes are based on delivery of transformational projects at the national level and what a particular project / EOI can achieve for Australian jobs and growth, rather than assessment at the individual community level.

The creation of a sub project – The Barossa Global Wine and Food Project for these purposes focuses on:
- An acknowledgement that in order to grow and attract and retain jobs in our premium wine and food industries we must work on strategies that reduce the limits on production and productivity within those sectors. This means providing an environment, services and facilities in the Barossa that attract and retain people (and their families) with the...
necessary skills to deliver those industries. By doing that, we can achieve economic growth and improved gross domestic product for Australia.

- The wine industry operates on the international stage and therefore, by investing in the Barossa, the Commonwealth Government has the opportunity to generate inward investment through promotion of a vibrant and productive Barossan economy.
- Having facilities and events that reinforce and enhance the image of the Barossa to the standard required as part of a Global Wine Centre to sell our Brand on the international stage.
- Building transformational infrastructure to grow our industry and region through public, shared use sporting and cultural facilities specifically designed to reduce the above mentioned limits on production.
- Building transformational commercial infrastructure to deliver significant and sustainable benefits to the region through job creation and flow on benefits to the economy. This is the investment in Chateau Tanunda to bring it to a world standard expected as part of a Global Wine Centre, creating a contemporary and lifestyle orientated tourist destination with appeal to the world market. The partnership approach is detailed in item 2 below.

Based on that premise, Council Officers, in discussion with members of The Big Project Working Group and with Elected Members via Workshop presentations, have identified the components of The Big Project master plans assessed as most closely delivering the transformational outcomes required. The criteria and basis for this assessment is provided in the attachments and further referenced in item 3 below.

This means that not all master plan components can be delivered through this potential funding opportunity.

2. The Partnership Approach

In developing a submission for the RGF with the mix of outcomes arising from The Big Project and the need to address the requirements of the RGF, Officers considered the risks of the proposed phase 1 outcomes as an economic driver. After considering these matters and speaking with Regional Development Australia – Barossa, it was considered that a strategic alliance with Chateau Tanunda’s accommodation proposal was a worthwhile consideration for the following key reasons. It is and has been stressed that Council in no way is funding any private infrastructure or usurping its planning and regulatory roles in this consideration, but rather it is a collaborate grant application with hard barriers between the parties. The outcomes are interwoven in Council’s Barossa Regional Culture Hub and the 5 star accommodation, training, student and culinary institute proposal, as it links to the transformational wine, food and tourism industry thrust of the application. The facility will also closely align with the service and future accommodation requirements associated with the development of a sporting events programme.

The reason to consider the alignment are:

1. Both the Barossa Regional Culture Hub and the Chateau Tanunda are addressing areas of opportunity for the economic success of our industry basis;
2. The combined economic development in terms of construction and ongoing jobs is extensive;
3. The projects will develop a unique precinct for the Barossa Valley floor and support each other around utilisation and critical mass.

To govern the process, a Memorandum of Understanding (MOU) has been developed and is provided at Attachment 6. Should a grant application be successful, the parties will enter into a legally binding funding agreement for the management of the relationship, risk, funding flows, reporting to the Commonwealth and other administrative matters.

In addition, Council continues to develop its strategic partnership approach with the South Australian Cricket Association (SACA), South Australian National Football League (SANFL) and the support of Cricket Australia (CA) to develop facilities that “deliver the best sustainable regional sports event tourism destination for cricket and Australian Rules football in South Australia” via the
MOU arrangements. Further meetings and discussions have taken place in the lead up to this report and EOI process to underpin their financial commitment to the proposed works.

3. The Funding Commitment and Council’s Funding Capacity

Internal Financial Assessment
Extensive financial assessment of the Council’s proposed phase 1 implementation tasks has been undertaken and the detail is provided at Attachment 2. In summary, the high priority works have been determined based on a scoring process of each facet of the work done to date, utilising an assessment of the economic drivers (event capacity, tourism or new / expanded industry development), community benefit (which is not relevant to the grant funding program), contribution levels from other parties, dependencies and cost. There are three areas which support the outcome which are:

1. The projects directly link to realising the Memorandum of Understanding with Cricket and Football;
2. The Barossa Regional Culture Hub;
3. Opportunities around equestrian and associated redevelopment of Mt Pleasant Caravan Park.

The prioritised works, which are not the complete masterplan outcomes but only those facets that link to the above outcomes and are mainly related to facilities and event infrastructure, civil and necessary works to support those facilities and event infrastructure, the culture hub and works identified around equestrian stabling and the like and caravan park upgrade.

The works total an estimated $34,701,940 and this includes allocations Council has made or is proposing to make in the draft 2018/19 budget of $1,804,652 for Tanunda Recreation Park acceleration works and $820,000 for the Williamstown Oval bridge access replacement. Including these programs provides an opportunity to lever up further funding for the broader interest of the community. Council would need to be successful in securing further funding from partners of $1,590,000 on the current modelling.

Borrowing levels to support the project would be $13,000,000 over 4 years, payable over 25 years. The borrowing ratios on current models do no exceed 51% or half of Council’s true borrowing capacity, with loans peaking at approximately $19.895M in year 4 of the program.

Current estimates indicate that the interest payments and additional budget costs to run the new facilities will push the operating position of Council into a small deficit for some years, but the rolling 3 year average remains better than -2% which is within acceptable, adopted parameters. The cash position for Council is stable except for year 7 of the model when the last $3.5M payment for The Rex is due; this could be refinanced at this time or it is more than likely sufficient cash will be available, as the predicted deficit is only $429,000 and there is likely to be capital carryovers that would fund this position.

Throughout the model the current forward estimates for capital and service provision remain funded except for the following adjustments:

1. Removal of the discretionary budget of approximately $350K per annum until cash position can support additional spending. It should be realised that in essence, the capacity for Council to deliver additional spending whilst the 4 year program is underway will be limited as a further $34M worth of works has to be scheduled and delivered;
2. Savings in capital - additional funds placed in capital to catch up works 4 years ago are returned to the base level funding which will realise approximately $319K per annum. It is stressed the level of capital funding remains consistent (and indeed the draft 2018-19 budgeted increases the capital spend) with current asset plans and does not reduce the funding base.

It must be noted that there are various assumptions outlined in the financial modelling, three key ones being:
1. The estimates provided are based on the mid-year 2017-18 budget updates; the draft budget for 2018-19 is showing a larger surplus and better cash position than anticipated and this will improve further the financial estimates;

2. Forward revenues and costs are based on current settings - importantly in a constrained rate capping environment, the rate increase on the base remains at 2.5% per annum, plus 1% for growth; the model is not factoring in any additional increases at this time;

3. Interest rates remain at around 4.7% over the life of the program delivery (4 years).

The financial considerations of the Chateau have not been assessed and are not relevant to Council’s financial assessment. The matter as raised in the risk assessment and within this report is managing the relationship and risks through a legal agreement which will include no funding releases until milestone developments achieved.

**Council’s Funding Partner Assessment**

The Local Government Finance Authority has been briefed on the program and provided the financial analysis as it stood on Thursday, 19 April. They have indicated they are satisfied that the proposal is well within Council’s capacity, subject to normal lending assessment processes at the time of taking out the borrowings. Correspondence to this effect is provided at Attachment 5.

**External Financial Assessment**

As part of undertaking an independent Prudential Management assessment pursuant to Section 48A of the Local Government Act, UHY Haynes Norton has been engaged and a preliminary financial assessment has been undertaken and advice provided. The report is supportive of the financial assessment, and is provided at Attachment 4. Ms Corrine Garrett will be in attendance at the meeting to present her findings and answer any questions.

4. **The Application Process, Key Milestones and Timing**

If Council approves that the EOI proceeds, the following process and milestones apply:

- **Close of EOI process** – 5pm, Friday, 27 April 2018
- **Assessment of EOIs** – Commonwealth Government – no definitive timeframe for assessment. Estimate at up to 8 weeks.
- If the EOI is successful – a detailed Business Case must be prepared within a 3 month timeframe. This will require detailed design processes to be completed, planning applications to be progressed, detailed costings developed and seed funding will be required, these costs can be capitalised should the funding be received and if it is not any foundation documents that would be required in any case and will support new funding opportunities as they arise.
- If the EOI is unsuccessful – the bid may be parked and the Commonwealth may seek a detailed Business Case in due course (ie if other projects do not proceed or drop out through the detailed Business Case phase).
- **Assessment of any detailed Business Case** – Commonwealth Government
- **Final approval or rejection of the project**
- **Commencement of construction** within 12 weeks of execution of agreement
- **If rejected** – process concludes.

**Summary and Conclusion**

In summary, this opportunity presents both a level of risk and reward. The financial, project and risk analysis undertaken and built upon the 15 months of commitment to The Big Project demonstrate a level of maturity that should see the application being competitive. Regardless of the grant outcome, the work undertaken was always necessary for the final components of The Big Project and will be invaluable for future opportunities as they arise.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

<table>
<thead>
<tr>
<th>Attachment</th>
<th>Description</th>
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<tbody>
<tr>
<td>Attachment 1</td>
<td>Barossa Global Wine &amp; Food Project – Needs &amp; Value for Money Assessment – Executive Summary (18/27097)</td>
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<tr>
<td>Attachment 2</td>
<td>Financial and Project Assessment (18/26987)</td>
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<tr>
<td>Attachment 3a &amp; 3b</td>
<td>Risk Assessments (18/20634 &amp; 18/26178)</td>
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</table>
The Barossa Council 18/27538   Minutes of Special Council Meeting Thursday 26 April 2018

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan
- Natural Environment and Built Heritage
- Community and Culture
- Infrastructure
- Health and Wellbeing
- Business and Employment
- How We Work – Good Governance

Corporate Plan
1.2 work toward developing township, streetscapes, entrances and open spaces that are attractive, welcoming and maintained to an agreed level of service.
2.6 Provide, promote and support community arts and cultural events, programs, attractions and services.
3.1 provide regional and local walking and cycling connections between open spaces.
3.2 ensure Council’s parks, gardens and playgrounds are accessible, relevant and safe and maintained to an agreed level of service.
3.3 Ensure Council’s sporting, recreational and leisure grounds and playing areas and associated programs meet the current need of the community to an agreed level of service.
3.9 Ensure Council facilities and assets are accessible, safe and maintained to an agreed level of service.
3.11 advocate for the allocation of State and Federal funding to maintain and invest in infrastructure within our region.
4.1 Deliver and promote health and wellbeing initiatives in line with the Public Health Plan
6.4 Ensure that decisions regarding expenditure of Council’s budget are based on an assessment of whole of life cost, risks associated with the activity and advice contained within supporting plans.

Legislative Requirements
Local Government Act 1999
Development Act 1993

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial
The associated financial documentation and Long Term Financial Plan implications are included as attachments to this report and considered in the interim Prudential Management statement and future full Prudential Management Report in accordance with section 48 of The Local Government Act 1999.

It is estimated upwards of $500,000 in budget will be required for the Business Case development to support the extensive work of design and resourcing to support that work. A more detailed costing will be developed after the EOI is completed.

Resource
The current EOI process is being undertaken via Section S1 consultants in Canberra, with significant senior officer level input from the Chief Executive Officer, Director, Community Projects, Manager Financial Services and Communication and Marketing Officers.
Whole of life costs to resource the implementation of a successful application are included in the financial modelling. A detailed resourcing model will need to be developed and is highlighted in the risk assessment for the project application.

**Risk Management**
A strategic risk assessment was completed for The Big Project and is provided at Attachment 3a.

A specific risk assessment for the EOI and Barossa Global Wine and Food Project considerations has been developed, provided to the Prudential Management Report consultant and provided with this report as Attachment 3b.

**COMMUNITY CONSULTATION**
There has been extensive community consultation on the master plan components of The Big Project.

Email correspondence has been sent to all stakeholders on The Big Project distribution list for component projects advising them of the potential for a RGF EOI to be made for prioritised projects. The email invited stakeholders to an information session on the 10 April 2018 to provide additional information and the opportunity for questions to be raised.

A communication plan for the EOI and RGF application process has been developed and is provided as Attachment 7.

### 2.2 WASTE SERVICES

#### 2.2.1 WASTE MANAGEMENT SERVICE POLICY – POST CONSULTATION

**Author:** Director, Development and Environmental Services

<table>
<thead>
<tr>
<th>MOVED</th>
<th>Cr Lange that Council endorses the Waste Management Services Policy as amended, and revoke the previous Kerbside Domestic Waste Collections Services Policy.</th>
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<tr>
<td>Seconded</td>
<td>Cr Seager</td>
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**CARRIED 2014-18/1379**

**PURPOSE**
To inform Council of the proposed post consultation amendments to the Waste Management Service Policy, and seek endorsement of the final policy.

**REPORT**

**Background**
In February, Council considered a report on the DRAFT Waste Management Service Policy, endorsing it for community consultation. A copy of the previous report and draft policy are provided in Attachment 1.

**Introduction**
The previous report, had Council resolve to endorse the Waste Management Services Policy at the immediate conclusion of the public consultation period in the absence of any written submission being received, and revoke the previous Kerbside Domestic Waste Collections Services Policy.

Consultation on the policy concluded on 13 April 2018. No submissions were received.

**Discussion**
Notwithstanding that no public submissions were received, Council Administration has sought to make a few minor amendments to the policy to add clarity.

The key amendments are shown as track changes in Attachment 2.

The first amendment is to Clause 4.5, which clarifies the Kitchen Caddy is provided as part of the green organic service, and that the green organic service is available within designated townships subject to demand and availability of service.

The second amendment is to Clause 4.6, which clarifies the service types.

The third amendment is to Clause 4.7. The blue text is shifting the location of the text from where it appeared in the draft to clarify so that it is clear it applies to all Special Circumstances. The red text provides additional “proof” that can be submitted as part of a Special Circumstance request.
The fourth amendment is to Clause 4.8, to include reference to multiple dwellings opting to share a service.

The final amendment is to Clause 4.11 to include having Green Organic service available to tenants via an agreement that allows for Council to bill the service charge to the tenant.

In addition to some minor editing, all references to applying for a service ‘in writing’ has been deleted so as to provide flexibility as to how a ratepayer can request a service.

A full copy of the final policy is provided in Attachment 3.

The only element that cannot be included at this point is Appendix A – Approved Waste Collection Route. This will be added once the Contractor has all the services entered into their database to produce the route map prior to the new service commencing.

Summary and Conclusion
Following the consultation period, no submissions had been received on the DRAFT Waste Management Services Policy. Council Administration has presented the Policy for endorsement following some minor amendments that seek to clarify the intent of the new service.

ATTACHMENTS OR OTHER SUPPORTING REFERENCES
Attachment 1 – Council Report – 20 February 2018
Attachment 2 – Post Consultation Amendments
Attachment 3 – Waste Management Services Policy – Final Version

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan

Health and Wellbeing

Business and Employment

Corporate Plan

4.9 Provide residents kerbside waste collection and recycling services that reduce waste disposed to landfill.

4.10 Facilitate access to hard and green waste facilities and associated recycling opportunities that reduce waste disposed to landfill and support the environment.

5.6 Implement purchasing initiatives that generate savings or reduce expenditure growth and grow the capacity of local suppliers to obtain Council contracts.

Legislative Requirements

Local Government Act 1999
Environment Protection Act 1993
Green Industries SA Act 2004

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial Management
Nil

Risk Management
Nil

COMMUNITY CONSULTATION
Nil

4. NEXT MEETING
Tuesday 15 May 2018 at 9.00am

5. CLOSURE OF MEETING
Mayor Sloane declared the meeting closed at 5.47pm.

Confirmed at Council Meeting – Tuesday 15 May 2018