

3.10 Future Management of The Entrance Town Centre

TRIM REFERENCE: F2004/07414 - D12169179

MANAGER: Mike Dowling, Director

AUTHOR: Darryl Rayner; Manager Workplace Change

SUMMARY

Approval is sought from Council, that in the event that The Entrance Town Centre Management Corporation (TETCMC) is dissolved or that The Entrance Town Centre Management Board elects to transfer all assets, operations and staff (in the manner as outlined in the report) to Council.

RECOMMENDATION

- 1** *That Council agree, in the event that The Entrance Town Centre Management Corporation is dissolved or TETCM Board elects to transfer all the assets, the operations and functions associated with The Entrance Town Centre Management to Council, in accordance with this report:*
 - a** *That Council approve that Council's assume responsibility for the assets, operations, maintenance, promotions, events and funding of The Entrance Town Centre as from the date of transfer or dissolution of TETCMC.*
 - b** *That Council accept the transfer of the current Entrance Town Centre and Visitors' Centre employees to Council's employ on a 12 month temporary contract employee basis (at their existing rates of pay and conditions) as from the date of transfer or dissolution of TETCMC, and note that any accrued leave, or other entitlements for those employees, as at the date of transfer or dissolution, will be paid from the Corporation's funds.*
 - c** *That Council approve the organisation structure changes (annexure 1) and an initial increase to the staff establishment of one (1) full time equivalent (FTE).*
 - d** *That Council approve the transfer of the functions of The Entrance Visitors' Centre to Council's Community and Recreation Services department as from the date of transfer or dissolution of TETCMC.*
 - e** *That Council rescind The Entrance Town Centre Management funding agreement.*

BACKGROUND

Council established a management model for The Entrance Town Centre which involved the creation of an incorporated body (The Entrance Town Centre Management Corporation - TETCMC).

The Corporation is responsible events, marketing maintenance and operations of The Entrance Town Centre, in order to support the business community and capitalise on the significant investment that Council had made when it carried out the initial upgrades to the Town Centre. The Corporation employs the staff and engages the other resources needed to carry out its role.

There is a formal funding agreement between Council and the Corporation, this agreement expires on 30 June 2017.

In light of the increasing responsibilities and workload that TETCMC now faces, coupled with the greater complexity of managing the Town Centre, TETCMC has questioned if the current management model is the most appropriate for the future of the Town Centre.

CURRENT STATUS

The Corporation

The current membership of the Corporation includes Board Members and 60 members (approx.) from the business community.

Activities

The Corporation currently carries out the following activities:

- Organisation and presentation of 20 plus events per year.
- Promotion and marketing of the Town Centre.
- Management of contracts for cleaning, landscaping, fountain maintenance and security.
- Repair and maintenance of Town Centre assets.
- Operation of the Visitor Information Centre.
- All operational matters associated with the Town Centre and surrounding area.

Staffing

The Corporation employs the following staff:

1 x Town Centre Manager (currently vacant)

1 x Events and Promotions Co-ordinator

1 x Event Management Support

1 x Maintenance Officer

1 x Visitor Information Centre Manager

3 x Visitor Information Centre Sales and Information Consultants

The continued employment of the current staff is a concern for TETCMC and a process for transferring the current employees to Council is set out in the Proposal section of this report. The previous Town Centre Manager resigned in October 2015 and the Corporation has not replaced that role. Council staff have been assisting to maintain business as usual during this period.

Financial Management

Council provides \$1.62m per annum for TETCMC to fund all activities, including the staff costs. In the event of the transfer or dissolution of TETCMC, payment of staff leave entitlements and any other known liabilities would be made from the Corporation's funds.

Contracts and Legal Agreements

There are three separate agreements in place between TETCMC and Council:

- 1 Marketing, Promotion and Maintenance (Funding of \$1.52m per annum for maintenance, promotion and marketing of the Town Centre and operation of the Visitor Information Centre)
- 2 Events Co-Ordination and Management (Funding of up to \$100,000 per annum for events)
- 3 Procurement Process Agreement (Compliance with Council's purchasing policies and procedures)

These agreements expire on the 30th June, 2017 and include provision for earlier cessation in accordance with the decision of the Corporation to dissolve.

TETCMC has two agreements in place, one for Farmers' Markets and one for Paviers' Amusements.

There are currently four individual contracts in place for cleaning, security, landscaping and fountain maintenance.

THE PROPOSAL

The Entrance Town Centre is a significant asset for the community and contributes to local employment, business growth and community connectedness. Council has made a large financial investment in the area and the community expects a best value return on that investment. Managing the Town Centre is becoming more complex, with this comes increased risk management obligations and specialised resource requirements. Council is best situated to cope with these future responsibilities. It is proposed that, in the event that The Entrance Town Centre Management Corporation is dissolved or TETCM Board elects to transfer the assets, the operations and functions associated with The Entrance Town Centre Management to Council, Council assume responsibility for the operation of The Entrance Town Centre. In doing so, there are a number of issues that would need to be addressed:

Community Input

In the event of the dissolution of TETCMC, there would be no formal means of community input to the future of the Town Centre. This could be addressed by establishing a *Community Advisory Committee* which would comprise representatives of the key stakeholders in the Town Centre. This committee would meet regularly with Council staff on strategic issues.

Staffing

The existing staff in the Town Centre Management Office and the Visitor Information Centre have the experience and skills necessary to maintain the day to day operations. The proposal is that they would be transferred as temporary Council employees on an initial twelve month contract, under the same conditions of employment that they enjoyed as employees of TETCMC. Under the provisions of the Local Government Act, they cannot be transferred across to Council as permanent employees, as all permanent positions must be advertised. During the 12 month period, recruitment for the permanent roles would be undertaken and the Town Centre staff could apply for those positions. All existing leave entitlements owed to the staff as at the date of transfer would be met from TETCMC funds, and Council would take on responsibility for all employment costs after that.

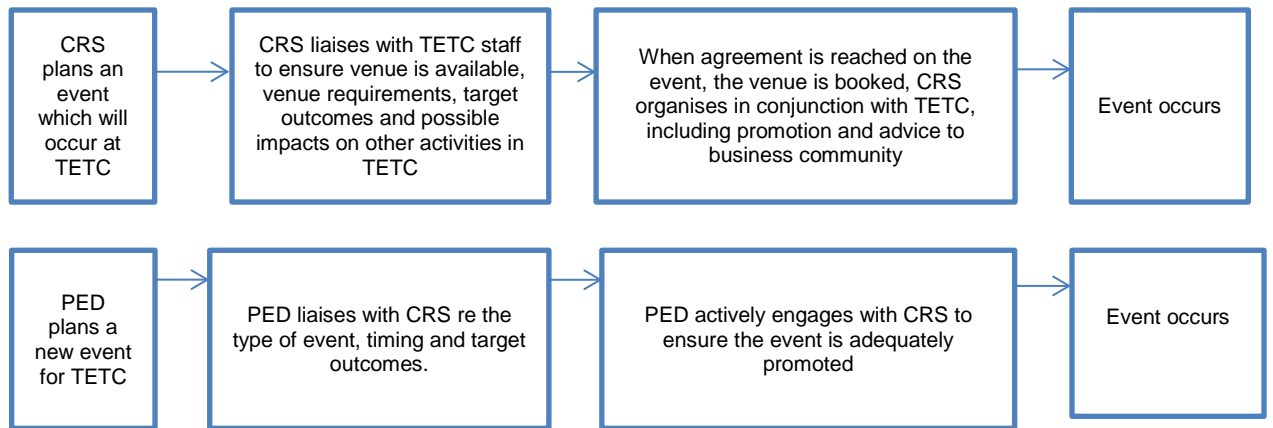
The position of Town Centre Manager is currently vacant and subject to the transfer or dissolution of TETCMC, it is proposed that Council replace that position with a new position of *Section Manager-Town Centre Management*. This role would have responsibility for all town centres, not just The Entrance and will provide improved support to the management committees for Toukley and Wyong Town Centres.

Management Structure

Annexure 1 sets out the proposed organisation structure. Town Centre Management staff are best situated in the *Property Management Unit* within *Property and Economic Development Directorate (PED)* due to their roles in maintaining the Town Centre assets and improving the sustainability of the business community. As such PED would be responsible for all functions currently being performed by The Entrance Town Centre Management. The Visitor Information Centre staff have a direct link to tourism promotion and would be most suited to being part of the *Community and Recreation Services Directorate*, which has responsibility for tourism promotion.

Besides the general operations of the Town Centre, one of the functions carried out by The Entrance Town Centre Management staff is the organising and managing of events within the Town Centre and includes a wide range of activities, including the co-ordination of asset maintenance, cleaning, litter collection and security services to ensure the event runs smoothly. The *Community and Cultural Events Section* in *Community and Recreation Services (CRS)* have staff that organise and manage community events across the Shire. Some of these events occur in The Entrance Town Centre, others have a link to events occurring in the Town Centre. It would be necessary to ensure proper communication and co-ordination between the two sections to ensure that the best value is gained from events and that they do not conflict or compete.

To facilitate this, the following processes are defined between the two directorates.



Council has expressed a desire to eventually encapsulate each of the town centres into a model. Annexure 2 sets out the proposed structure capable of accommodating Council's future strategic direction. This would only be implemented at the appropriate time.

STRATEGIC LINKS

This complies with Council's Strategic direction to build a strong sustainable business sector and increases local employment.

FINANCIAL IMPACT

The activities in the Town Centre are funded by Council. There will be no additional cost to Council

CONCLUSION

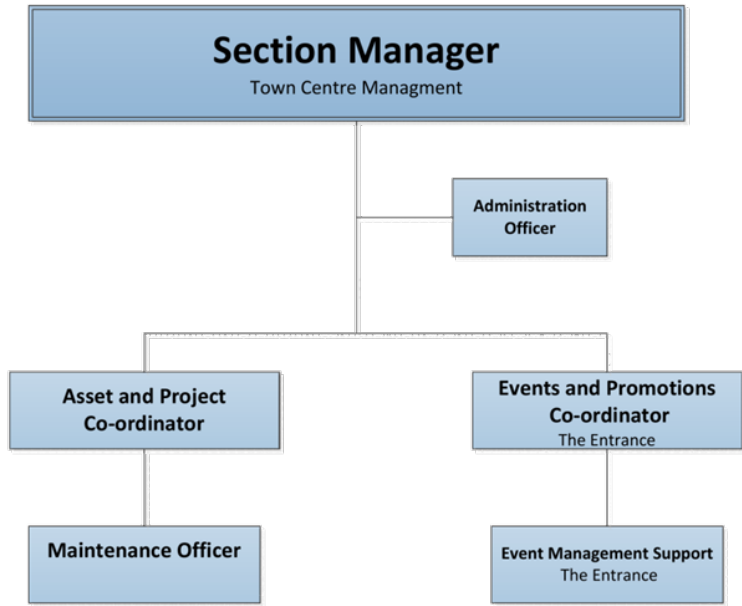
Should TETCMC be dissolved or TETCM Board elect to transfer the assets, the operations and functions associated with The Entrance Town Centre Management to Council, Council should assume responsibility for the Town Centre operations as:

- WSC has a wider range of expertise to handle the emerging operational complexity
- Administrative arrangements become less time consuming for WSC staff
- WSC has resources to maintain staff skills to meet changing requirements
- Full compliance with WSC policies and procedures will address probity concerns
- Annual and strategic planning for TETC will become part of WSC Integrated Planning process
- Community input will be maintained
- The management model for TETC can be applied to other Town Centres in the future
- WSC have the networking ability to interact with other Council operated Town Management Teams to take advantage of innovative ideas and develop best practice.
- The current functions associated with the existing TETCM, with the exception of the Visitors' Centre, will sit within *Property and Economic Development*.

ATTACHMENTS

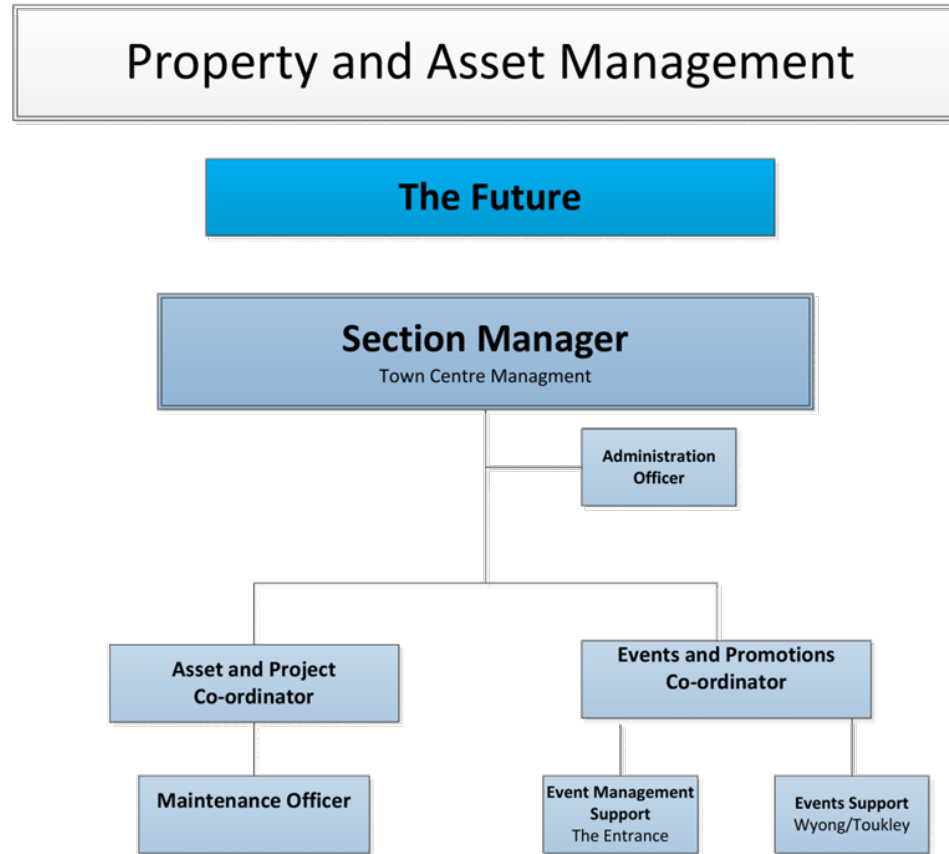
- | | | |
|---|-----------------------------------|-----------|
| 1 | Town Centre Management Annexure 1 | D12169181 |
| 2 | Town Centre Management Annexure 2 | D12169183 |

Property and Asset Management



Annexure 1

□



Annexure 2