

MINUTES

OF THE

ORDINARY MEETING OF COUNCIL

HELD ON

TUESDAY 21 MAY 2013

AT 6.30PM IN THE COUNCIL CHAMBERS

MELVILLE CIVIC CENTRE

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MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBERS, MELVILLE CIVIC CENTRE, 10 ALMONDBURY ROAD, BOORAGOON, COMMENCING AT 6.30PM ON TUESDAY, 21 MAY 2013.

1. OFFICIAL OPENING

The Presiding Member welcomed those in attendance to the meeting and declared the meeting open at 6:30pm. Mr J Clark, A/Manager Information, Technology & Support, read aloud the Disclaimer that is on the front page of these Minutes and then His Worship the Mayor R Aubrey, read aloud the following Affirmation of Civic Duty and Responsibility.

Affirmation of Civic Duty and Responsibility

I make this Affirmation in good faith on behalf of Elected Members and Officers of the City of Melville. We collectively declare that we will duly, faithfully, honestly, and with integrity fulfil the duties of our respective office and positions for all the people in the district according to the best of our judgement and ability. We will observe the City's Code of Conduct and Standing Orders to ensure the efficient, effective and orderly decision making within this forum.

2. PRESENT

His Worship the Mayor R Aubrey

COUNCILLORS

Cr A Nicholson
Cr R Willis, Cr C Robartson
Cr N Pazolli, Cr P Reidy
Cr J Barton, Cr S Taylor-Rees
Cr R Hill, Cr R Kinnell
Cr N Foxtan, Cr M Reynolds

WARD

City
Bull Creek/Leeming
Applecross/Mount Pleasant
Bicton/Attadale
Palmyra/Melville/Willagee
University

3. IN ATTENDANCE

Mr M Tieleman	A/Chief Executive Officer
Ms C Young	Director Community Development
Mr J Christie	Director Technical Services
Mr S Cope	Director Urban Planning
Mr B Taylor	A/Director Corporate Services
Mr P Kellick (Until 7.02pm)	Manager Asset Management
Mr J Clark	A/Manager Information, Technology & Support
Ms D Beilby	Minute Secretary

At the commencement of the meeting there were two members of the public and one member from the Press in the Public Gallery.

4. APOLOGIES AND APPROVED LEAVE OF ABSENCE**4.1 APOLOGIES**

Nil.

4.2 APPROVED LEAVE OF ABSENCE

- Cr D Macphail (Deputy Mayor) – City Ward

5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION) AND DECLARATIONS BY MEMBERS**5.1 DECLARATIONS BY MEMBERS WHO HAVE NOT READ AND GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPERS PRESENTED BEFORE THE MEETING.**

Nil.

5.2 DECLARATIONS BY MEMBERS WHO HAVE RECEIVED AND NOT READ THE ELECTED MEMBERS BULLETIN.

Nil.

6. QUESTION TIME

Nil.

7. AWARDS AND PRESENTATIONS

Nil.

8. CONFIRMATION OF MINUTES**8.1 ORDINARY MEETING OF COUNCIL – 16 APRIL 2013**
Minutes 16 April 2013**COUNCIL RESOLUTION**

At 6.39pm Cr Willis moved, seconded Cr Foxtton -

That the Minutes of the Ordinary Meeting of Council held on Tuesday, 16 April 2013, be confirmed as a true and accurate record.

At 6.39pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

8.2 NOTES OF AGENDA BRIEFING FORUM – 7 MAY 2013
Notes ABF 7 May 2013**COUNCIL RESOLUTION**

At 6.39pm Cr Robartson moved, seconded Cr Hill -

That the Notes of the Agenda Briefing Forum held on Tuesday, 7 May 2013, be received.

At 6.39pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

8.3 NOTES OF AGENDA BRIEFING FORUM – 22 APRIL 2013
Notes 22 April 2013**COUNCIL RESOLUTION**

At 6.39pm Cr Reidy moved, seconded Cr Robartson -

That the Notes of the Agenda Briefing Forum held on Monday, 22 April 2013, be received.

At 6.39pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

8.4 SPECIAL MEETING OF COUNCIL – 22 APRIL 2013
Minutes SMC 22 April 2013**COUNCIL RESOLUTION**

At 6.39pm Cr Hill moved, seconded Cr Willis -

That the Minutes of the Special Meeting of Council held on Monday, 22 April 2013, be confirmed as a true and accurate record.

At 6.39pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

8.5 **NOTES OF AGENDA BRIEFING FORUM – 29 APRIL 2013**
Notes 29 April 2013

COUNCIL RESOLUTION

At 6.40pm Cr Reidy moved, seconded Cr Hill -

That the Notes of the Agenda Briefing Forum held on Monday, 29 April 2013, be received.

At 6.40pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

8.6 **SPECIAL MEETING OF COUNCIL – 29 APRIL 2013**
Minutes SMC 29 April 2013

COUNCIL RESOLUTION

At 6.40pm Cr Hill moved, seconded Cr Reidy -

That the Minutes of the Special Meeting of Council held on Monday, 29 April 2013, be confirmed as a true and accurate record.

At 6.40pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

8.7 **SPECIAL MEETING OF COUNCIL – 13 MAY 2013**
Minutes SMC 13 May 2013

COUNCIL RESOLUTION

At 6.40pm Cr Pazolli moved, seconded Cr Barton -

That the Minutes of the Special Meeting of Council held on Monday, 13 May 2013, be confirmed as a true and accurate record.

At 6.40pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

9. DECLARATIONS OF INTEREST**9.1 FINANCIAL INTERESTS**

Nil.

9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

- C13/6058 – Cr R Hill – Interest Under the Code of Conduct
- C13/6058 - Cr J Barton – Interest Under the Code of Conduct

10. APPLICATIONS FOR NEW LEAVES OF ABSENCE

Nil.

11. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil.

12. PETITIONS**12.1 Petition – Melville Athletics Club - Len Shearer Reserve**

A petition signed by 262 residents and 50 non residents was received by the City of Melville on Monday, 22 April 2013. The petition reads as follows –

“We, the undersigned, all being Electors of the City of Melville, do humbly pray that the City of Melville does not relocate the Melville Athletics Club from Len Shearer Reserve and allows the children of the Melville Athletics Club to continue their sport at Len Shearer Reserve.”

COUNCIL RESOLUTION

At 6.42pm Cr Nicholson moved, seconded Cr Taylor-Rees -

That the petition bearing 312 signatures be acknowledged in writing to the lead petitioner.

At 6.42pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

13. REPORTS OF THE CHIEF EXECUTIVE OFFICER

P13/3391 - ROAD RESERVE DEDICATION CONCURRENCE, MURDOCH DRIVE AND SOUTH STREET, MURDOCH (REC) (ATTACHMENT)

Ward : University
 Category : Operational
 Application Number : DA 2012-913
 Property : Lot 611 on Deposited Plan 75377
 Proposal : Road Reserve Dedication Concurrence, Murdoch Drive and South Street, Murdoch
 Applicant : Main Roads Western Australia
 Owner : Murdoch University/Crown
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Not applicable
 Responsible Officer : Gavin Ponton
 Manager Strategic Urban Planning

AUTHORITY / DISCRETION

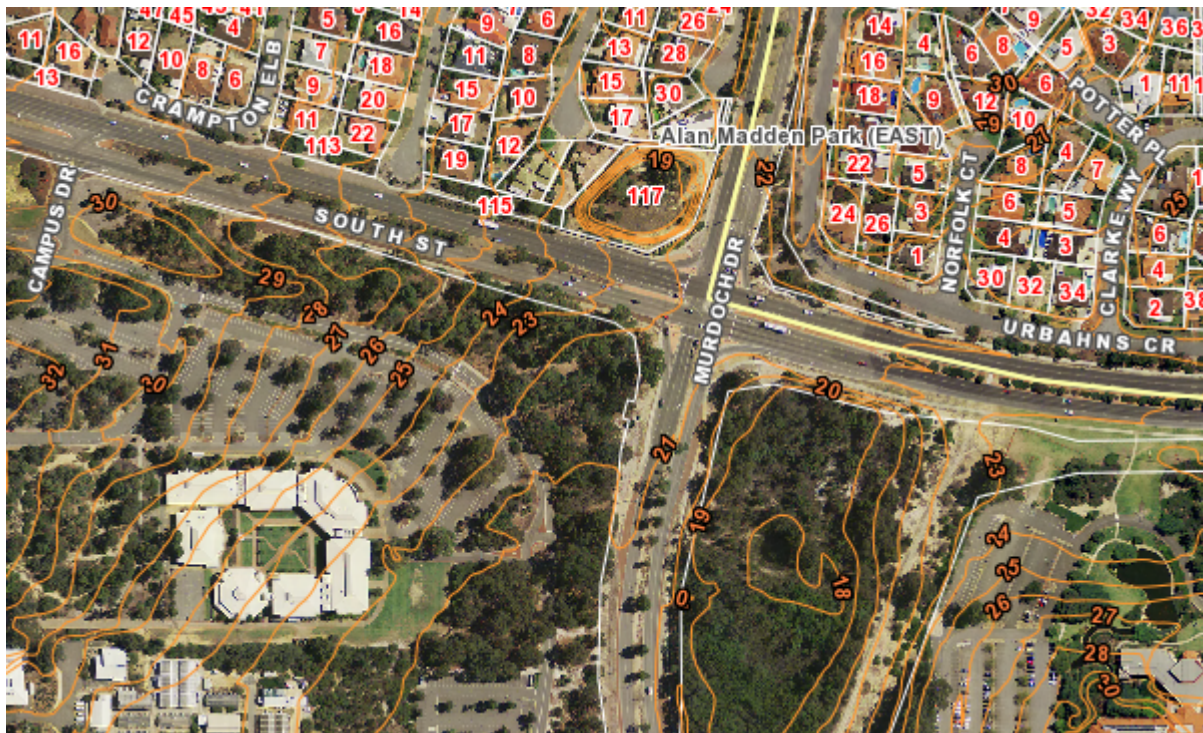
DEFINITION

<input checked="" type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council to note.</i>

P13/3391 - ROAD RESERVE DEDICATION CONCURRENCE, MURDOCH DRIVE AND SOUTH STREET, MURDOCH (REC) (ATTACHMENT)

KEY ISSUES / SUMMARY

- Main Roads WA (MRWA) wishes to dedicate a 1,250m² portion of land (Lot 611 on Deposited Plan 75377) as road reserve to enable an upgrade to the intersection of Murdoch Drive and South Street, Murdoch.
- The intersection upgrade was approved by the Western Australian Planning Commission (WAPC) in November 2012. Comments from all affected parties including the City were invited prior to approval and there were no significant issues raised.
- MRWA is requesting that the Council give formal concurrence to the road reserve dedication. The dedication does not alter the proposal and Council's concurrence is a formality only. MRWA will progress the dedication and indemnify the City against all costs and charges.



BACKGROUND

In August 2012 Main Roads Western Australia (MRWA) applied to the City for an upgrade to the intersection of South Street and Murdoch Drive.

For most upgrades the affected land would fall under the jurisdiction of the Western Australian Planning Commission (WAPC). In this case however a portion of the affected land is under the care and control of the City of Melville, and the City was obliged to receive an application and make comment prior to the WAPC issuing its approval.

P13/3391 - ROAD RESERVE DEDICATION CONCURRENCE, MURDOCH DRIVE AND SOUTH STREET, MURDOCH (REC) (ATTACHMENT)

The City suggested conditions regarding lighting, wetland protection, vegetation retention, retaining walls, and cyclist/pedestrian safety which were incorporated into the WAPC's conditions of approval, issued 21 November 2012. Comments and reports were also received from the Department of Environment and Conservation, the Department of Water, Murdoch University, the Department of Transport and the Department of Indigenous Affairs.

The relevant parcel of land was originally vested to Murdoch University. Once the dedication is accepted by Landgate, the land will be ceded to the Crown for public purposes as part of the road reserve.

Scheme Provisions

MRS Zoning	:	Public Purposes – University
CPS 5 Zoning	:	N/A
R-Code	:	N/A
Use Type	:	N/A
Use Class	:	N/A

Site Details

Lot Area	:	1,250m ²
Street Tree(s)	:	Some trees on Murdoch University site affected
Street Furniture (drainage pits etc)	:	To be improved as part of upgrade

DETAIL

Works on the intersection are already well underway. The area proposed to be taken by MRWA for road reserve has already been cleared of vegetation.

Council is not being asked to comment on the detail of the proposed upgrade.

The matter before Council is simply a formality of concurrence under the Section 56 of the *Land Administration Act 1997*. The City's concurrence will enable MRWA to progress the road dedication at its own expense and risk, and complete the upgrade as scheduled.

[3391 Murdoch South Road Dedication](#)

P13/3391 - ROAD RESERVE DEDICATION CONCURRENCE, MURDOCH DRIVE AND SOUTH STREET, MURDOCH (REC) (ATTACHMENT)



Image 1 – Looking south along Murdoch Drive



Image 2 – Looking west along South Street

PUBLIC CONSULTATION/COMMUNICATION

There is no requirement for consultation.

P13/3391 - ROAD RESERVE DEDICATION CONCURRENCE, MURDOCH DRIVE AND SOUTH STREET, MURDOCH (REC) (ATTACHMENT)**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

As the initiators of the road dedication, MRWA is responsible for consultation with relevant agencies / consultants. Extensive consultation was carried out in 2012 prior to the approval of the road works by the WAPC. Comments and reports were received from the Department of Environment and Conservation, the Department of Water, Murdoch University, the Department of Transport and the Department of Indigenous Affairs.

STATUTORY AND LEGAL IMPLICATIONS

The concurrence requested by MRWA is simply a formality under Section 56 of the *Land Administration Act 1997*. MRWA will indemnify Council against costs and charges.

FINANCIAL IMPLICATIONS

There are no anticipated costs to Council. MRWA will indemnify Council against all costs and charges relating to the road dedication.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic, risk or environmental management implications with this application. Specific environmental implications associated with the road widening were dealt with in the previous development application regarding the road widening and appropriate conditions to alleviate environmental impacts were recommended to the WAPC. MRWA is proceeding with a WAPC approved upgrade and is assuming risk appropriately.

POLICY IMPLICATIONS

There are no policy implications associated with this proposal.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

It would be possible for the City to refuse to concur with the road dedication. Under the *Land Administration Act 1997*, MRWA would not be able to proceed with the dedication and would be required to either amend its proposal so that no land was required to be dedicated, abandon the project altogether or continue negotiations with the City to achieve concurrence. The first alternative would see costly and unnecessary delays incurred by a public authority reliant on public money. The second would see traffic congestion remain a significant problem in the area for the time being, and result in far greater traffic problems post the completion of Fiona Stanley Hospital.

P13/3391 - ROAD RESERVE DEDICATION CONCURRENCE, MURDOCH DRIVE AND SOUTH STREET, MURDOCH (REC) (ATTACHMENT)**CONCLUSION**

Concurrence with the proposed road dedication will enable MRWA to complete an upgrade of the intersection of Murdoch Drive and South Street, Murdoch.

The upgrade will immediately improve traffic flows through the intersection. Concurrence with the dedication is recommended.

At 6.44pm Cr Pazolli left the meeting and returned at 6.45pm

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (3391)**APPROVAL****That the Council**

- 1. Concur with the dedication of the land, the subject of Deposited Plan 75377 as road reserve under Section 56 of the *Land Administration Act 1997*.**
- 2. Request the Chief Executive Officer to advise Main Roads Western Australia accordingly.**

At 6.46pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

T13/3385 – TECHNICAL SERVICES POLICY REVIEW (REC) (ATTACHMENT)

Ward : All
 Category : Policy
 Subject Index : BMS – Council Policies
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Ordinary Meeting of Council 20 December 2011
 Item T11/3281 Technical Services Policy Review
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : John Christie
 Director Technical Services

AUTHORITY / DISCRETION

DEFINITION

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<input type="checkbox"/>	Information	<i>For the Council to note.</i>

T13/3385 – TECHNICAL SERVICES POLICY REVIEW (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- The policies within the responsibility of the Director Technical Services have been reviewed and brought forward with amendments for consideration and adoption.
- Policies that are defined as Council Policies require the approval of Council whereas Operational Policies are approved by the Chief Executive Officer.
- As a result of this review process Policy CP-032 Streetscape Policy has been revoked and is to be replaced with a Verge Treatment Policy.

BACKGROUND

At the Ordinary Meeting of Council December 2011 Council requested that:

- Two policies be reviewed by the Director Technical Services as contained in the following attachments and be recommitted to enable them to be presented and discussed at the next available Elected Members Information Session.
- CP – 029 - Street Tree Policy
- CP – 032 - Streetscape Policy

The Policies presented in this report have been reviewed by staff including consultation at the Elected Members Information Session in February and March 2013.

As a result of this review process, Policy CP 032 Streetscape Policy has been revoked and is to be replaced with a Verge Treatment Policy. The Street Tree Policy had been reviewed and amended.

DETAIL

All policies are held under one of two categories being, Council Policies or Operational Policies. The policies that are required to be approved by Council relate to:

- Strategic Positioning of Council.
- Executive Functions.
- Legislative Functions.
- Chief Executive Officer and Senior Officer Appointments.
- Termination payments in excess of contracts of employment or Award provisions.

All other policies are considered to be operational in nature and have therefore been designated as Operational Policies. Operational Policies are those which are made in relation to the functions of the Chief Executive Officer (CEO) as prescribed by Section 5.41 of the Local Government Act 1995 (The Act) as follows:

Management of the day to day operations of the local government:

- The employment, management supervision, direction and dismissal of other employees (subject to Section 5.37(2) of The Act) in relation to senior employees
- Ensuring that records and documents of the local government are properly kept for the purposes of The Act and any other written law and
- Policy on powers and duties delegated by Council within the limitations as set by Section 5.43 of The Act

T13/3385 – TECHNICAL SERVICES POLICY REVIEW (REC) (ATTACHMENT)

This report provides comment on policies from the area of responsibility of the Director Technical Services and includes:

[3385 CP 029 Street Tree Policy](#)
[3385 Verge Treatment Policy](#)

Comment is provided on the policies with amendments as follows.

CP – 029 - Street Tree Policy

This Policy has been reviewed and modified accordingly. Changes have been made to the Policy to ensure that the protection and enhancement of the City's Urban Forest is a priority.

Verge Treatment Policy

This Policy has been created to ensure the verge areas adjacent to all properties in the City are visually appealing, safe and contributes to the broader environment in a sustainable manner.

PUBLIC CONSULTATION/COMMUNICATION

Not Applicable

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not Applicable

STATUTORY AND LEGAL IMPLICATIONS

The policies are consistent with the current Local Government Act 1995 and relevant Regulations.

FINANCIAL IMPLICATIONS

Policies set out various strategic positions of Council. The commitments of Council as identified in Council Policies will be reflected in future Capital and Operational Programs which will be presented as part of the formal budget setting process.

T13/3385 – TECHNICAL SERVICES POLICY REVIEW (REC) (ATTACHMENT)

STRATEGIC, ENVIRONMENT AND RISK MANAGEMENT IMPLICATIONS

The process of policy review will serve to minimise both strategic and risk management implications by ensuring policies are consistent with current legislation.

Risk Statement	Level of Risk	Risk Mitigation Strategy
Administration undertakes functions delegated by Council in a manner not in accordance with Council's objectives causing reputational risk.	Minor to Major depending on issue.	Ensure sound Council policies are in place that provides clear guidance to the administration.
Policies are not in compliance with legislative requirements or contemporary standards.	Minor consequences which are possible, resulting in a Medium level of risk	Periodic review mitigates against outdated legislative or other relevant references.

POLICY IMPLICATIONS

Should Council resolve to adopt the policies as presented within this report, then these will replace the previous policies.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

There are two alternative options.

One option is to continue with the existing policies and the other is to revoke the existing policies and have no policies on these matters.

CONCLUSION

The individual policies have been reviewed by senior officers and their amendments are consistent with the current provisions of the Local Government Act 1995 and relevant Regulations.

T13/3385 – TECHNICAL SERVICES POLICY REVIEW (REC) (ATTACHMENT)**OFFICER RECOMMENDATION (3385)****APPROVAL**

At 6.47pm Cr Willis moved, seconded Cr Kinnell -

That the Council:

1. **Revoke Policy CP-032 Streetscape Policy**
2. **Adopt Verge Treatment Policy as contained in attachment
3385 Verge Treatment Policy**
3. **Adopt Policy CP-029 Street Tree Policy as contained in attachment
3385 CP 029 Street Tree Policy**

CARRIED ()Amendment

At 6.47pm Cr Willis, with agreement from the seconder Cr Kinnell, agreed to incorporate the following amendment into the recommendation -

1. ***That Point 2 of the Officer Recommendation include the words “as amended” after the words “Verge Treatment Policy”***
2. ***That Point 3 of the Officer Recommendation include the words “as amended” after the words “Street Tree Policy”***
3. ***That Council Policy CP 029 – Street Tree be amended by adding a new dot point after dot point 11 “On streets next to bushland areas the City will, where possible, plant trees endemic to the area”.***
4. ***That Council Policy - Verge Treatment Policy be amended in the first paragraph under Synthetic Turf, by adding the words “with a porous base material” after the words “The City will allow the installation of synthetic turf”***

At 6.52pm the Mayor submitted the Amendment, which was declared

CARRIED (12/0)Reasons for Amendment

Elected Members requested that the Verge Treatment Policy include that where synthetic turf is used, that porous base material is utilised. In addition it was asked that the Street Tree Policy include reference to trees on streets next to bushland areas and the City will where possible, plant trees endemic to the area.

T13/3385 – TECHNICAL SERVICES POLICY REVIEW (REC) (ATTACHMENT)**COUNCIL RESOLUTION (3385)****APPROVAL**

At 6.52pm the Mayor submitted the substantive motion as amended –

That the Council:

1. **Revoke Policy CP-032 Streetscape Policy**
2. ***That Council Policy - Verge Treatment Policy be amended in the first paragraph under Synthetic Turf, by adding the words “with a porous base material” after the words “The City will allow the installation of synthetic turf”***
3. **Adopt Verge Treatment Policy as amended as contained in attachment [3385 Verge Treatment Policy](#)**
4. ***That Council Policy CP 029 – Street Tree be amended by adding a new dot point after dot point 11 “On streets next to bushland areas the City will, where possible, plant trees endemic to the area”.***
5. **Adopt Policy CP-029 Street Tree Policy as amended as contained in attachment [3385 CP 029 Street Tree Policy](#)**

At 6.52pm the Mayor declared the motion

CARRIED (12/0)

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

Ward : Applecross/Mount Pleasant
 Category : Operational
 Subject Index : Wireless Hill Park
 Customer Index : N/a
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Item T11/3231 – Wireless Hill Project Business Case Approval – Ordinary Meeting of Council 16 August 2011
 Works Programme : 2013/2014
 Funding : \$691,000
 Responsible Officer : Paul Kellick
 Manager Asset Management

AUTHORITY / DISCRETION

DEFINITION

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<input type="checkbox"/>	Information	<i>For the Council to note.</i>

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

KEY ISSUES / SUMMARY

- The Council approved the Wireless Hill Project Business Case on 16 August 2011 for a total cost of \$1,911,516.
- Stage 1 was completed in September 2012 in time for Centenary Celebrations.
- Grant Funding of \$691,000 was approved by Lotterywest in late 2012 for components of the project.
- Work on Stage 2 is progressing.
- A number of significant revenue and cost variations to the approved business case have arisen during the course of preparing detailed costings.
- Approval is sought to consider an additional allocation of \$151,000 to the project as part of the 2013/2014 Capital Work Budget process which represents 7.9% of the total project cost.

BACKGROUND

At the Ordinary Meeting of Council held on 16 August 2011, it was resolved:

That the Council:

1. ***Endorse the Concept and Museum Plan for Wireless Hill, shown attached as 3231 Wireless Hill Concept and Museum Plan July 2011, as the basis for the future development of the site.***
2. ***Endorse the staged implementation of the project over three financial years (2011-2014) at a total cost of \$1,911,516. This amount is to be allocated over the following three financial years and included in the City of Melville's Long Term Financial Plan.***

Budget Year	2011/12 (Stage 1)	2012/13 (Stage 2)	2013/14 (Stage 3)	Total Project Implementation Cost
<i>Recommended Allocated Funding for Project Implementation</i>	\$753,445	\$806,071	\$352,000	\$1,911,516

3. ***Endorse the proposed Stage 1 implementation works with approval to:***
 - a) ***utilise the currently allocated \$344,121 City of Melville Municipal funds***
 - b) ***allocate \$322,250 from the Community Facilities Reserve for 'Creating the Hub'***
 - c) ***request an additional \$87,074 in Technical Services 2011/12 Capital Budget at the mid year budget review.***
4. ***Endorse the following increase in annual overall maintenance costs for Wireless Hill Reserve from 2012/13.***

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

Budget Year	2012/13	2013/14	2014/15	2015/16	2016/17
<i>Additional estimated annual maintenance costs for new assets</i>	\$7,330	\$41,505	\$43,580	\$45,759	\$48,046

Stage 1 of the project was completed in time for Wireless Hill Centenary Celebrations which took place in September 2012.

In late 2012, the City was successful in gaining \$691,000 in funding for the project from Lotterywest for signage, conservation of Macadam Road, anchor block works, art and museum upgrade. \$376,000 of this funding is tied to Stage 2 works.

Implementation of Stage 2 of the project is now in progress.

A number of cost variations to the business case have arisen and approval is sought for the consideration of an additional \$151,000 to the project to allow for the entire scope to be delivered according to stakeholder expectations.

DETAIL

The Wireless Project Business Case outlines the components of each stage as shown below and the Concept and Museum Plan shows additional detail and cost estimates. Both of these reports are included as attachments.

[3231 Wireless Hill Project Business Case July 2011](#)

[3231 Wireless Hill Concept and Museum Plan July 2011](#)

Stage 1

- 'Wayfinding' – Consolidating the Visitor Experience
 - Formalise bus bay area and repair/improve car park
 - New raised pedestrian platforms and consolidation of speed dips
 - New entrance and directional signage to the site
- 'Creating the Hub' – Wireless Station Boundary Conservation
 - Upgrade paving around buildings to permeable central forecourt with text inlays and include interpretive signage for central paved forecourt
 - Upgrade decking around large tree as central collection/seating area
 - Strip back external paint of the Museum and Former Store buildings to original red brick (later transferred to Stage 2)
- 'Park Furniture upgrade'
 - Upgrade where required picnic benches, tables, shelters and drinking fountains
 - Enhance planting in display gardens and install bin surrounds
- 'Preparing museum – review, audit, de-accession and new display'
 - Review collection policy and relocate non-required artefacts offsite
 - Audit, review and de-accession objects from the collection
 - Arrange/prepare museum exhibition space for 2012

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)Stage 2

- 'Walking Trails Experience' – Bush Recreation
 - Upgrade wildflower walk signage and include indigenous and wireless station walk information
 - Conservation of Macadam road
 - Formalise entry to the wildflower walk by replacing pine barrier with pony rails and include inlay trail markers
- Mast and Anchor Block Story'
 - New Wireless Station walk path between anchor blocks and interpretive signage (northern block) and glass artwork (install in western block)
 - Basic conservation of two green anchor blocks and interpretive signage (northern block) and glass artwork (install in western block) (conservation of northern block undertaken in Stage 1)
 - Mast base conservation with 3D artwork and in-ground indicators to visually connect the mast base with the anchor blocks (moved to Stage 1)
- 'Themed Playground Experience'
 - Upgrade playground to be Wireless Communication themed
- 'Lighting'

Stage 3

- 'Future New Multi Use Museum Exhibition'
 - Design and install future multi-use exhibition & education space

Implementation of the project commenced later than anticipated in November 2011 due to the delays in recruiting a replacement Project Co-ordinator. Because of the late start and approaching deadline of the September 2012 Centenary Celebrations, one change was made to the staging of the project. Conservation works on the heritage buildings in Stage 1 were substituted with conservation works to the anchor blocks which were originally planned for Stage 2. This was undertaken due to the complexity of the works proposed for the buildings and the risk of not having that work completed for Centenary Celebrations. In comparison, the work required on the anchor blocks was relatively simple and similar work had been undertaken on one of the blocks previously. This gave a greater level of confidence that the works would be completed on time.

As of April 2013, all Stage 1 works, with the exception of the heritage building works have been completed. One of the anchor blocks has also been restored. The contract for the Stage 2 landscaping works is in the process of being awarded and the contract for the heritage building works is under consideration. The prices submitted for the heritage building works are higher than anticipated and will require additional funding if they are to proceed. It is considered timely and appropriate that Council are updated on the progress of the works and provide direction on whether any budget or scope amendments are required.

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

There are a number of variations against the original budget estimates with the two most significant being signage and buildings. Stage 1 landscaping appears to have been over expended but a number of minor items were moved from Stage 2 to Stage 1 and the current estimate for Stage 2 supports this. Overall there have been a number of 'unders' and 'overs' which tend to compensate each other to a degree but the net overall effect is a budget shortfall of some \$150,921 which represents 7.9% of the original budget. This represents a 'major variation' according to the City's Contract Variation Procedure and although not strictly applicable here as contracts have not yet been awarded, it does suggest that approval to expend such additional funds is required.

The majority of the budget for signage is for interpretive signage with allocations for directional signage and marketing. This budget now appears to have been underestimated during the development phase and was based on functional and directional signage rather than the more educational and heritage appropriate interpretive signage. The interpretive signage already installed in the forecourt is complimentary to the heritage significance of the site, allowing visitors to explore and gain a greater understanding of the site and also adds value through the signs' artistic value. As an example, these signs were estimated to cost \$17,358 but are now estimated at approximately \$47,120, an increase of 171%.

The other major variation is for buildings predominantly due to the cost of working on heritage buildings. For example, the estimate for conservation works to the two remaining anchor blocks was \$46,640 while the actual price to complete one was \$42,709 representing an increase of 83% (assuming the second block costs a similar amount).

The actual scope for the building works was '*strip back external paint of the Museum and Former Store buildings to original red brick*' and did not originally include removal of the render on the other cottage. However, meetings with the Heritage Council of Western Australia suggested a preference for having all the buildings 'reading as a unit' (looking the same). The City undertook a test removal of some render on the building and found that it was significantly easier than originally anticipated.

A decision was made to pursue the option of returning all the buildings to their original brick as recommend by both the conservation plan for Wireless Hill Park and the Interpretation Plan. The scope for Stage 2 building works was altered as such and also included works on the old small toilet cubicle and lighting works. The pre-tender estimate for these works was \$170,000 although actual prices received for the works have led to a revised estimate of \$370,000. Additional funds are required before the tender assessment can proceed. The majority of these funds will also be carried forward as the building works will not be completed by June 30 2013.

PUBLIC CONSULTATION/COMMUNICATION

Significant community engagement was undertaken as part of the development of this project and any changes to the scope will be communicated.

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

The Heritage Council of Western Australia was consulted about the heritage buildings works and suggested a preference that all buildings be left looking the same.

Lotterywest have been consulted about items that can be funded by their contribution.

STATUTORY AND LEGAL IMPLICATIONS

The funding from Lotterywest is tied to the completion of various items in the Stage 2 works including the heritage building works and the interpretive signage.

FINANCIAL IMPLICATIONS

Council endorsed the business plan for Wireless Hill in 2011 which included financial allocations spread over three years as follows:

2011/2012 (Stage 1)	\$753,445
2012/2013 (Stage 2)	\$806,071
2013/2014 (Stage 3)	\$352,000
TOTAL	\$1,911,516

In late 2012 Lotterywest approved funding of \$691,000 to support this significant heritage project based on the approved business case and \$376,000 of this funding is tied to Stage 2 works. This reduced the overall net total cost to \$1,220,516.

This budget has been broken down into works groupings reflecting the way the project would be delivered as follows:

Works Breakdown	Budget
Stage 1 landscaping	447,335
Stage 2 landscaping	134,903
Signage	122,915
Anchor blocks	46,640
Buildings (incl. lighting)	226,937
Macadam road	139,920
Playground	185,976
Art	110,770
Sub Total	1,415,395

This total figure excludes the following items that were included in the business case funding but not included in the works discussion here.

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

Community Services funding for 'preparing museum' (Stage 1)	\$127,091
Increase to maintenance budget	\$17,030
2013/2014 funding per business case (for museum upgrade)	\$352,000
Sub Total	\$496,121
TOTAL	\$1,911,516

To date, \$625,316 has been expended as follows:

2011/2012:	\$75,584 (Stage 1 budget)
2012/2013:	\$524,008 (Stage 1 budget)
2012/2013:	\$25,724 (Stage 2 budget)

The remaining items, and their current estimates, are shown below:

Works Breakdown	Budget	Actual Expenditure as of 16/4/2013	Remaining	Current Estimate	Difference
Stage 1 landscaping	447,335	514,326	-66,992		-66,992
Stage 2 landscaping	134,903	21,160	113,743	60,000	53,743
Signage	122,915	47,120	75,795	196,000	-120,205
Anchor blocks	46,640	42,709	3,931		3,931
Buildings (incl. lighting)	226,937		226,937	370,000	-143,063
Macadam road	139,920		139,920	120,000	19,920
Playground	185,976		185,976	170,000	15,976
Art	110,770		110,770	25,000	85,770
Total	1,415,395	625,316	790,079	941,000	-150,921

This identifies a budget shortfall of \$150,921 for the works listed in the table above. It should be noted, however, that grant funding of \$691,000 from Lotterywest has been secured and incorporated into the 2013/2014 Draft Capital Works Budget. This funding was based on completion of the full project as presented in the original Business Case adopted by the Council.

The budget shortfall will be funded from the Community Facilities Reserve.

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The main risks associated with this report are the implications of not completing the works at Wireless Hill as scoped as stakeholders have an expectation that it will be.

Risk Statement	Level of Risk	Risk Mitigation Strategy
Risk of poor reputation based on changing the scope of the project.	Minor consequences which are possible, resulting in a Medium level of risk	Commit additional funds to the project to deliver project as scoped.
Risk of poor reputation based on increasing the budget for the project.	Minor consequences which are possible, resulting in a Medium level of risk	Ensure best practice financial management and procurement to ensure best value is obtained.
Risk that Lotterywest reconsider their current approved investment in the project.	Moderate consequence which is likely resulting in a High level risk	The City of Melville continues with the original project scope as discussed with Lotterywest and on which their grant funding approval was based.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

Options

In considering potential changes to both scope and budget, there are a number of options to consider.

1. Approve additional funding of \$151,000 to complete all works as presently scoped.

This would satisfy the expectations of the stakeholders involved in the project.

2. Approve an additional \$30,000 and complete all the building works as scoped but delete any additional signage from the project

This may disappoint some stakeholders who expect the project to include interpretive signage as outlined in the business case. Additionally, Lotterywest have tied a portion of their funding to the signage works.

T13/3390 - WIRELESS HILL PROJECT STATUS (AMREC) (ATTACHMENT)

3. Approve an additional \$7,000 and complete all the interpretive signage works but delete remaining building works from the scope

This may disappoint some stakeholders who expect the project to include building works as outlined in the business case. Lotterywest also have an expectation that the City will fund and undertake the building works while they fund other works not normally undertaken by local governments such as interpretive signage.

4. Delete all remaining building and signage works from the scope resulting in a reduction in the project scope of some \$415,000 which will expose the City to reduced grant funding from Lotterywest.

This will disappoint some stakeholders who expect the project to include building works and interpretive signage as outlined in the business case. Lotterywest have tied their funding to the signage and have an expectation that the City will undertake the building works.

It is therefore recommended that additional funding of \$151,000 be allocated so that all items addressed in the business case can be completed.

CONCLUSION

Stage 1 of the Wireless Hill project was completed on schedule and in time for the Centenary Celebrations in September 2012. Work on Stage 2 is in progress and revised cost estimates for two items in the works exceed the approved business case by a total of \$151,000 representing 7.9% of the total budget.

In order to complete the full scope of works as approved in the business case and to meet the expectations of a variety of stakeholders, additional funds are required. The additional approved funding by Lotterywest reduces the overall project cost by \$691,000 therefore substantially reducing the financial impact of this project on the City's Budget.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (3390)**ABSOLUTE MAJORITY APPROVAL**

At 6.53pm Cr Robartson moved, seconded Cr Reynolds -

That the Council, by Absolute Majority decision, approve the allocation of an additional \$151,000 to the Wireless Hill Project capital works to be funded from the Community Facilities Reserve.

At 7.01pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (10/2)

At 7.02pm Mr Kellick left the meeting.

C13/6058 – ANNUAL REVIEW OF FEES AND CHARGES (REC) (ATTACHMENTS)

Disclosure of Interest

Item No.	C13/6058
Member	Cr R Hill
Type of Interest	Interest Under the Code of Conduct
Nature of Interest	Chairperson of Melville Cares – Melville Cares use City of Melville facilities at Willagee/Bull Creek/Palmyra as part of their services to the community.
Request	Not Applicable
Decision of Council	Not Required

Disclosure of Interest

Item No.	C13/6058
Member	Cr J Barton
Type of Interest	Interest Under the Code of Conduct
Nature of Interest	Patron of Melville Cares
Request	Not Applicable
Decision of Council	Not Required

Ward	: All
Category	: Operational
Subject Index	: Fees and Charges
Customer Index	: City of Melville
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: Nil
Works Programme	: Not applicable
Funding	: Not applicable
Responsible Officer	: Debbie Whyte – Senior Management Accountant

C13/6058 – ANNUAL REVIEW OF FEES AND CHARGES (REC) (ATTACHMENTS)

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input checked="" type="checkbox"/>	Information	<i>For the Council to note.</i>

KEY ISSUES / SUMMARY

This report presents the proposed Fees and Charges Schedule for the 2013/2014 financial year. The Fees and Charges for 2013/2014 will be adopted by Council at the budget meeting as part of the formal adoption of the Annual Budget in June 2013.

BACKGROUND

Fees and Charges must be incorporated as part of the Annual Budget. The proposed Schedule of Fees and Charges for the 2013/2014 Financial Year [6058 Fees and Charges 2013 2014](#), forms part of the Attachments to the Agenda.

This document contains details of the Fees and Charges for the current year (2012/2013) and those proposed Fees and Charges for the next financial year (2013/2014). Proposed adjustments to the Fees and Charges Schedule are shown throughout the document and new charges can be identified by the comment "New for 2013/2014".

C13/6058 – ANNUAL REVIEW OF FEES AND CHARGES (REC) (ATTACHMENTS)**DETAIL**

The majority of changes are to fees in line with the Consumer Price Index and other identified cost increases.

The most material amendments to the Fees and Charges Schedule include:

Wireless Hill

Fees relating to the use of facilities and tours at Wireless Hill are not shown for 2013/2014 as the facility is closed for refurbishment. These fees will be reviewed upon completion. In addition, some services listed on the schedule have been discontinued as a result of technology becoming obsolete.

Health Services

There are a number of new fees for Health Services in relation to public events, certification services and business establishment applications.

Lifestyle Services

A number of new fitness programs are listed for 2013/2014 including Teen Fit, Beach Body, Boot Camp, and fees for Pilates Reformer and Chi Ball fitness sessions.

Building Services

New penalties are now listed in particular regarding the fitment of smoke alarms to buildings following legislative changes, and penalties regarding the enclosure of private swimming pools. These fees are as prescribed by the Building Regulations 2012.

A number of application and licence fees previously listed have been discontinued following the introduction of changes to the Building Act in 2011.

Parks and Environment

A new fee has been introduced for operators undertaking kite surfing and paddle boarding commercial activities on the foreshore. This fee will help fund any additional maintenance or remedial work required as a result of the extra use of the foreshore reserve.

PUBLIC CONSULTATION/COMMUNICATION

In accordance with the Local Government Act 1995, fees and charges adopted as part of the Budget process are not required to be separately advertised.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

C13/6058 – ANNUAL REVIEW OF FEES AND CHARGES (REC) (ATTACHMENTS)**STATUTORY AND LEGAL IMPLICATIONS**

Local Government Act 1995:

The imposition of fees and charges reference in the Act is quoted below:

6.16. Imposition of fees and charges

(1) A local government may impose and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.*

**Absolute majority required.*

(2) A fee or charge may be imposed for the following —

(a) providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;

(b) supplying a service or carrying out work at the request of a person;

(c) subject to section 5.94, providing information from local government records;

(d) receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;

(e) supplying goods;

(f) such other service as may be prescribed.

STATUTORY AND LEGAL IMPLICATIONS *continued*

(3) Fees and charges are to be imposed when adopting the annual budget but may be —

(a) imposed during a financial year; and*

(b) amended from time to time during a financial year.*

**Absolute majority required.*

6.17. Setting the level of fees and charges

(1) In determining the amount of a fee or charge for a service or for goods a local government is required to take into consideration the following factors —

(a) the cost to the local government of providing the service or goods;

(b) the importance of the service or goods to the community; and

(c) the price at which the service or goods could be provided by an alternative provider.

(2) A higher fee or charge or additional fee or charge may be imposed for an expedited service or supply of goods if it is requested that the service or goods be provided urgently.

C13/6058 – ANNUAL REVIEW OF FEES AND CHARGES (REC) (ATTACHMENTS)

(3) The basis for determining a fee or charge is not to be limited to the cost of providing the service or goods other than a service —

- (a) under section 5.96;*
- (b) under section 6.16(2)(d); or*
- (c) prescribed under section 6.16(2)(f), where the regulation prescribing the service also specifies that such a limit is to apply to the fee or charge for the service.*

(4) Regulations may —

- (a) prohibit the imposition of a fee or charge in prescribed circumstances; or*
- (b) limit the amount of a fee or charge in prescribed circumstances.*

6.19. Local government to give notice of fees and charges

If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of —

- (a) its intention to do so; and*
- (b) the date from which it is proposed the fees or charges will be imposed.*

FINANCIAL IMPLICATIONS

Income estimates are to be included in the 2013/2014 Budget.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
If no increases in Fees or Charges are prescribed for a service which the Council provides this may result in a budget deficit.	Moderate	Fees and Charges to be increased to cover CPI and other cost increases and thus ensure cost recovery is maintained so far as is possible.

POLICY IMPLICATIONS

There is no Council policy which relates specifically to the setting of Fees and Charges.

Council Policy CP-008 Financial Sustainability – Forward Planning and Funding Allocation although not impacted by the setting of fees and charges does provide guidelines that fees for services need to reflect the full cost of providing those services.

C13/6058 – ANNUAL REVIEW OF FEES AND CHARGES (REC) (ATTACHMENTS)**CONCLUSION**

The proposed Schedule of Fees & Charges has been compiled after examination by the responsible officers of the costs associated with delivery the product or service for which the fees and charges are imposed. Officers have reviewed charge out rates in relation to the proposed fees and charges and feel confident that the schedule submitted fairly reflects the increased costs and adjustments for the services provided.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6058)**APPROVAL**

That the proposed Fees & Charges Schedule for 2013/2014, as documented in attachment [6058 Fees and Charges 2013 2014](#) be noted for inclusion in the 2013/2014 Budget for implementation from 1 July 2013.

At 7.02pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)

Ward : All
 Category : Strategic
 Subject Index : Delegated Authority
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Item C12/5217 Review of City of Melville Delegated Authority Manual – Ordinary Meeting of Council 17 April 2012
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Jeff Clark
 Governance & Compliance Program Manager

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input checked="" type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council to note.</i>

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)****KEY ISSUES / SUMMARY**

This report seeks the Council's consideration in reviewing and adopting certain delegations of authority that permit officers to perform functions within a prescribed parameter.

BACKGROUND

The Local Government Act 1995 (The Act) provides for the delegation of certain powers and duties to certain Committees (Sections 5.16 & 5.17) and the Chief Executive Officer (Sections 5.42 & 5.43). The Chief Executive Officer may, unless prohibited by the Council's instrument of delegation, further on-delegate powers and duties to employees (Section 5.44).

The Act also provides for a delegations register to be maintained and reviewed each financial year (Section 5.46). Council Officers have reviewed the delegations and this report requests the Council to undertake a review of the reviewed delegations as submitted by the Officers.

DETAIL

It is necessary to review all current delegations to ensure, in the first instance, that they are consistent with the legislation and secondly, that they are, still necessary. Although the provisions of the Local Government Act 1995 do not affect delegations made under other legislation, it is also considered an appropriate time to review those delegations.

"Delegated Authority" refers only to those powers or duties required by legislation and are often referred to as statutory delegations. Generally, these delegated authorities will be made to the Chief Executive Officer who may then on-delegate to such person or persons as he feels appropriate.

[5291 Delegated Authority Manual](#) The City of Melville Delegated Authority Manual is attached. This attachment provides specific detail as to the extent of each delegation.

All Delegations have been reviewed by officers and suggestions have been included in Delegations for changes to descriptions and sub-delegations to or from positions. The review process was undertaken by all Directors and their suggestions have been noted on each Delegation.

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)**

It was apparent to Officers that due to the extensive work on the Delegation Authority Manual over the past years, the main amendments recommended are fine tuning of the existing delegations. A listing of all Council Delegations is provided as an attachment with notes identifying any specific change to a delegation. [5291 Listing of Council Delegations](#)

Minor Amendments to Delegations.

There are instances where delegations have been amended to note the change of officer position titles. These amendments do not change the nature of the delegation. Minor amendments have also been made to various Delegations to reflect changes to the enabling legislation.

Delegation DA-006 Under Related Policy Reference – deleted “CP 046 – Reserve Land & Freehold Land”

Delegation DA-016 Under Related Policy Reference – Added Residential Design Codes, Residential Development Policy, Draft Outdoor Advertisements and Signage Policy, Australian Standard AS/NZS 4819: 2003: Geographic Information - Rural and Urban Addressing, also The Director Urban Planning and Manager Statutory Planning have only been delegated to determine matters relating to Signs, Street Numbering and Fences only, rather than all Local Laws.

Delegation DA-030 Under Chief Executive Officer Sub Delegates to: added " All Directors in respect to tenders emanating from their directorate"

Delegation DA-032 Under Chief Executive Officer Sub Delegates to: added " All Directors in respect to tenders emanating from their directorate"

Delegation DA-033 Under description and following the word purpose - added "and to withdraw, sell or settle such investments, made as and when required", under note 2 - added "of which at least one of whom will be a category "A" authorised signatory as outlined in delegation DA 055" Changed title of Manager Information & Corporate Support to Manager Information, Technology & Support

Delegation DA-061 Prosecutions, Notices and Legal Proceedings, Town Planning Matters - The Director Urban Planning & Manager Statutory Planning have been added as Sub-delegates.

Delegation DA-066 Liquor Licences – Under Enabling Legislation – added “Planning and Development Act 2005”, also “The Director Urban Planning and Director Community Development have been added as Sub-delegates.

Delegation DA-86 Under Chief Executive Officer Sub Delegates to - added "Director Community Development"

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)**

Delegation DA-87 Under Chief Executive Officer Sub Delegates to - added "Director Community Development"

Delegation DA-101 Revocation of Building Order – Under “Delegated To” – The Senior Building Surveyor has been deleted.

Delegation DA-102 Give Effect to a Building Order - Under “Delegated To” – The Senior Building Surveyor has been deleted.

Planning Delegation DA-020 Planning and Related Matters This Delegation remains under review and not recommended for change at this time, a further report will be submitted as necessary once the review has been completed

Building Delegations DA-089 to DA-102 Due to a change in Legislation, Council delegations have now been delegated to the Chief Executive Officer (CEO) where previously they were delegated direct to the relevant officers, the Building Act 2011, section 127 sub section (6A) (amended on the 11 December 2012) states as follows:

(6A) “The CEO of a local government may delegate to any other local government employee a power or duty of the local government that has been delegated to the CEO under this section but in the case of such a power or duty —

(a) the CEO’s power under this subsection to delegate the exercise of that power or the discharge of that duty; and

(b) the exercise of that power or the discharge of that duty by the CEO’s delegate,

are subject to any conditions, qualifications, limitations or exceptions imposed by the local government on its delegation to the CEO”.

New Delegations

There were no new Delegations approved during 2012/2013, however, Delegation DA -New “Extend period of duration for Building or Demolition Permit” and Delegation DA -New “Prosecutions, Orders and Legal Proceedings – Building Matters” are proposed for 2013/2014.

PUBLIC CONSULTATION/COMMUNICATION

No external public consultation has been carried out as these delegations are considered to be an internal matter requiring only the Councils consideration.

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)****CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

The City of Melville Delegated Authority Manual has been modelled on the Department of Local Governments guidelines introduced in the February 2007. These guidelines were prepared in collaboration between Department of Local Government Staff, McLeods Barristers & Solicitors, and officers from various local governments including the City of Melville.

STATUTORY AND LEGAL IMPLICATIONS

The following are the key issues under the The Act affecting delegated authority:

Delegations (to Committees and the Chief Executive Officer) must be made by an absolute majority decision [s.5.16(1) and s.5.42(1)].

- Delegations (whether to Committees or the Chief Executive Officer) must be in writing, and may be general or as otherwise provided in the instrument of delegation [s.5.16(2), s.5.42(2) and s.5.44(2)].
- All Delegations will have effect for the period of time specified in the delegation, or if not specified, indefinitely. Any decision to amend or revoke a delegation must be by absolute majority [s.5.16(3)].
- Any of the Council powers or duties under The Act can be delegated to a Committee comprising Council members only, EXCEPT any power or duty requiring absolute or special majority decisions; or any other power or duty as prescribed [s.5.17(1)(a)].
- Delegations **CANNOT** be made to Committees comprised of "other persons" only [s.5.9(2)(f)] (i.e. with no council members or employees). Following from this, delegations cannot be made to a committee comprised of employees only [such a committee cannot exist by virtue of s.5.9(2)].

A Local Government may delegate to the Chief Executive Officer, by absolute majority, any of its powers or duties under The Act [s.5.42(1)], **EXCEPT** those identified in s.5.43 as listed below:

- (a) any power or duty that requires an absolute or special majority decision or seventy five percent (75%) majority of the Local Government;
- (b) accepting a tender which exceeds an amount determined by the Local Government;
- (c) appointing of an auditor;
- (d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government;
- (e) any powers under s.5.98 (fees for Council Members), s.5.99 (annual fee for Council Members in lieu of fees for attending meetings), or s.5.100 (payments for certain Committee Members);
- (f) borrowing money on behalf of the local government;
- (g) hearing or determining an objection of a kind referred to in s9.5
- (ha) the power under section 9.49A(4) to authorise a person to sign documents on behalf of the Local Government
- (h) any power or duty requiring the approval of the Minister or the Governor;

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)**

- (i) such other powers or duties as may be prescribed.
 - Any powers or duties which can be delegated to the Chief Executive Officer in accordance with s.5.42 and s.5.43, can be delegated to a Committee comprising Council members and employees [s.5.17(1)(b)]. Further, the Chief Executive Officer may delegate to any employee any of these powers or duties (other than the power of delegation) [s.5.44(1)]
 - Any powers or duties that are necessary or convenient for the proper management of the City of Melville's property or related to an event in which the City of Melville is involved, can be delegated to the following types of Committee:
 - (i) comprised of council members, employees and other persons
 - (ii) comprised of council members and other persons
 - (iii) comprised of employees and other persons [s.5.17(1)(c)]
 - Registers must be kept of all Delegations made to Committees, the Chief Executive Officer and employees, and such Delegations are to be reviewed at least once every financial year. [s.5.18, s.5.46(1) & (2)]
 - The Chief Executive Officer and any other employee who has been delegated a power or duty under The Act is required to keep a written record of:
 - (i) how and when the power was exercised or the duty discharged
 - (ii) the persons or classes of persons directly affected (other than Council or Committee members, or employees) by the use of the delegation [s.5.46(3) and Reg. 19].

FINANCIAL IMPLICATIONS

Should the Council choose not to delegate authority to its officers, additional financial cost will be incurred in the extra administrative resources that would need to be applied in order to prepare reports seeking authorisation for individual actions from the Council.

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)**

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
An issue arises that requires urgent attention of officers to ensure public safety.	Moderate consequences which are almost certain, resulting in a High level of risk.	Implementation of delegation of power to authorise officers to enter site to make a situation safe.
That Officers exercise a delegation that results in a decision being made that is contrary to the wishes of the Council	Moderate consequences which are unlikely resulting in a Medium level of risk.	Clear Council policy is established to guide delegated Officers/committees in the exercise of the delegation.

POLICY IMPLICATIONS

A number of Council policies adopted by the Council have enabling delegation to the Chief Executive Officer who in turn may on delegate to other appointed Officers.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

All delegations are subject to the discretion of the Council and can be removed at any time. The Council may choose to remove delegations which in turn will then require formal consideration of relevant matters or items at the next available meeting of the Council.

Should delegations to Officers not be granted, customers would experience increased delay in obtaining approvals and authorisations.

CONCLUSION

It is important to note that major decisions or actions made under delegation are as a matter of procedure, referred onto Elected Members for their information. In addition whilst many decisions may be procedural, circumstances may make a decision contentious and therefore may be referred onto the Council for formal decision despite the enabling delegation.

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)****OFFICER RECOMMENDATION (5291)****ABSOLUTE MAJORITY**

At 7.02pm Cr Kinnell moved, seconded Cr Reidy -

That the Council:

1. **By Absolute Majority Decision, adopt the City of Melville Delegated Authority Manual as attached 5291 Delegated Authority Manual.**
2. **By Absolute Majority Decision, adopt the two new Delegations 1 “Extend the duration of Building and Demolition Permits” and 2 “Prosecutions, Orders and Legal Proceedings – Building Matters” as attached 5291 New Delegations**

Amendment

At 7.03pm Cr Nicholson moved, seconded Cr Pazolli -

That in Delegation DA-008, Disposition of Land and Other Assets, after the words “up to the value of” the words “of land considered to be a major land transaction as defined in Clause 8A of the aforementioned regulations” be deleted and replaced with “\$500,000 per transaction.”

At 7.10pm the Mayor submitted the Amendment, which was declared

CARRIED (9/3)Reasons for Amendment

Cr Nicholson provided the following reasons in support of the amendment –

- “1. A situation of a potential sale of land and property that would require urgent attention of the Council, could be accomplished by the CEO calling a Special Council Meeting. A meeting could be called within 24 hours, a quorum established, and the decision to sell the strategic assets made by Councillors therefore there is no real need for this DA.
2. Selling of land and property can never be an operational matter; it is strategic. CEOs of Local Councils are concerned with operational matters; Elected Members are concerned with strategic and oftentimes, operational issues.
3. Ratepayers expect that Councillors, as the overseeing body of the City, make strategic decisions. That is one of the few roles left for Councillors. “

**C13/5291 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL (AMREC)
(ATTACHMENTS)****COUNCIL RESOLUTION (5291)****ABSOLUTE MAJORITY**

At 7.10pm the Mayor submitted the substantive motion as amended –

That the Council:

1. **By Absolute Majority Decision, adopt the City of Melville Delegated Authority Manual as attached [5291 Delegated Authority Manual](#) with the following amendment to Delegation DA-008.**

That in Delegation DA-008, Disposition of Land and Other Assets, after the words “up to the value of” the words “of land considered to be a major land transaction as defined in Clause 8A of the aforementioned regulations” be deleted and replaced with “\$500,000 per transaction.”

2. **By Absolute Majority Decision, adopt the two new Delegations 1 “Extend the duration of Building and Demolition Permits” and 2 “Prosecutions, Orders and Legal Proceedings – Building Matters” as attached [5291 New Delegations](#)**

At 7.10pm the Mayor declared the motion

CARRIED BY ABSOLUTE MAJORITY (12/0)

C13/5000 – COMMON SEAL REGISTER (REC)

Ward : All
 Category : Operational
 Subject Index : Legal Matters and Documentation
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Standard Item
 Works Programme : Not applicable
 Funding : Not applicable
 Responsible Officer : Bruce Taylor - Manager Information, Technology & Support

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council to note.</i>

KEY ISSUES / SUMMARY

This report details the documents to which the City of Melville Common Seal has been applied for the period from 25 March 2013 up to and including 22 April 2013 and recommends that the information be noted.

C13/5000 – COMMON SEAL REGISTER (REC)

BACKGROUND

Section 2.5 of the Local Government Act 1995 states that a Local Government is a Body Corporate with perpetual succession and a common seal. A document is validly executed by a Body Corporate when the common seal of the Local Government is affixed to it and the Mayor and the Chief Executive Officer attest the affixing of the seal.

DETAIL

Register Reference	Party	Description	File Reference
765	The City of Melville	Sculpture Walk at Piney Lakes– Sponsorship Agreement	Subject: 2940914

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

Section 2.5(2) of the Local Government Act 1995 states:

The local government is a body corporate with perpetual succession and a common seal.

Section 9.49A (3) of the Local Government Act 1995 states:

(3) *The common seal of the local government is to be affixed to a document in the presence of —*

- (a) *the mayor or president; and*
- (b) *the chief executive officer or a senior employee authorised by the chief executive officer, each of whom is to sign the document to attest that the common seal was so affixed.*

FINANCIAL IMPLICATIONS

Not applicable.

C13/5000 – COMMON SEAL REGISTER (REC)**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

Not applicable.

POLICY IMPLICATIONS

Not applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

This is a standard report for Elected Members information.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5000)**NOTING**

That the action of His Worship the Mayor and the Chief Executive Officer in executing the documents listed under the Common Seal of the City of Melville from 25 March 2013 up to and including 22 April 2013, be noted.

At 7.11pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)

Ward	:	All
Category	:	Operational
Subject Index	:	Financial Statements and Investments
Customer Index	:	Not applicable
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Standard Item
Works Programme	:	Not applicable
Funding	:	Not applicable
Responsible Officer	:	Khris Yeoh – Senior Financial Accountant

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input checked="" type="checkbox"/>	Information	<i>For the Council to note.</i>

KEY ISSUES / SUMMARY

- This report presents the investment statement for the month of March 2013 and recommends that the information detailed in the report be noted.
- The low 'Cash' rate and legislative restrictions continue to have a major impact on the City's investment earnings.
- Monthly valuations for Collateralised Debt Obligations (CDOs) shown for March 2013 are based on valuations obtained from CPG Research and Advisory as at 31 March 2013. When compared to the valuations used as at 30 June 2012, CDOs have increased in value by \$746,512.

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)
BACKGROUND

The City has cash holdings as a result of timing differences between the collection of revenue and its expenditure. Whilst these funds are held by the City, they are invested in appropriately rated and liquid investments.

The investment of cash holdings is undertaken in accordance with Council Policy CP-009 - Investment of Funds, with the objective of maximising returns whilst maintaining low levels of credit risk exposure.

DETAIL

Summary details of investments held as at 31 March 2013 are shown in the tables below.

CITY OF MELVILLE STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 31 MARCH 2013					
SUMMARY BY FUND	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2012 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL	\$ 51,103,064	\$ 51,103,064	\$ 51,103,064	\$ -	0.00%
RESERVE	\$ 52,174,167	\$ 49,256,405	\$ 50,002,917	\$ 746,512	1.43%
TRUST	\$ 472,723	\$ 472,723	\$ 472,723	\$ -	0.00%
CRF	\$ 193,535	\$ 193,535	\$ 193,535	\$ -	0.00%
	\$ 103,943,489	\$ 101,025,727	\$ 101,772,239	\$ 746,512	0.72%
SUMMARY BY INVESTMENT TYPE	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2012 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
CDO	\$ 3,000,000	\$ 82,238	\$ 828,750	\$ 746,512	24.88%
BOND	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
FRN	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ -	0.00%
FRTD	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ -	0.00%
TERM DEPOSIT	\$ 90,292,744	\$ 90,292,744	\$ 90,292,744	\$ -	0.00%
11AM	\$ 920,100	\$ 920,100	\$ 920,100	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 103,943,489	\$ 101,025,727	\$ 101,772,239	\$ 746,512	0.72%
SUMMARY BY CREDIT RATING	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2012 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ -	0.00%
AA-	\$ 55,512,844	\$ 55,512,844	\$ 55,512,844	\$ -	0.00%
A+	\$ 14,500,000	\$ 14,500,000	\$ 14,500,000	\$ -	0.00%
A	\$ 14,700,000	\$ 14,700,000	\$ 14,700,000	\$ -	0.00%
A-	\$ 6,200,000	\$ 6,200,000	\$ 6,200,000	\$ -	0.00%
BBB+	\$ 3,800,000	\$ 3,800,000	\$ 3,800,000	\$ -	0.00%
NR	\$ 3,000,000	\$ 82,238	\$ 828,750	\$ 746,512	24.88%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 103,943,489	\$ 101,025,727	\$ 101,772,239	\$ 746,512	0.72%

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)

The following statements detail the investments held by the City for the period ending 31 March 2013. Marketable investments are shown at their current estimated market value.

STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 31 MARCH 2013									
INSTITUTION / INVESTMENT	RISK of IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	FACE VALUE \$	BOOK VALUE AT 30/6/2012 \$	CURRENT EST MARKET VALUE \$	INVESTMENT GAIN / (LOSS) SINCE 30/06/12 \$	MATURITY DATE
BANKWEST (11AM)	Very Low	11AM	3.00%	AA-	\$216,132	\$216,132	\$216,132	\$0	On call
WESTPAC (MAXI DIRECT)	Very Low	11AM	3.75%	AA-	\$0	\$0	\$0	\$0	On call
WESTPAC (MAXI BONUS 1)	Very Low	11AM	4.10%	AA-	\$702,759	\$702,759	\$702,759	\$0	On call
WESTPAC (MAXI BONUS 2)	Very Low	11AM	4.10%	AA-	\$1,210	\$1,210	\$1,210	\$0	On call
					\$920,100	\$920,100	\$920,100	\$0	
ANZ BANK (TERM)	Very Low	TERM	4.54%	AA-	\$2,000,000	\$2,000,000	\$2,000,000	\$0	22-May-13
BANKWEST (TERM)	Very Low	TERM	Various	AA-	\$6,192,744	\$6,192,744	\$6,192,744	\$0	Various
BANK OF QUEENSLAND (TERM)	Very Low	TERM	4.50%	BBB+	\$1,800,000	\$1,800,000	\$1,800,000	\$0	23-Jul-13
BENDIGO AND ADELAIDE BANK (TERM)	Very Low	TERM	Various	A-	\$6,200,000	\$6,200,000	\$6,200,000	\$0	Various
CITIBANK (TERM)	Very Low	TERM	4.60%	AA-	\$6,300,000	\$6,300,000	\$6,300,000	\$0	Various
ING BANK (TERM)	Very Low	TERM	Various	A	\$12,300,000	\$12,300,000	\$12,300,000	\$0	Various
MACQUARIE BANK (TERM)	Very Low	TERM	Various	A	\$900,000	\$900,000	\$900,000	\$0	Various
NAB (TERM)	Very Low	TERM	Various	AA-	\$15,900,000	\$15,900,000	\$15,900,000	\$0	Various
RABODIRECT (TERM)	Very Low	TERM	4.90%	AA	\$2,000,000	\$2,000,000	\$2,000,000	\$0	4-Apr-13
ST GEORGE BANK (TERM)	Very Low	TERM	Various	AA-	\$7,700,000	\$7,700,000	\$7,700,000	\$0	Various
SUNCORP METWAY LTD (TERM)	Very Low	TERM	Various	A+	\$14,500,000	\$14,500,000	\$14,500,000	\$0	Various
WESTPAC (TERM)	Very Low	TERM	Various	AA-	\$14,500,000	\$14,500,000	\$14,500,000	\$0	Various
					\$90,292,744	\$90,292,744	\$90,292,744	\$0	
BANK OF QUEENSLAND (FLOAT RATE TD)	Very Low	FRTD	4.60%	BBB+	\$2,000,000	\$2,000,000	\$2,000,000	\$0	30-Sep-13
ING BANK (FLOAT RATE TD)	Very Low	FRTD	4.63%	A	\$1,500,000	\$1,500,000	\$1,500,000	\$0	10-Sep-13
					\$3,500,000	\$3,500,000	\$3,500,000	\$0	
COMMONWEALTH BANK (RETAIL BOND)	Very Low	BOND	4.56%	AA	\$2,000,000	\$2,000,000	\$2,000,000	\$0	20-Dec-15
NAB (FRN)	Very Low	FRN	4.21%	AA-	\$2,000,000	\$2,000,000	\$2,000,000	\$0	21-Jun-16
COMMONWEALTH BANK (FRN)	Very Low	FRN	4.11%	AA	\$2,000,000	\$2,000,000	\$2,000,000	\$0	2-Aug-16
					\$6,000,000	\$6,000,000	\$6,000,000	\$0	
CORSAIR (CAYMAN) KAKADU	Very High	CDO	4.45%	NR	\$1,500,000	\$72,363	\$498,000	\$425,637	20-Mar-14
MANAGED ACES CLASS 1A PARKES	Very High	CDO	4.67%	NR	\$1,050,000	\$9,874	\$15,750	\$5,876	20-Jun-15
BERYL FINANCE GLOBAL BANK NOTE 2	Early Term.	CDO	0.00%	NR	\$450,000	\$1	\$315,000	\$314,999	20-Sep-14
					\$3,000,000	\$82,238	\$828,750	\$746,512	
UNITS IN LOCAL GOVT HOUSE	NA	NA	NA	NA	\$230,645	\$230,645	\$230,645	\$0	NA
TOTAL FUNDS INVESTED					\$103,943,489	\$101,025,727	\$101,772,239	\$746,512	

CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AA	\$6,000,000	\$6,000,000	6%	80%	
AA-	\$55,512,844	\$55,512,844	55%	80%	
A+	\$14,500,000	\$14,500,000	14%	50%	
A	\$14,700,000	\$14,700,000	14%	50%	
A-	\$6,200,000	\$6,200,000	6%	50%	
BBB+	\$3,800,000	\$3,800,000	4%	20%	
NR	\$3,000,000	\$828,750	1%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	103,943,489	101,772,239	100%		

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)
DIVERSIFICATION RISK

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
ANZ BANK (TERM)	TERM	AA-	2,000,000	1.97%	1.97%	20%	
BANKWEST (11AM)	11AM	AA-	216,132	0.21%		20%	
BANKWEST (TERM)	TERM	AA-	6,192,744	6.08%	6.30%	20%	
BANK OF QUEENSLAND (TERM)	TERM	BBB+	1,800,000	1.77%		10%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	2,000,000	1.97%	3.73%	10%	
BENDIGO AND ADELAIDE BANK (TERM)	TERM	A-	6,200,000	6.09%	6.09%	15%	
CITIBANK (TERM)	TERM	AA-	6,300,000	6.19%	6.19%	20%	
COMMONWEALTH BANK (TERM)	TERM	AA-	-	0.00%		20%	
COMMONWEALTH BANK (COVERED BOND)	BOND	AAA	-	0.00%		20%	
COMMONWEALTH BANK (RETAIL BOND)	BOND	AA	2,000,000	1.97%		20%	
COMMONWEALTH BANK (FRN)	FRN	AA	2,000,000	1.97%	3.93%	20%	
ING BANK (TERM)	TERM	A	12,300,000	12.09%		15%	
ING BANK (FLOAT RATE TD)	FRTD	A	1,500,000	1.47%	13.56%	15%	
MACQUARIE BANK (TERM)	TERM	A	900,000	0.88%	0.88%	15%	
NAB (TERM)	TERM	AA-	15,900,000	15.62%		20%	
NAB (FRN)	FRN	AA-	2,000,000	1.97%	17.59%	20%	
RABODIRECT (TERM)	TERM	AA	2,000,000	1.97%	1.97%	15%	
ST GEORGE BANK (TERM)	TERM	AA-	7,700,000	7.57%	7.57%	20%	
SUNCORP METWAY LTD (TERM)	TERM	A+	14,500,000	14.25%	14.25%	15%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	702,759	0.69%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	1,210	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	-	0.00%		20%	
WESTPAC (TERM)	TERM	AA-	14,500,000	14.25%	14.94%	20%	
CDO - Various	CDO		828,750	0.81%	0.81%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	NA	NA	230,645	0.23%	0.23%		
			101,772,239	100%	100%		

MATURITY COMPARISON

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	51,345,142	100%	100%	
	51,345,142	100%		
RESERVE FUNDS				
< 1 year	43,672,167	87%	100%	
< 2 years	315,000	1%	80%	
< 3 years	2,015,750	4%	80%	
< 4 years	4,000,000	8%	40%	
< 5 years	-	0%	40%	
> 5 years	-	0%	20%	
	50,002,917	100%		

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)

Due to the continuing volatility in credit markets worldwide, the risks associated with two of the City's three CDOs remains elevated.

Monthly valuations for CDOs shown are based on valuations obtained from CPG Research and Advisory (CPG) as at 31 March 2013 who in turn have obtained them from the arranging banks. When compared to the valuations used as at 30 June 2012, valuations obtained from CPG as at 31 March 2013 show that CDOs have increased in value by \$746,512.

The last remaining Lehman Brothers arranged CDO with a face value of \$450,000 remains to be settled and is expected to be realised at levels in excess of its full face value.

The Corsair Cayman Kakadu CDO and the MAS Parkes 1A CDO has suffered an erosion of credit support and therefore underlying principal of 8.6% and 41.9% respectively. Both CDOs continue to pay interest at a reduced rate depending on the extent of the principal loss incurred. The City has earned approximately \$5.04 million from CDO investments since 1 July 2007.

The remaining values of non Lehman Brothers arranged CDOs held as at 31 March 2013 were:

- Face Value	\$ 2,550,000
- Written Down (Book) Value (30 June 2012)	\$ 82,237
- Estimated Market Value (31 March 2013)	\$ 513,750

Further investment in CDOs is specifically excluded under the City's current Investment Policy.

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)

Credit Ratings and Credit Events

Twenty two credit events impacting the City's CDO investments have now been recorded to date. The Companies involved are ResCap, PMI Group, AMBAC Financial, Takefuji, AMBAC Assurance, AIFUL, Tribune, Thomson, Financial Guaranty Insurance Company (FGIC), XL Capital Assurance, Bank TuranAlem, Idearc, Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), Lehman Brothers, WaMu, Glitnir, Kaupthing, Landsbanki, Chemtura, Abitibi and CIT Group.

The City's Remaining CDO Investments:

CDO Name Arranger Face Value & Maturity Date	No. of Credit Events	Remaining Credit Support before FIRST Loss of Principal	Remaining Credit Support before TOTAL Loss of Principal	Comments
Corsair Cayman Kakadu Arranger: J.P. Morgan Australia \$1.5 million Maturing 20/3/14	12 credit events: ResCap, AMBAC Assurance, AIFUL, XL Capital Assurance, Freddie Mac, Fannie Mae, Lehman's, WaMu, Kaupthing, CIT Group, Anglo Irish Bank & PMI Group	-0.1	1.8	Partial loss 8.6% (\$0.129 million) of principal has occurred. Very high likelihood of total default.
Managed Aces Class Parkes 1A Arranger: Morgan Stanley \$1.05 million Maturing 20/6/15	10 credit events: ResCap, AMBAC Assurance, AIFUL, XL Capital Assurance, Freddie Mac, Fannie Mae, Lehman's, WaMu, CIT Group & PMI Group.	-0.8	1.1	Partial loss 41.9% (\$0.44 million) of principal has occurred. Very high likelihood of total default.

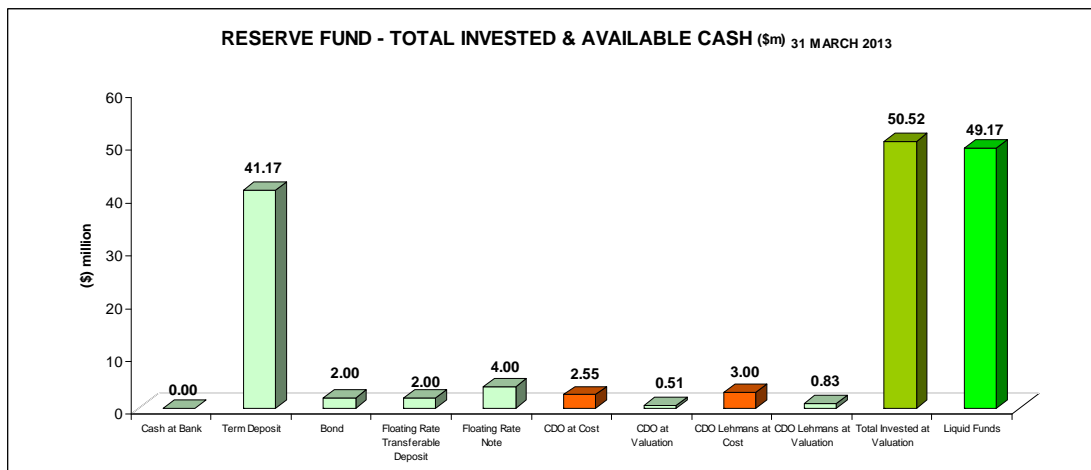
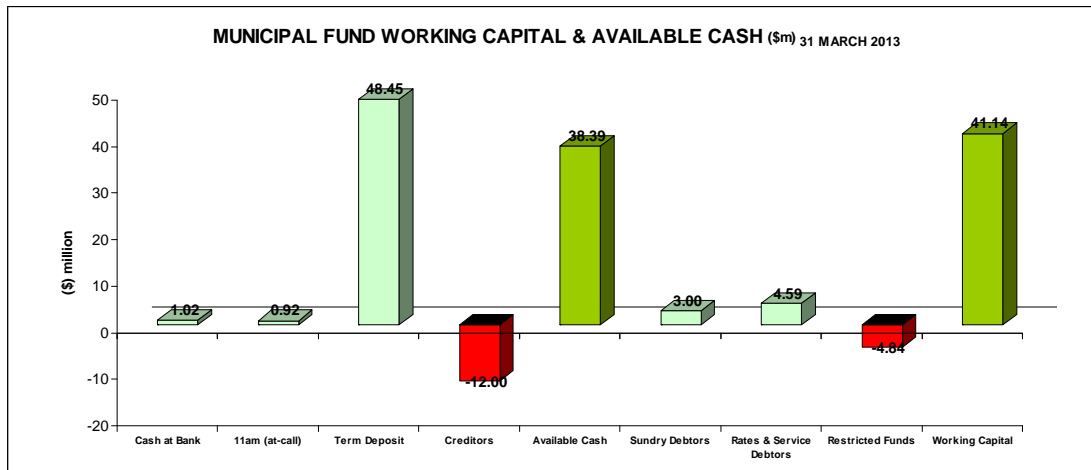
Terminated Lehman Brothers Arranged CDO Investments:

Beryl Finance Global Bank Note 2 \$450,000 Terminated (20/9/14)	Nil credit events:	1	N/A	Terminated due to Lehman bankruptcy – In the process of being unwound and the Trustee disposing of the collateral.
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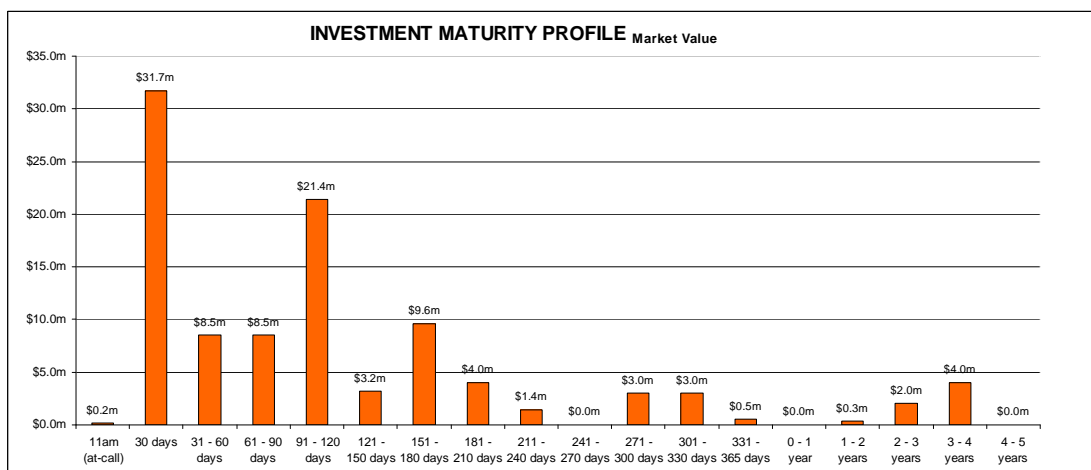
C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)

Net Funds Held

The graphs below summarise the Municipal Fund working capital and available cash and the funds held in the Reserve Fund at purchase price and last valuation at 31 March 2013.



The graph below summarise the maturity profile of the City's investments at market value as at 31 March 2013.



C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)**PUBLIC CONSULTATION/COMMUNICATION**

This report is available to the public on the City's web-site and hard copies of this agenda and attachments are available for viewing at the City's five public libraries.

In addition the City's bi-monthly newsletter, Mosaic, has contained several articles that highlight this issue. Numerous press articles have also been published on this topic.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

City officers are in regular contact with the City's investment advisors, CPG Research and Advisory.

STATUTORY AND LEGAL IMPLICATIONS

The following legislation is relevant to this report:

- Local Government (Financial Management) Regulations 1996 Regulation 19 – Management of Investments.
- Trustee Act 1962 (Part 3)

The legal firm Piper Alderman have been engaged to seek recovery of any losses that may eventually be realised. JWS was successful in seeking an early termination of four of the City's Lehman arranged CDOs, so that on 26 February 2013 the City gained access to the collateral representing the City's original investments which are held by Trustees for the Lehman Brothers arranged CDOs.

In conjunction with approximately 71 other corporations and local government authorities the City of Melville has engaged litigation funder IMF Australia to seek recovery of losses from Lehman Brothers Australia. Whilst the decisions taken by the various courts have been positive for the litigants the legal process is lengthy. The latest developments which took place over February 2013 is that Piper Alderman has lodged on the City's behalf Proofs of Debt with the Liquidators of Lehman Brothers Asia as they were also implicated in the Federal Court action as being partly responsible for the losses incurred since the time Lehman Brothers purchased Grange Securities. In addition Piper Alderman have also lodged with the Federal Court of Australia an Outline of Claim and detailed holdings, transactional information, copies of the IMP Agreement the City had entered into with Grange Securities/Lehman Brothers Australia and other supporting documentation such various versions of the City's investment policies that were relevant at the time the transactions took place as well as WA legislative requirements. This information will be used by the Federal Court to determine the specific nature of the relationship that the City has entered into with Grange Securities / Lehman Brothers Australia, and establishes that they were providing their services in the position of expert and trusted advisor and were meant to be applying a commensurate level of duty of care in that capacity. It will also be used to ascertain the extent of losses incurred by the City that could be attributed to the actions/inactions of Grange Securities / Lehman Brothers Australia.

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)**FINANCIAL IMPLICATIONS**

For the period ending 31 March 2013, interest earned on:

- Municipal and Trust Funds was \$1,404,704 against a revised budget of \$1,503,811. This represents a \$99,107 negative variance. The full year investment earnings revised budget for Municipal Funds is \$1.725 million which was revised down by \$600,000 from the original amount of \$2.325 million in the 2012/2013 adopted budget.
- Reserve Funds was \$2,401,732 against a revised budget of \$2,152,573. This represents a \$249,159 positive variance. The full year investment earnings revised budget for Reserve Accounts is \$2.6 million.

The City's revenue from investment earnings is expected to decrease in the foreseeable future, as the RBA continues to cut the 'Cash' rate and the new legislative restrictions that have been placed by regulation that limits the type of investments, and more importantly the maximum term to maturity, in which the City is permitted to invest. As stated above the amount of Municipal and Trust investment earnings has been revised downwards during the mid year budget review.

The City's last remaining Lehman Brothers arranged CDO with a face value of \$450,000 is in the process of being unwound and the City expects that this will be repaid in excess of its full face value.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Council's Investment of Funds policy is constructed to minimise credit risk through investing in highly rated securities and diversification. The policy also incorporates mechanisms that protect the City's investments from undue volatility risk as well as the risk to reputation as a result of investments that may be perceived as unsuitable by the Community.

Due to continuing credit market volatility the risks associated with two of the City's three remaining CDOs is high. Whilst the City continues to earn and be paid interest from its two remaining non Lehman Brothers arranged CDOs, the reassessment by the major rating agencies of their credit risk models used to assess the credit ratings associated with CDO portfolios, has resulted in significant downgrading of CDO investments to credit rating levels that do not meet the Council's investment policy. The remaining two legacy CDO investments are being closely monitored by officers in conjunction with the City's investment advisors.

In response to the current market conditions, funds are currently being invested for short periods and/or only with highly credit rated Australian banking institutions.

There are no other identifiable strategic, risk and environmental management implications.

C13/6000 - INVESTMENT STATEMENTS FOR MARCH 2013 (REC)**POLICY IMPLICATIONS**

Council Policy CP-009 – Investment of Funds.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

The investment report highlights that, except for the remaining three legacy CDO investments of 2007, the City's investment portfolio is invested in highly secure investments and is returning market competitive investment returns commensurate with the level of risk of the portfolio. It highlights however that Municipal Fund investment earnings are currently under the mid year revised budget by approximately \$100,000 (\$700,000 when compared to originally adopted budget) and that this trend is expected to continue due to continuing interest rates cuts and legislatively imposed restrictive investment options.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6000)**NOTING**

That the Investment Report for the month of March 2013 be noted.

At 7.11pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

C13/6001 – SCHEDULE OF ACCOUNTS FOR MARCH 2013 (REC) (ATTACHMENT)

Ward : All
 Category : Operational
 Subject Index : Financial Statement and Investments
 Customer Index : Not applicable
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Standard Item
 Works Programme : Not Applicable
 Funding : 2012/13 Budget
 Responsible Officer : Khris Yeoh - Senior Financial Accountant

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input checked="" type="checkbox"/>	Information	<i>For the Council to note.</i>

KEY ISSUES / SUMMARY

This report presents the details of payments made under delegated authority to suppliers for the month of March 2013 and recommends that the Schedule of Accounts be noted.

C13/6001 – SCHEDULE OF ACCOUNTS FOR MARCH 2013 (REC) (ATTACHMENT)
BACKGROUND

Delegated Authority DA-035 has been granted to the Chief Executive Officer to make payments from the Municipal and Trust Funds. This authority has then been on-delegated to the Director Corporate Services. In accordance with Regulation 13.2 and 13.3 of the Local Government (Financial Management) Regulations 1996, where this power has been delegated, a list of payments for each month is to be compiled and presented to Council. The list is to show each payment, payee name, amount and date of payment and sufficient information to identify the transaction.

DETAIL

The Schedule of Accounts for the month ending 31 March 2013 ([6001 March 2013](#)), including Payment Registers numbers, Cheques **337 to 344** and Electronic Funds Transfers **286 to 288** were distributed to the Members of Council on 3 May 2013.

Payments in excess of \$25,000 for the month of March 2013 are detailed as follows:

Supplier Name	Remittance Number	Remittance Details	Amount
Asphaltech Pty Ltd	Chq 052683	Asphalt & civil works	\$37,527.05
Australia Post Perth	E033305 & E033524	Mail & parcel delivery	\$33,873.97
City of Cockburn	E033456	Tip fees for February 2013	\$386,945.82
Dickies Tree Service	E033224 & E033459	Tree lopping service	\$50,944.30
Downer EDI Works Pty Ltd	E033364 & E033619	Road resurfacing	\$592,355.28
Dowsing Concrete	E033442 & E033617	Concrete works	\$105,561.62
E & MJ Rosher Pty Ltd	E033499	Kubota articulated loader	\$85,250.00
Fire & Emergency Services Authority WA	E033574	ESL Remittance for February 2013	\$411,327.29
Flexi Staff	E033253 & E033484	Temporary employment	\$50,630.88
GHD Pty Ltd	E033359	Soil & gas testing John Connell reserve, consultation Canning Bridge structure plan & progress claim 6 for John Connell reserve monitoring & assessment.	\$105,030.56
Glad Commercial Cleaning	E033362 & E033557	Cleaning services	\$31,040.66
JMG Air Conditioning & Electrical Services	E033390 & E033573	Maintenance to air conditioners	\$33,522.50
Macdonald Johnston Engineering	E033229 & E033465	Engineering equipment	\$33,008.57
Maxwell Robinson & Phelps	E033335	Chemical spraying	\$36,928.10
Melville Mazda	E033594	Mazda CX-9 Classic Wagon	\$40,773.00
Natural Area Management & Services	E033433 & E033609	Variations to Point Walter contract & ramp seating tops & access steps.	\$84,858.06
Programmed Maintenance Services	E033252	Building maintenance	\$62,560.71

C13/6001 – SCHEDULE OF ACCOUNTS FOR MARCH 2013 (REC) (ATTACHMENT)

Supplier Name	Remittance Number	Remittance Details	Amount
Public Transport Authority	E033539	Bus shelter grants program	\$39,996.00
Rhysco Electrical Services	E033356 & E033551	Electrical maintenance	\$33,532.40
Roads 2000 Pty Ltd	Chq 52684 & E33580	Road resurfacing to Karel Avenue	\$1,383,109.87
Robinson Buildtech	E033236 & E033472	Building maintenance	\$44,793.02
Southwest Group	E033279	Council membership contributions	\$38,000.00
Southern Metropolitan Regional Council	E033320 & E033533	Green waste disposal fees for February 2013, WCF member contributions for February 2013, recyclable gate fees for February 2013, RRRC loan repayment March quarter & over compaction charges.	\$955,420.83
Synergy	E033251 & E033483	Electricity billing	\$405,265.89
Titan Ford	E033281 & E033501	Ford PX Ranger utility & Ford Focus MK11 hatchback sedan.	\$64,255.75
Tree Plantering & Watering	E033397 & E033578	Watering services	\$58,853.48
Water Corporation	Chq 052944	Water usage	\$70,003.35
Western Australian Local Government Association	E033323 & E033534	Advertising	\$27,788.75

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

This report meets the requirements of the Local Government (Financial Management) Regulations 1996 Regulation 11 - Payment of Accounts, Regulation 12 - List of Creditors and Regulation 13 - Payments from the Trust Fund and the Municipal Fund.

FINANCIAL IMPLICATIONS

Expenditures were provided for in the 2012/13 Budget and Budget Review.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no identifiable strategic, risk and environmental management implications.

POLICY IMPLICATIONS

Not applicable.

C13/6001 – SCHEDULE OF ACCOUNTS FOR MARCH 2013 (REC) (ATTACHMENT)**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable.

CONCLUSION

This is a regular monthly report for Elected Members' information.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6001)**NOTING**

That the Schedule of Accounts for the month ending 31 March 2013 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 March 2013](#) be noted.

At 7.11pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

C13/6002 – FINANCIAL STATEMENTS FOR MARCH 2013 (AMREC) (ATTACHMENTS)

Ward	:	All
Category	:	Operational
Subject Index	:	Financial Reporting - Financial Statements
Customer Index	:	Not applicable
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Standard Item
Works Programme	:	Not applicable
Funding	:	Not applicable
Responsible Officer	:	Khris Yeoh – Senior Financial Accountant

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council to note.</i>

KEY ISSUES / SUMMARY

- This report presents the Financial Statements for the financial year, period ending 31 March 2013 and recommends that they be noted by the Council.
- This report presents budget amendments for the period ending 31 March 2013 and recommends that they be adopted by Absolute Majority decision of the Council.
- This report presents the variances for the month of March 2013 and recommends that they be noted by the Council.

C13/6002 – FINANCIAL STATEMENTS FOR MARCH 2013 (AMREC) (ATTACHMENTS)
BACKGROUND

The Financial Statements for the financial year period ending 31 March 2013 have been prepared and tabled in accordance with the Local Government (Financial Management) Regulations 1996.

DETAIL

The attached reports have been prepared in compliance with the requirements of the legislation and Council policy.

For the period 1 July 2012 to 31 March 2013, a net operating positive variance of \$11,293,917 and a net capital positive variance of \$8,686,852 were recorded.

Variations

A summary of variations and comments are provided in attachment [6002H March 2013](#).

	March Actual \$	YTD Rev. Budget \$	YTD Actual \$	Variance \$	Variance %	Annual Budget \$	Annual Rev. Budget \$	Current Commitments \$
Revenues								
Governance	115,239	1,557,787	1,727,797	170,010	11%	1,309,100	1,862,528	(190)
General Purpose Funding	448,237	13,127,104	18,256,106	5,129,002	39%	13,844,420	14,258,781	-
Community Amenities	62,218	15,966,775	16,210,575	243,800	2%	16,669,400	16,546,875	-
Transport	90,271	4,848,012	3,880,916	(967,096)	-20%	4,897,541	5,285,075	-
Other Property and Services	(606,524)	2,141,470	586,389	(1,555,081)	-73%	387,618	1,606,951	2,500
	750,681	47,434,224	50,532,345	3,098,121	7%	48,956,270	51,747,630	(5,981)
Expenses								
Governance	(471,598)	(8,216,733)	(7,540,260)	676,474	-8%	(10,698,225)	(10,296,627)	(580,391)
General Purpose Funding	(30,535)	(5,598,968)	(5,548,359)	50,609	-1%	(6,575,980)	(6,840,195)	(36,273)
Law, Order, Public Safety	(292,182)	(2,839,431)	(2,620,134)	219,297	-8%	(3,723,487)	(3,767,310)	(45,943)
Health	(77,926)	(763,699)	(682,429)	81,270	-11%	(1,035,558)	(1,010,815)	(13,808)
Education & Welfare	(447,116)	(4,029,666)	(3,732,096)	297,570	-7%	(5,463,762)	(5,390,438)	(123,867)
Community Amenities	(1,069,701)	(15,419,018)	(13,080,169)	2,338,849	-15%	(19,172,687)	(20,211,586)	(545,908)
Recreation and Culture	(2,504,818)	(21,092,670)	(20,030,552)	1,062,119	-5%	(26,840,555)	(27,964,031)	(1,148,623)
Transport	(729,594)	(7,436,695)	(6,710,973)	725,722	-10%	(10,003,523)	(9,998,623)	(534,843)
Other Property and Services	(1,043,566)	(8,093,153)	(8,301,886)	(208,733)	3%	(8,557,716)	(10,090,136)	(129,967)
	(6,671,496)	(73,521,868)	(68,285,320)	5,236,548	-7%	(92,121,667)	(95,613,787)	(3,159,920)

Revenue

\$52.499m in Rates was raised to 31 March 2013. This is compared with a year to date budget of \$52.482m, resulting in a negative variance of \$14.5K.

Money Expended in an Emergency and Unbudgeted Expenditure

Not applicable for March 2013.

Budget Amendments

Details of Budget Amendments requested for the month of March 2013 are shown in attachment [6002J March 2012](#). These amendments have been carried out to reflect the appropriate responsible officers and the correction of account numbers.

C13/6002 – FINANCIAL STATEMENTS FOR MARCH 2013 (AMREC) (ATTACHMENTS)

Rates Collections and Debtors

Details of Rates and Sundry Debtors are shown in attachments 6002L, 6002M and 6002N.

Rates, Refuse, Fire and Emergency Service Authority & Underground Power payments totalling \$6,194,761 were collected over the course of the month. Rates collection progress for the month of March was 0.4% below target. As at 31 March 2013, 94.6% of 2012/13 rates had been collected.

Total sundry debtor balances decreased by \$184,866 over the course of the month. The 90+ day's debtor balance increased by \$4,857.

Granting of concession or writing off debts owed to the City

Delegation DA-032 empowers the Chief Executive Officer (CEO) to grant concessions and write off monies owing to the City to a limit of \$10,000 for any one item. The CEO has partially on-delegated this to the Director Corporate Services to write off debts or grant concessions to a value of \$5,000.

No concessions were granted or amounts written off under delegated in the month of March 2013.

The following attachments form part of the Attachments to the Agenda.

DESCRIPTION	LINK
Rate Setting Statement – March 2013	6002A March 2013
Statement of Financial Activity – March 2013	6002B March 2013
Representation of Net Working Capital – March 2013	6002E March 2013
Reconciliation of Net Working Capital – March 2013	6002F March 2013
Notes on Rate Setting Statements reporting on variances of 10% or greater – March 2013	6002H March 2013
Details of Budget Amendments requested – March 2013	6002J March 2013
Summary of Rates Debtors – March 2013	6002L March 2013
Graph Showing Rates Collections – March 2013	6002M March 2013
Summary of General Debtors aged 90 Days Old or Greater – March 2013	6002N March 2013
Detail of Debts Written Off for the Month – March 2013	N/A

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

C13/6002 – FINANCIAL STATEMENTS FOR MARCH 2013 (AMREC) (ATTACHMENTS)**STATUTORY AND LEGAL IMPLICATIONS**

Local Government Act 1995 Division 3 – Reporting on Activities and Finance Section 6.4 – Financial Report.

Local Government (Financial Management) Regulation 1996 Part 4 – Financial Reports Regulation 34 requires that:

34. Financial activity statement report — s. 6.4

(1A) In this regulation — **committed assets** means revenue unspent but set aside under the annual budget for a specific purpose.

(1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —

- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
- (b) budget estimates to the end of the month to which the statement relates;
- (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
- (e) the net current assets at the end of the month to which the statement relates.

(2) Each statement of financial activity is to be accompanied by documents containing —

- (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
- (b) an explanation of each of the material variances referred to in subregulation (1)(d); and
- (c) such other supporting information as is considered relevant by the local government.

(3) The information in a statement of financial activity may be shown —

- (a) according to nature and type classification; or
- (b) by program; or
- (c) by business unit.

(4) A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —

- (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
- (b) recorded in the minutes of the meeting at which it is presented.

(5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

The variance adopted by the Council at its Special meeting held on 26 June 2012 to adopt the 2012/13 Budget, was 10% or \$50,000 whichever is greater.

Local Government Act 1995 Division 4 – General Financial Provisions Section 6.12; Power to defer, grant discounts, waive or write off debts.

C13/6002 – FINANCIAL STATEMENTS FOR MARCH 2013 (AMREC) (ATTACHMENTS)**FINANCIAL IMPLICATIONS**

Variances are dealt with in attachment [6002H March 2013](#) (Notes on Operating Statements reporting on variances of 10% or greater).

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no identifiable strategic, risk and environmental management implications arising from this report.

POLICY IMPLICATIONS

The format of the Financial Statements as presented to the Council and the reporting of significant variances is undertaken in accordance with the Council's Accounting Policy CP-025.

CONCLUSION

The attached financial reports reflect a positive financial position of the City of Melville as at 31 March 2013.

C13/6002 – FINANCIAL STATEMENTS FOR MARCH 2013 (AMREC) (ATTACHMENTS)

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6002)

ABSOLUTE MAJORITY APPROVAL

At 7.11pm Cr Kinnell moved, seconded Cr Foxtan -

That the Council:

- Note the Rate Setting Statement and Statements of Financial Activity for the Financial Year period ending 31 March 2013 as detailed in the following attachments:**

DESCRIPTION	LINK
Rate Setting Statement – March 2013	<u>6002A March 2013</u>
Statement of Financial Activity – March 2013	<u>6002B March 2013</u>
Representation of Net Working Capital – March 2013	<u>6002E March 2013</u>
Reconciliation of Net Working Capital – March 2013	<u>6002F March 2013</u>
Notes on Rate Setting Statements reporting on variances of 10% or greater – March 2013	<u>6002H March 2013</u>
Details of Budget Amendments requested – March 2013	<u>6002J March 2013</u>
Summary of Rates Debtors – March 2013	<u>6002L March 2013</u>
Graph Showing Rates Collections – March 2013	<u>6002M March 2013</u>
Summary of General Debtors aged 90 Days Old or Greater – March 2013	<u>6002N March 2013</u>
Detail of Debts Written Off for the Month – March 2013	<u>N/A</u>

- Adopt by Absolute Majority Decision the budget amendments, as listed in the Budget Amendment Reports for March 2013, as detailed in attachment [6002J March 2013](#).**

At 7.11pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (12/0)

14. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

15. EN BLOC ITEMS

At 7.12pm Cr Willis moved, seconded Cr Reynolds -

That the recommendations for items P13/3391, C13/6058, C13/5000, C13/6000, C13/6001, be carried En Bloc.

At 7.12pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

16. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

Nil.

17. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil.

18. CLOSURE

There being no further business to discuss His Worship the Mayor declared the meeting closed at 7.16pm.