

**AGENDA**  
**FOR THE**  
**ORDINARY MEETING OF THE COUNCIL**  
**TUESDAY, 8 DECEMBER 2020**  
**COMMENCING AT 6.30PM**

**Held electronically in accordance with Regulation 14D(2)(a) of the  
Local Government (Administration) Regulations 1996.**

Due to the State of Emergency declared in Western Australia, effective 16 March 2020 and the subsequent government directives with regard to public gatherings, in order to meet the requirements of Regulation 14E(3)(b) of the *Local Government (Administration) Regulations 1996*, the public may view this meeting electronically and the minutes and audio recording of the meeting will be available on the City's website as soon as practicable after the meeting.

Use this link to attend electronically, [Register for the Ordinary Meeting of Council 8 December 2020](#)

Public questions and deputations may be submitted electronically to this meeting please see information at [Council Meetings and Forums during COVID 19](#)

*The City of Melville acknowledges the Bibbulmun people as the Traditional Owners of the land on which the City stands today and pays its respect to the Whadjuk people, and Elders both past and present.*

**DISCLAIMER**

**PLEASE READ THE FOLLOWING IMPORTANT DISCLAIMER BEFORE PROCEEDING:**

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In accordance with the Council Policy CP- 088 Creation, Access and Retention of Audio Recordings of the Public Meetings this meeting is electronically recorded. All recordings are retained as part of the City's records in accordance with the State Records Act 2000 and the General Disposal Authority for Local Government Records.

The Audio Recording will be available within 10 days of the meeting and may be accessed at [www.melvillecity.com.au](http://www.melvillecity.com.au) in accordance with the provisions of the Policy.

DISTRIBUTED: 20 November 2020

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## NOTICE OF MEETING

I respectfully bring to the attention of Elected Members that an Ordinary Meeting of the Council will be held electronically in accordance with Regulation 14D(2)(a) of the *Local Government (Administration) Regulations 1996* on Tuesday, 8 December 2020 commencing at 6.30pm.

The business paper for the Meeting is scheduled below and your attendance is requested.

**Marten Tieleman**  
Chief Executive Officer

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## AGENDA

### 1. OFFICIAL OPENING

The Presiding Member will cause the Acknowledgement of Country to be read aloud by an Elected Member.

The Presiding Member will cause the Disclaimer to be read aloud by the Manager Governance and Property.

The Presiding Member will cause the Affirmation of Civic Duty and Responsibility to be read aloud by an Elected Member.

#### **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 Meeting Procedures Local Law to ensure the efficient, effective and orderly decision making within this forum.

### 2. PRESENT

### 3. IN ATTENDANCE

**4. APOLOGIES AND APPROVED LEAVE OF ABSENCE****4.1 APOLOGIES****4.2 APPROVED LEAVE OF ABSENCE****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.****5.2 DECLARATIONS BY MEMBERS WHO HAVE RECEIVED AND NOT READ THE ELECTED MEMBERS BULLETIN.****6. QUESTION TIME****7. AWARDS AND PRESENTATIONS****8. CONFIRMATION OF MINUTES****8.1 ORDINARY MEETING OF THE COUNCIL – 17 NOVEMBER 2020**  
**Minutes 17 November 2020****RECOMMENDATION****That the Minutes of the Ordinary Meeting of the Council held on Tuesday, 17 November 2020 be confirmed as a true and accurate record.****8.2 NOTES OF AGENDA BRIEFING FORUM – 24 NOVEMBER 2020****(Notes of the Agenda Briefing Forum will be available on Friday, 27 November 2020)****RECOMMENDATION****That the Notes of Agenda Briefing Forum held on Tuesday, 24 November 2020, be received.**

### 8.3 GOVERNANCE COMMITTEE – 23 NOVEMBER 2020

#### RECOMMENDATION

**That the Minutes of the Governance Committee Meeting held on Monday, 23 November 2020 be noted.**

**NB:**

**Minutes to be confirmed at next Governance Committee Meeting**

### 8.4 FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE – 23 NOVEMBER 2020

#### RECOMMENDATION

**That the Minutes of the Financial Management, Audit, Risk and Compliance Committee Meeting held on Monday, 23 November 2020 be noted.**

**NB:**

**Minutes to be confirmed at next Financial Management, Audit, Risk and Compliance Committee Meeting**

## 9. DECLARATIONS OF INTEREST

The Members' and Officers' attention is drawn to the following provisions of the *Local Government Act 1995* regarding disclosures of interest;

### 9.1 FINANCIAL INTERESTS

A declaration under this section requires that the nature of the interest must be disclosed. Consequently, a member who has made a declaration must not preside, participate in, or be present during any discussion or decision making procedure relating to the matter the subject of the declaration.

### 9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

Councillors and staff are required, in addition to declaring any financial interest, to declare any interest arising from the City of Melville Code of Conduct, that might cause a conflict. The member/employee is also encouraged to disclose the nature of the interest. The member/employee must consider the nature and extent of the interest and whether it will affect their impartiality. If the member/employee declares that their impartiality will not be affected then they may participate in the decision making processes.

## 10. DEPUTATIONS

- 11. APPLICATIONS FOR NEW LEAVES OF ABSENCE**
  
- 12. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED**
  
- 13. PETITIONS**

**14.1 REPORTS OF COMMITTEES – GOVERNANCE COMMITTEE**

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)**

Ward	:	Applecross – Mt Pleasant
Category	:	Policy
Subject Index	:	Elected Member Expenses
Customer Index	:	Councillor S Kepert
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Item 9.1 Reimbursement of Expense Request - Cr Kepert Governance Committee Meeting held 24 June 2020. Item M20/5756 – Governance Committee Motion – Reimbursement of Expense Request – Cr Kepert, 21 and 22 July 2020 Ordinary Council Meeting.
Works Program	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Bruce Taylor Manager Governance and Property

**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 &amp; policies.</i>
<input checked="" type="checkbox"/>	<b>Review</b>	<b><i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i></b>
<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 (e.g. 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>

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)****KEY ISSUES / SUMMARY**

- At the Governance Committee Meeting held 24 June 2020 Cr Kepert raised a matter of general business and presented two receipts for payments that he had made, for which he sought reimbursement.
- The reimbursement of a \$500.00 payment had previously been declined by the Administration as it did not fall clearly within the terms of policy and therefore needed to be referred to the Governance Committee for consideration and recommendation to the Council.
- The Governance Committee Charter provides that the Committee may make “recommendations to the Council concerning the payment of contested and/or claims beyond allowances or reimbursement of expenses to Elected Members”.
- The Governance Committee recommendation was referred to the 21 July 2020 meeting for consideration and decision.
- The Council resolved that the CEO undertake a review of Cr Kepert’s two reimbursement requests and report back to the Governance Committee.
- A report was presented to the Governance Committee meeting held 19 October 2020 reviewing the reimbursement requests for the Committee consideration.
- At the Governance Committee it was resolved that the payments not be reimbursed and a request was made to seek legal advice on this matter.
- This report provides the information provided to the Governance Committee, the legal advice received and the Governance Committee resolution, for the consideration of the Council.

**BACKGROUND**

At the Governance Committee meeting held 24 June 2020 in General Business, Cr Kepert presented two receipts for payments that he had made, which he sought reimbursement for. The payments were \$30.00 for a Freedom of Information Application Fee and a January 2019 \$500.00 State Administrative Tribunal (SAT) Standards Panel Application Fee.

In July 2019 Cr Kepert had been advised that the SAT claim was outside the Legal Representation Policy Elected Members and the Employees and the Elected Members Allowances and Expenses Policy.

The Governance Committee Charter provides that the Committee may make “recommendations to the Council concerning the payment of contested and/or claims beyond allowances or reimbursement of expenses to Elected Members.”

At the June 2020 meeting the Governance Committee recommended to the Council:

*“to request that the Chief Executive Officer undertake a review of Cr Kepert’s two reimbursement requests, being \$30.00 for a Freedom of Information Application Fee and \$500.00 for a State Administrative Tribunal Standards Panel Application, and report back to the Governance Committee.”*

At the July Ordinary Meeting the Council resolved to adopt the Committee recommendation to request the CEO to undertake a review of the reimbursement requests and report back to the Committee.

A report was presented to the Governance Committee meeting held 19 October 2020.

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)****DETAIL**

In November 2018 Cr Kepert had a finding made against him by the Local Government Standards Panel that a minor breach occurred in relation to a complaint brought against him under the *Local Government (Rules of Conduct) Regulations*. Cr Kepert then applied to the State Administrative Tribunal under Section 5.125 of the Local Government Act for a review of the sanction made by the panel. The SAT charged an administration fee of \$500.00 for the review of the decision. On review SAT affirmed the panel finding.

Cr Kepert paid the SAT invoice on 17 January 2019 [SAT REF SAT/PER/CC/2764/2018] and applied to the City for reimbursement of the expense on 5 July 2019. Cr Kepert was advised on the 9 July 2019 by the then Governance & Compliance Advisor, of the following:

*“Dear Councillor*

*Thank you for providing your reimbursement claim. I need to advise that your claim for attendance at SAT and a fee of \$500 is outside the Legal Representation Policy Elected Members and Employees and the other relevant policy, Elected Members Allowances and Expenses.*

*Should you wish to have the claim reimbursed, the Legal Representation Policy at 2 (a) and (b) provides:*

**2. Applications for Financial Assistance**

- (a) Subject to item 1(c) and 2(e), decisions as to financial assistance under this policy are to be made by the Council.*
- (b) An Elected Member or employee requesting financial support for legal services under this policy is to make an application in writing, where possible in advance, to the Chief Executive Officer providing full details of the circumstances of the matter, a declaration that he/she has acted in good faith and has not acted unlawfully and the legal services required.*

*Alternatively, the Allowances Policy provides:*

**2.5 Other Expenses**

*It is not expected that Elected Members will incur any other expenses in the performance of their duties. Should an Elected Member incur an expense they believe they are entitled to have reimbursed, the matter shall be presented to the Governance Committee for determination.*

*Should you wish to request reimbursement, please advise and provide support for your claim in writing for the claim to be progressed to either the Council or Governance Committee.”*

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)**

CP-017 – Legal Representation Policy Elected Members and Employees provides for financial assistance for legal services (advice or representation) by an approved lawyer in connection with certain legal proceedings as a consequence of the performance of their duties. The request for reimbursement of the SAT administration fee does not align with the intent of Policy CP-017.

The \$30.00 Freedom of Information Application Fee was paid by Cr Kepert and was for a Freedom of Information Application to the Standards Panel for documentation relating to the operations and decision of the Panel in relation to this matter.

In considering this matter the Council needs to give consideration to the following:

- The payments are or/are not for expenses that would be reimbursed by all local governments in accordance with s.5.98 (2)(a) and (3). Regulation 31 of the *Local Government (Administration) Regulations 1996* describe the kinds of expenses that are to be reimbursed by all local government. These are limited to
  - telephone, facsimile rental charges,
  - child care and
    - travel costs incurred by a council expenses member because of the member's attendance at a council meeting or a meeting of a committee of which he or she is also a member.
- The payments are not expenses that have been approved for reimbursement in accordance with s.5.98(2)(b) and (3) being:
  - An expense incurred in performing a function under the express authority of the Council, and
  - An expense incurred in performing a function in his or her capacity as a council member.

The functions of an Elected as specifically described in Section 2.10 of the Act.

**2.10. Role of councillors**

A councillor —

- (a) represents the interests of electors, ratepayers and residents of the district; and
- (b) provides leadership and guidance to the community in the district; and
- (c) facilitates communication between the community and the council; and
- (d) participates in the local government's decision-making processes at council and committee meetings; and
- (e) performs such other functions as are given to a councillor by this Act or any other written law.

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)**

Council Policy CP-091 states:

**2.6 Payment of Reimbursements**

Elected Members are advised that extreme care needs to be taken in making application for claims for reimbursement of expenses and to differentiate between expenditure incurred in their private capacity and expenditure necessary to fulfil their role as an Elected Member. Attendance at functions as a matter of personal choice does not give rise to a claim for reimbursement of expenses incurred as a result of attending. Elected Members are referred to Sections 2.8 to 2.10 of the *Local Government Act 1995* for guidance relating to the roles of Mayors, Deputy Mayors and Councillors.

At its meeting on 19 October 2020, the Governance Committee resolved:

“That the Governance Committee recommend to the Council that the reimbursement of payments of \$500.00 for the State Administrative Tribunal Standards Panel Application Fee and \$30.00 Freedom of Information Application Fee, to Cr Kepert not be made.

That the Governance Committee notes that this determination reflects the narrow ability for reimbursements under the Local Government Regulations as read with the *Local Government Act 1995* and is not a reflection of the merits of the application.”

At the meeting, and following the resolution, the Mayor was formally requested to seek, through the Chief Executive Officer, a legal opinion on two matters, including whether the expenses the subject of this item falls within Section 32C of the *Local Government (Administration) Regulations* (as read with the *Local Government Act*).

This legal opinion has been sought and the extract associated with this matter was distributed to Elected Members on 20 November 2020 under confidential cover.

**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

Nil.

**II. OTHER AGENCIES / CONSULTANTS**

Nil.

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)****STATUTORY AND LEGAL IMPLICATIONS**

The regulatory provisions that determine whether or not an expense can be reimbursed are set out in the Act and Regulations. The relevant sections are:

***Local Government Act 1995 -Section 5.98. Fees etc. for council members –***

- (2). *A council member who incurs an expense of a kind prescribed as being an expense —*
- (a) *to be reimbursed by all local governments; or*
  - (b) *which may be approved by any local government for reimbursement by the local government and which has been approved by the local government for reimbursement,*
- is entitled to be reimbursed for the expense in accordance with subsection (3).*
- (3). *A council member to whom subsection (2) applies is to be reimbursed for the expense-*
- (a) *where the extent of reimbursement for the expense has been determined, to that extent; or*
  - (b) *where the local government has set the extent to which the expense can be reimbursed and that extent is within the range determined for reimbursement, to that extent.*
- (4). *If an expense is of a kind that may be approved by a local government for reimbursement, then the local government may approve reimbursement of the expense either generally or in a particular case but nothing in this subsection limits the application of subsection (3) where the local government has approved reimbursement of the expense in a particular case.*

**Local Government (Administration) Regulation 31 - Expenses to be reimbursed (Act s. 5.98(2)(a) and (3))**

- (1) For the purposes of section 5.98(2)(a), the kinds of expenses that are to be reimbursed by all local governments are —
- (a) rental charges incurred by a council member in relation to one telephone and one facsimile machine; and
  - (b) child care and travel costs incurred by a council member because of the member's attendance at a council meeting or a meeting of a committee of which he or she is also a member.

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)**

**Local Government (Administration) Regulation 32 - Expenses that may be approved for reimbursement (Act s. 5.98(2)(b) and (3))**

- (1) *For the purposes of section 5.98(2)(b), the kinds of expenses that may be approved by any local government for reimbursement by the local government are —*
- (a) *an expense incurred by a council member in performing a function under the express authority of the local government; and*
  - (b) *an expense incurred by a council member to whom paragraph (a) applies by reason of the council member being accompanied by not more than one other person while performing the function if, having regard to the nature of the function, the local government considers that it is appropriate for the council member to be accompanied by that other person; and*
  - (c) *an expense incurred by a council member in performing a function in his or her capacity as a council member.*

**FINANCIAL IMPLICATIONS**

The only financial implications relating to this matter is the expense of \$530.00 should the Council instruct that the CEO reimburse the expenses.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

The risk management implications of non-compliance with processes and legislative requirements may leave the City open to challenge on decisions or processes. There are no Environmental Management Implications in this report.

<b>Risk Statement &amp; Consequence</b>	<b>Level of Risk</b>	<b>Risk Treatment</b>
That a payment is made to an Elected Member that is not in keeping with the intent of Council Policy or legislation.	<b>Low</b>	Council consider the legislation and legal advice provided

**POLICY IMPLICATIONS**

Council Policy CP-091 relates to the payment of Elected Members Allowances and Expenses. [5795 CP-091 Elected Members Allowances and Expenses](#)

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)**

At the 21 July 2020 Council Meeting Cr Kepert raised a Motion with Notice relating to an amendment to Council Policy CP-091. The Council resolution was that:

**The Council approves the following amendment to be made to CP-091 Elected Members Allowances and Expenses and directs the CEO to adjust the policy accordingly:**

**Delete all text under Section 2.5 “Other Expenses” and replace it with the following:**

**“As a general rule the administration is to reimburse Elected Members for costs they have incurred in the course of their roles and duties. If the administration disputes an item sought for reimbursement, the administration is to state in writing their position and reasons for doing so to the Elected Member. The Elected Member is afforded the opportunity to present the disputed expense to a meeting of the Governance Committee for determination and recommendation to the Council.”**

As this change to Policy applies from the date of adoption it cannot be applied to retrospective payment requests and as such, has not been considered in relation to this request for reimbursement.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The alternative option is for the Council to consider the outcome of the SAT Appeal and whether Cr Kepert, in incurring these expenses, was acting in his role as a Councillor under section 2.10 of the *Local Government Act 1995*:

**2.10. Role of councillors**

A councillor —

- (a) represents the interests of electors, ratepayers and residents of the district; and
- (b) provides leadership and guidance to the community in the district; and
- (c) facilitates communication between the community and the council; and
- (d) participates in the local government’s decision-making processes at council and committee meetings; and
- (e) performs such other functions as are given to a councillor by this Act or any other written law.

And whether the expenses were in accordance with section 5.98(2)(b)

- The payments are not expenses that have been approved for reimbursement in accordance with s.5.98(2)(b) and (3) being:
  - An expense incurred in performing a function under the express authority of the Council, and
  - An expense incurred in performing a function in his or her capacity as a council member.

**M20/5795 – REIMBURSEMENT OF EXPENSES – CR KEPERT (REC) (CONFIDENTIAL ATTACHMENT)****CONCLUSION**

The SAT payment is an administration fee and the FOI fee is an application fee, that are not for legal advice or legal representation and cannot be paid under Council Policy CP-017 Legal Representation Policy Elected Members and Employees, or covered by Council Policy CP-091 – Elected Member Allowances and Expenses.

In considering all the matters associated with this request, and the outcome of the SAT Appeal, officers believe that the reimbursements requested are not in alignment with the guidance provided in Council Policy or the intent of the *Local Government Act 1995* to reimburse expenses expressly approved by the Council for an elected member performing their functions under s.2.10.

As requested at the Governance Committee, legal advice has been sought on this matter for the consideration of the Council and is provided to the Council as a Confidential Attachment for the elected members information

**COMMITTEE RESOLUTION****APPROVAL****That the Governance Committee**

- 1. recommends to the Council that the reimbursement of payments of \$500.00 for the State Administrative Tribunal Standards Panel Application Fee and \$30.00 Freedom of Information Application Fee, to Cr Kepert not be made.**
- 2 notes that this determination reflects the narrow ability for reimbursements under the Local Government Regulations as read with the *Local Government Act 1995* and is not a reflection of the merits of the application.**

**14.2 REPORTS OF THE CHIEF EXECUTIVE OFFICER**

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)**

Ward : Bateman – Kardinya - Murdoch  
 Category : Operational  
 Application Number : DA-2020-1175  
 Property : 23 Buckingham Crescent, KARDINYA  
 Proposal : Local Development Plan (Stage 3)  
 Applicant : Pindan  
 Owner : Pindan  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.  
 Responsible Officer : Peter Prendergast  
 Manager Statutory Planning  
 Previous Items : P20/3862 Local Development Plan Lot 42 (23) Buckingham Crescent, Kardinya. Ordinary Council Meeting 18 August 2020

**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"/>	<b>Legislative</b>	<b><i>Includes adopting local laws, town planning schemes &amp; policies.</i></b>
<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 (e.g. 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/Committee to note.</i>

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- In 2016 the Metro Central JDAP, granted approval for the construction of 107 single and two storey grouped dwellings at Buckingham Crescent, Kardinya. Stage 1 of the development is nearing completion.
- In granting approval for the 107 lot grouped dwelling development, detailed designs for the development of individual lots within the development were also approved.
- In practice this has proved to be inflexible for the developer in attempting to respond to the specific site and development requirements of individual potential purchasers, noting that there are no permitted development provisions under the Planning & Development (Local Planning Schemes) Regulations 2015 (the Regulations) associated with grouped dwelling development.
- This means that each time a change is proposed to one of the approved grouped dwellings on site, a new development application is required to be lodged with the City for consideration, even if the proposal meets all the relevant provisions of the R-Codes and local planning policies.
- At the August 2020 Council Meeting the City approved a Local Development Plan (LDP) for Stage 2.
- The City has now received a second LDP. This is intended to apply to Stage 3 of the development.
- The requirement for a LDP for Stage 3 is a condition of the subdivision approval granted by the WAPC.
- The LDP seeks to vary the existing development provisions that apply under State Planning Policy 7.3 – ‘Residential Design Codes’, Volume 1 (R-Codes) and Local Planning Policy 3.1 ‘Residential Development’ (LPP 3.1).
- Stage 3 was recently approved by the Western Australian Planning Commission (WAPC) on 17 December 2019 as part of subdivision application DA-2019-974 (WAPC Ref. 765-19). The area in question is highlighted as shaded in blue in Figure 2 below.
- The LDP has been assessed in accordance with Part 6 of the Regulations. In accordance with Clause 50 (3) the proposed LDP has not been advertised as its provisions do not impact upon residents located outside of the planned residential estate, there being no shared boundaries with existing adjoining dwellings.
- In accordance with Council Delegation *DA-020: Planning and Related Matters*, the application is referred to Council for determination.
- It is recommended that the proposed LDP be approved.

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)**



Figure 1: Aerial image of the site

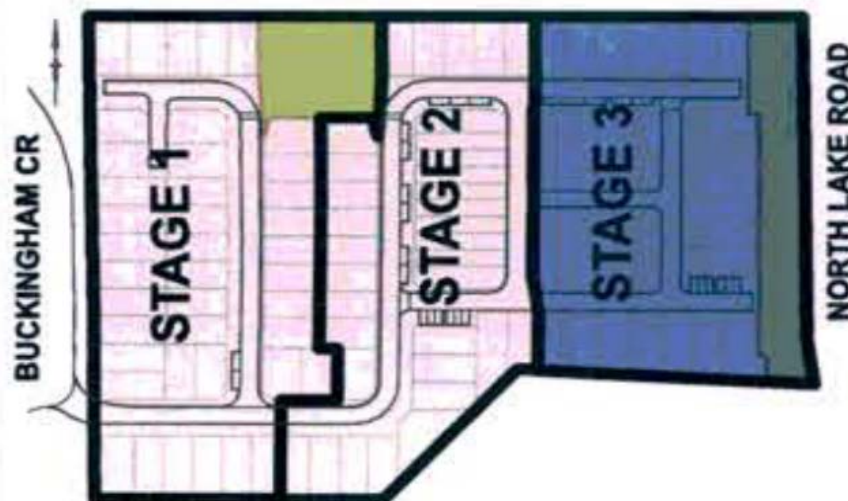


Figure 2: Staging Plan

**BACKGROUND**

Development Approval has previously been granted for 107 Grouped Dwellings at Lot 42 (No.23) Buckingham Crescent, Kardinya. The initial approval was granted by the then named Metro Central Joint Development Assessment Panel (JDAP) at its meeting held 25 February 2016. Since then, a number of amended development approvals

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)**

have been endorsed by the JDAP on 29 June 2016, 21 February 2017, 1 August 2017, 26 November 2018 and by the City on 8 August 2018 and 27 June 2019.

At the August 2020 Council Meeting a LDP was approved by Council for Stage 2 of the development.

As stated, the requirement for an LDP comes from the subdivision approval for Stage 3 approved by the WAPC. Condition 11 of which states as follows:

*A Local Development Plan being prepared and approved for lots shown on the approved plan of subdivision dated 22 August 2019, that is consistent with the approved development, and addresses the following:*

- *Guidance for lots with an area of less than 260sqm. The LDP has been specifically written for stage3 as all the lots within this stage are all less than 260sqm therefore this requirement has been addressed;*
- *Interface with public open space for lots. This requirement has been addressed via fencing provisions within the proposed LDP; and*
- *Noise management requirements.*

It is noted that the noise management requirement has been addressed via the Acoustic Report prepared by Lloyd George Acoustics dated 26 November 2015, which is attached to this report. The report identifies a number of lots within stage 3 as requiring increased construction standards and notifications on Certificate of Titles.

**Scheme Provisions**

MRS Zoning	: Urban
LPS Zoning	: Residential
R-Code	: R60
Use Type	: N/A
Use Class	: N/A

**Site Details**

Lot Area	: 9,600sqm (Stage 3)
Street Tree(s)	: N/A
Street Furniture (drainage pits etc.)	: N/A
Site Details	: Refer to Figure 1 above

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)****DETAIL**

A Local Development Plan (LDP) is a mechanism used to coordinate and assist in achieving the desired built form outcomes by linking lot design to future development. Under Clause 46 Schedule 2 Part 6 of the Regulations, a LDP is defined as a plan setting out specific and detailed guidance for a future development including one or more of the following –

- (a) site and development standards that are to apply to the development:
- (b) Specifying exemptions from the requirement to obtain development approval for development in the area to which the plan relates.

A LDP is also referenced in Clause 7.3.1 of the R-Codes as being one of the mechanisms by which some of the deemed to comply provisions of the R-Codes may be amended or replaced.

*Site Context*

The subject site for the LDP incorporates Stage 3 of the 107 lot grouped dwelling development, as shown in Figure 2 above. The site is bordered by Stage 2 to the west which already has an approved LDP. Site works are currently under way for Stage 2 to accommodate future single and two storey grouped dwellings, Stage 3, abuts Alan Edwards Park to the north, North Lake Road to the east and North Lake Senior Campus to the south.

**[3887 Acoustic Report](#)****[3887 Local Development Plan Stage 3](#)***Proposal*

The proposed LDP is intended to modify development controls applicable to the site in order to facilitate a diverse housing product and exempt the developer from the requirement to obtain development approval for what constitute minor design changes to the original grouped dwelling layout and design, noting that to date the developer has amended the original Development Approval on (6) separate occasions in order to cater for the needs of interested buyers.

The LDP will enable prospective purchasers a greater choice of housing product applicable to individual lots. This is in contrast to the current controls whereby each lot has approval for a specific house type/design associated with it. It is this inflexibility which has result in the developer seeking amended development approvals to accommodate the requirements of specific purchasers.

The LDP remains consistent with the applicable planning framework, with some minor variations to State Planning Policy 7.3 – ‘Residential Design Codes’, Volume 1 (R-Codes) and Local Planning Policy 3.1 ‘Residential Development’ (LPP 3.1) provisions.

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)**

The provisions contained within the LDP involve modifications to the following elements of Local Planning Scheme No. 6, Local Planning Policies and the Residential Design Codes (R-Codes):

- Primary & Secondary Street Setbacks;
- Boundary Walls;
- Garage Setbacks
- Street Fences
- Vehicle Access & Garages and
- Incidental Development
- Solar Access

All other development standards continue to apply.

In addition to the above, the LDP includes provisions for Quiet House Design Principles provisions as required by Condition 11 of the subdivision approval granted by the WAPC. These provisions are a requirement of State Planning Policy 5.4 Road & Rail Noise, where dwellings are located within 250m of a major road.

**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

Advertising Required: No  
Reason: In accordance with Schedule 2 Cl. 50 (3) of the Regulations

The proposed LDP is within a lot where planning approval was granted for 107 grouped dwellings and the variations to the R-Codes and LPP 3.1, along with the additional development provisions outlined above are not considered to adversely affect any owners or occupiers within the area covered by the LDP or any adjoining areas.

**II. OTHER AGENCIES / CONSULTANTS**

Required: No  
Reason: In accordance with Schedule 2 Cl. 50 (1) (b) of the Regulations

**STATUTORY AND LEGAL IMPLICATIONS**

The City will follow the requirements of the Deemed Provisions of *Planning and Development (Local Planning Schemes) Regulations 2015*.

Should the City of Melville determine not to approve the LDP, the applicant has the right to have the decision reviewed by the State Administrative Tribunal in accordance with Part 14 of the *Planning and Development Act 2005*.

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)****FINANCIAL IMPLICATIONS**

There are no financial implications for the City relating to this proposal.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

There are not considered to be any significant strategic, risk or environmental management implications associated with this application.

**POLICY IMPLICATIONS**

Refer to the comment sections below for commentary on this section.

**COMMENT**

Development Approval has previously been granted for 107 single and two storey grouped dwellings. The existing approval incorporates dwellings which already have reduced primary street setbacks, two storey boundary walls and reduced garage setbacks.

As the whole development comprises grouped dwellings, any changes to the approved dwelling designs, irrespective of whether those changes align with the deemed to comply provisions of the R-Codes and Council Policy, require an amended development approval. The purpose of this Stage 3 LDP is to enable flexibility to modify the design of the approved dwellings on each lot without the need to lodge an amended development application each time, provided the changes requested fall within the design parameters set by the LDP. The Stage 3 LDP provisions are the same as the Stage 2 LDP provisions with the exception of the quiet house design requirements.

Comments below are provided in response to the key provisions proposed.

*Primary & Secondary Street Setbacks*

The deemed to comply provisions of the City's Local Planning Policy 3.1 'Residential Development' (LPP 3.1) allows for:

- an average 2 metres and minimum 1 metre setback to the primary street; and,
- an average 1.5 metres and minimum 1 metre to the secondary street.

The proposed development controls in the LDP will allow a primary street (front) setback of between 1 metre and 1.5 metres, whilst in respect to the secondary street setbacks it is proposed that these be setback a minimum of 1 metre. This is consistent with the original development approval which allows for similar setbacks.

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)***Boundary Walls*

LPP 3.1 allows boundary walls up to 3.5 metres in height with an average of 3 metres for two-thirds the length of the balance of the lot boundary behind the front setback line. The proposed development controls in the LDP will allow for two storey boundary walls up to 7 metres high behind the front setback line.

In order to protect direct sun and ventilation to outdoor living areas, rear setback restrictions have been incorporated into the LDP to limit the extent of such walls thereby ensuring the integrity of outdoor living areas is not compromised.

*Garage Setbacks*

The deemed to comply provisions of LPP 3.1, require garages to be setback 4.5 metres from the primary street boundary line, noting that this length may be reduced where a dwelling is forward of the garage. The proposed development controls in the LDP will allow for garages to be setback a minimum 1.5m where either the dwelling protrudes past the garage or the dwelling includes an upper floor with a major opening fronting the communal street. For lots with rear loaded laneway access, setbacks can be reduced to 0.5m. These provisions are considered appropriate to ensure that the visual bulk of garages on the streetscape is minimised and is consistent with the original development approval which allows for similar setbacks.

*Uniform Fencing & Interface with Public Open Space*

There are currently no provisions within the R-Codes or Council Policy with regards to fencing between a dwelling and a reserve. This provision of the LDP will ensure that fences are designed to an appropriate standard, are visually permeable, and allow a high level of passive surveillance to adjoining public open spaces.

*Vehicle Access & Garages*

This provision will ensure that garages constructed at lots 88-105 which are 6m wide are exclusively located at the rear of the lots thus resulting in a primary street streetscape without adverse garage dominance.

*Incidental Development*

This provision will ensure that the location of incidental fixtures and development are not visually intrusive to the public realm and do not detract from the streetscape.

**P20/3887 - LOCAL DEVELOPMENT PLAN – 23 BUCKINGHAM CRESCENT, KARDINYA  
(REC) (ATTACHMENT)***Solar Access*

The LDP proposes that the solar access provisions of the R Codes do not apply. It is noted that the LDP allows for walls to be built up to the boundary line on both sides of the lot and up to a maximum height of 7m on the basis that the shadow created by these boundary walls will cast only over the roof area of the dwelling on the southern side. To protect direct sun and ventilation to outdoor living areas, rear setbacks restrictions have been incorporated into the LDP to prevent boundary walls been constructed along the entire side boundary line. These provisions will serve to safeguard solar access for residents. In addition, where necessary the developer will install sky lights in dwellings where additional natural light is deemed to be necessary.

*Quiet House Design Principles*

An Acoustic Report prepared by Lloyd George Acoustics identifies a number of lots within Stage 3 and recommends a number of building measures to mitigate noise such as notifications on titles, specific construction requirements for boundary walls located adjacent to North Lake Road, and specific construction requirements for the dwellings themselves. The acoustic measures have been written into the Stage 3 LDP. Notifications will also be issued over the relevant titles making future landowners aware of potential noise from North Lake Road.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The Council could determine that the LDP be refused, in which case the applicant will have an option of appeal to the State Administrative Tribunal.

**CONCLUSION**

Based on the above, the proposed Local Development Plan is considered to align with the strategic objectives of the City's Local Planning Strategy and with State Planning Policy 7.3- *Residential Design Codes 7.3, Volume 1*. On that basis, it is recommended that the LDP be approved as proposed.

**OFFICER RECOMMENDATION (3887)****APPROVAL**

**That Council in accordance with Schedule 2 Clause 52 of the *Planning and Development (Local Planning Schemes) Regulations 2015* approves the Local Development Plan for Stage 3 Lot 42 (No.23) Buckingham Crescent, Kardinya.**

**T20/3888 - P202102 PRE-QUALIFIED SUPPLIER PANEL FOR THE SUPPLY OF ELECTRICAL SERVICES FOR A TWO YEAR TERM WITH OPTION PERIODS (REC) (CONFIDENTIAL ATTACHMENT)**

Ward : All  
 Category : Operational  
 Subject Index : Tender  
 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 : Not Applicable  
 Works Programme : Not Applicable  
 Funding : Approximately \$950,000 a year from various internal accounts  
 Responsible Officer : Mario Murphy – Manager City Buildings

**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"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; 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/Committee to note.</i>

**T20/3888 - P202102 PRE-QUALIFIED SUPPLIER PANEL FOR THE SUPPLY OF ELECTRICAL SERVICES FOR A TWO YEAR TERM WITH OPTION PERIODS (REC) (CONFIDENTIAL ATTACHMENT)**

**KEY ISSUES / SUMMARY**

- Applications for pre-qualified supplier panels valued at more than \$550,000 per contract year need to be presented to Council for approval in line with DA-027 - Rejecting and Accepting Tenders and/or Applications for Pre-Qualified Supplier Panels.
- To present and recommend the acceptance of applications to form the Pre-qualified Supplier Panel for the Supply of Electrical Services for a Two Year Term with Four 12 Month Option Periods.

**BACKGROUND**

The City of Melville (City) seeks to establish a suitably qualified and experienced Panel of Pre-qualified Suppliers to assist the City with the supply of Electrical services maintenance in various locations across the City including but not limited to Buildings, Floodlighting, Carpark Lighting, PAW Lighting and Reserve Lighting.

The Panel period is for an initial term of two (2) years with four (4) additional 12 month option periods which will be exercised at the sole discretion of the City.

The services under the proposed Panel shall include Emergency Works, High Urgency works, Medium Urgency works, Low Urgency works and Planned works. From time to time, services may be required out of normal working hours and on short notice.

The Panel will be split into two categories as per below. The City intends to appoint only one Pre-qualified Supplier to Category 1 and three Pre-qualified Suppliers to Category 2. The Pre-qualified Supplier appointed to Category 1 may also be appointed to Category 2.

The City cannot guarantee the amount of work which will be supplied as part of this Panel.

As a guide, it is expected that Category 1 works could reach up to \$450,000 or more per year based on past expenditure.

As a guide, it is expected that Category 2 works could reach up to \$500,000 or more per year based on past expenditure.

	<b>CATEGORY 1</b>	<b>CATEGORY 2</b>
<b>\$5,000 &amp; Under</b>	✓	
<b>Emergency or High/Medium Urgency Work (any value)</b>	✓	
<b>Preventive Maintenance (any value)</b>	✓	
<b>Other works over \$5,000</b>		✓

All Pre-Qualified Suppliers will be required to submit quotes and timeline for works under Category 2. The selection criteria will generally be based on the pricing offered unless specified otherwise in the request for quote. A Contract may be awarded under the Panel to the Pre-qualified Supplier(s) whose response best demonstrates value for money. The City's official Purchase Order will be issued as evidence of such a Contract.

**T20/3888 - P202102 PRE-QUALIFIED SUPPLIER PANEL FOR THE SUPPLY OF ELECTRICAL SERVICES FOR A TWO YEAR TERM WITH OPTION PERIODS (REC)  
(CONFIDENTIAL ATTACHMENT)**

The City reserves the right to engage a contractor outside of this Panel for works not specifically covered under this Panel or for electrical systems unique to a specific contractor/supplier. Where multiple trades are required to complete any works, the City reserves the right to engage a contractor outside of this Panel, this includes electrical works that are part of a larger project (e.g. building refurbishment).

**DETAIL**

Qualitative scores were achieved by joint agreement of the evaluation panel members at the evaluation meeting after each panel member had scored the submission individually. The City set five qualitative criteria for this Request, being Demonstrated Experience, Organisational Capacity & Key Personnel, Sustainable Procurement, Local Supplier and Methodology.

The Evaluation Panel reviewed all Respondent offers and prepared an Evaluation Report, identifying recommended Respondents.

The recommendation was supported by the Contract and Tender Advisory Unit (CTAU) and is put forward as part of the recommendation to the Council.

**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

No stakeholder engagement has been required or undertaken for this Request.

**II. OTHER AGENCIES / CONSULTANTS**

No other agencies/consultants has been required or undertaken for this Request.

**STATUTORY AND LEGAL IMPLICATIONS**

Local Government (Functions and General) Regulations 1996 24AB "A local government may establish a panel of pre-qualified suppliers to supply particular goods or services to the local government".

Delegated Authority – DA-117 Authority to Sign Documents will be exercised to execute the Contract.

**T20/3888 - P202102 PRE-QUALIFIED SUPPLIER PANEL FOR THE SUPPLY OF ELECTRICAL SERVICES FOR A TWO YEAR TERM WITH OPTION PERIODS (REC) (CONFIDENTIAL ATTACHMENT)**

**FINANCIAL IMPLICATIONS**

Budget	Approximately \$950,000 a year for various internal accounts
If the budget is exceeded by appointing the proposed contractor a budget amendment proposal must be included in the recommendation.	Not applicable, within budget.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

Strategic Implications of these works relate only to the consequences of not procuring the Services through a tender, a panel of pre-qualified suppliers, the WALGA Preferred Supplier Program or another Local Government, which would result in the City being in breach of the Local Government (Functions and General) Regulations 1996.

There are no residual risk implications following the invitation and evaluation process conducted for this item. Actions taken to address identified risks are listed in a confidential attachment included in the Contract and Tender Advisory Unit Meeting Minutes of 17 November 2020.

**POLICY IMPLICATIONS**

CP-023 Procurement of Products or Services.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

No alternate options have been identified.

**CONCLUSION**

The CTAU is satisfied that the recommended applicants have demonstrated that they have suitable experience, have the necessary key personnel, follow sustainable practices and follow methodologies in line with the City's expectations.

The recommended applicants have high qualitative scores and would meet the City's needs.

The confidential attachments are included in the Contract and Tender Advisory Unit Meeting Minutes of 17 November 2020 available on the Elected Members Extranet.

**T20/3888 - P202102 PRE-QUALIFIED SUPPLIER PANEL FOR THE SUPPLY OF ELECTRICAL SERVICES FOR A TWO YEAR TERM WITH OPTION PERIODS (REC)  
(CONFIDENTIAL ATTACHMENT)**

**OFFICER RECOMMENDATION (3888)**

**APPROVAL**

**That the Council:**

- 1. Accepts the recommendation as contained in the Confidential Attachment – P202102 Contract and Tender Advisory Unit Minutes.**
- 2. Upon resolving the recommendation, directs that the successful Respondents' names be inserted in the minutes below this point 2:**

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)**

Ward : All  
 Category : Operational  
 Subject Index : Waste  
 Customer Index : SMRC  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter..  
 Previous Items : Not Applicable  
 Works Programme : Not Applicable  
 Funding : Not Applicable  
 Responsible Officer : Mick McCarthy  
 Director Technical Services

**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"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; 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/Committee to note.</i>

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)****KEY ISSUES / SUMMARY**

- The City of Melville has been a Member of the Southern Metropolitan Regional Council (SMRC) since 1999 and has entered into formal agreements (Establishment, Project Participant, SMRC Office) that commit the City to providing funding to the SMRC and waste materials to the Regional Resource Recovery Centre (RRRC) site in Canning Vale.
- The City's partnership with the SMRC has enabled the City to achieve superior and environmentally sustainable waste management outcomes with the highest rates of waste diversion from landfill in the Perth metropolitan area.
- The City is taking a leading role in aligning with the State Governments Waste Strategy 2030 with the introduction of the 3-bin Food Organics Garden Organics (FOGO) system and high levels of resource recovery compared to other Local Governments in the metropolitan area.
- The SMRC requested tenders for processing of residual waste (red lidded bin and non-recyclable material from yellow lidded and green lidded FOGO bins) and selected the preferred provider as Avertas Energy in early 2020.
- Extensive negotiation between parties has taken place involving legal representatives since early 2020 to work through and resolve conditions in the contractual agreements that underpin the waste to energy opportunity including:
  - Waste Supply Agreement – between the SMRC and Avertas for committing residual waste provided by participant Councils
  - Financiers Direct Deed of Agreement – between Macquarie Bank and the SMRC/participant Councils for supplying waste (committed revenue) to Avertas to de-risk debt obligations underpinning capital investment
  - Project Participants Agreement – to include waste to energy and FOGO waste streams not identified in original agreement.
- As part of its due diligence and through a cost sharing arrangement with other Participant Councils, the Agreements have been subject to a peer legal review to identify any strategic level risks for Participants or the SMRC.
- It is recommended that the City enter in the Agreements associated with the Waste to Energy tender and authorise the Chief Executive Officer to sign the Agreements, subject to any agreed amendments identified through the peer legal review.

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)****BACKGROUND**

The City's kerbside waste management collection and disposal arrangements are underpinned by the 3 Bin FOGO system which has achieved the highest standard in terms of waste diversion rates and environmental sustainability.

Following the closure and decommissioning of the SMRC's Waste Composting Facility at the Canning Vale RRRC site in November 2018, the City's red lidded bin and residual waste from the yellow lidded recycling bin and lime green lidded FOGO bin have been sent to landfill for disposal. This arrangement was planned to be in place during the transition period to a longer term waste to energy residual waste processing solution.

Following an extensive tender process, Avertas Energy was selected in early 2020 as the preferred tender by the SMRC for the provision of waste to energy services on behalf of Participant Councils.

In order for the SMRC to progress the waste to energy opportunity, each Participant Council is required to commit waste to the Avertas facility in Kwinana (Waste Supply Agreement), underwrite the Financiers Direct Deed and agree to amend the Project Participants Agreement to recognise the waste to energy contract and other recent changes (e.g. FOGO 3-bin system).

**DETAIL**

Since the selection of Avertas Energy as the preferred tender the SMRC, in consultation with Participant Council officers, has progressed the establishment of Agreements that underpin the waste to energy arrangement. There have been extensive negotiations between the SMRC, Avertas Energy and the Financiers (behind the provision of capital to construct and operate the waste to energy facility) to ensure that the Agreements were appropriate in terms of the management of risks for both the SMRC and Participant Councils.

Minter Ellison provided legal advice and a bid evaluation report to the evaluation panel and also provided specialised legal advice regarding the Agreements and associated clauses.

At its meeting of 26 October 2020, the SMRC resolved the following:

*"THE REGIONAL COUNCIL RESOLVES TO, SUBJECT TO AGREEMENT BY ALL PROJECT PARTICIPANTS:*

1. *ENTER INTO A WASTE SUPPLY AGREEMENT WITH KWINANA WTE PROJECT CO PTY LTD, PROJECT PARTICIPANTS AND SMRC FOR THE PROVISION OF WASTE-TO-ENERGY SERVICES IN ACCORDANCE WITH TENDER T2017-06.*
2. *ENTER INTO A FINANCIERS DIRECT DEED WITH BTA INSTITUTIONAL SERVICES AUSTRALIA LIMITED, KWINANA WTE PROJECT CO PTY LTD, PROJECT PARTICIPANTS AND SMRC.*
3. *AMEND AND COMBINE THE PROJECT PARTICIPANTS' AGREEMENTS FOR THE REGIONAL RESOURCE RECOVERY CENTRE PROJECT.*

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)**

4. *THE CHAIR AND THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN AND SEAL UNDER COMMON SEAL (IF REQUIRED) THE ABOVE DEED AGREEMENTS.*
5. *THE WASTE SUPPLY AGREEMENT, FINANCIERS DIRECT DEED, AMENDED PROJECT PARTICIPANTS AGREEMENT AND A COPY OF THIS RESOLUTION BE FORWARDED TO THE PARTICIPANTS FOR CONSIDERATION."*

Copies of the SMRC Council Minute and Agreements referred above were distributed to Elected Members on Friday, 20 November 2020 under confidential cover.

The Avertas Energy project key facts and overview are outlined below.

Key facts

- Financial Close 17 October 2018
- Construction period 3 years
- Expected completion October 2021
- Waste throughput 400,000 tonnes per annum
- Electricity capacity 36.4 MW (net)
- Electricity generation 294 GWh p.a.
- Useful life of asset  $\geq$  30 years

Project Overview

- The Kwinana WtE Project is located in the Kwinana Industrial Area, 40km south of the Perth CBD in Western Australia
- The plant will process 400,000 tonnes per annum of municipal solid waste and commercial and industrial waste, while generating 36.4MW of electricity
- Macquarie and Dutch Infrastructure Fund invested a total of \$275 million of equity into the project
- A group of financial institutions provided a debt facility of \$400 million, including the Clean Energy Finance Corporation (CEFC) who funded up to \$90 million. CEFC is an Australian Government-owned Green Bank that was established to facilitate increased flows of finance into the clean energy sector. The CEFC is responsible for investing \$10 billion in clean energy projects on behalf of the Australian Government.
- Australian Renewable Energy Agency (ARENA) provided a grant of \$23 million. ARENA was established by the Australian Government on 1 July 2012. Its purpose is to improve the competitiveness of renewable energy technologies and increase the supply of renewable energy through innovation that benefits Australian consumers and businesses.
- Acciona will deliver the Engineering, Procurement and Construction (EPC) contract with Keppel Seghers as technology providers, and Veolia will be Operations and Maintenance (O&M) provider

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)**

In considering the above agreements, it is relevant to understand the City of Melville's priorities in regards to waste management and its future role in partnering with the SMRC.

As the majority shareholder (60% – 65%) in the SMRC, RRRC and the debt obligation for SMRC's Office in Booragoon, the City of Melville is in a strong position to influence the strategic outcomes and future role of the SMRC in supporting regional waste management and education activities.

The future positioning, role and governance arrangements of the SMRC will be critical factors in delivering both cost effective and environmentally superior outcomes for the City of Melville consistent with its desired waste management principles.

The City of Melville's preferred waste management philosophy has evolved over time, as it has established its leadership position, based on the following key principles that will guide future decision making:

- SMRC's governance structure and role – streamlined and flexible organisation based on regional subsidiary model as recommended in the Local Government Act Review Panel Final Report (May 2020);
- Capital Investment by Participant Councils – no major capital investment required to be funded by Participant Councils for regional waste management activities;
- RRRC Site – operated as a cost effective, integrated and strategic waste management facility with overhead cost recovery to ensure costs are not required to be met by Participant Councils;
- Resource Recovery – achieves or exceeds the Waste Strategy 2030 resource recovery targets through best practice waste management activities;
- Waste Disposal Fees and Charges – competitive and market based gate fees and charges aligned to desired recovery rates and level of service;
- Leadership in Waste Management – continued leadership and advocacy role in waste management across the Local Government and State Government sectors; and
- Waste Education and Behaviour Change – continued focus on waste education and behaviour change activities that support high quality and cost effective waste management outcomes.

The Waste Supply Agreement and Financiers Deed are more complex documents that have required significant negotiation with Avertas Energy and Macquarie Bank (BTA Institutional Services as Security Trustee) respectively, in order to achieve mutually agreeable conditions. Any amendments to conditions will require agreement from the respective external parties as well as the SMRC and Participant Councils (City of Fremantle and Town of East Fremantle).

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)**

The Project Participants Agreement relates to the ongoing operation of the RRRC site and the changes are mainly administrative to include amendments in the supply of waste streams related to the 3-bin FOGO system and the Waste to Energy proposal for red lidded bin waste.

The key elements of the Agreements are outlined below, including preliminary comments from officer perspectives.

**Waste Supply Agreement (refer to Attachments #1 and #2 respectively)**

*Agreement that establishes obligations for SMRC and Participants to deliver all Contract Waste and pay gate fee and for Kwinana WTE Project (Project Co) to accept and process the Contracted Waste.*

**Financiers Direct Deed of Agreement (refer to Attachment #3)**

*Deed between BTA Institutional Services Australia (Security Trustee), SMRC (Principal), Participants (Cities of Fremantle and Melville and Town of East Fremantle) and Project Co in relation to Waste Supply Agreement commitments to provide assurances for investors.*

**Project Participants Agreement (Deed of Amendment and Restatement – refer to Attachment #4)**

*Agreement between the SMRC, Cities of Fremantle and Melville and Town of East Fremantle in regards to the Regional Resource Recovery Centre (RRRC) projects based on terms and conditions incorporating FOGO, Recycling and Waste to Energy arrangements.*

**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

A joint presentation by the SMRC, Avertas and Minter Ellison to Participant Council's Elected Members and Executive Officers took place on 8 October 2020. The briefing was by invitation only and was held in confidence due to the commercially sensitive nature of the presentation information.

There has been no specific community consultation associated with the waste to energy tender, given that is largely an operational matter and is managed appropriately under contractual arrangements relevant to the supply of waste and the requirements of existing Agreements and proposed Agreements under consideration.

**II. OTHER AGENCIES / CONSULTANTS**

The City has entered a cost sharing arrangement with Participant Councils (City of Fremantle and Town of East Fremantle) to undertake a peer legal review as part of its due diligence responsibilities. The peer legal review is based on a strategic level review aimed at identifying key risks for the Participant Councils associated with the proposed Agreements.

The outcomes of the peer legal review will be shared with Elected Members once finalised, prior to formal consideration by Council of the Agreements.

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)**

**STATUTORY AND LEGAL IMPLICATIONS**

The Agreements have been structured to address legal aspects and risks to ensure that the City is not exposed to unacceptable risks, whilst enabling long term waste management solution to be put in place.

The Agreements currently commit the City to 20 years for the provision of red lidded bin waste to the Avertas facility in Kwinana, which equates to about 25% of the kerbside waste collected by the City.

**FINANCIAL IMPLICATIONS**

The 2020-2021 budget includes \$1.56M for the disposal of red lidded bin waste, based on \$148.50 per tonne of waste processed. Actual tonnes for red lidded bin waste for 2020-2021 have tracked as expected, with gate fees of \$145 per tonne.

The shift to waste to energy in early 2022 is expected to involve similar costs as shown above, including costs to transport the waste to the Kwinana facility through the RRRC or a conveniently located transfer station.

The costs above do not include SMRC overheads which are accounted for separately.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

The Waste to Energy waste processing arrangement is consistent with the City's vision and outcome areas, particularly the Clean and Green outcome and Priority 1 "Ensure the improvement and sustainability of our environment".

<b>Risk Statement &amp; Consequence</b>	<b>Level of Risk</b>	<b>Risk Treatment</b>
Risk of increasing levies applied to landfill and community concerns over landfill disposal as a longer term waste disposal option.	Moderate consequences which are possible, resulting in a <b>Medium</b> level of risk	Continue to put in place best practice waste management system based on waste hierarchy and circular economy.
Risk of the City of Melville or other Participant Councils withdrawing from the SMRC or the risk of the SMRC being wound up.	Major consequences which are possible, resulting in <b>High</b> level of risk	Continue to work closely with the SMRC and put in place alternative arrangements to mitigate operational and financial impacts if required.

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)****POLICY IMPLICATIONS**

CP-036 - Waste Minimisation Policy which was updated to provide a framework to guide the operations and the development of future strategies to achieve environmentally and socially responsible waste management through resource recovery and the diversion of waste from landfill. Waste to energy is consistent with this framework.

CP-030 – Environment Policy recognises the City's its role in promoting mitigation of greenhouse gas emissions from its operations and assets and leading the way for the community to reduce the emissions within the geographic boundaries of City of Melville. The Waste to energy arrangement will reduce greenhouse gas emissions compared to landfill disposal, particularly when considering transport related emissions.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The City could continue to send the red lidded bin waste collected from kerbside to a landfill facility, however this is not considered a sustainable arrangement for the longer term and is likely to attract increasing levy charges applied by the State Government aimed at reducing landfill disposal over time.

Waste to energy is a superior waste processing option to landfill that has the benefit of producing energy and enables opportunities for further recovery of fly ash and bottom ash by- products.

**CONCLUSION**

The Waste to Energy tender and waste management opportunity established through the enactment of the Waste to Energy Agreements will provide a sustainable and long term solution for the City's management of red lidded bin and residual waste from our community's waste stream.

The waste to energy commitment will provide a cost effective arrangement and certainty in managing this portion of the community waste that is at greatest risk of escalating costs over time.

The safeguards included in the Agreements ensure that the City is not exposed to unacceptable risks and that contracts can be transferred to the City in the case of the SMRC being wound up or Participant withdrawal from the SMRC.

**T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)****OFFICER RECOMMENDATION (3889)****APPROVAL****That the Council**

- 1. Endorses the Waste Supply Agreement (between SMRC, Project Co and Participants), Financiers Direct Deed (between BTA Institutional Services Australia, SMRC and Participants) and Amended Project Participants Agreement (between the SMRC and Participants) associated with the Waste to Energy tender coordinated by the SMRC.**
- 2. Directs the CEO to finalise the agreements, taking into account any agreed outcomes from the peer legal review as determined by the Participant Councils.**

**CD20/8139 – FENCED DOG PLAY PARK (REC)**

Ward	:	All
Category	:	Strategic
Subject Index	:	Not Applicable
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	:	Ordinary Meeting of Council 17 July 2018 – Consideration of a Fenced Dog area. CD/19/8118 Ordinary Meeting of Council 20 August 2019
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Brodie Dawkins Manager Neighbourhood Amenity

**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"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; 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/Committee to note.</i>

**CD20/8139 – FENCED DOG PLAY PARK (REC)****KEY ISSUES / SUMMARY**

- At the Ordinary Meeting of Council on the 17 July 2018 Council endorsed the preparation of a report on the provisions of a fenced or partially fenced dog exercise area within the City of Melville.
- At the Ordinary of Council on the 20 August 2019 the findings from the community consultation regarding the suitability of Attadale Reserve, Burke Drive, Attadale was presented. In line with the community feedback received the officer's recommendation was to not proceed.
- Council supported this recommendation and requested broader community consultation to ascertain whether there is in-principle support from the community for this type of facility, include costs estimates, community support for identified locations and report back to Council.
- COVID-19 delayed the engagement process during 2020
- Stage 1 of the City's engagement process received 920 submissions with 92% of respondents supporting having one or more fenced dog play parks within the City of Melville.
- Stage 2 the City's engagement process heard from 564 community members, 73% agreed with Piney Lakes as a location for a fenced dog play park and over half of respondents ranked it as one of their top three most preferred locations.
- Officers therefore recommend Piney Lakes as the location to progress a detailed design for a Fenced Dog Play Park
- Detailed design will be carried out and funding would need to be included as a new capital project request for Councils consideration as part of the 2021-2022 capital works program.

**BACKGROUND**

At the Ordinary Meeting of Council on the 17 July 2018 the Council endorsed the preparation of a report on the provisions of a fenced or partially fenced dog exercise area within the City of Melville.

At the Ordinary of Council on the 20 August 2019 the findings from the community engagement regarding the suitability of Attadale Reserve, Burke Drive, Attadale was presented. In line with the community feedback received the officer's recommendation was to not proceed.

Council supported this recommendation and requested broader community engagement to ascertain whether there is in-principle support from the community for this type of facility, including cost estimates and community support for identified locations and report back to Council.

## CD20/8139 – FENCED DOG PLAY PARK (REC)

### DETAIL

Stage 1 of the City's engagement showed strong (92%) community support for a Fenced Dog Play Park.

The City's engagement process then explored this concept further including determining possible locations and estimated costs. When considering possible locations the City used the criteria below in an attempt to lessen any impacts on residents and current users of the parks/reserves:

- Any activities that may take place within the reserve
- Proximity to schools / residential areas due to the possibility of increased noise
- Parking availability (as people will drive to the facility)
- The classification of the reserve in relation to whether dogs are permitted, restricted or prohibited
- Facilities / Events held at the reserve
- Size of the reserve, ability to accommodate a fenced dog play park

Stage 2 of the engagement process asked for the community to help to determine the best location from a shortlist of ten suitable options. The community was asked to share their preferred location via an online survey from the locations on the map below.



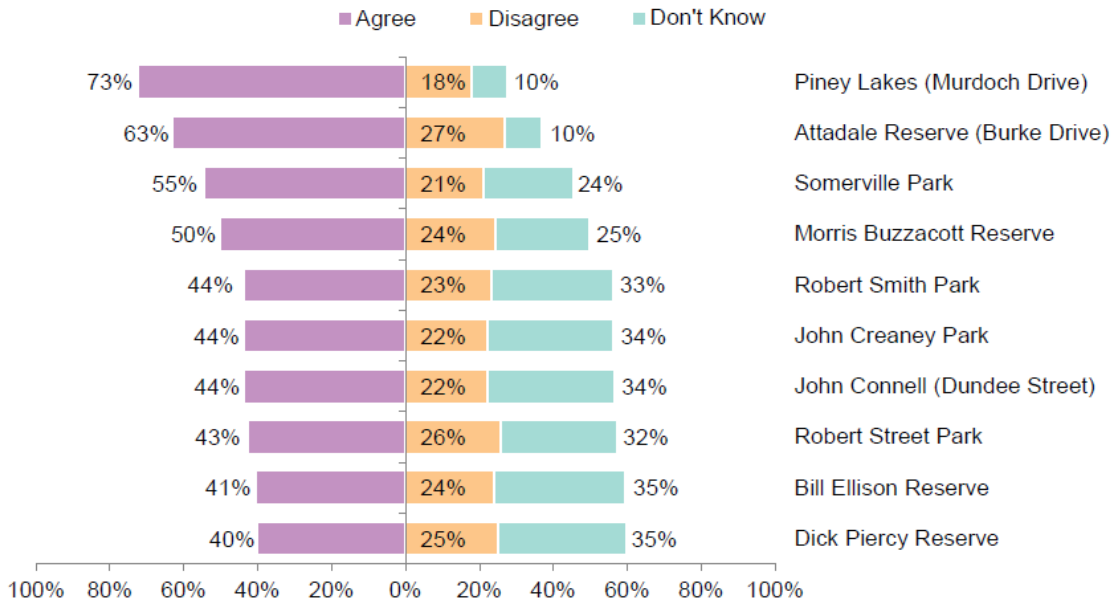
564 community members responded with Piney Lakes (Murdoch Drive) being the most (73%) supported location for fenced dog play park (highest percentage of respondents agreed and least people disagreed / unsure about this location).

**CD20/8139 – FENCED DOG PLAY PARK (REC)**

More than half of the respondents ranked Piney Lakes as one of their three most preferred locations for fenced dog play park.

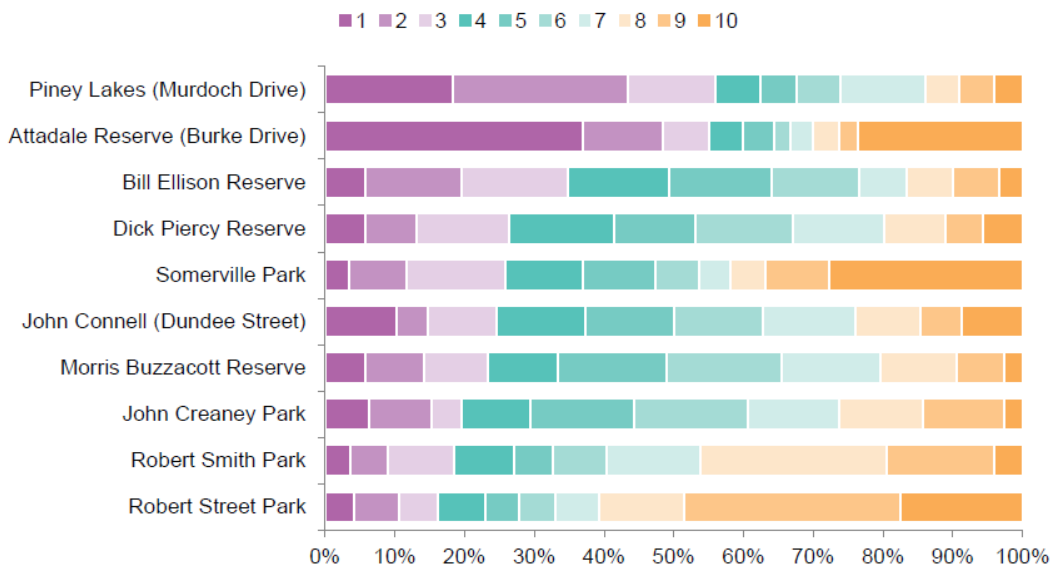
**Survey Questions**

**Do you agree or disagree with any of the locations listed a fenced dog play park?**



**Rank each location in order of preference**

The possible locations are ordered according to the percentage of respondents who have given them a ranking of 1 to 3.



**CD20/8139 – FENCED DOG PLAY PARK (REC)**

**STAKEHOLDER ENGAGEMENT**

**I. COMMUNITY**

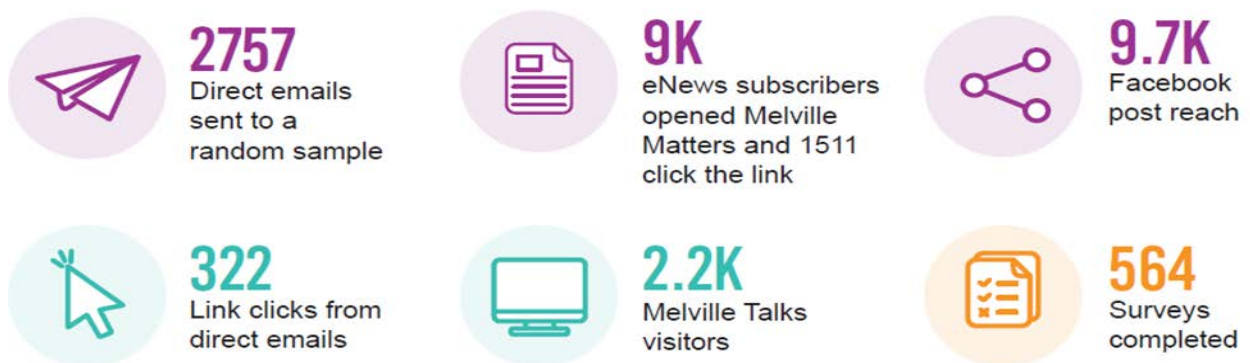
Stage 1 of the Community Engagement occurred from 10 August to 24 August 2020.

During Stage 1, the engagement process asked for community feedback, via an online survey, to understand if there is community support for one or more fully fenced dog play parks which include dog agility and/or exercise equipment.

During the engagement period 920 community members responded, with 92% supporting the idea.

Stage 2 of the Community Engagement occurred from 9 October to 26 October 2020.

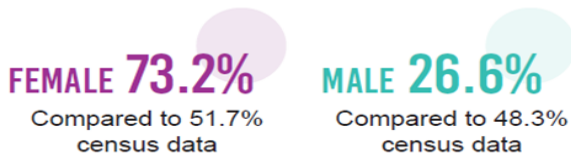
In total, 564 people responded to the survey and the majority of respondents were reached through digital media including over 90% with 31% from direct invitation and 30% from social media.



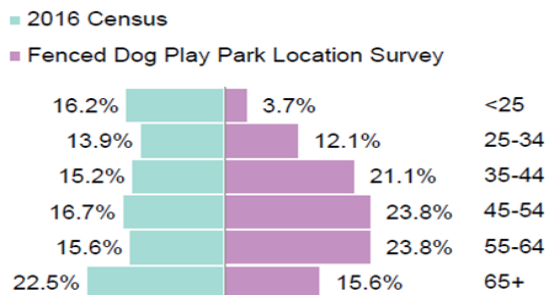
Survey - Profile of participants - Based on an estimated population of 102, 307 in the City of Melville, the sample size collected has provided a 99% level of statistical validity.

Overall the sample of respondents reached provided a fair representation from each suburb mirroring that of the population with a slightly higher representation from Attadale at 6% higher than the population.

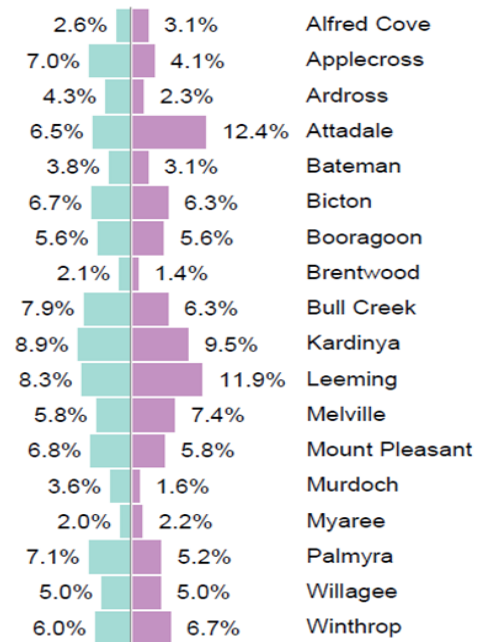
**CD20/8139 – FENCED DOG PLAY PARK (REC)**



**AGE**



**SUBURB**



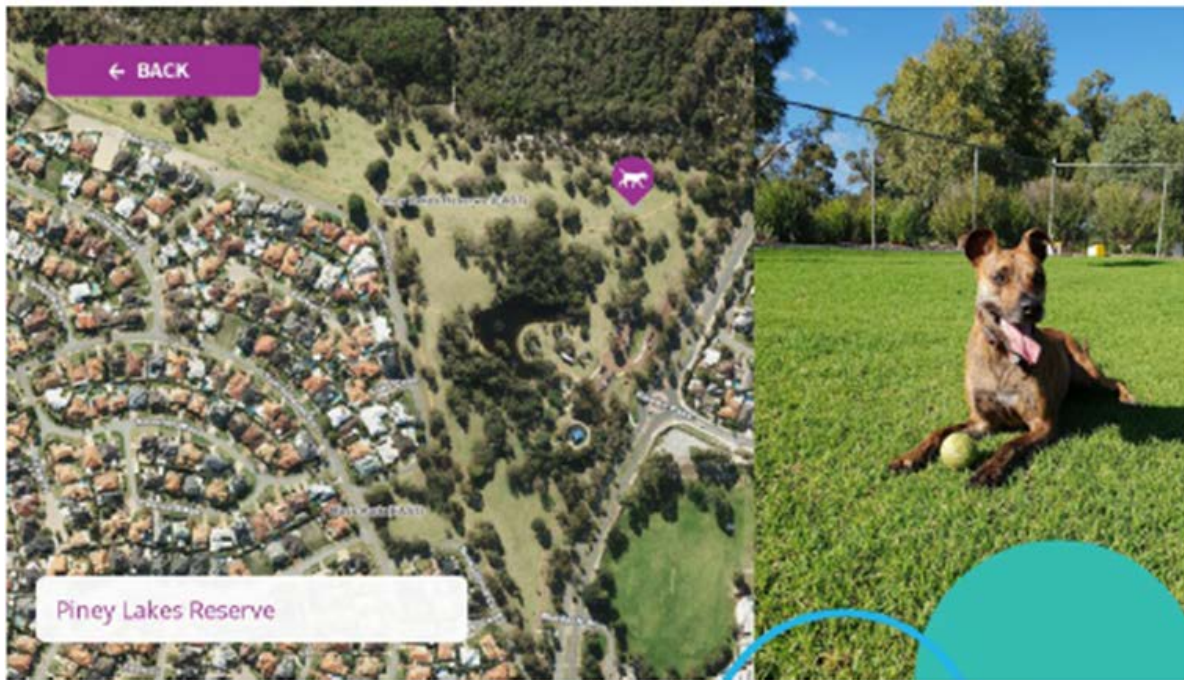
**II. OTHER AGENCIES / CONSULTANTS**

No engagement with other agencies/consultants has been undertaken.

**STATUTORY AND LEGAL IMPLICATIONS**

The location within Piney Lakes where the fenced dog play park would be located is currently a dog exercise area.

CD20/8139 – FENCED DOG PLAY PARK (REC)



**FINANCIAL IMPLICATIONS**

There is no funding allocated in the 2020-2021 budget.

During engagement, as part of the frequently asked questions, the community was informed that a fenced dog play park is an enclosed off leash dog exercise area for recreational purposes which is smaller than a standard soccer field (approximately 65m x 100m in size).

It would cost approximately \$158,000 depending on the location and its existing facilities e.g. water supply. It would include dog agility or exercise equipment for dogs of all sizes.

Should this location Piney Lakes be approved by the Council, detailed design will be carried out and funding would need to be included as a new capital project request for Councils consideration as part of the 2021-2022 capital works program.

There will be ongoing maintenance costs for a facility of this type.

**CD20/8139 – FENCED DOG PLAY PARK (REC)**

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

<b>Risk Statement &amp; Consequence</b>	<b>Level of Risk</b>	<b>Risk Treatment</b>
If a fenced dog play park is installed there would be ongoing maintenance costs and repair expenses.	Minor consequences which are almost certain, resulting in a High level of risk	Use of materials and design such that more durable and lower maintenance materials are used.  Increase operating budgets to match requirements.  Facility will go into the City's asset management plan for renewal.

**POLICY IMPLICATIONS**

There is no Council Policy that relates to this item.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Council may not support Piney Lakes as the preferred location and choose another location however, this would not be in line with community feedback.

Attadale Reserve (Burke Drive) scored 63% and was the second preferred location though it also had the most people disagreeing with this location as a fenced dog play park.

**CONCLUSION**

The City of Melville has over 170 parks/reserves, 138 of them are already off-lead dog exercise areas which are well utilised.

The community showed strong support for a fenced dog play park and Piney Lakes Winthrop was the community's preferred location.

Piney Lakes is central to the City, has good access, and the section of Piney Lakes identified for a fenced dog play park is currently already well utilised as a dog off lead exercise area.

**OFFICER RECOMMENDATION (8139)**

**APPROVAL**

**That the Council:**

- 1. endorses Piney Lakes as the preferred location for a Fenced Dog Play Park; and**
- 2. directs the CEO to proceed to detailed design, obtain detailed cost estimates and include in the 2021-2022 Draft Capital Works Program for further consideration of final funding approval of the Council.**

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)**

Ward	:	Central
Category	:	Strategic
Subject Index	:	Mt Pleasant Bowling Club, Recreation
Customer Index	:	Mt Pleasant Bowling Club (MPBC)
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	<ol style="list-style-type: none"> <li>1. CD20/8137 - Mount Pleasant Bowling Club Review and Petition – Lease Mt Pleasant Bowling Club – 20 October 2020</li> <li>2. Item 13.4 Petition – Lease Mount Pleasant Bowling Club 15 and 22 September 2020;</li> <li>3. Item 16.5 Motion with Notice – Mount Pleasant Bowling Club Review – 10 December 2019;</li> <li>4. CD20/8125 Tompkins Park Redevelopment Review - March 2020;</li> <li>5. CD19/8114 Tompkins Park Review – 18 June 2019;</li> <li>6. Item 16.2 Motion with Notice, Review of Redevelopment of Tompkins Park Facility – 21 May 2019;</li> <li>7. P17/3764 Mount Pleasant Bowling Club Site Future Redevelopment – 22 August 2017;</li> <li>8. CD17/8098 Tompkins Park Concept Plan – 20 June 2017;</li> <li>9. P16/3724 Future Use of Mt Pleasant Bowling Club Site – 28 November 2016;</li> <li>10. CD16/8088 Community Sport and Recreation Facilities Fund Annual Forward Planning Grants Round – 18 October 2016;</li> <li>11. CD16/8089 City of Melville Lawn Bowls Strategy – 16 October 2016;</li> <li>12. CD16/8081_City_of_Melville_Lawn_Bowls Strategy June 2016;</li> <li>13. Item 17.2 Motion Without Notice Relocation of Mount Pleasant Bowls Club Other Options – 19 April 2016;</li> <li>14. Item 17.1 Motion Without Notice The Future of Shirley Strickland Reserve – 13 October 2015;</li> <li>15. Item 16.2 Motion Without Notice – Proposal to Commence Discussions re the Future of Shirley Strickland Reserve, Ardross, and Redevelopment of the Facilities There – 21 April 2015;</li> <li>16. CD13/8053 Mt Pleasant Bowling Club Self Supporting Loan Condition Amendment – 20 August 2013;</li> <li>17. CD12/8045 Mt Pleasant Bowling Club Self Supporting Loan Request – 17 April 2012;</li> <li>18. D11/8037 Mt Pleasant Bowling Club Self Supporting Loan Request – 19 July 2011;</li> <li>19. C07/8017 Mount Pleasant Bowling Club Self Supporting Loan – 18 December 2007;</li> </ol>
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Todd Cahoon Manager Healthy Melville

CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)

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

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

This report follows on from a Council 20 October 2020 resolution in relation to item CD20/8137:

*That the Council*

*Directs the CEO to conduct a workshop with Elected Members by end of November 2020 to consider options for the Mount Pleasant Bowling Club and the site as a whole and to consider the officers comments in this report and present a further report to the 8 December 2020 Ordinary Meeting of Council.*

**BACKGROUND**

A detailed description of the background of the previous Council resolutions relating to the Bowls Strategy and the Mount Pleasant Bowling Club (MPBC) financing arrangements, the proposal to relocate the MPBC and the proposed use of the site are contained within item [8140 Council Item 8137 Minutes](#). This attachment should be read in conjunction with this report due to its detailed contents and relevance to this report. The implications of rescinding previous Council resolutions were also discussed in CD20/8137.

At the October 2020 Ordinary Meeting of Council the following was resolved in relation to item CD20/8137 - Mount Pleasant Bowling Club Review and Petition – Lease Mt Pleasant Bowling Club;

*“That the Council*

- 1 *Note the Officer Report, in dealing with the Council resolution 10 December 2019 in item 16.5 Mt Pleasant Bowling Club Review, on;*
  - *the Mt Pleasant Club requests for financial support and requests to changes to financing commitments*
  - *the relocation of the Mt Pleasant Bowls Club and the development of Club site,*
  - *the noting and endorsing the City of Melville Bowls Strategy Report,*
  - *the implications, both financial and non-financial, of the Council rescinding previous motions relating to the relocation of the Mt Pleasant Bowls Club,*
  - *consideration and investigation of a home base for Tingara Netball Club or other interested sporting clubs at Mount Pleasant Bowls Club and*
2. *Directs the CEO to conduct a workshop with Elected Members by end of November 2020 to consider options for the Mount Pleasant Bowling Club and the site as a whole and to consider the officers comments in this report and present a further report to the 8 December 2020 Ordinary Meeting of Council.*
3. *Write to the lead petitioner of the outcome of any motions resolved by Council.*  
*At 9:27pm the Mayor declared the motion.*

**CARRIED UNANIMOUSLY (13/0)”**

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)****DETAIL**

A workshop was held with Elected Members on Thursday 5 November 2020 to discuss the options for the MPBC and the site as a whole.

The MPBC gave a presentation to the elected member at the commencement of the workshop. The Club spoke about new users (to help address challenges of continuing as a stand alone bowling club), increasing memberships, financial position, future upgrades such as new green and cover/shade structure.

High level principles were discussed with the elected members and these are outlined below:

- Self sufficient / sustainable clubs (limit the financial support from rate payers)
- Accessible public open space is highly valued
- Balancing clubs needs with the needs of the community
- Value for money for the City and its residents
- Effective use of public open space
- Vibrancy and activation – well utilised assets (community hub approach)
- Greening the City (Community and Corporate plan)

As per item CD20/8137 a number of options exist for the site, noting that a number of resolutions currently remain in place:

1. Redevelopment of the site to include Netball facilities and other users as per Council motion.
2. MPBC relocates/dissolves, playing members are financially supported to join other clubs and the City progresses with site acquisition for residential and parkland development.
3. Site acquisition and retirement housing development including Bowls facilities (for MPBC club activities) and approximately 30% site developed into parkland.
4. Long term 'premises lease' / 'management license' arrangement with the MPBC and approx. 30% of site developed into parkland / public open space for the local community. To facilitate the parkland 'D' Green (most Southern green that was decommissioned in 2016) and the southern portion of the reserve would need to be ceded from the leased area. (This option would include the ability for the MPBC to attract additional users to the facility). There may be the ability for a modest amount of capital funding to be provided to the MPBC under this option for accessibility requirements for example, the provision of a Universal Accessible Toilet (UAT).

It was clear from discussions in the workshop that Elected Members desire an outcome to retain the MPBC on their existing site which eliminates Option 2.

Option 3 would require further investigation including detailed engagement and business planning and would likely take a number of years to resolve.

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)**

A major disadvantage and risk with this option for the MPBC is that the Club would either need to relocate to another site or halt trading / cease operations whilst the development takes place.

The Club could possibly remain on site during the works but this would make the project more complex as staging of the project would be required and at some point it would impact the club operations.

The MPBC would likely object to having to shut down operations for a reasonable amount of time and given the time frames of this option, the club would not have certainty or security of tenure until the planning process is resolved.

There was discussion on Option 1 (new netball facilities on site) and the reasons why officers don't support or recommend this are detailed in item CD20/8137.

The workshop discussed the potential significant opportunity for the development of new publically accessible parkland (~30% of site) and how the Council may wish to deal with the MPBC's self supporting loan.

In previous community engagement there was strong community support for access to local and quality public open space on the site. The immediate area surrounding the MPBC in Ardross/Mt Pleasant lacks parks / public open space within a walkable 400m. See attachments [8140 400metre radius](#) and [8140 Local open Space Classification](#) for further information.

Given the Elected Members desire to retain the MPBC on the site Option 4 appears most appropriate.

***Long term 'premises lease' / 'management license' arrangement with the MPBC and approximately 30% of site developed into parkland / public open space for the local community.*** (This option would include the ability for the MPBC to attract additional users to the facility).

**MPBC Requests**

The MPBC would like the following support from the community and Council:

- a) A new long term 21 year lease with the City remaining responsible for all building maintenance and insurances.
- b) Minor building improvements such as a Universally Accessible Toilet (UAT) and a dividing partition in clubroom (partition to be investigated further).
- c) Self supporting loan balance of ~\$198,000 forgiven / extinguished.
- d) Introduction of new tenants e.g. Melville Cares and other like groups.
- e) Retention of entire site in leased area (no park).

Should the Council rescind previous resolutions and vote to retain the MPBC on site, officers have the following comments in relation to the above requests from the club:

- a) A long term lease of 21 years is allowable. Officers do not support the City remaining responsible for all building maintenance and insurance costs as there are no examples of long term leases with Clubs in the City where this is the case.

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)**

The recent Melville Bowling Club (MBC) lease has the MBC responsible for all associated costs within their leased area.

Likewise the Kardinya Bowls Club is also in discussions about entering into a 21 year lease taking responsibility for all costs associated within their leased area.

In the recent workshop elected members discussed and suggested putting a review period in place to ensure the MPBC can be sustainable long term.

Given this, officers suggest having an initial 3 year + 9 + 9 year (option periods) lease (21 years total) with the Club that formalises this review process.

- b) Officers would support the inclusion of a UAT as part of a new lease arrangement. More information and detail would be required to determine level of support or otherwise for a dividing partition in the clubroom.
- c) Officers would not support the forgiveness / extinguishment of the MPBC self supporting loan unless there was compelling and clear reasons for doing so.

The reduction of the MPBC's leased area to allow a public park to be developed on approximately one third of the site is such a reason that officers would support given the value the land has for the local community.

- d) Officers would be supportive of the club attracting new tenants/users to increase the occupancy of the facility, noting the current land reservation, permitted land uses and previous reporting that did not recommend the construction of netball courts on site (pages 73 – 75 in item CD20/8137).

It is also important to note that the Club has highlighted that they need additional parties such as Melville Cares using the facility on a regular basis to make the Club sustainable as it is a challenge to secure ongoing sustainability as a stand alone bowling club.

- e) Officers would not support the Club retaining the full site as approximately 30% of the site is currently unused by the Club and has never been fully utilised, and there would be a significant opportunity cost (no accessible public open space developed for the local community).

Should the Council resolve to maintain the entire site in the MPBC's leased area, officers would recommend that the MPBC would need to enter into a self supporting loan repayment plan as per Council resolution in March 2020 (CD20/8125).

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)**

**MPBC's Self Supporting Loan**

The current position of the MPBC's self supporting loan is summarised as follows (a current outstanding loan liability of \$198,769.47):

<b>Mt Pleasant Bowling Club Loan</b>	
At 30 June 2019 the current balance of the loan was shown as	\$ 32,157.56
At 30 June 2019 the non-current balance of the loan was shown as	\$ 85,494.74
<b>Total value of Loan outstanding at 30 June 2019</b>	<b>\$118,052.30</b>
Plus Invoices raised but not paid by Mt Pleasant	\$93,654.86
<b>TOTAL Outstanding Loan Liability at 30/6/2019</b>	<b>\$211,707.16</b>
Plus Interest and guarantee fees on loan repayments for 2019/2020	\$ 5,594.93
Less Stimulus Waiver for Mar 20 to Jun 20 quarter	\$ 18,532.62
<b>TOTAL Outstanding Loan Liability at 30/6/2020</b>	<b>\$198,769.47</b>

**Club Financials**

The following highlights and summarises the position of the MPBC financials over the last 2 years.

The Club have improved their cash position in the previous 15 months by a combination of City of Melville support payments (including green keeping expenses and COVID stimulus measures), Government support (COVID stimulus measures) and a focus on club operations, actively seeking to attract additional members and users to the site whilst closely managing the costs of operating.

Cash in Bank

- 30 June 2019 \$ 7,653
- 30 Sep 2020 \$102,887
- Difference \$ 95,234

Support payments since July 2019

- CoM support \$ 69,000
- Job Keeper \$ 16,500
- Cash Boost ATO \$ 16,320
- Total \$101,820

Given the need for the Club to replace their 'C' green in 2-3 years time, adequate financial planning will need to be undertaken to ensure the Club is in a position to replace the green when required, should the Council decide to retain the club on site.

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)****Council Resolutions**

To implement Option 4 the Council would need to consider the following points in Resolutions:

- The rescinding of all previous resolutions regarding the acquisition and redevelopment of the MPBC site
- Discussions would need to commence with the MPBC regarding lease arrangements with the view to enter into a 3 year plus 9 year plus 9 year (21 years in total) with “D” Green (unused) and the southern portion of the reserve ceded from the leased area to accommodate a new publically accessible park
- To support the ongoing sustainability of the MPBC the City would annually monitor the performance and the operations of the Club, with a report presented to the Council at the 30 month mark of the initial lease term guiding Council with the decision to proceed with the initial 9 year lease term
- The City to expedite investigations, including cost estimates that will inform a business case of developing approximately 30% of the MPBC site (including the unused “D” Green and the southern portion of the reserve) as parkland / public open space and report back to the Council
- Rescind the requirement for the MPBC to enter into a loan repayment plan for the outstanding self supporting loan balance and extinguish the loan in full in lieu of the reduced leased area for the Mount Pleasant Bowling Club to facilitate a public park.
- Grant the Mount Pleasant Bowling Club up to \$50,000 ex GST towards accessibility improvements in the facility.

**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

No further Community engagement has occurred since the October 2020 Ordinary Meeting of Council apart from contact with the MPBC in regards to preparing information for the Elected Members workshop.

**II. OTHER AGENCIES / CONSULTANTS**

Engagement has also taken place with Melville Cares who have expressed keen interest in the opportunity to locate a community hub at the MPBC facility that will facilitate a variety of client service delivery opportunities for older people in the Melville community.

If the 30% park option progresses, there is also opportunity for Melville Cares to utilise this with features such as accessible pathways, shelter, seating and exercise equipment which would complement their programs and activities conducted in the MPBC facility, enhancing the experience of their clients. Melville Cares has indicated an interest in these features if the park option progresses.

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)****STATUTORY AND LEGAL IMPLICATIONS**

The management order (vesting of the crown site to the City of Melville) includes powers to lease for any term not exceeding of 21 years and is subject to consent from the Minister of Lands. This is an important consideration should the option of a premises lease be supported by Council.

**FINANCIAL IMPLICATIONS**Self Supporting Loan

The status of the MPBC's loan has been discussed above including a council resolution for the MPBC to enter into a payment plan following this review to enable payments to recommence.

It is considered almost certain that the MPBC will request the Council to forgive / extinguish their self supporting loan (\$198,769), especially as the club are of the view that the loan was previously forgiven by Council.

Whilst Council have the ability to agree to this request it is important to consider the implications such a decision may have on other self supporting loan holders.

Currently the balance of all self supporting loans the City has totals \$2.7m across 10 community sporting clubs and associations. The Council would need to provide clear and compelling reasons for the loan forgiveness should this decision be made and consider whether other clubs would request similar treatment and if so, the upward pressure this may place on rates.

Officers are of the view that the only valid reason for forgiving / extinguishing the MPBC's self supporting loan is that the MPBC's leased area is reduced by ~30% in order for that land to be returned to the community and developed into a publically accessible local open space (park).

Potential capital requests to upgrade current MPBC and site

It is possible that the MPBC may request capital funding for facility improvements that may include a new synthetic green (to replace 'C' Green which is approaching end of life), building upgrades and other improvements.

As mentioned above, officers would support the inclusion of a compliant UAT in the facility should the Council decide to retain the MPBC on site.

It should be also be noted that it is not the City's usual practice to provide funding for specialised sporting surfaces (whether new surfaces or replacement surfaces) such as bowling greens, hockey turf, tennis courts or turf cricket wickets and as such officers would not support capital funding to replace the existing synthetic surface at MPBC ('C' green). The Club should factor this replacement cost into their financial projections and assumptions, if they intend to replace the synthetic surface in the future.

In addition to this the Club would also need to create a sinking fund for future green replacement.

CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement & Consequence	Level of Risk	Risk Treatment
Risk of significant costs to the City and ratepayer through potential capital requests from the MPBC	Major consequences which are possible, resulting in a <b>High</b> level of risk	Support existing Council resolutions, Or  Should Council support the MPBC to remain on site, enter into a 'Premises Lease' where all costs are borne by the Club, and  Do not support capital requests or further self supporting loan requests.
Risk of significant opportunity costs should Council rescind previous resolutions relating to the future use of the MPBC site.	Major consequences which are possible resulting in a <b>High</b> level of risk	Support existing Council resolutions in place.
Risk of declining sustainability of the MPBC given the need to replace infrastructure e.g. synthetic greens leading to possible future financial hardship.	Major consequences which are possible, resulting in a <b>High</b> level of risk	Support existing Council resolutions, Or  Support the MPBC in increasing community access and use of facility, and  Review operational performance after 3 years and  Continue to fund building maintenance and insurance for initial 3 years only.
Risk of over provision of Netball courts in the City by constructing 4 new courts with floodlights at MPBC at rate payer expense.	Moderate consequences which are likely, resulting in a <b>High</b> level of risk	Do not support proceeding with Netball court development at the MPBC site, and  Continue to investigate and progress alternate options such as Applecross Senior High School.

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)**

<p>Risk of potential community outrage over future use of site depending upon Council resolutions made</p>	<p>Moderate consequences which are possible resulting in a <b>Medium</b> level of risk</p>	<p>Ensure any required engagement planning is conducted and local community are informed of Council decisions.</p>
<p>Risk that the MPBC will be unable to repay the self supporting loan based on current loan payment terms leading to insolvency</p>	<p>Major consequences which are likely resulting in a <b>High</b> level of risk</p>	<p>As per Council resolution in March 2020, formulate a reasonable repayment plan with the MPBC to enable payments to recommence Or;  Reduce the MPBC's leased area by ~30% for a publically accessible open space and extinguish the MPBC's self supporting loan</p>
<p>Risk that other clubs and community organisations with self supporting loans request loan forgiveness on the same basis leading to possible rate rises.</p>	<p>Major consequences which are possible resulting in a <b>High</b> level of risk</p>	<p>Should the Council extinguish/forgive the MPBC's self supporting loan ensure that clear and compelling (extraordinary) reasons are provided</p>
<p>Risk that additional user groups don't base themselves at MPBC leading to sustainability concerns for the club.</p>	<p>Moderate consequences which are possible resulting in a <b>Medium</b> level of risk</p>	<p>Should the Council retain the club on site, regularly review club operational performance.  Club enters into formal agreements with other user groups.</p>
<p>Risk of further delays in decision making leading to further uncertainty for the future of the MPBC and site.</p>	<p>Moderate consequences which are possible resulting in a <b>Medium</b> level of risk</p>	<p>Council makes a formal decision in regards to the future of the MPBC and the site as a whole</p>

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)****POLICY IMPLICATIONS**

Reference is given to several Council Policies that guide the decision making by Council in consideration to this report and include the following Council Policies:

CP-028 Physical Activity Policy highlights the increased opportunities for physical activity; leading to the improved health and wellbeing of the community.

CP-103 Improving Public Spaces Policy provides clear strategic direction and informs future decision-making on the best ways to improve public spaces in the City of Melville.

CP-037 Neighbourhood Development – Community Hub Policy highlights that gaining the greatest community benefit can be achieved through the provision of facilities consolidated into community hubs.

CP-031 Asset Management Policy highlights that assets must be reviewed on a regular basis to ensure they remain relevant, have a demonstrated community need and are achieving optimal levels of service in a cost effective manner over the asset lifecycle.

CP-010 Self Supporting Loans Policy provides guidelines by which financial assistance by way of self-supporting loans to non profit clubs or organisations for capital improvement works on/to land or buildings owned or vested in the City of Melville will be considered

CP-005 Land and Property Retention, Disposal and Acquisition Policy provides a framework through which the City can consider its freehold and vested reserve land and property assets and make decisions, using a systematic informed approach, with respect to the retention, disposal or acquisition of such assets or a combination thereof.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Alternate options were outlined in detail section of CD20/8137 (20 October 2020). The alternate options were also discussed in the Elected Member Workshop as highlighted in the detail section of this report.

**CONCLUSION**

Following the October 2020 Ordinary Meeting of Council an Elected Members workshop took place on 5 November 2020.

The workshop discussed the options for the MPBC and the site as a whole, with the council item CD20/8137 used as a basis for discussion and comment.

Summarising the outcome of the workshop, and given Elected Members desire to retain the MPBC on the site, Option 4 appears most appropriate.

The MPBC requests as highlighted in this report need careful and thoughtful consideration by the Council.

A number of resolutions remain in place that Council would need to rescind should the MPBC remain on site.

**CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)****OFFICER RECOMMENDATION (8140)****APPROVAL****That the Council**

- 1 Note the Officer Report, in responding to the Council resolution CD20/8137 from the 20 October 2020 Council Meeting;**
- 2 Notes to progress Option 4 given the Councils desire to retain the Mt Pleasant Bowling Club on the site with the following Recommendations required;**
  - a) Rescinds all previous resolutions regarding the acquisition and redevelopment of the Mt Pleasant Bowling Club site (items P16/3724 and P17/3764).**
  - b) Directs the Chief Executive Officer to notify all relevant stakeholders and agencies of the rescission of previous resolutions.**
  - c) Directs the Chief Executive Officer to commence lease discussions with the Mount Pleasant Bowling Club with the view to enter into a 3 year plus 9 year plus 9 year (21 years in total) 'premises lease' with 'D' green and the southern portion of the reserve ceded from the leased area to accommodate a new publically accessible park.**
  - d) Directs the Chief Executive Officer to annually monitor the performance, operations and sustainability of the Mount Pleasant Bowling Club with a report presented to the Council at the 30 month mark of the initial lease term where Council will decide to enter into the secondary 9 year lease term or otherwise depending upon the sustainability of the Club at the time.**
  - e) Directs the Chief Executive Officer to expedite investigations, including cost estimates that will form a business case, of developing approximately 30% of the Mt Pleasant Bowling Club site (including 'D' Green and the southern portion of the reserve) as parkland / public open space and report back to Council through an Elected Members Information Session in early 2021.**
  - f) Rescind the requirement for the Mt Pleasant Bowling Club to enter into a loan repayment plan for the outstanding self supporting loan balance and extinguish the loan in full in lieu of the reduced leased area for the Club to facilitate a public park.**
  - g) Grant the Mount Pleasant Bowling Club up to \$50,000 ex GST towards accessibility improvements in the facility.**
  - h) Supports the Mount Pleasant Bowling Club to remain on its existing site understanding that;**
    - i. The Club operates without any further financial support from the City including self-supporting loans.**
    - ii. The Club fully fund its operations in regards to the ongoing management and maintenance of the leased facility including the playing greens.**

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**

Ward	:	All
Category	:	Legislative
Subject Index	:	Acts, Statutes and Local Laws
Customer Index	:	City of Melville
Disclosure of any Interest	:	Officers responsible for the enforcement of the Dog Local Law 2005 were involved in the preparation of this report. No other officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Item M16/5474 – Local Law Review – Ordinary Meeting of Council – April 2016 Item M16/5467 – Conclusion of Local Law Review 2016 – Ordinary Meeting of Council August 2016.
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Anne Hill Governance Project Officer

**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"/>	<b>Executive</b>	<b><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></b>
<input checked="" type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; 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/Committee to note.</i>

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)****KEY ISSUES / SUMMARY**

- Following a review of its local laws in accordance with *Local Government Act 1995*, Council in August 2016 agreed that the *City of Melville Dog Local Law 2005* be amended.
- Detailed examination of the existing local law revealed that in addition to necessary substantive amendments, a number of non-substantive corrections were required to update it and align it with current legislation.
- Section 3.12 of the Act prescribes the procedure for making local laws, including the requirement for public consultation.
- Under section 31 of the *Dog Act 1976*, a local government may, by absolute majority and subject to the giving of local public notice, specify a public place under the care, control or management of the local government to be a place where dogs are prohibited or to be a dog exercise area in which off-leash exercise is permitted.
- Due to changing circumstances, some existing dog exercise areas and areas where dogs are prohibited have been reviewed. This is a matter likely to attract significant public interest.
- While the review of dog exercise areas and dog-prohibited areas, and the amendment of the Dog Local Law, are separate matters, there are efficiencies in undertaking public consultation on both matters simultaneously.
- This report seeks Council approval to issue a public notice in accordance with s.3.12 of the Act inviting submissions on a new City of Melville Dog Local Law, and to seek public comment on the proposed changes to the status of dog exercise areas in parks and reserves.

**BACKGROUND**

In April 2016, Council resolved to initiate the review of eight local laws, including the [City of Melville Dog Local Law](#) (Dog Local Law), in accordance with the requirements of the *Local Government Act 1995* (Local Government Act).

No public submissions were received relating to the Dog Local Law during that review, but officers responsible for the enforcement of the local law proposed minor changes. Following the review, Council resolved in August 2016 to endorse the outcome of the local law review and note that a number of local laws, including the Dog Local Law, required amendment.

Separately, officers have reviewed the status of a number of parks and reserves with respect to dog access, and recommend that some changes be made in the interests of safety, amenity and environmental protection.

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)****DETAIL****1. City of Melville Dog Local Law 2005**

The current Dog Local Law was made by Council on 15 February 2005 under the *Dog Act 1976* (Dog Act). The existing Dog Local Law is still mostly relevant and few substantive changes are necessary. However, there are some deficiencies that need to be addressed in the interests of currency, clarity and alignment with State legislation and the views of the Joint Standing Committee on Delegated Legislation.

**1.1 Purpose and effect**

The existing local law does not have a statement of purpose and effect, now required in local laws. This provides a clear indication to the reader of the reason for making the local law and what it is intended to achieve. A statement clarifying that the local law applies to the whole of the district (and only the district) removes any doubt about jurisdiction.

**1.2 Objection and review rights**

The existing local law does not make reference to objection and review rights in relation to City decisions under the local law. The Joint Standing Committee on Delegated Legislation has stated its position that local laws must make reference to such rights.

**1.3 Places where dogs are prohibited (clause 5.1)**

Section 31(2B) of the Dog Act provides for a local government to specify a public place or a class of public place, that is under the care, control or management of the local government to be a place where dogs are prohibited at all times or at specified times.

Subclause 5.1(b) of the existing Dog Local Law prohibits dogs from entering or being in a “shop or business premises, other than a shop or business premises where dogs are sold or treated for illness or injury”. This subclause is problematic for the following reasons:

- (a) While shops and some business premises may be public places, they are not, unless on local government property, under the care, control or management of the local government. The prohibition of dogs in private shops and business premises is not within the Council’s power under the Act, and the subclause is thus invalid with respect to all shops and business premises on private land.
- (b) The subclause effectively prohibits dogs from being on local government land (e.g. verge or reserve) used by cafes or coffees shops for *al fresco* dining services subject to either a lease or a permit from the local government. This is inconsistent with current public and business-owner expectations, and also with City place-making strategies.

Section 33A of the Dog Act provides for the control of dogs in places that are not public and it is unnecessary to replicate this in a local law.

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)****1.4 Exemption for assistance dogs (clause 5.1)**

The existing local law exempts only guide dogs and hearing dogs from compliance with the local law prohibiting dogs from certain places. It is now commonly recognised assistance dogs are not restricted to guide dogs and hearing dogs.

**1.5 Schedules of places where dogs are prohibited or restricted to being on-lead only (schedules 4 and 5)**

The use of schedules to the local law as the mechanism for listing places in which dogs are prohibited and places where dogs must be leashed is outdated and inflexible. It means that every time a place is reviewed and the dog access status of that place is changed, the City must undertake a full local law amendment process. Schedules 4 and 5 in the current Dog Local Law no longer accurately reflect the parks and reserves (or parts thereof) that the Council has determined under section 31 of the Dog Act should be places where dogs are prohibited or places where they must be leashed.

**1.6 Other issues**

Some definitions, provisions and penalties in the existing Dog Local Law are inconsistent with current State legislation.

There is some internal inconsistency in style, outdated language and missing headings. Some of the wording is unclear and may result in misinterpretation.

**1.7 Proposed action**

To address the matters described above, the Council may elect to:

- 1) Make an amendment local law to amend the existing local law, or
- 2) Make a new Dog Local Law to replace the existing local law.

Both will achieve the same result in a legal sense. However, a large number of minor “editing” amendments are necessary to address the matters referred to in subsection 1.6 above. This will result in a cumbersome amendment local law that members of the public are likely to find difficult to understand and comment on.

The nature of amendment laws means they contain only the proposed amendments, not the amended clauses, and therefore can only be read in conjunction with the principal law to understand how each clause amends the principal law.

From the perspective of clarity and accountability, a new local law that can be read as a stand-alone document is a more accessible format for public consultation. It also has the benefit that the gazetted version can be published in its original form on the City website, eliminating transcription errors.

The costs of publishing an amendment local law and a complete new local law are not significantly different.

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**

A proposed new Dog Local Law is attached to this report, with a table summarising the variations from the existing 2005 Dog Local Law [5793 Proposed New Dog Law](#).

**2. Review of dog access to parks and reserves**

Under section 31(1) of the Dog Act a dog in a public place must be held by a person capable of controlling it or securely tethered by means of a suitable chain, cord, leash or harness.

A dog is exempt from this requirement in certain circumstances, including being in a public place under the care, control or management of a local government that has been specified as a dog exercise area by the local government under section 31(3A) of the Dog Act.

Under the existing Dog Local Law, all public places under the care, control or management of the City are dog exercise areas unless specifically excluded under clause 5.1 of the local law.

This means that dogs may exercise off-leash in all parks and reserves which are not classified as prohibited or restricted (on-lead only) provided that the dogs:

- are under effective control (will come back when called);
- are accompanied by someone capable of controlling the dog;
- do not attack other dogs, people or wildlife; and
- remain close to their owner so the leash can be quickly attached if they become aggressive.

Dogs must be kept on a leash on all streets and pathways, and on any reserve where a sporting event is in progress.

Under section 31(2B) of the Dog Act, a local government may specify a public place under its care, control or management as a place where dogs are prohibited at all times or at specified times. Classes of places where dogs are prohibited are set out in clause 5.1 of the current local law and include public buildings and any area set aside by a wall, fence, sandpit or other soft-fall surface as a children's playground. Assistance dogs are exempted.

Evolving circumstances, including the type and extent of human use, mean that dog access to some public places needs to be reviewed and sometimes changed. This relates to places where dogs are prohibited, dog exercise areas available for off-leash exercise, and public places that are not dog exercise areas and in which dogs must be leashed or tethered in accordance with section 31(1) of the Act.

The current dog access status of the City's parks and reserves is shown in [map form](#) on the City's website (image attached) and in the public "[Your Dog](#)" brochure. Officers have reviewed the dog access status of the City's parks and reserves and have made the following recommendations regarding places where dogs are prohibited or restricted to on-leash only (the table does not include existing off-leash dog exercise areas where no change is proposed). [5793 City of Melville Dog Map](#)

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**

Park / Reserve	Current Status	Recommended Status	Notes or Reasons for Change
Alfred Cove Nature Reserve	Dogs Prohibited	No change	
Apex Park Reserve (Foreshore Area)	Dogs Prohibited	No change	
Apex Park Reserve (non-foreshore)	On-leash only	No change	
Attadale Reserve (Conservation Area)	Dogs Prohibited / On-leash only	No change	
Bateman Park	Dogs Prohibited / Off-leash exercise	No change	Prohibited areas include bushland and foreshore to protect environment and wildlife
Bicton Baths Reserve	Dogs Prohibited	No change	
Blackwall Reach Reserve	Dogs Prohibited	No change	
Blue Gum Reserve	On-leash only	No change	
Booragoon Lake Reserve	On-leash only	No change	
Bosworth Park	Dogs Prohibited	No change	
Burke Drive Foreshore	Dogs Prohibited	No change	
Carawatha Park	On-leash only	No change	
Civic Centre	On-leash only	No change	
Deep Water Point Reserve	Dogs Prohibited	Dogs permitted on-leash only in the carpark, on sealed pathways and in the Dome Café <i>al fresco</i> area adjoining the carpark and boat ramp area Dogs prohibited elsewhere in the reserve	Reflects public expectations and current use. No risk to sensitive foreshore area
Ern Stapleton Reserve	On-leash only	No change	

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**

<b>Park / Reserve</b>	<b>Current Status</b>	<b>Recommended Status</b>	<b>Notes or Reasons for Change</b>
George Humes Park	Off-leash exercise	On-leash only	Bushland reserve located in front of library and near shops. Insufficient space for dogs off lead
Foreshore areas between: Flannagan Rd and Canning Bridge; Queens Rd and Cranford Ave	On-leash only	No change	
Foss Street Park	On-leash only	No change	
Four Seasons Park	On-leash only	No change	
Harry Sandon Park	On-leash only	No change	
Heathcote Heritage Reserve	Dogs Prohibited	No change	
Jeff Joseph Reserve	Dogs Prohibited	Prohibited / On-leash only	Large area, sufficient parking, Amend grassed areas to allow on-leash exercise. Bushland / foreshore to remain prohibited to dogs
Joan Williams Park	On-leash only	Off-leash exercise	Grassed area separated from playground by footpath, adequate space
Kadidjiny Park	On-leash only (dogs prohibited in some areas)	No change	
Len Shearer Reserve	On-leash only	Off-leash exercise	Large area, sufficient parking. To remain restricted to on-lead only during sporting events
Marmion Reserve	On-leash only	Off-leash exercise / On-leash only	Permit off lead within grassed area. Lake area and surrounds to remain on-lead
Melville Reserve	On-leash only	Off-leash exercise	Large fenced oval. Restricted during sporting events to on-lead only
Moss Park	Dogs Prohibited	No change	
Oz Park	Dogs Prohibited	No change	

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**

<b>Park / Reserve</b>	<b>Current Status</b>	<b>Recommended Status</b>	<b>Notes or Reasons for Change</b>
Piney Lakes Reserve	Dogs prohibited in northern bushland except on-leash on sealed paths and in southern part except sensory playground, off-leash exercise in middle area (see map/signs)	No change	Note: fenced dog play area proposed for part of existing off-leash dog exercise area (see item CD20/8139)
Piney Lakes Sensory Playground	Dogs Prohibited	No change	
Point Walter Reserve	Dogs Prohibited	No change	
Point Dundas (Applecross)	Dogs Prohibited	No change	
Ratcliffe Park	Off-leash exercise except during sporting activities	No change	Large open areas, on-lead only during sporting activities
Robert Crawford Reserve	Off-leash exercise	On-leash only	Bushland reserve “alleyway access” from Leach Hwy. Not sufficient space for off-leash exercise, includes footpath down centre of reserve
Ross Park	Dogs Prohibited	No change	
Thomas Middleton Park	Dogs Prohibited	No change	
Three Bears Park	Off-leash exercise	On-leash only	3 footpaths running through reserve. BBQ and gazebo area in middle – insufficient space for off-leash exercise
Tompkins Park Reserve	On-leash only	On-leash only during sporting events, off-leash exercise other times	Sufficient area and parking available for off-leash exercise.
Troy Park	Dogs prohibited in bushland / foreshore areas. Grassed area available for off-leash exercise whilst no sporting events in progress	No change	
Wal Hughes Reserve	On-leash only	No change	

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**

William Reynolds Park	Off-leash exercise	On-leash only	Small reserve. Children's playground takes majority of reserve. Unsuitable for dogs off leash.
Wireless Hill Park	On-leash only	No change	

Because dog access to parks and reserves is a matter of significant interest to dog owners and other users of parks and reserves, it is appropriate to seek public comment on the above recommendations before the Council determines whether to approve any changes.

**STAKEHOLDER ENGAGEMENT**

**I. COMMUNITY**

Community stakeholder engagement on the proposed new Dog Local Law will be undertaken in accordance with section 3.12 of the Act, which requires a minimum six-week public consultation period.

Local public notice in accordance with the requirements of the Local Government Act will be given following Council's approval to commence the process. In addition to the statutory requirements, consultation will be undertaken via the Melville Talks Engagement page of the City's website including a mechanism for on-line submission. People will be alerted to the opportunity to make a submission through social media and direct emails if they are on the City's engagement subscriber list.

If Council approves the commencement of the process at the meeting of 8 December 2020, the earliest that a public notice could be published in the local newspaper would be 24 December 2020, which is considered inappropriate. It is therefore proposed to publish the public notice on 21 January 2021, with submissions closing on 15 March 2021.

Following the close of the submission period, a report will be made to Council on the submissions made regarding both the local law and the proposed changes to the dog access status of the listed parks and reserves.

**II. OTHER AGENCIES / CONSULTANTS**

The Local Government Act requires provision of the proposed local law to the Minister(s) administering the Acts under which the local laws are proposed to be made. In this case, the administration of the Dog Act is within the portfolio of the Minister for Local Government. The Minister may choose to comment on the proposed local law and such comment must be considered by the local government.

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)****STATUTORY AND LEGAL IMPLICATIONS**

In making a local law a local government must follow the procedure described in section 3.12 of the Local Government Act, in the sequence in which it is described.

- (a) At a council meeting the person presiding is to give notice to the meeting of the purpose and effect of the proposed local law by ensuring that the purpose and effect of the proposed local law is included in the agenda for that meeting and that the minutes of the meeting include the purpose and effect of the proposed local law.
- (b) The local government must give local public notice including specified information including where a copy of the proposed local law may be accessed and inviting submissions before a specified day being not less than 6 weeks after the notice is given.
- (c) As soon as the notice is given, a copy of the proposed local law and of the notice must be given to the Minister administering the Act and the Minister administering the Act under which the local law is proposed to be made.
- (d) After considering submissions, the local government may, by absolute majority, make the local law as proposed or a local law not significantly different from what was proposed.
- (e) After making the local law, there are requirements regarding publication in the *Government Gazette*, provision of the published version to the Minister(s), a local public notice and provision of copies to Parliament with required explanatory material.

In addition, section 31(3C) of the Dog Act requires that a local government must give local public notice as defined in section 1.7 of the Local Government Act at least 28 days before specifying a place where dogs are prohibited at all times or at specified times under section 31(2B).

**FINANCIAL IMPLICATIONS**

There are no significant financial implications arising from the recommendations of this report. Minor costs will be incurred in advertising the public notice and the review of dog access in parks and reserves, and in publishing the local law in the *Government Gazette*. These costs will be met under the existing budget.

Additional signage may be required to alert people to the dog access status of certain parts of parks and reserves. This will be undertaken within the existing budget.

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

There are environmental management implications in this matter only if dogs are permitted in environmentally sensitive areas and cause harm to native flora and fauna.

<b>Risk Statement &amp; Consequence</b>	<b>Level of Risk</b>	<b>Risk Treatment</b>
Redundant and/or outdated local laws cause confusion and do not meet their intended purpose	Medium consequences which are unlikely, resulting in a low level of risk.	Review, amend or repeal local laws regularly to ensure they continue to be relevant and effective
Dog access to certain parks and reserves is inappropriately specified, resulting in dog nuisance in some areas and inadequate off-lead exercise areas for City dog-owners in others	Minor consequences which are possible, resulting in a low level of risk	Regularly assess the suitability of parks and reserves for dogs being exercised on or off-lead, and amend status as necessary.

**POLICY IMPLICATIONS**

There are no strategic policy implications associated with this item.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The Council could choose not to amend the Dog Local Law. This would mean that the matters described above would not be addressed.

The Council may choose to amend the existing Dog Local Law through an amendment local law. This would have the same effect as making a new local law but would be less accessible for public consultation purposes.

**CONCLUSION**

While both an amendment local law and a new local law will achieve the same outcome, it is recommended a new local law ([5793 Proposed New Dog Law](#)) be made to replace the existing Dog Local Law 2005, primarily because this option better facilitates public understanding and participation in the process.

In recognition of likely public interest, it is recommended that the proposals regarding the dog access status of parks and reserves under the City's control be published for public comment prior to Council considering any changes.

The Council is asked to approve the commencement of the statutory process, including public consultation, for making a new Dog Local Law, and the simultaneous commencement of public consultation on proposed variations to the dog access status of certain parks and reserves as listed in this report.

**M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)****OFFICER RECOMMENDATION (5793)****ABSOLUTE MAJORITY****That the Council:**

- 1. Resolves to repeal the existing *City of Melville Dog Local Law 2005* and make a new local law with the following purpose and effect:**

**The purpose of the proposed local law is to provide for those matters in the *Dog Act 1976* (Dog Act) that may be dealt with under local laws.**

**The effect of the proposed local law is to:**

- (a) Provide for the operation of a pound and charges to be levied under section 29(4) of the Dog Act; and**
  - (b) Specify the fencing requirements for the keeping of dogs; and**
  - (c) Specify the number of dogs that may be kept in or at a premises; and**
  - (d) Make provision for the licensing of kennel establishments; and**
  - (e) Designate dog exercise areas under section 31(3A) of the Dog Act; and**
  - (f) Provide for specification of public places in which dogs are prohibited totally, and areas in which dogs must be controlled in accordance with section 31(1) of the Dog Act; and**
  - (g) Provide for the enforcement of this local law.**
- 2. Authorises the CEO to commence the procedure under section 3.12 of the *Local Government Act 1995* to make the above local law by:**
    - a) Giving local public notice and inviting public submissions on the proposed local law in accordance with section 3.12(3)(a);**
    - b) Giving a copy of the public notice and proposed local law to the relevant Minister in accordance with section 3.12(3)(b);**
    - c) After the last day of submissions, preparing and presenting a report for Council to consider and determine whether to make the local law in accordance with section 3.12(4).**
  - 3. Authorises the CEO to initiate a public consultation process on the dog access status of public parks and reserves under the care, control or management of the City, and to report to the Council on the results of that consultation.**

**M20/5794 - COUNCIL MEETING SCHEDULE 2021 (REC) (ATTACHMENT)**

Ward : All  
 Category : Operational  
 Subject Index : Schedule of Meetings  
 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 : M18/5656 Council Meeting Schedule 2019 – December 2018 Ordinary Meeting of Council  
 M19/571 – Council Meeting Schedule 2020 – November 2019 Ordinary Meeting of Council  
 Works Programme : Not Applicable  
 Funding : Not Applicable  
 Responsible Officer : Corrine Newman  
 Governance Coordinator

**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"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>When the Council reviews decisions made by Officers.</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 (e.g. 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/Committee to note.</i>

**M20/5794 - COUNCIL MEETING SCHEDULE 2021 (REC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- This report summarises the monthly Ordinary Meetings of Council cycle to commence in February 2021.
- This report considers changes to the Council Meeting cycle to provide better clarity to Elected Members in their decision making pathway.
- The Council is required to determine the meeting dates for Ordinary Meetings of Council each year.
- The adopted meeting details are to be published on the City's website.
- The report recommends adoption of the proposed meeting schedule.

**BACKGROUND**

The Council Meeting Cycle was reviewed in May 2017 where it was resolved to continue a monthly meeting cycle consisting of:

- First Tuesday – Agenda Briefing Forum
- Second Tuesday – Elected Member Information Session
- Third Tuesday – Ordinary Council Meeting
- Fourth Tuesday – Elected Member Information Session

The Council resolved to continue with this meeting cycle through 2018, 2019 and 2020.

Feedback from the recent AICD Governance Survey and recent discussions with Elected Members as part of the Organisational Cultural Workshops highlighted a desire for different forms of collaboration between the Elected Member Group and the Administration and consideration being given to amending the meeting structure to allow more time between the Agenda for Council meetings being released and the Agenda Briefing Forums.

**DETAIL**

Following is a proposed new monthly meeting cycle which incorporates the Agenda Briefing Forum being held on the second Tuesday of the month and the implementation of Informal Meetings of Elected Members:

- Agendas released Friday (Week Zero)
- First Tuesday – Elected Member Information Session (Week One)
- Second Tuesday – Agenda Briefing Forum (Week Two)
- Third Tuesday – Ordinary Council Meeting (Week Three)
- Fourth Tuesday – Informal Meeting of Elected Members (Week Four)

The shift of the Agenda Briefing Session to the second Tuesday of each month will provide Elected Members and the Community with more time to review the matters contained on the Council Meeting Agenda for that month and should address the concerns raised that the community and Elected Members have insufficient time to read the agenda's prior to the Agenda Briefing Forum at which Deputations are received and questions from Elected Members answered.

**M20/5794 - COUNCIL MEETING SCHEDULE 2021 (REC) (ATTACHMENT)**

It is proposed for this meeting schedule to apply each month, with the exception of:

- January 2021 when the Council is in recess;
- October 2021 to accommodate Local Government Elections and allow for the decision making cycle to be completed prior to the commencement of the newly elected Councillors. A Special Meeting of Council will also be required for new Elected Members to be sworn into office; and
- December 2021 when meetings are brought forward to allow for the Council resolutions to be actioned in time to accommodate for the festive period.

The Ordinary Meeting of Council and the Council Agenda Briefing Forum are both open to the public, held in the Council Chambers and, where appropriate ie. not discussing confidential matters, audio and video broadcast live to the community. Formal decision making by the Council only takes place at Ordinary or Special Meetings of Council.

A copy of the proposed 2021 proposed meeting cycle calendar, based on discussions with Elected Members is attached [2021 Council Meeting Schedule](#)

The proposed meeting cycle calendar for 2021 provides for a January recess and does not schedule formal meetings during this time. It should however be noted that a Special Meeting of the Council may be called in January 2021 if there are any matters requiring an urgent decision of the Council.

**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

The City informs the public of the dates that meetings will be held through the media, press releases and notices at the Civic Centre, Libraries and website. When adopted, the meeting schedule for the 2021 year will be advertised on the City's website.

**II. OTHER AGENCIES / CONSULTANTS**

Not applicable.

**STATUTORY AND LEGAL IMPLICATIONS**

*The Local Government Act 1995*, Section 5.3 - Ordinary and Special Council Meetings provides that:-

- (1) *A Council is to hold ordinary meetings and may hold special meetings.*
- (2) *Ordinary meetings are to be held not more than three months apart.*

**M20/5794 - COUNCIL MEETING SCHEDULE 2021 (REC) (ATTACHMENT)**

The Council is to formally resolve its meeting schedule for the next 12 months and advertise the meeting details, including date, time and place. Should the Council resolve to adopt the proposed meeting cycle, Section 5.25(1) (g) of the *Local Government Act 1995* requires that meeting details must be published on the City's website.

Regulation 12(4) of the *Local Government (Administration) Regulations 1996* requires that the City publish on its official website any changes to the adopted meeting details.

**FINANCIAL IMPLICATIONS**

A provision for the cost of conducting Meetings of the Council within the proposed schedule is included in the 2020-2021 adopted budget.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

Matters will be brought to the Council for decision on 11 pre-determined dates and where required, Special Meetings of Council will be held to resolve urgent matters or those matters that will absorb a full Council agenda.

There is no risk or environmental management implications in this report.

**POLICY IMPLICATIONS**

There are no policy implications in this report.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The current model provides for 11 scheduled meetings per annum with a provision to call Special Meetings of Council where a matter requires urgent attention.

There is an option to revert to a different model for meeting frequency, which may provide a more or less frequent cycle of Ordinary Meetings of Council, increasing or decreasing the amount of decision making opportunities for the Council. Changes to the meeting cycle would have an impact on the resource allocations for this purpose.

**CONCLUSION**

The monthly Council meeting cycle is proposed to be adopted with the intention of providing a stable meeting date for all Ordinary Meetings of Council and Council Agenda Briefing Forums.

**M20/5794 - COUNCIL MEETING SCHEDULE 2021 (REC) (ATTACHMENT)****OFFICER RECOMMENDATION (5794)****APPROVAL****That the Council:**

- 1. Approves the Ordinary Meetings of Council to be held on the third Tuesday of each month, commencing in February 2021, with the exception of October and December 2021, where they will be held on the second Tuesday of those months.**
- 2. Approves the Agenda Briefing Forums to be held on the second Tuesday of each month, commencing in February 2021 with the exception of October and December 2021 where they will be held on the first Tuesday of those months, and be chaired by the Mayor or his delegate.**
- 3. Directs that it will go into recess during January 2021 and that neither the Ordinary Meeting of Council nor a Council Agenda Briefing Forum will be scheduled during the month of January 2021.**
- 4. Endorses that:**
  - Elected Member Information Sessions;**
  - Meetings of Elected Members; or**
  - Elected Member Workshops****occur, as required, on any Tuesday evening that is not required for Ordinary Meetings of Council, Agenda Briefing Forums or meetings of Standing Committees.**
- 5. Directs the Chief Executive Officer to publish the Schedule of Council Meetings on the City of Melville Website in order to inform the community of the Council Meeting dates for 2021.**

**C20/6000 - INVESTMENT STATEMENTS FOR OCTOBER 2020 (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	:	Debbie Whyte – Manager Financial Services

**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 &amp; 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 (e.g. 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	<b><i>For the Council/Committee to note.</i></b>

**KEY ISSUES / SUMMARY**

This report presents the investment statements for the period ending 31 October 2020 for the Council's information and noting.

**C20/6000 - INVESTMENT STATEMENTS FOR 31 OCTOBER 2020 (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**

The following statement details the investments held by the City as at 31 October 2020.

<b>CITY OF MELVILLE STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 31 OCTOBER 2020</b>		
<b>SUMMARY BY FUND</b>		
Municipal		\$53,345,938
Reserve		\$156,682,842
Trust		\$-
Citizen Relief		\$217,779
<b>TOTAL</b>		<b>\$210,246,559</b>
<b>SUMMARY BY INVESTMENT TYPE</b>		
11AM		\$5,250,915
31Days at Call		\$6,000,000
60Days at Call		\$2,000,000
90Days at Call		\$16,600,000
Term Deposit		\$180,220,473
Units (Local Govt Hse)		\$175,171
<b>TOTAL</b>		<b>\$210,246,559</b>
<b>SUMMARY BY CREDIT RATING</b>		
AAA Category	AAA	
AA Category (AA+ to AA-)	AA-	\$152,071,387
A Category (A+ to A-)	A+	\$18,000,000
	A	
	A-	
BBB+ Category	BBB+	\$40,000,000
Units (Local Government House)		\$175,171
<b>TOTAL</b>		<b>\$210,246,559</b>

**C20/6000 - INVESTMENT STATEMENTS FOR 31 OCTOBER 2020 (REC)**

Exposure to an individual institution is limited according to Council policy and in October 2020 the investments were within the acceptable limits.

Investment with financial institutions						
Institution	Credit Rating	Credit Rating Category	Funds held at period end	Actual %	Limit Per Policy	
ANZ	AA-	AA Category	\$ 8,500,000	4.04%	30.00%	✓
AMP	BBB+	BBB+ Category	\$ -	0.00%	15.00%	✓
Bankwest	AA-	AA Category	\$ -	0.00%	30.00%	✓
Bank of Queensland	BBB+	BBB+ Category	\$ 30,500,000	14.51%	15.00%	✓
ING Bank	A-	A Category	\$ -	0.00%	25.00%	✓
Bendigo & Adelaide	BBB+	BBB+ Category	\$ 9,500,000	4.52%	15.00%	✓
CBA	AA-	AA Category	\$ 39,000,000	18.55%	30.00%	✓
Macquarie	A+	A Category	\$ 13,000,000	6.18%	25.00%	✓
NAB	AA-	AA Category	\$ 49,729,828	23.65%	30.00%	✓
St George	AA-	AA Category	\$ -	0.00%	30.00%	✓
Suncorp	A+	A Category	\$ 5,000,000	2.38%	25.00%	✓
Westpac	AA-	AA Category	\$ 54,841,560	26.08%	30.00%	✓
Units in Local Govt House	NA	NA	\$ 175,171	0.08%	100.00%	✓
<b>TOTAL</b>			<b>\$ 210,246,559</b>	<b>100%</b>		

\*Standard & Poor's ratings. Source: Policy No. CP-009: Investment of Funds

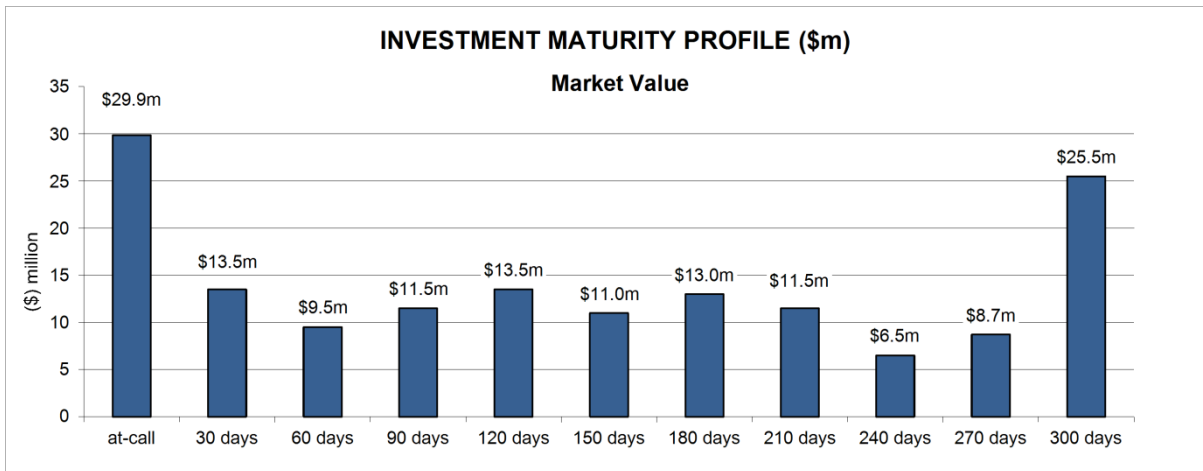
The City's investments were invested within the limits allowed within each category rating for October 2020.

Maximum Percentage of Average Investment Portfolio Balance				
Long Term Rating	Funds held at period end \$	Actual %	Limit Per Policy	
AAA Category	\$ -	0%	100%	✓
AA Category (AA+ to AA-)	\$ 152,071,387	72%	80%	✓
A Category (A+ to A-)	\$ 18,000,000	9%	50%	✓
BBB+ Category	\$ 40,000,000	19%	25%	✓
Units in Local Govt House	\$ 175,171	0%	100%	✓
<b>TOTAL</b>	<b>\$ 210,246,559</b>	<b>100%</b>		

\*Standard & Poor's ratings. Source: Policy No. CP-009: Investment of Funds

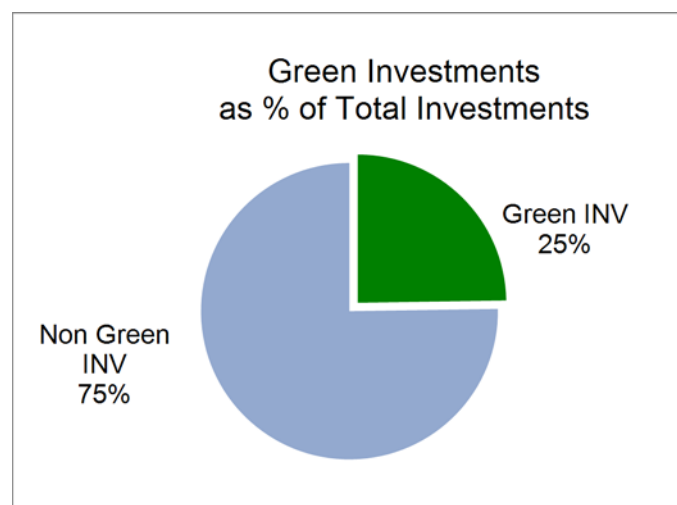
**C20/6000 - INVESTMENT STATEMENTS FOR 31 OCTOBER 2020 (REC)**

The below graph summarises the maturity profile of the City’s investments at market value as at 31 October 2020. The immediacy of the demand for funds depends on the particular Fund or Reserve Account(s) of the City. The maturity profile provided in the table above meets the liquidity requirements of the Council policy.



“Green investments” are authorised investment products made in authorised institutions that respect the environment by not investing in fossil fuel industries.

The total investment in authorised institutions that do not lend to industries engaged in the exploration for, or production of, fossil fuels, as at 31 October 2020 was \$52,000,000 or 25% of total investment holdings being in non-fossil fuels institutions, compared to \$47,000,000 (22%) in September 2020. The total investments holding for October and September were \$210,246,559 and \$212,746,559 respectively.



**C20/6000 - INVESTMENT STATEMENTS FOR 31 OCTOBER 2020 (REC)**

Green Investment with financial institutions			
Institution	Credit Rating	Credit Rating Category	Funds held at period end
Bendigo & Adelaide	BBB+	BBB+ Category	\$ 9,500,000
CBA	AA-	AA Category	\$ 37,500,000
Suncorp	A+	A Category	\$ 5,000,000
<b>TOTAL</b>			<b>\$ 52,000,000</b>

Green investments are invested in three banks listed above in the table based following the credit ratings set out in Council's Investment of Funds policy CP-009. Green Term Deposits with CBA are currently limited or no longer available as the pool of funds with them has reached full capacity. Other banks offer a lower interest rate on Green Investment.

## STAKEHOLDER ENGAGEMENT

### I. COMMUNITY

This report is available to the public on the City's web-site.

### II. OTHER AGENCIES / CONSULTANTS

A wide range of suitably credit rated Authorised Deposit-taking Institutions (ADI's) were engaged with during the course of the month in respect to the placement and renewal of investments.

## 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)

Authorised Deposit-taking Institutions are authorised under the *Banking Act 1959* and are subject to Prudential Standards oversight by the Australian Prudential Regulation Authority (APRA).

The Local Government (Financial Management) Regulations 1996 (Regulation 19C) allows local governments to deposit funds for a fixed term of three years or less. Deposits of greater than one year may, depending on the shape of the yield curve, enable the City to achieve better investment returns.

**C20/6000 - INVESTMENT STATEMENTS FOR 31 OCTOBER 2020 (REC)**

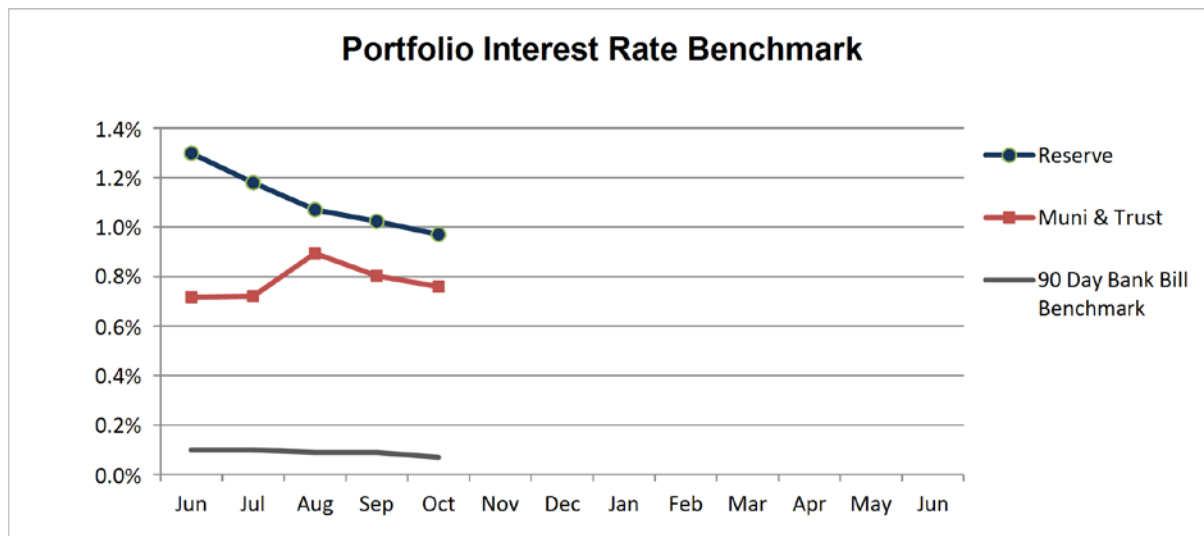
**FINANCIAL IMPLICATIONS**

For the period ending 31 October 2020:

- Investment earnings on Municipal and Trust Funds were \$105,904 against a year to date budget of \$25,000 representing a positive variance of \$80,904 as a result of higher than estimated balances for the year. An adjustment to the annual budget of \$75,000 for Investment earnings on Municipal and Trust will be made following the mid-year budget review.

The weighted average interest rate for Municipal and Trust Fund investments as at 31 October 2020 was 0.76% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 0.07%.

- Investment earnings on Reserve accounts were \$505,423 against a year to date budget of \$475,000 representing a positive variance of \$30,422. The weighted average interest rate for Reserve account investments as at 31 October 2020 was 0.97% which compares favorably to the benchmark three month bank bill swap (BBSW) reference rate of 0.07%.



**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

**Strategic**

The interest earned on invested funds assists in addressing the following key priority areas identified in the Corporate Business Plan 2020-2024.

Priority Number Five – “Ensure loan term financial sustainability”. The interest income from reserve accounts is allocated across the reserve accounts to offset the impact of CPI or other cost increases. The interest income on Municipal funds does provide a diverse income stream to complement the City’s other income sources.

**Risk**

The Council’s Investment of Funds Policy CP-009 seeks to minimise credit risk through investing in highly rated securities and diversification. The Policy 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.

**C20/6000 - INVESTMENT STATEMENTS FOR 31 OCTOBER 2020 (REC)****Environmental**

When investing the City's funds, a deliberative preference will be made in favour of authorised institutions that respect the environment by not investing in fossil fuel industries. This preference will however, only be exercised after the foremost investment considerations of credit rating, risk diversification and interest rate return are fully satisfied.

**POLICY IMPLICATIONS**

Council Policy CP-009 – Investment of Funds provides guidelines with respect to the investment of City of Melville (the City) funds by defining levels of risk considered prudent for public monies. Liquidity requirements are determined to ensure the funds are available as and when required and take account of appropriate benchmarks for rates of return commensurate with the low levels of risk and liquidity requirements. The types of investments that the City has the power to invest in is limited by prescriptive legislative provisions governed by the *Local Government Act 1995*, Local Government (Financial Management) Regulations 1996 and Part III of the *Trustees Act 1962*.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable as this report only presents information for noting.

**CONCLUSION**

The City's investment portfolio is invested in highly secure investments with a low level of risk yielding a weighted average rate of return of 0.76% to 0.97% which exceeds the benchmark three month bank bill swap (BBSW) reference rate of 0.07%.

25% of the City's investment portfolio is invested in authorised deposit taking institutions that do not lend to industries engaged in the exploration for, or production of, fossil fuels. This compared to 22% in September 2020.

Future investment earnings will be determined by the cash flows of the City and movements in interest rates on term deposits.

**OFFICER RECOMMENDATION (6000)****NOTING**

**That the Council notes the Investment Report for the period ending 31 October 2020.**

**C20/6001 – SCHEDULE OF ACCOUNTS PAID FOR OCTOBER 2020 (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 : Annual Budget  
 Responsible Officer : Debbie Whyte – Manager Financial Services

**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 &amp; 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 September be appealable to the State Administrative Tribunal.</i>
<input checked="" type="checkbox"/>	<b>Information</b>	<b><i>For the Council/Committee to note.</i></b>

**KEY ISSUES / SUMMARY**

This report presents the details of payments made under delegated authority to suppliers for the period of October 2020 and recommends that the Schedule of Accounts Paid be noted.

**C20/6001 – SCHEDULE OF ACCOUNTS PAID FOR OCTOBER 2020 (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 the 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 Paid for October including Payment Register numbers, Cheques: 780-782, Electronic Funds Transfers batches: 672-676, Trust Payments, Card Payments and Payroll was distributed to the Elected Members of the Council on 30 October 2020.

A total of \$7,064,446 direct creditor payments were paid during the month, of which, 22% of payments were paid to suppliers located within the City of Melville and 28% to suppliers within the South West Group, compared to 34% and 43% of the total of \$5,818,335 direct creditor payments made over September respectively.

The below table details the Summary of Payments Made for the period:

<b>SCHEDULE OF PAYMENTS MADE OCTOBER 2020</b>		
<i>Payments made under Delegated Authority DA-035</i>		
<b>MUNICIPAL FUNDS - DIRECT CREDITOR PAYMENTS</b>		
<b><i>Cheques</i></b>	Chq Payment Register No. 780,781 and 782	\$42,900.39
	Chq Payment on Restricted Funds Register No.	\$0.00
	Less Cancelled Chqs	\$0.00
<b><i>Electronic Funds Transfers</i></b>	EFT Payment Register No. 673,675,676	\$6,850,958.13
	EFT Payment on Restricted Funds Register No. 100,672 and 674	\$176,300.66
	Less Cancelled EFTs	(\$5,712.80)
		<b>\$7,064,446.38</b>
<b><i>Direct Debits</i></b>	Bank Fees	\$17,838.95
	Caltex Fuel	\$77,040.78
<b><i>Direct Payments</i></b>		\$1,038.19
	<b>Total Direct Creditor Payments</b>	<b>\$7,160,364.30</b>
<b><i>Payroll</i></b>	Total Pay 8 and 9	\$3,552,530.23
	<b>Total Payroll</b>	<b>\$3,552,530.23</b>
<b><i>Cards</i></b>	Corporate Cards	\$311.85
	Purchase Cards	\$41,479.77
	American Express	\$6,875.78
	<b>Total Card Payments</b>	<b>\$48,667.40</b>
	<b>Total Direct Creditor Payments from Municipal Account</b>	<b>\$10,761,561.93</b>

**C20/6001 – SCHEDULE OF ACCOUNTS PAID FOR OCTOBER 2020 (REC)  
(ATTACHMENT)**

*Schedule of Payments Made continued.*

<b>INTERFUND &amp; INVESTMENT TRANSACTIONS</b>		
<b><i>Interfund Transfers</i></b>		
Loan		\$0.00
Citizen Relief Trust		\$0.00
Citizen Relief Operating		\$0.00
Municipal		(\$2,500,000.00)
Reserve		\$2,500,000.00
Trust		\$0.00
<b><i>Total Interfund Transfers</i></b>		<b>\$0.00</b>
<b><i>New Municipal Investments</i></b>		
Commonwealth Bank Green	1/10/2020	\$2,000,000.00
Westpac Bank	9/10/2020	\$1,000,000.00
Bendigo & Adelaide Bank	13/10/2020	\$2,000,000.00
Bendigo & Adelaide Bank	19/10/2020	\$1,000,000.00
Westpac Bank	23/10/2020	\$1,200,000.00
Bendigo & Adelaide Bank	26/10/2020	\$2,000,000.00
<b><i>Total New Investments</i></b>		<b>\$9,200,000.00</b>
<b>Grand Total</b>		<b>\$19,961,561.93</b>

Details of the payments are shown in attachment [6001 Payment Details October 2020](#). Any payment over and above \$25,000.00 has been highlighted under the Payment Amount column in the attachment to this statement named 'Listing of Payments made under Delegated Authority'.

**STAKEHOLDER ENGAGEMENT**

**I. COMMUNITY**

Not applicable.

**II. OTHER AGENCIES / CONSULTANTS**

**STATUTORY AND LEGAL IMPLICATIONS**

This report meets the requirements of the *Local Government (Financial Management) Regulations 1996* Part 2: General financial management (s.6.10) regulations 11, 12 & 13.

**C20/6001 – SCHEDULE OF ACCOUNTS PAID FOR OCTOBER 2020 (REC)  
(ATTACHMENT)****FINANCIAL IMPLICATIONS**

Expenditures were provided for in the adopted Budget as amended by any subsequent Budget reviews and amendments.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

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

**POLICY IMPLICATIONS**

Procurement of Products and Services is conducted in accordance with Council Policy CP-023 and Systems Procedure 019 Purchasing and Procurement.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable as this report presents information for noting only.

**CONCLUSION**

The Schedule of Payments for the month totals \$19,961,561.93.

The report and the attached Schedule of Accounts Paid are presented for the Council's information.

**OFFICER RECOMMENDATION (6001)****NOTING**

**That the Council notes the Schedule of Accounts paid for the period October 2020 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 Payment Details October 2020](#).**

**C20/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR OCTOBER 2020 (AMREC)  
(ATTACHMENTS)**

Ward	:	All
Category	:	Operational
Subject Index	:	Financial Reporting - Statements of Financial Activity
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	:	Debbie Whyte – Manager Financial Services

**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"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; 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/Committee to note.</i>

**KEY ISSUES / SUMMARY**

<p>This report presents:</p> <ul style="list-style-type: none"> <li>• The Statements of Financial Activity by Program, Sub-Program and Nature and Type, for the period ending 31 October 2020 and recommends that they be noted by the Council.</li> <li>• The variances for the month of 31 October 2020 and recommends that they be noted by the Council.</li> <li>• The Budget amendments required for the month of 31 October 2020 and recommends that they be adopted by Absolute Majority decision of the Council.</li> <li>• Year end processes are still underway and therefore the final figures for October 2020 may be different from what is presented in this report.</li> </ul>
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**C20/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR OCTOBER 2020 (AMREC)  
(ATTACHMENTS)****BACKGROUND**

The Statements of Financial Activity for the period ending 31 October 2020 have been prepared and tabled in accordance with the Local Government (Financial Management) Regulations 1996.

**OVERALL SUMMARY OF THE CITY'S FINANCIAL POSITION**

- The unaudited surplus for the year 2019-2020 is \$1.99M. This is still subject to change pending the finalisation of the audit.
- The City has already recognised a provision of \$ 4.21 million for the rehabilitation of John Connell Reserve in accordance with Australian Accounting Standards (AASB) and changes from latest amendment of the Local Government (Financial Management) Regulation 16 in relation to Crown land. These changes have been recorded in financial statements as prior year adjustments in the financial statements for 2019-2020.
- Budget adjustments are being made each month to reflect changes in the budget assumptions particularly related to the impact of COVID-19. A formal review will be undertaken during the mid-year budget review and presented to Council for approval.
- The Municipal cash balance at the end of the month is \$53.35M.
- Rates raised year to date were \$80,151,170 with a negative variance of \$127,098 compared to the year to date annual budget of \$80,279,268.

Rates collection progress for October is 62.8% which is below the month end target of 66.6%.

- Total debtor collections for October equalled \$4,817,810. The year to date total outstanding debtors (including all rates and sundry debtors) is \$47,826,126 which is higher than the total debtors of \$40,180,465 at the same time in the previous year. Cashflow is being closely monitored, with the first round of reminder notices to be sent in November.
- A total of \$212,911 in sports ground usage fees was waived in October 2020 in accordance the Community Stimulus Package adopted by Council on 9 April. Total waivers since 9 April under the Community Stimulus Package total \$405,918.

**DETAIL**

The attached reports have been prepared in compliance with the requirements of the legislation and Council policy. The three monthly reports that are presented are the:-

1. Statement of Financial Activity by Nature and Type  
Provides details on the various categories of income and expenditure.
2. Rate Setting Statement by Program  
Provides details on the Program classifications.
3. Rate Setting Statement by Sub-Program  
Provides further breakdown on the Program classifications.

**C20/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR OCTOBER 2020 (AMREC)  
(ATTACHMENTS)**

**Variations**

A detailed summary of variations and comments based on the Rate Setting Statement by Sub-Program is provided in attachments:

[6002C Statement Sub Program October 2020](#): Rate Setting Statement by Sub-Program

[6002H Statement of Variations October 2020](#): Statement of Variations in Excess of \$50,000

**Revenue**

Rates raised as at October were \$80,151,170, compared to a year to date budget of \$80,278,268. The negative variance of \$127,098 is mainly due to rates concessions as part of the City's stimulus package being greater than budget due to the impact of multi unit/single title (i.e. non-strata) properties that were not considered per individual unit when formulating the budget.

**Rates Collection**

SUMMARY OF RATE DEBTOR MOVEMENT					
Detail	Actuals Current Month YTD	Actuals Previous Month YTD	% Diff Current Mth to Previous Mth	Actuals This Month Last Year YTD	% Diff Current Mth to Current Mth Last Yr
Opening Balance - 1 July	9,142,487	9,142,487	0%	6,607,681	38%
Debtors Raised	100,975,521	100,346,228	1%	115,258,845	-12%
Payments Received	(64,024,133)	(59,856,384)	7%	(82,594,243)	-22%
Closing Balance	46,093,875	49,632,332	-7%	39,272,283	17%

Total rate debtor collections for the month equalled \$4,167,749.

**Sundry Debtor Movement**

SUMMARY OF SUNDRY DEBTOR MOVEMENT					
Detail	Actuals Current Month YTD	Actuals Previous Month YTD	% Diff Current Mth to Previous Mth	Actuals This Month Last Year YTD	% Diff Current Mth to Current Mth Last Yr
Opening Balance - 1 July	1,238,865	1,238,865	0%	432,873	186%
Invoices Raised	2,043,315	1,341,888	52%	3,646,513	-44%
Receipts	(1,574,451)	(924,390)	70%	(3,206,287)	-51%
Prepayments	24,522	17,486	40%	35,083	-30%
Closing Balance	1,732,251	1,673,849	3%	908,182	91%

**C20/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR OCTOBER 2020 (AMREC)  
(ATTACHMENTS)**

Sundry debtor balances increased by \$58,402 over the course of October from \$1,673,849 to \$1,732,251. 90 day sundry debtors over \$1,000 for the month are \$761,988, representing 44% of total sundry debtors. Debtors amounting to \$470,193 have applied for COVID-19 hardship waivers and applications are currently being reviewed. If waivers are approved, this will reduce the 90 day debtor balance.

**Money Expended in an Emergency and Unbudgeted Expenditure**

Not applicable for October 2020.

**Budget Amendments**

Details of Budget Amendments requested for the month of October 2020 are shown in attachment [6002J October 2020](#). Variances greater than \$50,000 processed in October 2020 are highlighted in the attachment. Included in the list is an amendment of \$ 100,000 to fund the estimated shortfall in the capital expenditure budget for the Jetty Renewal Program, as a result of uncovering unforeseen issues subsequent to the commencement of works. The increase to this program will be funded from the infrastructure asset management reserve

**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.

There were no debts written off for the month of October 2020.

The following attachments form part of the Attachments to the Agenda for the month of October 2020.

DESCRIPTION	LINK
Statement of Financial Activity By Nature and Type	<a href="#">6002A Statement Nature Type October 2020</a>
Rate Setting Statement by Program	<a href="#">6002B Rate Setting Program October 2020</a>
Rate Setting Statement by Sub-Program	<a href="#">6002C Rate Setting Sub Program October 2020</a>
Representation of Net Working Capital	<a href="#">6002E Net Working Capital October 2020</a>
Reconciliation of Net Working Capital	<a href="#">6002F Reconciliation Net Working Capital October 2020</a>
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater	<a href="#">6002H Notes Rate Setting Statement October 2020</a>
Details of Budget Amendments requested	<a href="#">6002J Budget Amendments October 2020</a>

**C20/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR OCTOBER 2020 (AMREC)  
(ATTACHMENTS)**

Summary of Rates Debtors	<a href="#">6002L Summary Rate Debtors October 2020</a>
Graph Showing Rates Collections	<a href="#">6002M Rates Collections Graph October 2020</a>
Summary of General Debtors aged 90 Days Old or Greater	<a href="#">6002N General Debtors Aged 90days October 2020</a>

**STAKEHOLDER ENGAGEMENT**

**I. COMMUNITY**

Not applicable.

**II. OTHER AGENCIES / CONSULTANTS**

Not applicable.

**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**

(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.

**C20/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR OCTOBER 2020 (AMREC)  
(ATTACHMENTS)**

(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 sub-regulation (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 is 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.

**FINANCIAL IMPLICATIONS****Variances**

Variances are detailed and explained in attachment

[6002H Notes Rate Setting Statement October 2020](#): Notes on Statement of Variances in excess of \$50,000 by Sub-Program.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

The impact of COVID-19 on the services provided by the City, the health of the city employees and community itself as well as the financial impacts on the City, State and Federal economy is a significant strategic risk. The City has well developed business continuity plans in place and has enacted the Incident Response Team (IRT) to coordinate and plan the City's response to the COVID-19 crisis.

**POLICY IMPLICATIONS**

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

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable.

**C20/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR OCTOBER 2020 (AMREC)  
(ATTACHMENTS)**
**CONCLUSION**

The attached financial reports reflect a positive financial position of the City of Melville as at 31 October 2020. Cash flows in are however slower than in previous years and the debtor position needs to be carefully monitored. As noted in this report the financial statements for 2019-2020 have not been finalised and audited and as such the results as presented for October 2020 could be subject to change.

**OFFICER RECOMMENDATION (6002)**
**NOTING and ABSOLUTE MAJORITY**
**That the Council:**

- Notes the Rate Setting Statement and Statements of Financial Activity for the month ending 31 October 2020 as detailed in the following attachments:**

<b>DESCRIPTION</b>	<b>LINK</b>
Statement of Financial Activity By Nature and Type	<a href="#"><u>6002A Statement Nature Type October 2020</u></a>
Rate Setting Statement by Program	<a href="#"><u>6002B Rate Setting Program October 2020</u></a>
Rate Setting Statement by Sub-Program	<a href="#"><u>6002C Rate Setting Sub Program October 2020</u></a>
Representation of Net Working Capital	<a href="#"><u>6002E Net Working Capital October 2020</u></a>
Reconciliation of Net Working Capital	<a href="#"><u>6002F Reconciliation Net Working Capital October 2020</u></a>
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater	<a href="#"><u>6002H Notes Rate Setting Statement October 2020</u></a>
Details of Budget Amendments requested	<a href="#"><u>6002J Budget Amendments October 2020</u></a>
Summary of Rates Debtors	<a href="#"><u>6002L Summary Rate Debtors October 2020</u></a>
Graph Showing Rates Collections	<a href="#"><u>6002M Rates Collections Graph October 2020</u></a>
Summary of General Debtors aged 90 Days Old or Greater	<a href="#"><u>6002N General Debtors Aged 90days October 2020</u></a>

- By Absolute Majority Decision adopts the budget amendments, as detailed in the attached Budget Amendment Reports for October 2020**  
[6002J Budget Amendments October 2020](#)

15. EN BLOC ITEMS
  
16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
  
17. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL
  
18. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED
  
19. CLOSURE