



MINUTES

OF THE

ORDINARY MEETING OF THE COUNCIL

HELD ON

TUESDAY, 20 NOVEMBER 2018

AT 6.30PM IN THE COUNCIL CHAMBERS

MELVILLE CIVIC CENTRE

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MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBERS, MELVILLE CIVIC CENTRE, 10 ALMONDBURY ROAD, BOORAGOON, COMMENCING AT 6.30PM ON TUESDAY 20 NOVEMBER 2018.

1. OFFICIAL OPENING

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

Affirmation of Civic Duty and Responsibility

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

2. PRESENT

His Worship the Mayor R Aubrey

COUNCILLORS

Cr T Barling (Deputy Mayor)
Cr N Robins
Cr M Woodall Cr C Robartson
Cr N Pazolli, Cr S Kepert
Cr G Wieland, Cr J Barton
Cr D Macphail, Cr K Mair
Cr P Phelan,

WARD

Bateman – Kardinya – Murdoch
Bateman – Kardinya - Murdoch
Bull Creek - Leeming
Applecross – Mount Pleasant
Bicton – Attadale – Alfred Cove
Central
Palmyra – Melville - Willagee

3. IN ATTENDANCE

Mr M Tieleman
Ms C Young
Mr S Cope
Mr M McCarthy
Ms K Johnson
Mr L Hitchcock

Mr B Taylor
Mr G Ponton
Ms J Arbel
Ms S Courtney
Ms M Piasecka
Mr J Clark
Ms C Newman
Ms J Head

Chief Executive Officer
Director Community Development
Director Urban Planning
Director Technical Services
A/Director Corporate Services
Executive Manager Governance and Legal Services
Manager Financial Services
Manager Strategic Urban Planning
Strategic Communications Advisor
Marketing Coordinator
Coordinator Stakeholder Engagement
Governance and Compliance Advisor
Governance Coordinator
Governance Officer

At the commencement of the meeting there were approximately eight members of the public and one representative from the Press in the Public Gallery.

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

Cr K Wheatland - Palmyra – Melville – Willagee

4.2 APPROVED LEAVE OF ABSENCE

Nil.

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

Nil.

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

Nil.

6. QUESTION TIME**6.1 Questions Received Prior to the Meeting****6.1.1 City of Melville Residents and Ratepayers Association. Inc.**

Urban planning - 4 September 2018 DAU - 30 Portree Way Ardross - Mayor Aubrey and City fail on Urban planning

Question 1

Summary of Preamble:

The City of Melville Residents and Ratepayers Association. Inc. referred to a request by Cr Mair to “call up” a development application for review that was refused.

Question 1.1

Exactly why did the City’s Administration refuse Cr Mair’s ‘call up’ request?

Response

This question will be taken on notice.

At 6:36pm the Mayor issued Mr McLerie with his first warning for disrupting the meeting.

6.1 – Question Time, City of Melville Residents and Ratepayers Association (Inc) continued

Question 1.2

Who are the shareholders and management of Clockforce Pty Ltd, the Attadale based entity behind this proposed development, and the Applicant, Property Projex, a registered business name of CAJJ Holdings Pty Ltd. Which of the identified individuals have had previous dealings with the City?

Response

This question will be taken on notice.

Question 1.3

Please confirm which Councillors and/or City officers have had any form of previous and/or personal relationships and/or association with the owners of Clockforce and Property Projex?

Response

This question will be taken on notice.

Question 1.4

Please explain exactly how Council and the Administration assess any possible real or perceived conflicts of interest with the planning/development application if the detail presented to the DAU does not include the names of the directors, material shareholders and/or management of Clockforce and/or CAJJ Holdings?

Response

This question will be taken on notice.

Question 1.5

Since 1 July 2016:

a) How many completed buildings and/or developments have been identified as not complying with the relevant planning/development approvals;

- Exactly where are they,*
- How did the City become aware of each if non-compliances; eg community complaints or via its own inspections.*
- Was Council, or the relevant ward Councillors made aware of all of the non-compliances, and*
- What actions were taken in response to the non-compliant structures, and which remain noncompliant?*

Response

This question will be taken on notice.

6.1 – Question Time, City of Melville Residents and Ratepayers Association (Inc) continued

Question 1.6

b) How many non-compliant planning/development applications, such as 30 Portree Way, have been approved prior to the building work commencing and how many of those were not “called-up” to Council for approval?

Response

This question will be taken on notice.

Question 1.7

c) How many non-compliant planning/development applications have been approved subsequent to the building work being completed and how many of those were taken to Council for approval. What were the addresses of the development that were completed without the required planning approval?

Response

This question will be taken on notice.

Question 1.8

d) Where (sic) all adjoining property owners, and other adversely affected people, fully consulted for the developments and /or structures mentioned in b) and c) above. If not, exactly which developments/structures were approved without affected people consultation and why?

Response:

This question will be taken on notice

Question 1.6:

When will Council ensure all non-compliant development planning/development applications, and all planning/development application issued subsequent to the building working work being illegally completed, are brought to Council for approval?

Response:

This question will be taken on notice

6.1 – *Question Time, City of Melville Residents and Ratepayers Association (Inc) continued*

Public questions to Council not answered properly and/or proficiently

Question 2

Summary of Preamble:

The City of Melville Residents and Ratepayers Association. Inc. referred to a series of emails from the Association to Mayor Aubrey and Deputy Mayor Barling.

Question 2.1

Given our statements outlined in the Emails, including about responses to Mr Gary Crawford's question about Mr Darren Monument and Mr Todd Cahoon, why does Council consider their incomplete, (words removed) responses to public questions as "sufficient", as Mr Hitchcock put it?

Response

This question will be taken on notice.

Question 2.2

Council, please answer all questions outlined in the Emails, given Mayor Aubrey and deputy Mayor Barling have refused and/or declined to respond to the Emails?

Response

This question will be taken on notice

Question 3.1

Council, please revisit our question 2 put to the 6 November ABF and provide a clear, concise, honest and forthright response that Council fully agrees with?

Response

This question will be taken on notice.

6.2 Questions Received at the Meeting

Nil.

6.3 Questions Taken on Notice at Previous Meeting**Ordinary Meeting of Council held 18 September 2018****6.3.1 Mr R Willis, Bull Creek (6.4)**Question 4

What costs to date have been spent on consultants and as specified by council on 14 July 2014?

Response

Council at its meeting on 15 July 2014 resolved to note a revised master plan presented at that meeting and to use it as the basis for further research and analysis. Council also supported the commissioning of this further research and analysis. This work was subsequently undertaken between the 2014-2015 and 2016-2017 financial years with external consultancy fee expenses totalling \$110,562. It is noted that the City also engaged a property project management consult over this period who worked over various projects including the John Connell Reserve Project. The cost of this consultant for the time apportioned to the John Connell project is estimated at \$11,513.

Ordinary Meeting of Council held 16 October 2018**6.3.2 City of Melville Residents and Ratepayers Association (Inc) (7.1.3)**

The City advised that the following responses had only been finalised this afternoon and a written response had not yet been provided to the City of Melville Residents and Ratepayers Association (Inc).

Question 1

We refer to the \$13,226.40 of payments made to ECO RESOURCES PTY LTD THE TRUSTEE FOR THE M & S UNIT TRUST T/AS (ECO) and that \$846.76 payment made to ITALIA STONE GROUP PTY LTD (Italia) in August:

- 1.1 When did ECO and Italia, or any affiliated entities, first become a supplier to the City?*
- 1.2 What is the total value of payments made to ECO and Italia each year for the last three years?*
- 1.3 What products and or services does ECO and Italia provide to the City, who are its competitors?*
- 1.4 How many times, and when, over the last three years have ECO's and Italia's products and services been competitively tested, be it through competitive quotes and / or tenders?*
- 1.5 Have any exemptions to the requirement for market testing their products and / or service have been granted since before ECO and Italia first became a supplier to the City?*

6.3 – Questions Taken on Notice at Previous Meetings, City of Melville Residents and Ratepayers Association (Inc) continued

Question 2

We refer to the \$3,356.36 of payments to MCLEODS BARRISTERS AND SOLICITORS TL BECKETT & NF DOUGLAS 7 P GILLETT & FD GRGICH & D MCLEOD (McLeod) in August

- 2.1 When did McLeods, or any affiliated entities, first become a supplier to the City?*
- 2.2 What is the total value of payments made to McLeod each year for the last three years?*
- 2.3 How many times, and when, over the last three years have McLeod services been competitively tested, be it through competitive quotes and / or tenders directly or via WALGA?*
- 2.4 Have any exemptions to the requirement for market testing McLeod's service have been granted since before McLeod first became a supplier to the City?*
- 2.5 Please provide an itemised breakdown of the cost for each specific matter or topic they have provided services for over the last 24 months?*
- 2.6 Which other legal services providers (practicing lawyers) has the City used in the last three years, and what were the total payments made to those provides each year for the last three years?*

Response to questions 1 and 2

The *Local Government Act 1995* Division 7 and the *Local Government (Financial Management) Regulations*, specifically Regulation 13, prescribe the information that the City is to make available to Elected Members and members of the public and the reporting requirements in relation to payments made.

Payments made to suppliers are reported to the Council each month, as attachments to the Schedule of Accounts Paid Report.

To respond to these questions will require considerable research of historical records and divert resources away from their other functions.

We would also draw to the questioners attention Section 5.9 of the *Local Government Operational Guidelines – Managing Public Question Time, Managing Questions that require considerable research* that “it is not intended that question time should be used as a means to obtain information that would not be made available if it was sought from the council records under s5.94 of the Act or the *Freedom of Information Act*.”

6.3 – Questions Taken on Notice at Previous Meetings, City of Melville Residents and Ratepayers Association (Inc) continued

Question 3

What is the ABN number for supplier #13609 SARINA RETIC SERVICES and what is the total value of payments made to Sarina Retic Services each year for the last three years?

Response

Payments made to suppliers are recorded in an attachment to the minutes of Council Meetings for Elected Members and public viewing.

The ABN is 27 286 033 713 and is quoted on each supplier tax invoice as required by the Australian Taxation Office.

Question 4

We refer to the \$9,288.00 and \$4,756.67 payments made to Mayor Russell Aubrey and Deputy Mayor during August, please provide an itemised breakdown for these amounts?

Response

The payments made to the Mayor and Deputy Mayor are paid in accordance with Council Policy CP-091 Elected Member Allowance and Expenses. The payments relate to the payment of the meeting attendance fee, ICT allowance and the Mayoral and Deputy Mayor Annual allowances. The Policy is available on the City website for inspection and the amounts paid to all Elected Members are paid on a monthly averaged basis.

Question 5

Please confirm the dates of Mayor Aubrey's and deputy Mayor Woodall's absences, ie leave and non attendance at council meeting in part or in full, over the last 3 months and confirm what of those absences were taken without the express prior approval of Council and the reasons for the stated reasons for those absences?

Response

Mayor Aubrey and Cr Woodall were both in attendance for the 17 July 2018 Ordinary Meeting of Council. Both Mayor Aubrey and Cr Woodall were apologies for the 21 August 2018 Ordinary Meeting of Council. Both the Mayor and Cr Woodall were in attendance for the 18 September 2018 Ordinary Meeting of Council, with Cr Woodall departing the meeting at 9:50pm.

6.3 – Questions Taken on Notice at Previous Meetings, City of Melville Residents and Ratepayers Association (Inc) continued

Question 6

We refer to all of the public questions the City took on notice at the 18 September OMC that remain unanswered as of 15 October.

6.1 Why has Council not updated the OMC minutes online with the answers to the questions?

Response

Responses to questions taken on notice are provided in the minutes of a subsequent meeting. The responses to questions taken on notice at the 18 September 2018 Ordinary Meeting of Council were included in the minutes of the 16 October 2018 Ordinary Meeting of Council.

6.2 Why is it taking Council so long to answer questions the community would expect Council should already know know (sic) the answers to?

Response

A significant number of questions are received at the meeting or the day preceding. Many of these questions require research by officers, or the officers are not available at the meeting to provide the responses.

6.3 When will Council publically answer all of the questions in a full, forthright and honest manner?

Response

It is considered that responses to questions are adequate and concise, however contact can be made with the Chief Executive Officer or any of the Elected Members if further detail or clarity is required.

Question 7

Why did Council's response to the questions given at 6.5.3, 6.5.6, 6.5.9 and 6.5.10 not actually answer the specific question asked, particularly given (sic) the references made to the subjects of those questions during the Council meeting.

Response

It does not appear that there are questions 6.5.3, 6.5.6, 6.5.9 and 6.5.10 associated with the 18 September 2018 Ordinary Meeting of Council.

6.3 – Questions Taken on Notice at Previous Meetings

6.3.3 Friends of Bert Jeffery (7.2.1)

A large number of questions were submitted by the Friends of Bert Jeffery at the 16 October 2018 Ordinary Meeting of Council, officers are working through those questions and responses will be provided to the Friends Group as soon as possible with a copy of the responses included in the minutes of the next Ordinary Meeting of Council.

7. AWARDS AND PRESENTATIONS

- International Safety Media Award 2018 – *Gold Award in the Campaign Category for Safer Melville Video Campaign* – Mayor presented the award to the Director Community Development.
- *2018 Parks and Leisure Australia National Award – Playspace Award under \$500,000* – Mayor presented the award to the Director Technical Services.

8. CONFIRMATION OF MINUTES**8.1 ORDINARY MEETING OF THE COUNCIL – 16 OCTOBER 2018**
Minutes 16 October 2018**COUNCIL RESOLUTION**

At 6:57pm Cr Robartson moved, seconded Cr Wieland–

That the Minutes of the Ordinary Meeting of the Council held on Tuesday, 16 October 2018, be confirmed as a true and accurate record.

At 6:57pm the Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (12/0)

8.2 NOTES OF AGENDA BRIEFING FORUM – 6 NOVEMBER 2018
Notes 6 November 2018**COUNCIL RESOLUTION**

At 6:57pm Cr Barling moved, seconded Cr Phelan–

That the Notes of Agenda Briefing Forum held on Tuesday, 6 November 2018, be received.

At 6:57pm the Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (12/0)

8.3 FINANCIAL MANAGEMENT AUDIT RISK COMMITTEE – 5 NOVEMBER 2018**COUNCIL RESOLUTION**

At 6:57pm Cr Macphail moved, seconded Cr Barling–

That the Minutes of the Financial Management Audit Risk Committee held on Monday, 5 November 2018 be noted.

At 6:57pm the Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (12/0)

NB: Minutes to be confirmed at next meeting of the Financial Management Audit Risk Committee.

8.4 SPECIAL MEETING OF THE COUNCIL – 12 NOVEMBER 2018
Minutes 12 November 2018**COUNCIL RESOLUTION**

At 6:58pm Cr Phelan moved, seconded Cr Wieland–

That the Minutes of the Special Meeting of the Council held on Monday, 12 November 2018, be confirmed as a true and accurate record.

At 6:58pm the Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (12/0)

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

- Mayor Aubrey – Item P18/3793 – Canning Bridge Activity Centre Plan – Council Request for Preparation of Planning Policy
- Mr M Tieleman, Chief Executive Officer – Confidential Item C18/5660 – Chief Executive Officer Appointment.

9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

Nil.

10. DEPUTATIONS

Mr M Burns of Applecross – Item P18/3793 – Canning Bridge Activity Centre Plan – Council Request for Preparation of Planning Policy

11. APPLICATIONS FOR NEW LEAVES OF ABSENCE**COUNCIL RESOLUTION**

At 7:00pm Cr Barling moved, seconded Cr Phelan –

That the application for new leaves of absence submitted by Cr Barton and Cr Wieland on 20 November 2018 be granted.

At 7:00pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (12/0)

12. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Confidential Item C18/5660 – Chief Executive Officer Appointment (AMREC)
(Confidential Attachment)

The matter is confidential in accordance with Sections 5.23 (2), (a) and (c) of the *Local Government Act 1995* which states as follows:

“If a meeting is being held by Council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following:-

(a) a matter affecting and employee or employees; and

(c) a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;

13. PETITIONS

Nil.

At 7:02pm the Mayor brought forward item P18/3793 – Canning Bridge Activity Centre Plan – Council Request for Preparation of Planning Policy for the convenience of members of the public gallery.

Disclosures of Interest

Item No.	P18/3793
Officer	Cr J Barton
Type of Interest	Interest under the code
Nature of Interest	Daughter owns property in Applecross
Request	Stay, discuss and vote
Decision	Stay, discuss and vote

Item No.	P18/3793
Member	Mayor Aubrey
Type of Interest	Financial Interest
Nature of Interest	Owns Property in the area to be discussed
Request	Leave
Decision	Leave

At 7:03pm the Mayor having declared an interest left the meeting.

At 7:03pm the Deputy Mayor, Cr Barling assumed the Chair.

At 7:03pm Mr M Burns entered the meeting and provided and commenced a deputation to the meeting on Item P18/3793 – Canning Bridge Activity Centre Plan – Council Request for Preparation of Planning Policy

At 7:22pm The Director Urban Planning, the Manager Strategic Planning and the Executive Manager Governance and Legal Services provided a presentation on Item P18/3793 – Canning Bridge Activity Centre Plan – Council Request for Preparation of Planning Policy. [3793 Canning Bridge Height and Community Benefit](#)

At 7:52pm Ms J Arbel left the meeting, and returned at 7:55pm

At 7:55pm Mr B Taylor left the meeting, and returned at 8:06pm.

At 7:56pm Ms S Courtney left the meeting, and returned at 7:59pm

At 8:11pm Mr L Hitchcock left the meeting, and returned at 8:11pm

At 8:13pm Cr Woodall left the meeting, and returned at 8:17pm.

At 8:29pm Cr Robins left the meeting, and returned at 8:30pm

LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL REQUEST FOR PREPARATION OF PLANNING POLICY (REC)

Ward	: Applecross - Mt Pleasant
Category	: Strategic
Application Number	: Not Applicable
Property	: Various
Proposal	: Report on Council Request for Preparation of Planning Policy
Applicant	: Not Applicable
Owner	: Various
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: P18/3779 – Review of Canning Bridge Activity Centre Plan – Update, Ordinary Meeting of Council 17 April 2018 M18/5640 – Special Meeting of Electors 20 August 2018, Motions Carried, Ordinary Meeting of Council 18 September 2018.
Responsible Officer	: Steve Cope Director Urban Planning

AUTHORITY / DISCRETION

DEFINITION

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

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)****KEY ISSUES / SUMMARY**

- At the September 2018 Ordinary Council Meeting Council considered Item M18/5640 – Special Meeting of Electors 20 August 2018, Motions Carried.
- Motion 1 of the Special Meeting of Electors relates to the Canning Bridge Activity Centre Plan (CBACP).
- With respect to Motion 1 Council resolved to request the preparation of a planning policy for the November 2018 Ordinary Council Meeting specifying prescriptive criteria applied and processes undertaken by the Community Benefit Panel in determining the extent of bonus storeys in response to community benefits provided in developers' proposals.
- Officer comment on the proposal to prepare a planning policy is provided in this report.
- The City has obtained legal opinion in relation to that Council resolution.
- The report recommends that the Council note the information provided in this report and considers the scope of potential planning investigations in relation to consideration of approval of bonus building height in the CBACP.

BACKGROUND

At its Ordinary meeting held on 17 April 2018 (Item P18/3779) the Council resolved in part:

4. Directs the Chief Executive Officer to investigate, and report back to an Elected Member Information Session to be held no later than 30 June 2018, the feasibility of:

a) limiting the maximum number of storeys in all circumstances (including any additional 'bonus' storeys) in the M15 and M10 'core' areas of the Canning Bridge Activity Centre Plan to either 20 or 25 storeys in the M15 area and 15 storeys in the M10 area; and

b) setting more prescriptive criteria for determining 'community benefit' in assessing whether additional stories are warranted in the 'core' areas.

At its Ordinary meeting held on 18 September 2018 (Item M18/5640) the Council resolved:

That the Council:

1. In relation to Motion 1

"That the Council of the City of Melville immediately initiate a full review of the Canning Bridge Activity Centre Plan for the purpose of including:

a) maximum height limits;

b) guaranteed retention of all existing trees; and

c) community consultation panels on all multi storey development applications and planning approvals."

LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL REQUEST FOR PREPARATION OF PLANNING POLICY (REC)***A. notes the intent of the motion and advises the mover of the motion that:***

- a) the Council has requested further investigation into the determination of height levels in the Canning Bridge Activity Centre Plan, with the intention of making a recommendation to the State in due course.***
- b) no street trees are to be removed in the canning bridge activity centre precinct as a consequence of the plan. Street trees are recognised as a unique environmental asset throughout the city and make an important contribution to the character of the Canning Bridge Precinct. Street trees are protected through the development process.***
- c) the planning system does not provide opportunity for general community input or community panel assessment of proposals. Any change to the CBACP to vary the approval process for development applications would require approval by the WAPC.***

B. requests that the Chief Executive Officer:

- a) Prepares a project plan to develop Planning Policy for the November 2018 Ordinary Meeting of Council that specifies the prescriptive criteria applied and processes undertaken by the Community Benefit Panel in determining the extent of bonus storeys that will be allowed in response to community benefits provided in property developers' proposals.***
- b) Incorporates in the planning policy a requirement that restricts Council support for community benefit additional storeys in the M10 and M15 areas to no more than 20% above the 10 and 15 storeys "as of right" maximums in the M10 and M15 zonings of the Canning Bridge Activity Centre Plan Q1 and Q2 areas.***
- c) As part of the current review into community benefit criteria and buildings heights in the M10 and M15 areas of the CBACP, to investigate the possibility of including maximum site coverage, plot ratio and dwelling density requirements in the M10 and M15 areas of the CBACP.***

This report provides officer comment in response to the September 2018 Council resolution. For background purposes it is noted that in response to the April 2018 Council resolution (Item P18/3779) an officer presentation was delivered to an Elected Member Information Session (EMIS) on 12 June 2018. Subsequently a further Elected Member workshop was held on 16 July 2018. Subsequent to the July 2018 EMIS, officers have been examining issues raised by Elected Members in relation to a potential process for, and scope of planning investigations in relation to the CBACP within the City of Melville.

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)****DETAIL**

With respect to Part A (a) of the Council resolution from the September Ordinary Council Meeting (Item M18/5640) a potential project plan for the further investigation requested by Council into the determination of height levels has been drafted incorporating project scope. This project scope includes examination of building heights in the Forbes Road west area between Kintail and Kishorn roads as previously requested by Council at the December 2016 Ordinary Council Meeting (P16/3729). It is noted that the Council resolution relating to the Forbes Road investigation seeks commencement of that review by December 2018. It is recommended below that an update on the potential project scope be presented to an EMIS.

With respect to Part B (a) and Part B (b) of the Council resolution from the September Ordinary Council Meeting, in response to the circulation prior to the Ordinary Council Meeting on 18 September of two proposed Amendments from Elected Members to Motion 1 of Item M18/5640, officer verbal advice was provided to the Council at the Council meeting. That advice noted that:

- (a) It is expected that additional time would be required to prepare a comprehensive local planning policy that included the identification of prescriptive criteria and processes for assessment of bonuses for community benefit and the identification of caps on the amount of bonus height awarded in M10 and M15.
- (b) The Council's earlier April 2018 resolution sought investigation into the feasibility of limiting the maximum number of storeys in the M15 and M10 areas, officer presentations had been provided and the Council is considering a potential review process. It was noted that the proposed September Council resolution differed from the April Council resolution.
- (c) The CBACP currently includes a process for assessing building height in the CBACP area and variation of these requirements via the preparation of a local planning policy may be inconsistent with the CBACP, State Planning Policy 4.2 – Activity Centres for Perth and Peel and the State planning framework. Amendment of the Activity Centre Plan itself was considered to be the most appropriate approach.
- (d) Under the Planning and Development Regulations a local planning policy is required to be based on sound town planning principles. Where a policy is deemed not to be based on sound town planning principles, the level of regard given to a policy by decision making bodies would be likely to be significantly reduced.
- (e) The Planning and Development Regulations require that where a proposed policy is considered to be inconsistent with any State planning policy, notice of the proposed policy is to be given to the WA Planning Commission (WAPC).

Taking into consideration that the proposed policy would be in conflict with the CBACP and would accordingly appear not to be based on sound planning principles, significant difficulties are anticipated if implementation of a local planning policy of the type proposed in the Council's September resolution were to be attempted.

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)**

Following the September Ordinary Council Meeting, in order to gain necessary clarity, the City obtained legal opinion on the matter.

With respect to Part B (c) of the Council resolution the possibility of including maximum site coverage, plot ratio and dwelling density requirements in the M10 and M15 areas of the CBACP can be incorporated in any further investigation requested by the Council into the determination of height levels.

STAKEHOLDER ENGAGEMENT

If the Council resolves to prepare a local planning policy, the local planning policy is required to be advertised, once prepared, in accordance with Clause 4 Schedule 2 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

I. COMMUNITY

As per Stakeholder Engagement above.

II. OTHER AGENCIES / CONSULTANTS

Clause 4(4) of Schedule 2 of the Regulations requires that the Council advises the Western Australian Planning Commission (WAPC) if it is of the opinion that the proposed policy is inconsistent with any State Planning Policy.

STATUTORY AND LEGAL IMPLICATIONS

The following clauses of the Planning and Development (Local Planning Schemes) Regulations 2015 Schedule 2 – Deemed Provisions for Local Planning Schemes, Part 5 – Activity centre plans have relevance:

30. Terms used

“activity centre plan or activity centre structure plan” means a plan for the coordination of the future subdivision, zoning and development of an activity centre.”

“38. Decision of Commission

On receipt of a report on a proposed activity centre plan, the Commission must consider the plan and the report and may:

- (a) approve the activity centre plan; or
- (b) require the local government or the person who prepared the activity centre plan to:
 - (i) modify the plan in the manner specified by the Commission; and
 - (ii) resubmit the modified plan to the Commission for approval;

or

- (c) refuse to approve the activity centre plan.”

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)**

“43. Effect of activity centre plan

- (1) A decision-maker for an application for development approval or subdivision approval in an area that is covered by an activity centre plan that has been approved by the Commission is to have due regard to, but is not bound by, the activity centre plan when deciding the application.”

FINANCIAL IMPLICATIONS

The estimated cost of undertaking the potential planning investigations is yet to be identified.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The City’s Strategic Community Plan (SCP), prepared collaboratively with the community, sets out the community vision and aspirations for the future. The six key aspirations within the SCP are:

- Clean and Green
- Sustainable and Connected Transport
- Growth and Prosperity
- Sense of Community
- Healthy Lifestyles
- Safe and Secure

The City’s Corporate Plan is the Council’s response to the community aspirations in the Strategic Community Plan.

The CBACP aligns with the City’s strategic goals and responds in particular to Priority 3 of the Corporate Plan:

“Urban development creates changes in amenity (positive and negative) which are not well understood”.

Under Priority 3 from the Corporate Business Plan key strategies are:

1. Facilitate higher density development in strategic locations, consistent with the local planning framework and structure plans, design guidelines for interface areas and ensure measured change in established areas and consideration of parking and traffic issues
2. Enhance amenity and vibrancy and enhancing community safety through streetscapes, public art, pedestrian and cycle paths, place making and creating well-designed, attractive public spaces.

The City’s Local Planning Strategy seeks to provide for greater intensity of development within activity centres and along key transport corridors and to leave suburban residential areas relatively unchanged.

LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL REQUEST FOR PREPARATION OF PLANNING POLICY (REC)

Risk Statement	Level of Risk*	Risk Mitigation Strategy
WAPC determines proposed policy is inconsistent with CBACP and not able to be implemented resulting in loss of time and resources in policy preparation, advertising, reporting etc.	Minor consequences which are likely, resulting in a Medium level of risk	Not proceed with preparation of a policy as proposed in September 2018 Council resolution. The Council can choose to proceed with a well-defined and clearly scoped review of the CBACP within the City of Melville and/or preparation of a policy that elaborates on the CBACP.

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Perceived lack of clarity experienced by various stakeholders (Elected Members, community, landowners, developers) as to how provisions of CBACP should be interpreted	Moderate consequences which are possible, resulting in a Medium level of risk	The Council can choose to proceed with a well-defined and clearly scoped review of the CBACP within the City of Melville and/or preparation of a local planning policy that elaborates on the CBACP.

Risk Statement	Level of Risk	Risk Mitigation Strategy
Preparation of Policy and/or amendment to CBACP provisions creates uncertainty and results in a loss of confidence for development industry with consequential reduced interest in development	Moderate consequences which are possible, resulting in a Medium level of risk	The Council can choose to proceed with a well-defined clearly scoped and timely review of CBACP within the City of Melville within a targeted timeframe and/or preparation of a local planning policy that elaborates on the CBACP.

POLICY IMPLICATIONS

This report responds to a Council resolution at the September 2018 Ordinary Council Meeting requesting the preparation of a local planning policy. There are no policy implications in relation to other Council policies.

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)****COMMENT**

The CBACP, approved by the WAPC in 2016, contains provisions which identify the circumstances in which bonus height may be considered.

The bonus provisions of the CBACP indicate that for properties within the M15 and M10 zone in the City of Melville, consideration of greater height than permitted in Element 3 may be approved where the relevant Desired Outcomes of all Elements are met or exceeded, and where exemplary design is proposed in the opinion of the Design Advisory Group, and where the development includes the provision of a significant benefit to the community as well as satisfactorily meeting other requirements. Those other requirements include and are not limited to, minimum lot sizes, solar access considerations with respect to adjoining properties, achievement of or exceeding accredited sustainability outcomes, demonstration via a traffic statement that there will not be undue traffic impact on the surrounding centre and inclusion within the proposed development of infrastructure which supports area wide resource efficiency.

The September 2018 Council resolution proposes the inclusion within a local planning policy of limits on the amount of bonus height which may be approved.

Legal opinion has been obtained which supports the City's view.

In relation to building height a local planning policy may be introduced with the intention of providing further clarification of the relationship between community benefits provided in a development application proposal and consideration of approval of additional height.

The City has commenced consideration of potential improvements to the assessment of the value of community benefits proposed by applicants and how this may be used to assist in the consideration of approval of bonus height.

A proposal to limit building heights in the M10 and M15 zones in the Canning Bridge Precinct or to alter the current approach to the consideration of bonus building height would require an amendment to the CBACP. A proposed amendment to the CBACP would be required to be based on sound planning grounds and demonstrate the merits of amending the current content of the Plan. Ultimately an amendment to the CBACP would require approval from the WAPC. Preparation of any amendment to limit building height in the M10 and M15 zones would likely need to be supported by investigation of desired built form in the precinct and a review of processes used to consider support of bonus height. It is likely that broad stakeholder engagement would form part of the investigation process.

A draft project scope has been prepared to identify the extent of work required to review the height controls and bonus provisions of the CBACP. As indicated above the project scope also includes investigation of building height in the Forbes Road west area between Kintail and Kishorn roads It is noted that:

- the estimated timeframe for the required investigations is approximately 12 months.
- the results of the project may or may not conclude that more restrictive height controls are appropriate in the M10 and M15 zones.
- any proposed amendment to the CBACP would require approval from the WAPC and it is not known whether or not that approval would be forthcoming.

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)****ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The Council could proceed with the preparation of a local planning policy as proposed in the September Council resolution (Item M18/5640) however this is not recommended as such a policy is likely to be determined to be inconsistent with the CBACP which is the primary guiding document for development within the Canning Bridge precinct. The Council can proceed with review of aspects of the CBACP within the City of Melville. If the Council were to decide to pursue this option it is recommended that the project scope be clearly identified with a target timeframe and consideration of required resources. The Council can request the preparation of a local planning policy which elaborates on the relationship between community benefits and building height in the CBACP.

CONCLUSION

This report provides comment from the City administration on the Council resolution at the September 2018 Ordinary Council Meeting (M18/5640) in relation to the CBACP. The report advises that a local planning policy which seeks to introduce height limits in the CBACP area would likely not be enforceable. The report notes that the Council has previously requested investigation of the feasibility of height limits and more prescriptive criteria for determining community benefit in the CBACP area within the City of Melville

It is recommended that the Council notes the information provided in this report and considers at an Elected Member Information Session, a presentation by officers of the scope of progressing potential planning investigations.

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)**

During the presentation officers indicated that an amendment was required to the Officer Recommendation, the inclusion of a new point 2, with the current point 2 being renumbered to point 3. The mover and seconder accepted the inclusion of the amendment in the Officer Recommendation.

OFFICER RECOMMENDATION (3793)**APPROVAL**

At 8:01pm Cr Robins moved, seconded Cr Macphail–

That the Council:**1. Notes :**

- a) **The Officer comment provided in relation to Part 1 of the Council resolution on Item M18/5640 of the September 2018 Ordinary Council Meeting which indicates that a Local Planning Policy is unlikely to be able to introduce limits on building height which seek to be more restrictive than those contained within the Canning Bridge Activity Centre Plan.**
 - b) **That there may be opportunity to prepare a Local Planning Policy that provides additional clarity to the operation of the Canning Bridge Activity Centre Plan with respect to establishing the relationship between design and community benefits proposed by applicants and the consideration of approval of additional building height.**
 - c) **That a proposal to consider introduction of more stringent controls on height and/or changes to the criteria for the consideration of approval of bonus building height in the Canning Bridge Activity Centre Plan would require an amendment to that Plan and that such an amendment would be likely to be required to be supported by a comprehensive investigation.**
2. **In response to Part 1. B. of the Council resolution on Item M18/5640 of the September 2018 Ordinary Council Meeting, requests the Chief Executive Officer to commence preparation of a Local Planning Policy that provides additional clarity to the operation of the Canning Bridge Activity Centre Plan with respect to establishing the relationship between design and community benefits proposed by applicants and the consideration of approval of additional building height.**
 3. **Requests the Acting Chief Executive Officer to arrange for a presentation to an Elected Members Information Session of the scope of progressing potential planning investigations in relation to the consideration of approval of bonus building height within the Canning Bridge Activity Centre Plan within the City of Melville.**

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)**Amendment

At 8:06pm Cr Pazolli moved, seconded Cr Kepert –

That the Council Replace point 2 in the officer recommendation with:

“Requests the Chief Executive Officer arrange for the preparation of a draft local Planning Policy for Council approval at the February 2019 Ordinary Meeting of Council to proceed to public advertising, that gives effect to the expressed intentions of Council that details the application of discretion in the bonus storeys for community benefit provisions in the current Canning Bridge Activity Centre Plan that are to be assessed by the Council, City Planning Officers

COUNCIL RESOLUTION

At 8:16pm Cr Kepert moved, seconded Cr Barton –

That the Council grant Cr Pazolli an extension of 5 minutes to speak on the matter.

At 8:16pm the Deputy Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (11/0)

At 8:18pm the Presiding Member requested the Cr Pazolli withdraw comments made.

At 8:18pm Cr Pazolli withdrew his comments.

At 8:20pm the Chief Executive Officer requested clarity on two points on behalf of officers, during discussion the mover and seconder accepted alterations to the amendment for this purpose.

At 8:28 the Presiding Member requested that Cr Macphail withdraw a comment made.

At 8:29 Cr Macphail withdrew his comment.

**LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL
REQUEST FOR PREPARATION OF PLANNING POLICY (REC)****COUNCIL RESOLUTION**

At 8:06pm Cr Pazolli moved, seconded Cr Kepert –

That the Council Replace point 2 in the officer recommendation with:

“Requests the Chief Executive Officer arrange for the preparation of a draft local Planning Policy for Council consideration at the March 2019 Ordinary Meeting of Council prior to proceeding to public advertising, that details the application of discretion with regard to the bonus storeys for community benefit provisions in the current Canning Bridge Activity Centre Plan in the assessment of development applications.”

At 8:33pm the Deputy Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (11/0)

SUBSTANTIATIVE MOTION AS AMENDED

At 8:01pm Cr Robins moved, seconded Cr Macphail–

That the Council:

1. Notes :

- a) The Officer comment provided in relation to Part 1 of the Council resolution on Item M18/5640 of the September 2018 Ordinary Council Meeting which indicates that a Local Planning Policy is unlikely to be able to introduce limits on building height which seek to be more restrictive than those contained within the Canning Bridge Activity Centre Plan.
 - b) That there may be opportunity to prepare a Local Planning Policy that provides additional clarity to the operation of the Canning Bridge Activity Centre Plan with respect to establishing the relationship between design and community benefits proposed by applicants and the consideration of approval of additional building height.
 - c) That a proposal to consider introduction of more stringent controls on height and/or changes to the criteria for the consideration of approval of bonus building height in the Canning Bridge Activity Centre Plan would require an amendment to that Plan and that such an amendment would be likely to be required to be supported by a comprehensive investigation.
2. Requests the Chief Executive Officer arrange for the preparation of a draft local Planning Policy for Council consideration at the March 2019 Ordinary Meeting of Council prior to proceeding to public advertising, that details the application of discretion with regard to the bonus storeys for community benefit provisions in the current Canning Bridge Activity Centre Plan in the assessment of development applications.
 3. Requests the Acting Chief Executive Officer to arrange for a presentation to an Elected Members Information Session of the scope of progressing potential planning investigations in relation to the consideration of approval of bonus building height within the Canning Bridge Activity Centre Plan within the City of Melville.

At 8:37pm the Deputy Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (11/0)

At 8:37 the Presiding Member, Deputy Mayor adjourned the meeting.

At 8:37pm Ms J Arbel left the meeting and did not return.

At 8:37pm Mr G Ponton left the meeting and did not return.

At 8:45pm the Mayor assumed the Chair and resumed the meeting

14.1 REPORTS FROM THE FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE

C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC) (ATTACHMENT)

Ward	:	All
Category	:	Operational
Subject Index	:	Financial Reporting – Annual Financial Reports
Customer Index	:	Grant Thornton Australia
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Item C17/6156 – City of Melville Annual Financial Statements for 2016-2017 – Financial Management, Audit, Risk and Compliance Committee Meeting held 6 November 2017 and Ordinary Meeting of Council held 21 November 2017 Item C18/6156 – City of Melville Annual Financial Report for 2017-2018 – Financial Management, Audit, Risk and Compliance Committee Meeting held 5 November 2018
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Bruce Taylor 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 & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input checked="" type="checkbox"/>	Information	For the Council/Committee to note.

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- This report presents the 2017-2018 Annual Financial Report, the Independent External Auditors Audit Findings Report and a summary of variances. It is recommended that after review and discussion with the City's Auditors the Committee notes the report and recommends the report for further noting by the Council.
- The overall closing funds/unrestricted cash amount available to be carried forward to 2018-2019 is \$4,503,203. This is \$4,503,203 more than the opening funds required to balance the 2018-2019 Annual Budget.
- In accordance with Council resolution (Special Meeting of Council held 26 June 2018 Item C18/6161 – Consideration and Adoption of the 2018-2019 Budget) the surplus funds are transferred to the Rates Equalisation Reserve account.

BACKGROUND

The *Local Government Act 1995* (the Act) prescribes the following (but not limited to) in relation to the Annual Report:

- Section 5.53(1) requires a local government to prepare an Annual Report for each financial year.
- Section 5.53(2)(f) states that the Annual Report must contain the financial report for the financial year.
- Section 5.54 requires the Annual Report for a financial year is to be accepted by the local government no later than 31 December after that financial year.

The City refers to its Annual Report as the Community Annual Report and presents it in two parts:

- Part A – contains the full text summary and an extract of the Annual Financial Report
- Part B – contains the full Annual Financial Report and a copy of the independent audit letter

The Community Annual Report Parts A and B for 2017-2018 requires acceptance by the Council prior to the Annual General Meeting of Electors.

The Community Annual Report will be presented to Council at the Ordinary Meeting of Council on Tuesday 20 November 2018. This report is the vehicle whereby the Council will have presented for acceptance the full Annual Financial Report for 2017-2018 after consideration by the Financial Management, Audit, Risk and Compliance Committee (FMARCC).

The Annual General Meeting of Electors will be held on 5 December 2018.

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)****DETAIL**

This item presents the City of Melville's Annual Financial Report for 2017-2018 and supporting analysis in the following attachments:

1. Variances Report on Rate Setting Statement [6156A](#)
2. Independent External Auditor's Audit Findings Report [6156B](#)
3. Audited Annual Financial Report (including):
[6156 Annual Financial Report 2017-2018](#)
 - a. Independent Auditor's Report
 - b. Statement by the Chief Executive Officer
 - c. Management Representation Letter
 - d. Statements of Comprehensive Income by Nature or Type
 - e. Statements of Comprehensive Income by Program
 - f. Statement of Financial Position
 - g. Statement of Changes in Equity
 - h. Statement of Cash Flows
 - i. Rate Setting Statement by Program and Sub-Program
 - j. Notes to and Forming Part of the Annual Financial Report.

The 2017-2018 Annual Financial Report shows a positive end to the 2017-2018 financial year for the City, with an overall cash surplus of \$4,503,203. This is \$4,503,203 more than the budgeted amount required to balance the 2018-2019 Annual Budget. In accordance with previous Council resolutions the surplus are transferred to the Rates Equalisation Reserve to be used to reduce the need to raise rates in future years or to meet any budget shortfalls identified during budget reviews. A brief analysis of the significant variances which contributed to this positive position is included in the Financial Implications section of this report and in the Variance Report on Rate Setting Statement Attachment [6156A](#).

The financial outcomes for the year are specified in the Audited Annual Financial Report and are summarised in the Financial Implications section of this report.

The Independent Auditor's Report provides an unqualified audit opinion in respect to the 2017-2018 Annual Financial Report. Four observations were made in the Independent External Auditor's Audit Findings Report, which at the time of distribution of the agenda, management were responding to. The final will be attached to the minutes of the meeting as attachment [6156B](#).

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

No external public consultation has been carried out.

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)****II. OTHER AGENCIES / CONSULTANTS**

The City's independent external auditors Grant Thornton Australia have audited the 2017-2018 Annual Financial Report.

Grant Thornton Australia will be attending the FMARCC meeting to discuss the Audit Completion Report including the Audit Findings Report and the Independent Auditor's unqualified audit report prepared by them.

STATUTORY AND LEGAL IMPLICATIONS

Section 5.53 of the Act headed "Annual reports" specifies that:-

"(1) The local government is to prepare an annual report for each financial year and that.

(2) The annual report is to contain... (f) the financial report for the financial year; ..."

Section 5.54 of the Act headed "Acceptance of annual reports" specifies that the Annual Report for the financial year is to be accepted by the Local Government no later than 31 December after that financial year.

Section 5.27 of the Act specifies that a General Meeting of Electors is to be held within fifty-six (56) days after the local government accepts the Annual Report for the previous financial year.

Section 5.94 of the Act provides that *"a person can attend the office of a local government during office hours and, unless it would be contrary to section 5.95, inspect, free of charge, in the form or medium in which it is held by the local government and whether or not it is current at the time of inspection — ... (c) any annual report;"*

Section 6.4 of the Act headed "Financial report" specifies that:-

"(1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.

(2) The financial report is to —

(a) be prepared and presented in the manner and form prescribed; and

(b) contain the prescribed information.

(3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —

(a) the accounts of the local government, balanced up to the last day of the preceding financial year; and

(b) the annual financial report of the local government for the preceding financial year."

The Annual Financial Report has been prepared in accordance with all relevant legal requirements and accounting standards.

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)**

FINANCIAL IMPLICATIONS

Operating Surplus

The net result for the 2017-2018 financial year was an operating surplus of \$36.82m as calculated in the Statement of Comprehensive Income.

The operating surplus is the result of:

- Operating revenue of \$118.86m
- Operating expenditure of \$97.18m
- Non-operating revenue of \$4.25m
- The City's share of the net result of the joint venture with the Southern Metropolitan Regional Council (SMRC) of \$1.86m profit.
- Revaluation increase of investment properties of \$10.43m
- Loss on asset disposals of \$1.40m

This operating surplus is different to the actual cash surplus, previously mentioned, of \$4.5m. The operating surplus measures the ability of the City to cover its operational costs and have revenues available for capital funding. The cash surplus is then calculated following the inclusion of the capital outlays and reserve transfers.

The Department of Local Government and Communities (DLGC) set an advanced target for the Operating Surplus Ratio of greater than 0.15 (the higher the better). The City achieved a ratio of 0.18 which is a positive result.

Cash Surplus

The cash surplus for the 2017-2018 financial year was \$4,503,203 as calculated in the Rate Setting Statement.

This is determined by the inclusion of the following items:

- Operating revenue
- Operating expenditure
- Non-operating revenue
- Capital expenditure
- Reserve account transfers
- Reversal of non-cash items (such as asset depreciation)

This surplus was carefully analysed to fully understand the drivers behind this variance. There are a number of variances that are offset by a corresponding value such as income, expenditure or a transfer to or from reserve. In these cases, the variance does not contribute to the overall surplus and have therefore not been reflected in the summary below. The following table outlines the key areas contributing to the \$4.50m surplus:

	Variance
General Purpose Funding positive variance	\$611,130
Operating Income positive variance	\$584,282
Operating Expenditure positive variance	\$3,606,374
Net Reserve transfers negative variance	(\$432,750)
Other positive variances	\$134,167
Total Surplus	\$4,503,203

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)**

There were various positive and negative operating income variances across the organisation, with the key positive variances contributing to the surplus being income generated by building and planning application fees. Operating expenditure contributed \$3.6m to the surplus, being approximately 3.6% under budget. Savings were made across various areas of the organisation mainly in employee costs, materials and contractor expenses.

To be consistent with previous month end financial reports, a variance analysis at the Program/Sub Program level is detailed in the Variance Report on Rate Setting Statement Attachment [6156A](#).

The City budgeted for \$nil opening funds surplus for the 2017-2018 financial year when setting the Budget for 2018-2019. This has resulted in an unallocated surplus of \$4,503,203 that will be transferred to the Rates Equalisation Reserve to be used to offset future year's rate increases.

Trust Funds

The *Trustees Act 1962* prescribes the following in relation to trust investments:

The performance review of the trust investments, at least once in each year, as per Section 18(3) of the Act, the City always ensure that the investments are placed with the appropriate authority with high credit ratings using recognised rating criteria and maintain an adequate level of diversification.

The City manages trust investment with care and diligence that a prudent person would exercise.

According to City's investment policy, all the investments must be maintained within investment parameters and to confirm compliance with the legislative requirements on a monthly basis. The City must obtain not less than three quotations from authorised institutions with healthy credit ratings whenever the investment is propose or renew. The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard to the maximum investment limits at respective credit rating.

Under the risk management guidelines for trust investments, if any of the funds / securities held are downgraded such that they no longer fall within the City's investment policy guidelines, they will be divested as soon as is practicable but, unless otherwise decided by the Council, not at an amount of more than 5% below the last reported mark to market book value.

The financial outcome of trust investment for the year 2017-2018, the City has earned interest of \$23,939 which is the weighted average interest rate of 2.55% compared favourably to the benchmark three month bank bill swap (BBSW) reference rate of 2.07%. The total trust investment holding as at 30 June 2018 is \$952,162.

Reserves

The City's cash backed reserves total \$146m as at 30 June 2018, which is an increase of \$21.34m from the previous financial year. The City uses a number of reserves to streamline funding needs and quarantine funds for specific purposes.

The increasing reserve balance is due mainly to the net result of the following:

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)**

Reserve	Increase /(Decrease)	Comment
Various Reserves	\$3.34m	Investment earnings being transferred to reserves to maintain their value.
Alfred Cove East UGP & Streetscape Enhancement Reserve	\$1.35m	\$1.35m transfer to reserve. Funds are required for payment of Cash Calls identified in future years.
Melville North UGP & Streetscape Enhancement Reserve	\$1.18m	\$1.18m transfer to reserve. Funds are required for payment of Cash Calls identified in future years.
Commercial Refuse Reserve	\$486k	\$486k transfer to reserve as a result of commercial waste operations. Funds required for development of commercial operations.
Fleet Services Vehicles, Plant and Equipment Replacement Reserve	\$1.26m	\$2m transfer to reserve (as per asset management plan) compared with a lower transfer from reserve of \$743k. Funds are required in future years to ensure optimal life cycle replacement of assets.
Future Works Reserve	\$1.40m	\$1.7m transfer to reserve (as per asset management plans) compared with a lower transfer from reserve of \$300k. Funds are required for identified projects in future years.
Infrastructure Asset Management Reserve	\$4.26m	\$13.13m transfer to reserve (as per asset management plans) compared with a lower transfer from reserve of \$8.87m. Funds are required for identified projects in future years.
Land and Property Reserve	\$2.94m	Property sales transferred to reserve - \$1.57m from the sale of 85 Ardross St and \$1.37m from the sale of 15 Willcock St.
Recreation Centres Specialised Plant, Equipment and Structures Reserve	\$742k	\$890k transfer to reserve compared with a lower transfer from reserve of \$148k. Funds are required for identified projects in future years, including pool repairs.
Refuse Facilities Reserve	\$1.04m	\$1.04m transfer to reserve compared with a lower transfer from reserve of \$35k due mainly to lower waste disposal costs. Funds are required for identified projects in future years such as the implementation of the three bin FOGO waste collection system and rehabilitation of former tip sites.
Public Open Space and Urban Forest Reserve	\$565k	1% of rates is transferred to this reserve annually. This amount was higher than the transfer from reserve to fund projects. Funds are required for identified projects in future years.
Rates Equalisation Reserve	\$2.78m	The unallocated surplus (\$2.78m) from the 2016-2017 annual accounts was transferred to reserve.
	\$21.34m	

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)****Asset Revaluation**

Revaluation for fair value for financial reporting purposes and depreciation of assets is carried out in accordance with regulation 17A of the Local Government (Financial Management) Regulations and accounting standards AASB (Australian Accounting Standards Board) 113 and 116. Valuations are undertaken by an independent registered valuer appointed by the City. A full revaluation of all applicable asset classes is undertaken at least once every three years.

In the 2017-2018 financial year, the City was required to revalue the asset classes of Land & Buildings and Other Infrastructure assets. The last time this exercise was undertaken was in the 2014-2015 financial year. In that year the revaluation adjustment was an increase of \$433,932,549 for Land & Buildings. However, the final impact on asset valuations for the 2017-2018 financial year (excluding investment properties) was a decrement of \$320,505,544 of which \$304,128,098 derived from Land & Buildings. This amount is shown in the relevant financial statements as a 'change on revaluation of non-current assets'. The revaluation of Investment properties resulted in an increase of \$10,427,691. This amount is shown in the relevant financial statements as 'revaluation of investment properties'.

The 2017-2018 valuation of land has been conducted in accordance with AASB 13 and Valuation Standards. The valuation for parks and reserves lands has been undertaken by the current valuer using a measurement based on the fact that there is no observable or active market for these assets (Level 3 as per AASB13). The previous valuer predominantly applied Level 2 methodology which was more akin to market values and hence resulted in significantly higher land values being applied.

Financial Ratios

The overall financial performance for the City as reported in the Annual Financial Report and the accompanying notes is positive. However, the Asset Consumption Ratio is performing slightly below the recommended range. The City has historically performed very well in the Financial Health Indicator ranking (as calculated by the State Government) and this has continued with a calculated score of 98 (yet to be independently verified). This score remains unchanged when compared with both 2015-2016 and 2016-2017.

Financial ratios are designed to provide users of annual financial reports with a clearer interpretation of the performance and financial results of the City. The table below outlines the seven financial ratios for 2017-2018, with comparisons to 2016-2017. All of the City's financial ratios, except for the Asset Consumption ratio, continue to perform above the recommended benchmarks set by the Department of Local Government and Communities (DLGC).

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)**

Ratio (higher the better)		DLGC Target	2017-2018	2016-2017	Comments
Liquidity Ratio					
Current Ratio	Ability to meet short-term financial obligations out of unrestricted current assets	> 1	1.61	1.49	Ratio has increased due to an increase in current assets relative to current liabilities.
Debt Ratio					
Debt Service Cover Ratio	Ability to produce enough cash to cover debt payments	> 5	77.93	73.07	Ratio has increased due to a higher operating surplus.
Coverage Ratio					
Own Source Revenue Coverage Ratio	Ability to cover costs through own taxing and revenue	> 0.90	1.17	1.12	Ratio has increased due to increasing own source revenue.
Financial Performance Ratio					
Operating Surplus Ratio	Ability to cover operational costs and have revenues available for capital funding or other purposes	> 0.15	0.18	0.16	Ratio has increased due to increasing operating surplus.
Asset Ratios					
Asset Sustainability Ratio	Extent to which assets are being replaced as they reach the end of their useful lives	between 0.90 and 1.10	1.35	1.28	Ratio has increased due to higher expenditure on assets relative to depreciation.
Asset Consumption Ratio	Extent to which depreciable assets have been consumed	between 0.60 and 0.75	0.56	0.65	Ratio has declined and is slightly below recommended range.
Asset Renewal Funding Ratio	Ability to fund projected asset renewals / replacements in the future	between 0.95 and 1.05	1.00	1.00	Ratio has remained the same.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic, risk or environmental management implications associated with this report.

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)****POLICY IMPLICATIONS**

CP - 025 Accounting Policy – defines the policy relating to the preparation of the Annual Financial Report. It should be noted that the Council Policy defines some of the accounting policies that are applied to the preparation of the annual financial report and other requirements are set and described in the Accounting Standards.

CP – 008 Financial Sustainability - Forward Financial Planning and Funding Allocation.

As part of the adoption of the 2018-2019 Budget (Item C18/6161 – Consideration and Adoption of the 2018-2019 Budget) the Council resolved –

That the Council note that an estimated Municipal Fund 30 June 2018 closing funds amount of \$nil has been used as an opening position in the 2018-2019 budget and that the final net closing funds amount will be determined following receipt of the 2017-2018 audited financial statements and approves the transfer of any net closing funds for the completed 2017-2018 financial year being transferred to the Rates Equalisation Reserve account.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Should the Annual Report (which includes the Annual Financial Report) not be adopted by the Council, this would delay the annual general meeting of electors until such time as it is adopted.

CONCLUSION

The 2017-2018 Annual Financial Report has been completed and an unaudited extract will be included in the Community Annual Report for 2017-2018 (Part A), with the full audited Annual Financial Report (Part B) being made available on the City's web-site, at its five libraries, the Civic Centre and in printed form to individuals upon request.

An unqualified auditor's report was received following the final audit. This report will be discussed by the auditors with the FMARCC at its meeting to be held on 5 November 2018, following which the complete 2017-2018 Community Annual Report will be presented to the Council for acceptance.

The Annual Financial Report is presented to the Committee for noting and for recommendation to the Council for acceptance (along with the Community Annual Report for 2017-2018 that will be submitted to the Council) by absolute majority decision.

**C18/6156 – CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2017-2018 (REC)
(ATTACHMENT)****OFFICER RECOMMENDATION AND COMMITTEE RESOLUTION (6156) NOTING**

At 6.34pm Cr Wheatland moved, Mayor Aubrey seconded –

That the Financial Management, Audit, Risk and Compliance Committee:

Notes the City of Melville 2017-2018 Annual Financial Report, the Independent External Auditor’s Audit Findings Report and Independent External Auditor’s Unqualified Audit Report and recommends the report for further noting by the Council.

At 7.12pm the Presiding Member submitted the motion, which was declared

CARRIED (6/0)

Footnote:

- 1 The Independent External Auditor’s Audit Findings Report had been received with four recommendations identified by the auditor. The report will be attached to the minutes of the meeting as attachment 6156B.
- 2 When the Council accepts the Annual Community Report and the Independent External Auditor’s Unqualified Audit Report as attached to this report, an extract of the Annual Financial Report will be included in the Community Annual Report Part A. Part B of the Community Annual Report will contain the full Annual Financial Report and Audit Letter. The extract from the Annual Financial Report will be included in the Community Report following consideration of and decision on Item C18/5583 City of Melville Community Annual Report 2017-2018, of the 20 November 2018 Ordinary Meeting of Council.

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION (6156) NOTING

That the Council:

On the recommendation of the Financial Management, Audit, Risk and Compliance Committee notes the City of Melville 2017-2018 Annual Financial Report, the Independent External Auditor’s Audit Findings Report and Independent External Auditor’s Unqualified Audit Report.

Footnote:

- 1 The Independent External Auditor’s Audit Findings Report had been received with four recommendations identified by the auditor. The report will be attached to the minutes of the meeting as attachment 6156B.
- 2 When the Council accepts the Annual Community Report and the Independent External Auditor’s Unqualified Audit Report as attached to this report, an extract of the Annual Financial Report will be included in the Community Annual Report Part A. Part B of the Community Annual Report will contain the full Annual Financial Report and Audit Letter. The extract from the Annual Financial Report will be included in the Community Report following consideration of and decision on Item C18/5583 City of Melville Community Annual Report 2017-2018, of the 20 November 2018 Ordinary Meeting of Council.

At 8:51pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

M18/5648 – RECRUITMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (REC) (ATTACHMENT)

Ward	: All
Category	: Operational
Subject Index	: Audits – Compliance, Policies, Procedures, Agenda and Minutes
Customer Index	: City of Melville
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: Item M16/5504 – Appointment of External Member of Financial Management, Audit, Risk and Compliance Committee – 20 September 2016
Works Program	: Not Applicable
Funding	: Not Applicable
Responsible Officer	: Jeff Clark Governance and Compliance Advisor

AUTHORITY / DISCRETION

DEFINITION

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

M18/5648 – RECRUITMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- The Financial Management, Audit, Risk and Compliance Committee (FMARCC) has a provision in its Charter for an external member to be appointed.
- Mr Richard Woodgate completed his term in October 2018.
- This report advises the Committee of the progress of the Recruitment Process.
- This report seeks the Committee's approval for the establishment of an interview panel to make a recommendation of an applicant to the Council.

BACKGROUND

At the Council meeting held on the 19 September 2006 a Council resolution was passed by absolute majority decision that established the Financial Management, Audit, Risk and Compliance Committee as per the approved Committee Charter. The Council also approved the payment of an honorarium of up to \$2,500 per annum to be paid quarterly in arrears to the independent member of the Financial Management, Audit, Risk and Compliance Committee.

The Charter for the Committee outlines the following requirements relating to membership.

“3. Membership

- *In accordance with Section 7.1A (2) of the Local Government Act 1995 members of the Committee will be appointed by absolute majority decision of the Council;*
- *The Committee will comprise at least four persons of which at least three are to be Elected Members of the City of Melville and one other member who will be an independent person;*
- *Independent members will have no association with the Council either as a member, an officer or closely associated person;*
- *Where possible the majority of members shall have experience in business and/or financial and management reporting and risk management;*
- *The independent member shall be selected on the basis of their skills and experience in the financial and/or risk management environment;*
- *The CEO and designated City of Melville employees, whilst not permitted to be members of this Committee, will when requested be required to attend meetings of the Committee to provide advice and guidance to the committee;*
- *Membership of the Committee will be reviewed after every Local Government Election.*

4. Meetings

- *The Chairperson will call and conduct meetings of the Committee in accordance with the City of Melville's Standing Orders and the Local Government Act 1995 and Regulations;*

**M18/5648 – RECRUITMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT,
AUDIT, RISK AND COMPLIANCE COMMITTEE (REC) (ATTACHMENT)**

- *The Committee will meet at least four times per annum, with the timing of each meeting coinciding with the conduct of particular aspects of the City of Melville’s audit, risk management and financial reporting cycle;*
- *An agenda, and written reports on the business to be conducted at the meeting, will be prepared and distributed to Committee members at least 72 hours prior to the meeting;*
- *Minutes of the Committee meeting proceedings and recommendations will be taken and submitted to Council for decision ;*
- *The External and Internal auditors will be invited to attend at least one meeting per calendar year, but may be invited at any time to address the Committee on any issues the Committee believes necessary.”*

DETAIL

Mr Woodgate completed his term in October 2018 and on the occasion of the last renewal of position of External Member in September 2016, the Council resolved that at the conclusion of this term, the City would undertake a recruitment process.

A Recruitment Process has been developed to clarify the process, timelines and roles to achieve the recruitment of an External Member.

Advertising for a qualified person with skills in financial and/or risk management has occurred with applications requested by 9 November 2018. See advertisement below:

**Independent Member
Financial Management, Audit, Risk and Compliance Committee**

The City of Melville is seeking applications from interested persons with qualifications, skills and experience in financial management, risk management and audit roles.

This position is for a fixed term ending in October 2020. The City will reimburse expenses to \$2,500 per annum for attendance at usually four meetings per annum.

An application information pack is available on the City’s website at <https://www.melvillecity.com.au/currentjobs>.

Please submit your letter of application and CV detailing your experience and qualifications to Locked Bag 1, Booragoon WA 6954 or Governance@melville.wa.gov.au by 9 November 2018 noting any current or potential conflict of interest.

Please contact Mr K Wan, Process Improvement Auditor on **9364 0632** for further information.

Marten Tieleman
Acting Chief Executive Officer

M18/5648 – RECRUITMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (REC) (ATTACHMENT)

In the event that no applicants have the requisite experience and qualifications to provide guidance to FMARCC on financial, audit, risks and compliance matters, the City will use different media channels of advertising for a suitable candidate, such as the websites of the Institute of Company Directors, the Certified Practising Accountants Association, and volunteering organisations.

The FMARCC is requested to select Elected Members to fulfil the role of a panel to assess applications and make a recommendation to the Council to appoint a person to the position.

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

No community consultation occurred during the period in question.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

There are no legal implications in this report.

FINANCIAL IMPLICATIONS

The financial implications relate to advertising costs for the recruitment advertisements. A provision is included in the City's operational budget.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The appointment of an External Member is expected to add to the City's expertise to assess 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.

Risk Statement	Level of Risk	Risk Mitigation Strategy
Risk of non-compliance with legislation and management processes	A possible Major consequence which could result in a High level of risk	The appointment of an External Member with specific skills in financial and risk management will limit the potential for non-compliance.

**M18/5648 – RECRUITMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT,
AUDIT, RISK AND COMPLIANCE COMMITTEE (REC) (ATTACHMENT)****POLICY IMPLICATIONS**

The following Council Policies relate to this report:

CP-099	Risk Management Policy
CP-025	Accounting Policy
CP-104	Related Party Disclosures Policy
CP-024	Borrowings and Asset Financing Policy
CP-009	Investment of Funds Policy
CP-008	Financial Sustainability Forward Financial Planning and Funding Allocation
CP-023	Procurement Policy
CP-062	Fraud and Corruption Prevention Policy

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Committee could resolve not to recruit an External Member but this would require a rescission of the Council's resolution from 2016.

CONCLUSION

The Council has resolved in September 2016 to advertise for a person with skills in financial management and risk management upon the end of the two year term concluding in 2018. The Recruitment Process has been developed to clarify roles and a timeline. It is appropriate that an Interview Panel be appointed to progress the recruitment objective and a report be prepared for consideration of the FMARCC and finally the Council, to finalise an appointment.

OFFICER RECOMMENDATION AND COMMITTEE RESOLUTION (5648) APPROVAL

At 7.53pm Mayor Aubrey moved, Cr Barling seconded –

That the Financial Management, Audit, Risk and Compliance Committee recommend to the Council that:

- 1 The Recruitment Process as attached be endorsed [5648 Recruitment Process](#)**
- 2 That the Financial Management, Audit, Risk and Compliance Committee make a recommendation to the Council for the position of External Member for the term of office being two years following a selection process.**
- 3 That the Interview Panel comprise four Elected Members being Mayor Aubrey, Cr Macphail, Cr Pazolli and Cr Wheatland.**

At 8.01pm the Presiding Member submitted the motion, which was declared

CARRIED (6/0)

M18/5648 – RECRUITMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (REC) (ATTACHMENT)**COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION (5648) APPROVAL****That the Council:**

- 1 Endorses the Recruitment Process as attached [5648 Recruitment Process](#)**
- 2 Confirms that the Financial Management, Audit, Risk and Compliance Committee be approved to make a recommendation to the Council for the position of External Member for the term of office being two years following a selection process.**
- 3 Approves that the Interview Panel comprise four Elected Members being Mayor Aubrey, Cr Macphail, Cr Pazolli and Cr Wheatland.**

At 8.51pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

14.2 REPORTS OF THE CHIEF EXECUTIVE OFFICER

CD18/8110 - STAKEHOLDER ENGAGEMENT STRATEGY (REC) (ATTACHMENT)

Ward : All
 Category : Strategic
 Subject Index : Community Engagement
 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.
 Funding : Not Applicable
 Responsible Officer : Mog Piasecka
 Stakeholder Engagement 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"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

CD18/8110 STAKEHOLDER ENGAGEMENT STRATEGY (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

A draft Stakeholder Engagement Strategy has been developed with the input of a Combined Stakeholder Reference Group (CSRG) including randomly sampled and selected members of the public, senior staff of the City and Elected Members. Participation involved attendance at two workshops to identify actions which would contribute to achievement of the following goals.

- To increase levels of public participation in local governance in ways that complement the decision-making role of the Council;
- To increase community understanding of the processes of local governance including the roles and responsibilities of citizens, the Executive and the Council; and
- To increase elected member involvement and promotion of stakeholder engagement processes for the purpose of good governance.

The draft document was reviewed by the CSRG and no changes were recommended. It was then made available to 1,700 residents of the City via direct email for comment. No changes were identified. This report seeks the Council endorsement of the draft Strategy for implementation from 2019 onwards.

BACKGROUND

Currently, the City of Melville has a Council policy, an operational framework, a process map and accompanying pro-formas for carrying out stakeholder engagement activities. Whilst these documents are indicative of the City's commitment to engaging with the community on matters of importance to them, current circumstances, including the recent State Government Inquiry into the City of Melville and the ongoing review of the Local Government Act 1995, have shown the need for a review and strengthening of implementation of existing policies and processes.

In common with many other local governments, the City of Melville has been facing "*The challenge of meeting community expectations regarding community engagement*" (Corporate Business Plan, 2016 – 2020) in ways that reflect the requirements of its own Stakeholder Engagement Policy, and its commitment to the core values of the International Association of Public Participation (IAP2) and the Accountability Principles of AA1000 Stakeholder Engagement Standard 2015.

The vision of the review of the *Local Government Act 1995* is one in which local governments in Western Australia will become more agile, smart and inclusive, particularly with respect to the following:

- Capacity to strike a balance between community expectations, resourcing and external pressures;
- Removing barriers so local governments can be responsive thereby ensuring that operations are reflective of changing community expectations;
- Representing and involving communities in decision-making.

CD18/8110 STAKEHOLDER ENGAGEMENT STRATEGY (REC) (ATTACHMENT)

Development of a supporting Stakeholder Engagement Strategy to strengthen the City's approach therefore presented an opportunity to bring all of the primary stakeholders in the endeavour together: the community, the Council and officers of the administration, as they were the people most likely to be affected by implementation.

DETAIL

The overarching goals in the draft Strategy were identified following an extensive review of the relevant literature and practice in community engagement, namely:

- To increase levels of public participation in local governance in ways that complement the decision-making role of the Council;
- To increase community understanding of the processes of local governance including the roles and responsibilities of citizens, the Executive and the Council; and
- To increase elected member involvement in and promotion of stakeholder engagement processes for the purpose of good governance.

The purpose of the engagement was:

To engage with citizens, elected members and staff in identifying actions to achieve the overarching goals of the new Stakeholder Engagement Strategy in ways that are fair, transparent and can be linked to final outcome/s of engagement.

The engagement process included use of the City's community portal, MelvilleTalks, to provide information about the project and to enable participants to provide feedback.

The information included:

- details about who was to be consulted and how
- a Terms of Reference for the CSRG
- an online Expression of Interest form to register for the CSRG
- a timeline
- a photographic record of the two workshops
- notes of CSRG input from both workshops
- a digital book showing the draft Strategy during its development

The Combined Stakeholder Reference Group was made up of approximately 50 people representing both internal and external stakeholders, including:

- Elected Members, including the Mayor
- Staff Members; and
- Residents from each of the six wards of Council

Elected Members were invited to participate following presentations on the project at Elected Member Information Sessions. City staff were invited to participate following presentations at a number of in-house meetings, including Executive Leadership Team meetings chaired by the Chief Executive Officer.

CD18/8110 STAKEHOLDER ENGAGEMENT STRATEGY (REC) (ATTACHMENT)

Residents were recruited by sending direct emails to a random, stratified sample of Melville residents inviting them to submit an Expression of Interest in participating. In total 1,700 people were invited to submit for one of 24 places in the CSRG, all of which were filled.

However, of those who were selected, some were unable to attend the workshops and not all wards were represented.

Both facilitated CSRG workshops, for the purpose of identifying actions to achieve the goals, were held during March 2018. To encourage an informal and friendly atmosphere, everyone was encouraged to dress casually and an interactive exercise, which enabled people to talk about themselves, was conducted. Staff and elected members acted as welcoming hosts for the occasion. M-participation, by which people may use their own mobile devices to participate in real time, was used to capture their opinions and ideas about the goals and the record of their contributions during the workshop/s. Following each workshop, a report on the feedback received was made available to participants.

Following the second workshop, all participants were sent a link to an online survey to indicate levels of support for the actions they had identified. The purpose of this communication was to determine whether another workshop would be necessary to complete the work of the CSRG. No significant changes were required.

The outcome of the CSRG's work was a digital book which was finalised in August 2018 and made available for viewing on MelvilleTalks. Subsequently, links to the draft Strategy were sent to all members of the CSRG for commentary and then to the 1700 people who had been randomly sampled during the earlier recruitment phase. To gain input from the wider community, social media messages were used to invite comment by the closing date of Friday, 5 October 2018.

The Strategy can be viewed in attachment to this report.

[8110 Stakeholder Engagement Strategy](#)**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

Levels of engagement are identified with a view to fulfilling the overall purpose of engagement and are set out as engagement objectives. On this occasion, they were:

- To involve the public in identifying actions relevant to the three goals of the draft Strategy.
- To consult with the public in providing feedback on draft versions of the Strategy prior to referral to the Council for endorsement.

The engagement methodologies used included facilitated workshops and online engagement.

II. OTHER AGENCIES / CONSULTANTS

N/A

CD18/8110 STAKEHOLDER ENGAGEMENT STRATEGY (REC) (ATTACHMENT)

STATUTORY AND LEGAL IMPLICATIONS

N/A

FINANCIAL IMPLICATIONS

With respect to implementation of Goal 1: *“To increase levels of public participation in local governance in ways that complement the decision-making role of Council”* there are no direct up front financial implications during this financial year. Costs of engagement and communications are currently factored into Project Management processes.

Development of community education and training initiatives to implement Goals 2 and 3 *“To increase community understanding of the processes of local governance including the roles and responsibilities of citizens, the Executive and Council;”* and *“To increase elected member involvement in and promotion of stakeholder engagement processes for the purpose of good governance”* respectively, will require funding which may be available from external sources following the review of the Local Government Act (1995).

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
As a result of the Strategy, there will be community expectations of its implementation. Failure to implement could lead to community dissatisfaction with the City’s performance.	Medium	Manage by development of an implementation plan and the provision of regular updates and news stories as implementation goes ahead.

POLICY IMPLICATIONS

N/A

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

An alternate option would be to not endorse the Strategy which would mean the City still does not have a Stakeholder Engagement Strategy, and would also lead to dissatisfaction of those community members that have participated in the development of the Strategy.

CD18/8110 STAKEHOLDER ENGAGEMENT STRATEGY (REC) (ATTACHMENT)**CONCLUSION**

The draft Stakeholder Engagement Strategy was developed in accordance with City's Stakeholder Engagement Policy and the core values and standards of the International Association of Public Participation (IAP2).

The Strategy will prepare the City to operate in accordance with a revised Local Government Act with its requirements for better quality governance and services to the community.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (8110) APPROVAL

That the Council endorses the Stakeholder Engagement Strategy as a guiding document for the implementation of Council Policy CP-002 Stakeholder Engagement Policy.

At 8:51pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

M18/5000 – COMMON SEAL REGISTER (REC)

Ward	: All
Category	: Operational
Subject Index	: Legal Matters and Documentation
Customer Index	: City of Melville
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: Standard Item
Works Program	: 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 type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input checked="" type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

KEY ISSUES / SUMMARY

This report details the documents to which the City of Melville Common Seal has been applied for the period from 18 September 2018 up to and including 22 October 2018 for the Council's noting.

M18/5000 – COMMON SEAL REGISTER (REC)

BACKGROUND

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

DETAIL

Register Reference	Parties	Description	ECM Reference
CS2068	City of Melville and Applecross Tennis Club	Applecross Tennis Club – Lease Renewal to 2024	4822824
CS2069	City of Melville and Jason Frederick Bamber Townes and Big Moreton Pty Ltd	As per council resolution (3790) for the purposes of waiving condition B for the contract which sought to restrict vehicle access from Temby court to the property situated at 7 Temby court, Kardinya being lot 323 on plan 12331 CT Volume 1504 Folio 927	4875812
CS2070	City of Melville and Michael and Louise Backhouse	Common Seal & CEO Sign Off for Notification 70A Subdivision	4851604
CS2071	City of Melville and Urbnsurf (Perth) Pty Ltd	Deed of Variation and Amendment to Ground Lease for Wave Park Surf Sports Recreation and Leisure Facility: Lot 39 (No. 596) Canning Highway, Alfred Cove	4893750
CS2072	City of Melville and Telstra Corporation Limited	Lease - Portion of Beasley Reserve – Ten years with further option for renewal commencing 15 August 2018	41007237

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

M18/5000 – COMMON SEAL REGISTER (REC)**STATUTORY AND LEGAL IMPLICATIONS**

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

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

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

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

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

FINANCIAL IMPLICATIONS

There are no financial implications in this report other than that held in the contract advised above.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic, risk or environmental management implications in this report.

POLICY IMPLICATIONS

There are no policy implications in this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

This is a standard report for the Elected Members' information.

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

That the Council notes the actions of His Worship the Mayor and the Acting Chief Executive Officer in executing the documents listed under the Common Seal of the City of Melville from 18 September 2018 up to and including 22 October 2018.

At 8:51pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

**C18/5652 CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2017-2018 (AMREC)
(ATTACHMENT)**

Ward	: All
Category	: Operational
Subject Index	: City of Melville Annual Report
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	: C17/5583 City of Melville Community Annual Report 2016-2017 – Ordinary Meeting of the Council 21 November 2017
Works Programme	: Not Applicable
Funding	: Not Applicable
Responsible Officers	: Kylie Johnson Acting Director Corporate 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"/>	Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

**C18/5652 CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2017-2018 (AMREC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- This report presents the finalised City of Melville Community Annual Report 2017-2018, including Parts A and B for the Council's acceptance by absolute majority.
- The text and design component of the Community Annual Report 2017-2018 Part A, excluding the financial data, was provided to the Council through the Elected Member Bulletin (EMB) in September 2018.
- The financials have been finalised, externally audited and then considered by the Financial Management Audit, Risk and Compliance Committee at its meeting held on 5 November 2018.
- An extract of the audited Financial Report has been incorporated in the finalised Community Annual Report 2017-2018 Part A. The extract itself has not been separately audited.
- The Community Annual Report 2017-2018 Part A together with the full audited Annual Financial Report – Part B includes all the information required by the *Local Government Act 1995* and other relevant legislation.
- In accordance with the *Local Government Act 1995* section 5.54, the Community Annual Report including parts A and B is to be accepted by absolute majority decision no later than 31 December after the close of the financial year.

BACKGROUND

In accordance with Section 5.53(1) of the *Local Government Act 1995* (the Act), a local government is required to prepare an Annual Report for each financial year. Section 5.54 of the Act requires that the Annual Report be accepted by the local government no later than 31 December after that financial year, and that that decision is to be by absolute majority decision.

Section 5.27 of the Act specifies that a General Meeting of Electors is to be held within fifty-six (56) days after the local government accepts the Annual Report for the previous financial year. The Annual Report is required to be prepared and printed in time for that meeting.

The format of this year's Annual Report again consists of two parts, which together comprise the City's Annual Report;

- part A which features a full text summary and unaudited extracts from the Annual Financial Report; and
- part B the Audited Annual Financial Report.

C18/5652 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2017-2018 (AMREC)
(ATTACHMENT)**DETAIL**

The 2017-2018 Community Annual Report has been prepared and meets the requirements of the Act. It is designed to report against *The City of Melville Corporate Business Plan 2016-2020*. It also references and reinforces the importance of the *Strategic Community Plan 2016-2026*, which aligns with the Department of Local Government, Sport and Cultural Industries Integrated Planning Framework.

Section 5.53 of the Act requires the Annual Report to contain the following:

- a report from the Mayor;
- a report from the CEO;
- an overview of the plan for the future including major initiatives that are proposed to commence or to continue in the next financial year;
- the financial report for the financial year;
- such information as may be prescribed in relation to the payments made to employees;
- the auditor's report for the financial year;
- a matter on which a report must be made under section 29(2) of the *Disability Services Act 1993*;
- details of entries made under section 5.121 regarding complaints against Council Members;
- details of FOI applications made under *Freedom of Information Act 1992* and
- such other information as may be prescribed including Regulations 19CA requiring information about modifications made during the year to the Strategic Community Plan and Corporate Business Plan).

The text of this Annual Report was developed from information gathered from all areas of the organisation and various corporate documents. This text was reviewed by the former Chief Executive Officer and the Executive Leadership Team. The Governance and Compliance Advisor also completed an audit of the text against the specific legislative requirements and confirmed relevant requirements had been addressed.

The text and design component of the 2017-2018 Community Annual Report, excluding the financial data, was provided to the Council through the Elected Members Bulletin, for feedback in late September 2018.

Electors will be made aware that the full version of the Community Annual Report consists of two parts:

- part A containing all of the textual information and the extracts from the Annual Financial Report which will be printed and provided in hard copy and on the City's website; and
- part B the independently audited Annual Financial Report will not be professionally printed but will be made available in hard copy on request and also published on the City's website.

**C18/5652 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2017-2018 (AMREC)
(ATTACHMENT)**

Part B of the Community Annual Report, has been audited and reviewed by the Financial Management, Audit, Risk and Compliance Committee on 5 November 2018. The Financial Extract included in Part A of the Community Annual Report is taken from the audited Annual Financial Report and used to present a summary of what are considered to be the key aspects of the audited financial information. In order to save on costs the financial report extract in Part A is not separately audited and this is stated clearly in the report.

The Council is required to, by absolute majority decision, accept the complete version of Community Annual Report which includes Parts A and B [\[Annual Report 2017-2018 \]](#). This is to be done by 31 December and prior to the General Meeting of Electors.

STAKEHOLDER ENGAGEMENT

In accordance with section 5.55 of the Act the Chief Executive Officer (CEO) is to give local public notice of the availability of the Annual Report as soon as practicable after the report has been accepted by the local government. The notice will include comment that the Full Financial Report is available on request.

I. COMMUNITY

No external public consultation has been carried out as the Annual Report is a report on the business activities of the City of Melville.

II. OTHER AGENCIES / CONSULTANTS

No consultation with other agencies/consultants has been carried out.

STATUTORY AND LEGAL IMPLICATIONS

Section 5.27 of the Act specifies that a general meeting of the electors is to be held on a day selected by the local government but not more than 56 days after the local government accepts the Annual Report for the previous financial year.

Section 5.53 of the Act specifies requirements for information to be included in the Annual Report as noted previously.

Regulations 19B and 19CA of the *Local Government (Administration) Regulations 1996* require additional information to be included in the Annual Report.

Section 5.54 of the Act specifies that the Annual Report for the financial year is to be accepted by the Local Government no later than 31 December after that financial year.

Section 5.55 of the Act specifies that the Chief Executive Officer is to give local public notice of the availability of the Annual Report as soon as practicable after the report has been accepted by the local government.

**C18/5652 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2017-2018 (AMREC)
(ATTACHMENT)**

FINANCIAL IMPLICATIONS

Funds have been provided in the 2018-2019 budget to enable graphic design, publication, promotion and distribution of Part A of the Annual Report. As per the previous years, minimal hard copy Annual Reports will be published, and more environmentally responsible distribution methods such as through CD and access via the City of Melville website will be utilised.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
Not publishing an Annual Report in accordance with all relevant legal requirements and accounting standards would result in non-compliance with required legislative and regulatory requirements.	Moderate consequences which are likely, resulting in a High level of risk	Ensure the Annual Report conforms to all requirements through assessment by the Governance and Compliance Advisor of the updated version of the Report, inclusive of the abridged Financial Statements, prior to going to the Ordinary Meeting of Council in November 2018.

POLICY IMPLICATIONS

There are no policy implications for the Council to consider as part of this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

There are no alternate options as the production and acceptance of the Annual Report is a legislative requirement.

CONCLUSION

The text of this Annual Report is a succinct and accurate reflection of the activities undertaken by the City of Melville in the 2017-2018 financial year, and has been prepared in accordance with legislative and regulatory requirements.

The full Annual Financial Report has been finalised and certified by the independent external auditors and presented to the Financial Management, Audit, Risk and Compliance Committee and the Council. The abridged Financial Extract has been integrated into the Community Annual Report design, along with further explanatory comment to enhance the financial information presented to the community. The full Community Annual Report is being presented in this report for the Council's acceptance by absolute majority decision.

Following the Council's acceptance, this document will be edited appropriately and made available for all stakeholders in various formats, including CD, the City's website and hard copy.

**C18/5652 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2017-2018 (AMREC)
(ATTACHMENT)**

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5652)
ABSOLUTE MAJORITY**

At 8:47pm Cr Barling moved, seconded Cr Woodall –

**That the Council, by Absolute Majority Decision, accepts the City of Melville 2017-2018 Community Annual Report which includes Parts A and B.
[5652 Annual Report 2017 2018.](#)**

At 8:47pm the Mayor submitted the motion, which was declared
CARRIED BY ABSOLUTE MAJORITY (12/0)

**C18/5653 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT POLICY (REC)
(ATTACHMENT)**

Ward	: All
Category	: Policy
Subject Index	: Policy and Policy Development
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	: C18/6158 Review of Council Policy CP-023 Procurement of Products and Services – Ordinary Meeting of the Council – 17 April 2018
Works Programme	: Not Applicable
Funding	: Not Applicable
Responsible Officer	: Bruce Taylor 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 checked="" type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
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<input type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

**C18/5653 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT POLICY (REC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- A number of minor omissions from the previous revision of this policy have been rectified as well as inclusion of additional clarity relating to ambiguous clauses.
- Improved strength of wording in aspects of value for money, delegated authority, procurement from existing contracts, sustainable procurement, credit cards, WALGA quotes, emergency purchases and exceptions.
- Removed references to Aboriginal Business exemptions based on advice from WALGA and changes to State Government policy.
- Addressed functional issues with the Panel Arrangement wording, specifically around the structure of categories within panels.

BACKGROUND

Council Policy CP-023 was last updated in April 2018. This update was a large scale revision of the policy and was aligned to a number of improvements in process and procedure. It also brought the policy more in line with WALGA templates and addressed recommendations provided by external auditors.

As there were a number of minor omissions that required rectification following the approval of this policy in April 2018, coupled with some opportunities to strengthen delivery of open and transparent procurement activities, it is necessary to re-submit this policy to the Council.

DETAIL

All changes have been marked up as 'track changes' within the attachment and each change includes a comment to identify the reason behind the change. There are twenty (20) changes in total.

The revised version of the policy has been attached:

[5653 CP-023 Procurement Policy Revised](#)

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

No community engagement or consultation has been carried out.

II. OTHER AGENCIES / CONSULTANTS

WALGA provides local governments with a suite of tools and templates for use in procurement. The City has begun utilising many of these to achieve some standardisation as well as to address many of the new innovations and improvements that WALGA has proposed. The change related to Aboriginal Businesses has been made based on WALGA advice.

C18/5653 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)**STATUTORY AND LEGAL IMPLICATIONS**

The *Local Government (Functions and General) Regulations 1996 Regulation 11A* requires the City to have a written Purchasing Policy.

FINANCIAL IMPLICATIONS

The changes to the policy have no direct financial impacts on existing budgets.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no environmental management implications with regard to this matter. There was a minor amendment to the policy to strengthen the City's commitment to sustainability and how that will be incorporated in to procurement going forward.

The previously identified risk of 'stakeholder non-compliance with procurement policies' has been mitigated to MEDIUM. No additional procurement risks have been identified.

POLICY IMPLICATIONS

The amendments to this policy strengthen the City's procurement position and strengthen transparency regarding the way in which procurement activities are undertaken.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

There are no alternate options. Not implementing these changes to the policy will result in an inability to align operational processes with high-level policy. It would also make any reduction to the identified risk impossible.

CONCLUSION

The policy amendments are attached to this item. The proposed changes will allow for realisation of the opportunities for improvement identified, provide greater clarity of the procurement policy for all stakeholders, and strengthen the transparency of procurement activities.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5653)**APPROVAL**

At pm Cr moved, seconded Cr –

That the Council adopts the revised CP-023 Procurement Policy as shown in attachment [5653 CP-023 Procurement Policy Revised](#)

At 8.51pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (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	: Bruce Taylor – Manager Financial Services

**AUTHORITY / DISCRETION
DEFINITION**

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

KEY ISSUES / SUMMARY

This report presents the investment statements for the period ending 30 September 2018 for the Council's information and noting.

C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (REC)

BACKGROUND

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

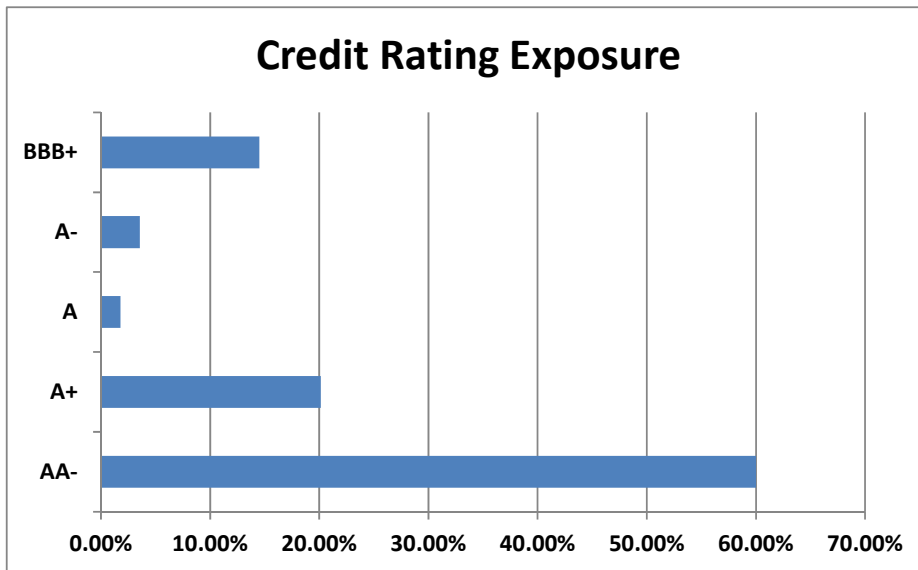
The investment of cash holdings is undertaken in accordance with Council Policy CP-009 - Investment of Funds, with the objective of maximising returns whilst maintaining low levels of credit risk exposure.

DETAIL

Summary details of investments held as at 30 September 2018 are shown in the tables below. The following statements detail the investments held by the City as at 30 September 2018.

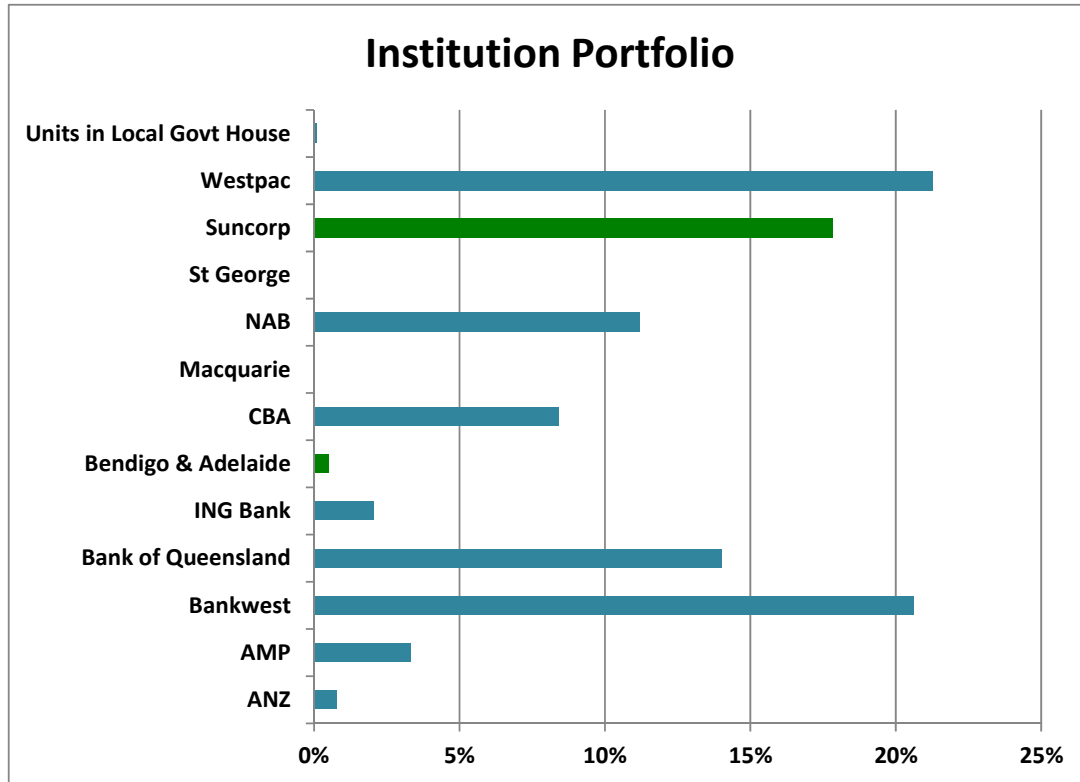
CITY OF MELVILLE	
STATEMENT OF INVESTMENTS	
FOR THE PERIOD ENDING 30 SEPTEMBER 2018	
SUMMARY BY FUND	
	AMOUNT
	\$
MUNICIPAL	\$ 49,859,982
RESERVE	\$ 145,276,990
TRUST	\$ 1,108,408
CITIZEN RELIEF	\$ 215,497
	\$ 196,460,876
SUMMARY BY INVESTMENT TYPE	
	AMOUNT
	\$
11AM	\$ 3,191,560
31DAYS AT CALL	\$ 5,000,000
60DAYS AT CALL	\$ 2,000,000
90DAYS AT CALL	\$ 8,600,000
TERM DEPOSIT	\$ 177,514,649
UNITS (Local Govt Hse)	\$ 154,668
	\$ 196,460,876
SUMMARY BY CREDIT RATING	
	AMOUNT
	\$
AA-	\$ 117,806,209
A+	\$ 39,500,000
A	\$ 3,500,000
A-	\$ 7,000,000
BBB+	\$ 28,500,000
UNITS (Local Govt Hse)	\$ 154,668
	\$ 196,460,876


C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (REC)



DIVERSIFICATION RISK & GREEN INVESTMENTS									
INSTITUTION	INVESTMENT TYPE	S & P RATING	AMOUNT	\$	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	NON FOSSIL FUEL	INVESTMENT WITH ADI WITH NON FOSSIL FUEL
ANZ BANK (TERM)	TERM	AA-	1,500,000		0.76%	0.76%	30%	No	
AMP BANK (TERM)	TERM	A	6,500,000		3.31%	3.31%	25%	No	
BANKWEST (TERM)	TERM	AA-	40,500,000		20.61%	20.61%	30%	No	
BANK OF QUEENSLAND (TERM)	TERM	BBB+	27,500,000		14.00%	14.00%	15%	No	
BENDIGO AND ADELAIDE BANK (TERM)	TERM	BBB+	1,000,000		0.51%	0.51%	15%	Yes	1,000,000
COMMONWEALTH BANK (TERM)	TERM	AA-	16,500,000		8.40%	8.40%	30%	No	
ING BANK (TERM)	TERM	A-	4,000,000		2.04%				
ING BANK (FRTD)	FRTD	A-	-		0.00%	2.04%	25%	No	
MACQUARIE BANK (TERM)	TERM	A	-		0.00%	0.00%	25%	No	
NAB (TERM)	TERM	AA-	22,014,649		11.21%	11.21%	30%	No	
ST GEORGE BANK (TERM)	TERM	AA-	-		0.00%	0.00%	30%	No	
SUNCORP METWAY LTD (TERM)	TERM	A+	35,000,000		17.82%	17.82%	25%	Yes	35,000,000
WESTPAC (MAX BONUS 1)	11AM	AA-	0		0.00%				
WESTPAC (MAX BONUS 2)	11AM	AA-	1		0.00%				
WESTPAC (MAX DIRECT)	11AM	AA-	3,191,559		1.62%				
WESTPAC (31DAYS AT CALL)	31DAYS AT CALL	AA-	5,000,000		2.55%				
WESTPAC (60DAYS AT CALL)	60DAYS AT CALL	AA-	2,000,000		1.02%				
WESTPAC (90DAYS AT CALL)	90DAYS AT CALL	AA-	8,600,000		4.38%				
WESTPAC (TERM)	TERM	AA-	23,000,000		11.71%	21.27%	30%	No	
UNITS IN LOCAL GOV'T HOUSE	NA	NA	154,668		0.08%	0.08%		N/A	
			196,460,876		100%	100%			36,000,000
Total Non Fossil Fuel Lending ADI									18%

C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (REC)



 Non Fossil Fuel Authorised Deposit Taking Institutions. (ADI's)

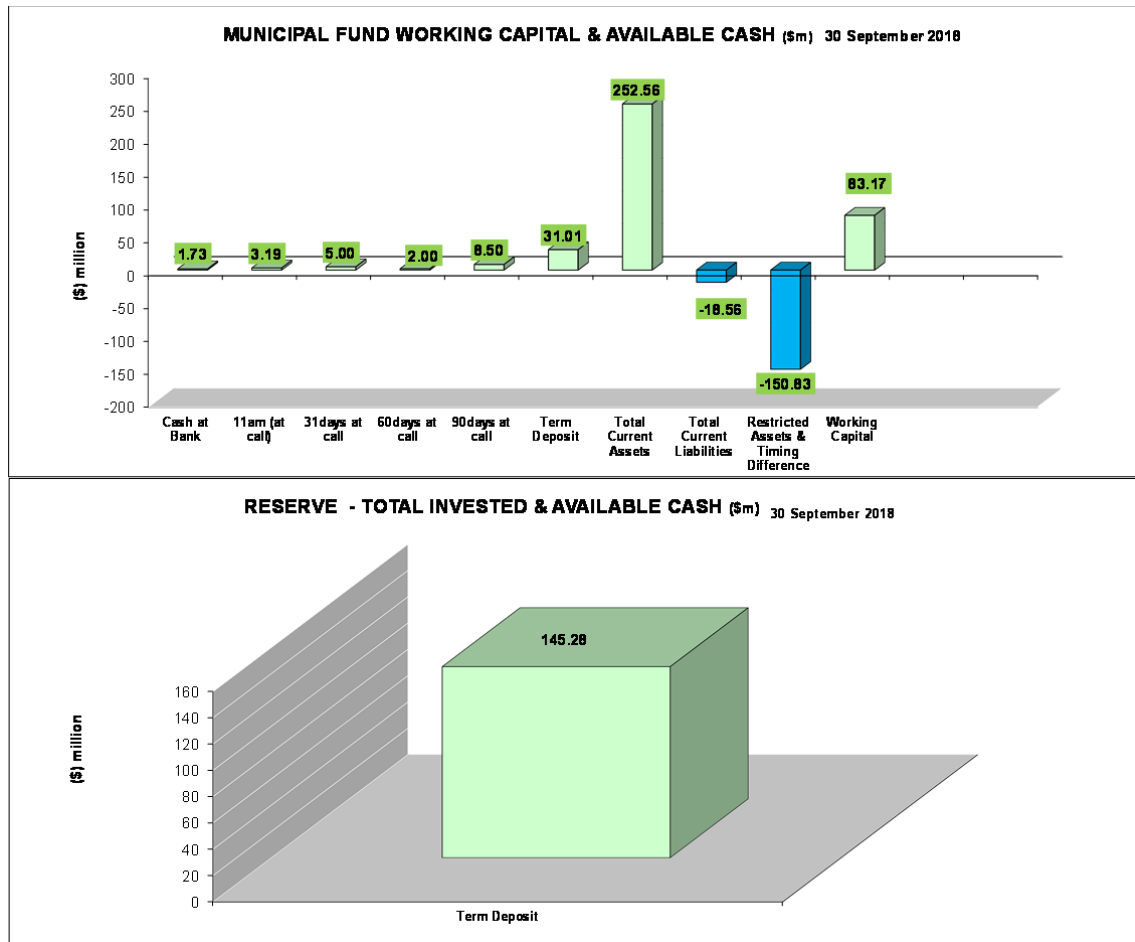
“Green investments” are authorised investment products made in authorised institutions that respect the environment by not investing in fossil fuel industries.

The total investment in authorised institutions that do not lend to industries engaged in the exploration for, or production of, fossil fuels, as at 30 September 2018 was \$36,000,000 or 18% of total investment holdings being in non-fossil fuels institutions. This compared to \$36,000,000 (17%) in August 2018. The amount of investment holdings in non-fossil fuels institutions stay the same between August and September, however, the percentage of holding increased as less funds are being invested in September. The total investment holding for September was \$196,460,876 and August was \$206,960,875.

C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (REC)

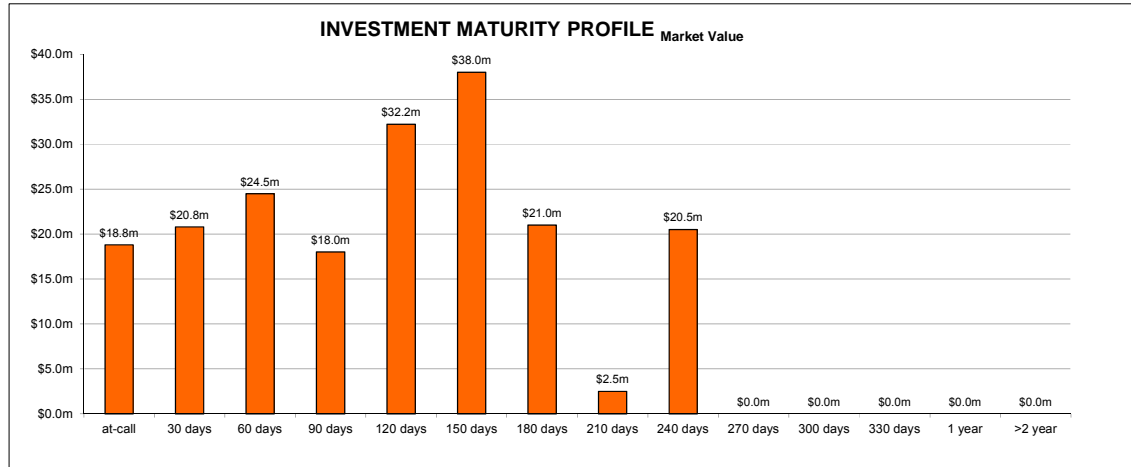
Net Funds Held

The graphs on the following page summarise the Municipal Fund working capital and available cash and the funds held in Cash Backed Specific Purpose Reserve Accounts as at 30 September 2018.



C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (REC)

The graph below summarises the maturity profile of the City's investments at market value as at 30 September 2018.



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).

Effective from 13 May 2017 the *Local Government (Financial Management) Regulations 1996* were amended (regulation 19C) to allow local governments to deposit funds for a fixed term of three years or less. The regulation previously only allowed for deposits of 12 months 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.

C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (REC)

FINANCIAL IMPLICATIONS

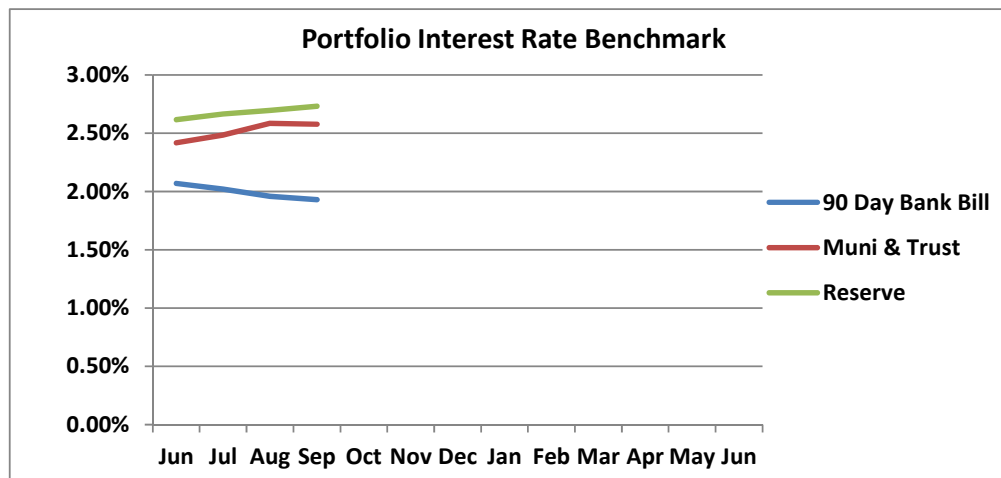
For the period ending 30 September 2018:

- Investment earnings on Municipal and Trust Funds were \$219,324 against a year to date budget of \$221,605 representing a \$2,281 negative variance.

The weighted average interest rate for Municipal and Trust Fund investments as at 30 September 2018 was 2.58% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.93%.

- Investment earnings on Reserve accounts were \$1,075,590 against a year to date budget of \$640,000 representing a \$435,590 positive variance.

The weighted average interest rate for Reserve account investments as at 30 September 2018 was 2.73% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.93%.



STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Strategic

The interest earned on invested funds assists in addressing the following key priority area identified in The City of Melville Corporate Business Plan 2016-2020.

Priority Number One – “Restricted current revenue base and increasing/changing service demands impacts on rates”.

Risk

The Council's Investment of Funds Policy CP-009 was drafted so as to minimise credit risk through investing in highly rated securities and diversification. The Policy also incorporates mechanisms that protect the City's investments from undue volatility risk as well as the risk to reputation as a result of investments that may be perceived as unsuitable by the Community.

C18/6000 - INVESTMENT STATEMENTS FOR SEPTEMBER 2018 (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*.

Council Policy CP-030 – Environmental states that the “The City aims to prevent, manage and minimise environmental impacts associated with its activities, while conserving and enhancing the City's biodiversity and environmental quality, thereby maintaining and creating healthy surroundings for the community.” Whilst this Policy directly relates to the environmental impacts that relate to activities within the Cities boundaries and there is a tenuous link between the City's investment activities and lending to organisations producing fossil fuels, the City will, to the extent it can without putting invested funds at undue risk, direct its investments to financial institutions that do not lend to those organisations.

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 2.58% to 2.73% which well exceeds the benchmark three month bank bill swap (BBSW) reference rate of 1.93%.

18% 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 17% in August 2018.

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

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

That the Council notes the Investment Report for the period ending 30 September 2018.

At 8:51pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

**C18/6001 – SCHEDULE OF ACCOUNTS PAID FOR SEPTEMBER 2018 (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 : Bruce Taylor – 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 & 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"/>	Information	<i>For the Council/Committee to note.</i>

KEY ISSUES / SUMMARY

This report presents the details of payments made under delegated authority to suppliers for the period of September 2018 and recommends that the Schedule of Accounts Paid be noted.

**C18/6001 – SCHEDULE OF ACCOUNTS PAID FOR SEPTEMBER 2018 (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 September including Payment Registers numbers, Cheques 680-683 and Electronic Funds Transfers batches 524-529 Trust Payments, Card Payments and Payroll was distributed to the Elected Members of the Council on 2 November 2018. Payments for the period totalled \$17,682,902.69 for the Municipal Fund and \$148,432.80 for the Trust Fund whilst new investment transactions totalled \$7,000,000.00. Details of the payments are shown in attachment [6001 September 2018](#).

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

Supplier Number	Supplier Name	Remittance Number	Remittance Details	Amount
10004	Building & Construction Industrial Training Fund	Chq 007171	Remittance of the building construction training levy collected by the City with building licence applications	\$79,624.70
10056	City of Cockburn	E066617	Commercial waste tip fees for August	\$34,797.70
10097	Hansen Pty Ltd (Forpark Australia Pty Ltd)	E066981	Fence and playground renewal at Laurie Withers Reserve	\$54,824.00
10278	Optus Billing Services	E066636 & E066993	Replacement of communications and security products and phone charges	\$131,541.40
10382	Synergy Electricity Retail Corporation	E066638 & E066999	Electricity charges	\$191,141.82
10385	Flexi Staff	E066639 & E067000	Temporary labour hire	\$47,527.14
10399	Briteshine Cleaning Services	E066640 & E067001	Cleaning services	\$28,669.74
10965	Calibre Coatings Pty Ltd	E067019	Painting of June Barton House	\$35,163.70
10974	RBM Drilling	E067020	Sinking, developing and testing of bore at Three Bears Park	\$27,832.20
11343	M P Rogers & Associates Pty Ltd	E066679 & E067042	Consultancy works for Deepwater Point and Point Heathcote project and for Melville Boardwalks and Jetties Maintenance project	\$39,624.43
11380	EMSO Maintenance T/A Crabclaw Holdings Pty Ltd	E066680 & E067043	Building maintenance	\$76,522.30
11523	Australia Post Perth	E066684 & E067046	Mail charges	\$26,356.45
12075	Turf Care WA Pty Ltd	E067056	Turf for various reserves	\$92,396.82
12203	Southern Metropolitan Regional Council	E066702	Green waste, MSW and MRF gate fees for August and RRRC loan repayment.	\$1,036,972.70
12865	MMM WA Pty Ltd	E066716 & E067071	Repair of sump wall at Elizabeth Manion Park and stone pitching works at LeisureFit Melville	\$32,814.03
13155	Austraffic WA	E066722	Automatic traffic counts for May and June	\$45,787.50

**C18/6001 – SCHEDULE OF ACCOUNTS PAID FOR SEPTEMBER 2018 (REC)
(ATTACHMENT)**

Supplier Number	Supplier Name	Remittance Number	Remittance Details	Amount
13245	Tree Amigos Tree Surgeons	E066724 & E067079	Tree lopping services	\$52,976.22
13309	Drainflow Services Pty Ltd	E066725 & E067080	Jetting and educting at various sites	\$36,729.00
13563	Pearmans Electrical & Mechanical Services Pty Ltd	E066732 & E067090	Electrical maintenance	\$188,757.07
13809	Sanpoint Pty Ltd	E066738 & E067097	Dosing cabinets for irrigation system at Webber Reserve and Peter Ellis Reserve	\$29,742.48
13935	Contraflow Pty Ltd	E066743 & E067102	Traffic management services	\$58,726.89
14051	Department of Fire and Emergency Services	E067105	ESL remittance for August	\$8,133,340.56
14152	Local Health Authorities Analytical Committee	E067107	Analytical services for 2018-19	\$25,727.44
14312	Hays Specialist Recruitment (Australia) Pty Ltd	E066752 & E067114	Temporary labour hire	\$47,188.23
14313	Asphaltech Pty Ltd	E066753 & E067115	Road resurfacing at various sites	\$255,758.73
14724	Axiis Contracting Pty Ltd	E066767 & E067123	Concrete works at various sites	\$386,177.49
14756	Eco Resources Pty Ltd	E066769 & E067124	Waste disposal fees	\$46,939.20
14964	Access Without Barriers Pty Ltd	E066779 & E067132	Building maintenance	\$26,039.23
15446	Erebus Contracting Pty Ltd	E066800 & E067145	Drainage conversion works at Curtis Road	\$26,059.00
15719	DB Cunningham Pty Ltd T/A Advantearing Civil Engineers	E066809 & E067153	Construction of wetland drainage at Quenda North and Deep Water Point and Point Walter boat launching facility upgrades	\$41,084.63
16015	Aquatic Services WA Pty Ltd	E066821 & E067163	Preventative maintenance to pool at LeisureFit Booragoon	\$26,617.58
16222	LGC Traffic Management	E066832 & E067175	Traffic management services	\$35,517.90
16223	Holton Connor Architects & Planners	E067176	Consultancy and architectural services for Tompkins Park Redevelopment project	\$39,209.50
16280	Quantum Building Services Pty Ltd	E066838 & E067179	Building maintenance	\$71,312.79
16392	BG&E Pty Ltd	E066845	Engineering consultancy for LeisureFit Booragoon pool investigation works	\$41,002.50
16439	Maintenance and Construction Services (Australia) Pty Ltd	E066853	Refurbishment works at LeisureFit Melville and AH Bracks Library	\$660,060.62
16506	T.C Drainage (WA) Pty Ltd	E066866	Investigation and repair works for Evershed Street pressure main refurbishment	\$63,330.14
16515	Marketforce Pty Ltd	E066868 & E067197	Advertising and design works	\$27,474.10
16605	Synergy Electrical Generation & Retail Corporation	E067209	Electricity charges	\$91,433.10

**C18/6001 – SCHEDULE OF ACCOUNTS PAID FOR SEPTEMBER 2018 (REC)
(ATTACHMENT)**

17037	Tree Care WA Pty Ltd	E066884 & E067215	Tree lopping services	\$70,445.95
17940	Natural Area Management & Services	E066896 & E067224	Planting and weed treatment at various Bushland reserves	\$56,269.50
99995	Building Commission Department of Commerce	E066613	Remittance of Building Service Levy collected on building licence applications	\$68,808.10
99999	Pindan Capital Kardinya Pty Ltd	Chq 066906	Bond refund for completion of works at 23 Buckingham Crescent	\$75,546.64

Payroll

Supplier Name	Remittance Number	Remittance Details	Amount
Various Banking Institutions	Direct Bank Transfers 05/09/2018 & 16/09/2018	Payment of salaries and wages to City employees net of tax and deduction for pays 3 and 4.	\$2,173,068.50
Australian Taxation Office	Direct Bank Transfers 05/09/2018 & 16/09/2018	Pay as You-Go taxation and other deductions from employee payroll for pays 3 and 4.	\$680,961.00
Creditors & Advances	Direct Bank Transfers 05/09/2018 & 16/09/2018	Payment of superannuation, union membership, council rates, vehicle deductions, Centrelink, etc. for pays 3 and 4.	\$539,889.85
Total			\$3,393,919.35

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

**C18/6001 – SCHEDULE OF ACCOUNTS PAID FOR SEPTEMBER 2018 (REC)
(ATTACHMENT)****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

Payments for the period totalled \$17,682,902.69 for the Municipal Fund and \$148,432.80 for the Trust Fund whilst new investment transactions totalled \$7,000,000.00.

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

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

That the Council notes the Schedule of Accounts paid for the period of September 2018 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 September 2018](#)

At 8:51pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (12/0)

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (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	: Bruce Taylor – 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"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
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<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>

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)****KEY ISSUES / SUMMARY**

This report presents:

- The Statements of Financial Activity by Program, Sub-Program and Nature and Type, for the period ending 30 September 2018 and recommends that they be noted by the Council.
- The variances for the month of September 2018 and recommends that they be noted by the Council.
- The Budget amendments required for the month of September 2018 and recommends that they be adopted by Absolute Majority decision of the Council.
- Proposed amendments to the adopted 2018-2019 Fees and Charges Schedule and recommends that they be noted and adopted by Absolute Majority decision of the Council

BACKGROUND

The Statements of Financial Activity for the period ending 30 September 2018 have been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.

Subsequent to the adoption of the 2018-2019 Annual Budget, changes in statutory charges for the Development Assessment Panel Applications as well as new charges and/or changes in LeisureFit, Health Services, Community Safety, and Heathcote programs, require amendments to the adopted Fees and Charges Schedule for 2018-2019.

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

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)**
Variations

RATE SETTING STATEMENT <small>by Program</small>							
EXTRACT OF RATE SETTING STATEMENT FOR VARIANCE \$50,000							
for the Period 1 July 2018 to 30 September 2018							
	September	YTD	YTD	Variance	Variance	Annual	Annual
	Actual	Rev. Budget	Actual		%	Budget	Rev. Budget
	\$	\$	\$	\$	%	\$	\$
OPERATING ACTIVITIES							
Revenue from operating activities (excluding rates and non-operating grant, subsidies and contributions)							
General Purpose Funding	1,074,728	5,205,629	5,292,452	86,823	2%	10,568,752	10,568,752
Community Amenities	122,268	2,192,019	2,079,862	(112,156)	-5%	3,338,109	3,338,109
Recreation and Culture	729,333	2,046,613	2,130,882	84,269	71%	8,160,171	8,160,171
Economic Services	432,436	1,065,201	1,424,215	359,014	34%	2,762,888	2,762,888
Other Property and Services	103,547	18,670	300,317	281,647	1509%	334,849	670,499
	2,649,183	13,719,855	14,317,196	597,341		30,082,837	30,418,487
Expenditure from operating activities							
Governance	(414,563)	(1,239,883)	(1,188,786)	51,097	-4%	(5,612,027)	(6,029,121)
Law, Order, Public Safety	(315,820)	(1,034,794)	(903,160)	131,634	-13%	(4,259,141)	(4,269,425)
Education & Welfare	(201,288)	(688,043)	(611,510)	76,533	-11%	(2,819,942)	(2,846,348)
Community Amenities	(2,092,918)	(6,486,968)	(6,003,295)	483,673	-7%	(25,607,458)	(25,950,000)
Recreation and Culture	(2,413,233)	(7,524,807)	(6,931,167)	593,640	-8%	(31,042,439)	(31,210,475)
Transport	(1,499,817)	(4,361,076)	(4,233,227)	127,850	-3%	(18,503,353)	(18,503,353)
Other Property and Services	(415,788)	(2,802,885)	(2,313,025)	489,860	-17%	(9,865,826)	(10,305,921)
	(7,740,132)	(25,282,212)	(23,366,247)	1,915,965		(108,727,124)	(110,241,581)
Investing Activities							
Non-operating grants, subsidies and contributions	551,359	1,545,387	996,879	(548,508)		4,963,126	6,119,146
Purchase of Furniture & Equipment	(31,438)	(449,088)	(168,719)	280,369	-62%	(1,863,602)	(3,049,769)
Purchase of Land & Buildings	(793,210)	(2,295,729)	(1,437,141)	858,588	-37%	(11,831,681)	(29,129,483)
Purchase of Infrastructure Assets	(1,372,968)	(4,217,283)	(2,853,121)	1,364,162	-32%	(23,494,859)	(32,051,020)
	(1,594,272)	(5,470,713)	(3,508,593)	4,472,747		(33,614,073)	(60,217,333)

A more detailed summary of variances and comments based on the Rate Setting Statement by Sub-Program is provided in attachments [6002C Sub Program September 2018](#) and [6002H September 2018](#).

Revenue

\$87.48 million in Rates was raised as at 30 September 2018 compared to a year to date budget of \$86.15 million. There is a variance of \$1.33 million compared to the Rate Setting Statement due to an adjustment of rates overpayments of \$1.1 million. This is an accounting treatment and will be adjusted at year end. There is a positive variance of \$228,653 when compared to year to date actual (0.27%).

Money Expended in an Emergency and Unbudgeted Expenditure

Not applicable for September 2018.

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)****Budget Amendments**

Details of Budget Amendments requested for the month of September 2018 are shown in attachment [6002J September 2018](#). Highlighted are ten budget amendment journals greater than \$50,000 that were processed in September 2018:

- \$4,428,171 – Reinstatement of 2017-2018 carry forward projects in the 2018-2019 financial year. Funding for projects is held within reserve accounts. Further details have been provided in the Elected Members Bulletin.
- \$317,802 – Correction to carry forward reinstatement journal. Strategic Urban Planning projects to be funded by the Special Projects Reserve and not the Unexpended Capital Works Reserve.
- \$209,734 – Amendment to the budget journal reinstating 2017-2018 carry forwards in 2018-2019.
- \$439,092 – Transfer of additional carry forward for Tompkins Park project from 2017-2018 to 2018-2019.
- \$100,000 – Consolidation of budgets for the Leisure Pool project.
- \$6,800,152 – Consolidation of budgets for the Shirley Strickland Reserve upgrade project.
- \$134,632 - Adjustment to carry forwards transfer from 2017-2018 to 2018-2019 for Lighting Projects (\$67,316) and transfer budget from additional minor capital renewal project to Light Pole Renewal project (\$67,316).
- \$139,164 - Consolidation of budgets for the Unified Communications upgrade project.
- \$200,000 - Transfer of budget for Jetty Renewal works to correct responsible officer.
- \$93,170 - Transfer of budget for Heathcote Upper Carpark renewal to correct responsible officer.

Rates, Refuse, Fire and Emergency Service Authority and Underground Power payments totalling \$4,753,383 were collected over the course of the month. Rates collection progress for the month of September is 0.5% below the target of 61.8%. This represents a dollar value of \$452,284. As at 30 September 60.3% of the 2018-2019 rates, including prior year arrears had been collected compared with 61.5% collected for the same time last year. Rates collection for 2018-2019 excluding prior year rate arrears is 62.6%.

Total sundry debtor balances increased by \$196,247 over the course of the month from \$599,175 to \$795,423. The 90+ day's debtor balance increased by \$106,995 from \$162,645 to \$269,640.

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 September 2018.

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)**

Proposed amendments to the 2018-2019 Fees and Charges

Key amendments include:

- Following adoption of the 2018-2019 Annual Budget, officers received advice from the State Planning Commission that the State regulated fees for Development Assessment Panel applications have been amended for 2018-2019.
- Amendments to the Fees and Charges applicable to programs run at the Heathcote Cultural Centre.

Amendments to the relevant sections of the 2018-2019 Fees and Charges Schedule are presented in attachment [6002O 2018 2019 Amended Fees and Charges](#) for the Council's noting and adoption.

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

DESCRIPTION	LINK
Statement of Financial Activity By Nature and Type – September 2018	6002A Nature Type September 2018
Rate Setting Statement by Program – September 2018	6002B Program September 2018
Rate Setting Statement by Sub-Program – September 2018	6002C Sub Program September 2018
Representation of Net Working Capital – September 2018	6002E September 2018
Reconciliation of Net Working Capital – September 2018	6002F September 2018
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – September 2018	6002H September 2018
Details of Budget Amendments requested – September 2018	6002J September 2018
Summary of Rates Debtors – September 2018	6002L September 2018
Graph Showing Rates Collections – September 2018	6002M September 2018
Summary of General Debtors aged 90 Days Old or Greater – September 2018	6002 September 2018
Amended 2018-2019 Fees and Charges	6002O 2018 2019 Amended Fees and Charges

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)****STATUTORY AND LEGAL IMPLICATIONS**

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

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

34. Financial activity statement report — s. 6.4

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

(a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);

(b) budget estimates to the end of the month to which the statement relates;

(c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;

(d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and

(e) the net current assets at the end of the month to which the statement relates.

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

(a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;

(b) an explanation of each of the material variances referred to in subregulation (1)(d); and

(c) such other supporting information as is considered relevant by the local government.

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

(a) according to nature and type classification; or

(b) by program; or

(c) by business unit.

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

(a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and

(b) recorded in the minutes of the meeting at which it is presented.

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

The variance adopted by the Council 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.

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)****Fees and Charges****6.16. Imposition of fees and charges**

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

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

- (a) providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;*
- (b) supplying a service or carrying out work at the request of a person;*
- (c) subject to section 5.94, providing information from local government records;*
- (d) receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;*
- (e) supplying goods;*
- (f) such other service as may be prescribed.*

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

- (a) imposed* during a financial year; and*
- (b) amended* from time to time during a financial year.*

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

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

FINANCIAL IMPLICATIONS**Variiances**

Variiances are detailed and explained in attachment [6002H September 2018](#) (Notes on Statement of Variiances in excess of \$50,000 by Sub-Program).

Fees and Charges

It is not expected that the amendments to the Fees and Charges Schedule presented in attachment [6002O 2018 2019 Amended Fees and Charges](#) will have a material impact on the City's budget. Consequently, changes to the income budgets are not proposed in this report but will be considered, if necessary, as part of the Mid Year Budget Review.

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)****STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

There are no identifiable strategic, risks or environmental management implications arising from this report.

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**Fees and Charges**

In respect of Development Application Fees the City does have discretion to apply fees less than or up to the maximum fees indicated by the Department of Planning. The City charges the maximum fee and charging less than the maximum would result in an under recovery of the City's costs associated with assessing and approving planning applications.

CONCLUSION

The attached financial reports reflect a positive financial position of the City of Melville as at 30 September 2018.

The changes to the 2018-2019 Fees and Charges schedule with respect to Development Application Fees are to bring the Fees and Charges manual into line with the statutory maximum fees set by the State Government. Other changes to the 2018-2019 Fees and Charges schedule will reflect the better provision of services to the community.

At 8:49pm Ms M Piasecka left the meeting

During discussion officers advised that both Point 4 and the Schedule of Amended Fees and Charges referred to in Point 5 required the date to be amended from 3 December to 5 December. The mover and seconder accepted the change.

**C18/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR SEPTEMBER 2018 (AMREC)
(ATTACHMENTS)**

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6002) NOTING AND
ABSOLUTE MAJORITY**

At 8:49pm Cr Barling moved, seconded Cr Phelan –

That the Council:

- Notes the Rate Setting Statement and Statements of Financial Activity for the month ending 30 September 2018 as detailed in the following attachments:**

DESCRIPTION	LINK
Statement of Financial Activity By Nature and Type – September 2018	6002A Nature Type September 2018
Rate Setting Statement by Program – September 2018	6002B Program September 2018
Rate Setting Statement by Sub-Program – September 2018	6002C Sub Program September 2018
Representation of Net Working Capital – September 2018	6002E September 2018
Reconciliation of Net Working Capital – September 2018	6002F September 2018
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – September 2018	6002H September 2018
Details of Budget Amendments requested – September 2018	6002J September 2018
Summary of Rates Debtors – September 2018	6002L September 2018
Graph Showing Rates Collections – September 2018	6002M September 2018
Summary of General Debtors aged 90 Days Old or Greater – September 2018	6002 September 2018
Amended 2018-2019 Fees and Charges	6002O 2018 2019 Amended Fees and Charges

- By Absolute Majority Decision adopts the budget amendments, as detailed in the attached Budget Amendment Reports for September 2018 [6002J September 2018](#).**
- Notes the new Development Application Fees as indicated in the attached Schedule of Amended Fees and Charges [6002O 2018 2019 Amended Fees and Charges](#) and that these fees were applicable from the date of gazettal.**
- Notes that other Fees in the attached Schedule of Amended Fees and Charges [6002O 2018 2019 Amended Fees and Charges](#) will be applicable from 5 December 2018 following a public notice to be published 27 November 2018.**
- By Absolute Majority Decision, in accordance with Section 6.16 of the Local Government Act 1995, adopts the fees and charges as indicated in the attached Schedule of Amended Fees and Charges [6002O 2018 2019 Amended Fees and Charges](#).**

At 8.51pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (12/0)

LATE ITEM - P18/3793 - CANNING BRIDGE ACTIVITY CENTRE PLAN – COUNCIL REQUEST FOR PREPARATION OF PLANNING POLICY (REC)

Item brought forward see page 14.

15. EN BLOC ITEMS

At 8:51pm Cr Barling moved, seconded Cr Robins –

That the recommendations for items C18/6156, C18/5648, CD18/8110, M18/5000, CD18/5653, C18/6000 and C18/6001 be carried En Bloc.

At 8:51pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**16.1 Review of Clause 18.4 Meeting Procedures Local Law 2017**

Cr Pazolli in moving the motion, requested the word “approval” in the fourth line be changed to “consideration”. The seconded accepted the proposed change.

At 8:51pm Cr Pazolli moved, seconded Cr Kepert –

That the Council requests the Chief Executive Officer undertakes a review of the wording of Clause 18.4, “Implementation of a decision”, in the City of Melville Meeting Procedures Local Law 2017 to submit by March 2019 for Council consideration, an amendment to the clause that will allow Council to consider a motion to revoke or change a decision of the Council or committee even if implementation of the decision has already commenced, provided the Chief Executive Officer presents to the Council a report or statement of impact of the legal and financial consequences of the proposed revocation or change for the Council’s consideration.

Reasons for Motion

1. The current wording of Clause 18.4(2) states: “That the Council or a committee shall not vote on a motion to revoke or change a decision of the Council or committee whether the motion of revocation or change is moved with or without notice, if at the time the motion is moved or notice is given – (a) action has been take to implement the decision; or (b) where the decision concerns the issue of an approval or the authorisation of a licence, permit or certificate has been put into effect in writing to the applicant or the applicant’s agent by an employee of the local government authorised by the CEO to do so; without having considered a statement of impact prepared by or at the direction of the CEO of the legal and financial consequences of the proposed revocation and change.”
2. With this current wording, once implementation of a decision has began, Council would **never ever** be able to change or revoke or change any decision it has taken. This is clearly a nonsense. The original intention of the local law wording would seem to be that Council should be able to revoke or change a decision of Council that has commenced to be implemented, only if the revocation / change motion includes consideration of a report /impact statement prepared by the CEO detailing the legal and financial implications of such a revocation / change.
3. Other Councils have similar clauses in their local laws, but the wording seems to make more sense than that in the City of Melville local law. For example, the City of South Perth wording is: “16.2(2) The Council or committee may consider a motion to revoke or change a decision of the kind described in subclause (1)(a) if the motion is accompanied by a written statement of the legal and financial consequences of carrying the motion.”
4. The exclusion of Part (b) of the current local law subclause only applies to decisions relating to the issue of licences, permits or certificates by City officers under delegated authority, whereas it would seem logical that that exclusion should also apply to all decisions of Council included in Part (a) of the subclause.
5. The purpose of this notice of motion is to request the CEO review the wording of this local law clause to ensure that Council can revoke or change any previous Council decision provided consideration is given to the legal and financial consequences of such a decision.

Deferral motion

At 8:58pm Cr Woodall moved, seconded Cr Wieland –

That the matter be deferred to the March 2019 Ordinary Meeting of Council with a presentation to Elected Member Information Session prior to the March meeting.

At 8:58pm the Mayor submitted the motion, which was declared

CARRIED (9/3)

Vote Result Summary	
Yes	9
No	3

Vote Result Detailed	
Cr Pazolli	No
Cr Barton	No
Cr Mair	No
Cr Phelan	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Cr Barling	Yes
Cr Robartson	Yes
Cr Kepert	Yes
Cr Robins	Yes
Mayor	Yes

17. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

Nil.

COUNCIL RESOLUTION

At 9:03pm Cr Kepert moved, seconded Cr Phelan –

That the meeting be closed to the members of the public to allow for items deemed confidential in accordance with sections 5.23 (2), (a) and (c) of the Local Government Act 1995, to be discussed behind closed doors.

At 9:03pm the Mayor submitted the motion, which was declared

CARRIED (12/0)

At 9:05pm Ms C Young left the meeting and did not return.

At 9:05pm Mr S Cope left the meeting and did not return.

At 9:05pm Mr M McCarthy left the meeting and did not return.

At 9:05pm Mr J Clark left the meeting and did not return.

At 9:05pm Mr L Hitchcock left the meeting and did not return.

At 9:05pm Ms J Head left the meeting and did not return.

At 9:05pm Mr B Taylor left the meeting and did not return.

Disclosures of Interest

Item No.	C18/5660
Officer	Mr M Tieleman
Type of Interest	Financial Interest
Nature of Interest	Mr Tieleman is the officer referred to in the report
Request	Leave
Decision	Leave

At 9:05pm the Mr M Tieleman having declared an interest left the meeting and did not return.

18. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED**LATE CONFIDENTIAL ITEM - C18/5660 CHIEF EXECUTIVE OFFICER APPOINTMENT
(REC) (CONFIDENTIAL ATTACHMENT)**

The Confidential Item and attachment were distributed to Elected Members on Monday, 19 November 2018.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5660) APPROVAL

At 9:10pm Cr Wieland moved, seconded Cr Barling –

That the Council adopt the contract variation included in confidential attachment A.

At 9:10pm the Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (12/0)

COUNCIL RESOLUTION

At 9:11pm Cr Barling moved, seconded Cr Phelan -

That the meeting come out from behind closed doors and the public be invited back into the meeting.

At 9:11pm the Mayor submitted the motion, which was declared
CARRIED (12/0)

No members of the public returned to the meeting

19. CLOSURE

There being no further business to discuss, the Mayor declared the meeting closed at 9.11pm.