

MINUTES

OF THE

ORDINARY MEETING OF THE COUNCIL

HELD ON

TUESDAY 18 APRIL 2017

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, 18 APRIL 2017.

1. OFFICIAL OPENING

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

Affirmation of Civic Duty and Responsibility

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

2. PRESENT

His Worship the Mayor R Aubrey

COUNCILLORS

Deputy Mayor Cr R Aubrey
Cr D Macphail
Cr N Pazolli, Cr C Schuster
Cr J Barton
Cr M Woodall
Cr P Phelan
Cr N Foxtton, Cr T Barling

WARD

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

3. IN ATTENDANCE

Dr S Silcox	Chief Executive Officer
Mr M Tieleman	Director Corporate Services
Ms C Young	Director Community Development
Mr J Christie	Director Technical Services
Mr S Cope	Director Urban Planning
Mr L Hitchcock	Executive Manager Legal Services
Mr J Clark	Governance and Compliance Program Manager
Mr Jeremy Rae (From 8.36)	Strategic Land and Property Executive
Mr P Moloney (Until 8.21pm)	A/Manager Resource Recovery & Waste
Mr P Handcock (Until 8.21pm)	Asset Management Coordinator
Ms C Newman (Until 8.00pm)	Executive and Governance Officer
Mr N Fimmano	Governance and Property Officer
Ms S Tranchita	Minute Secretary

At the commencement of the meeting there were 17 members of the public and one member from the Press in the Public Gallery.

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

Nil

4.2 APPROVED LEAVE OF ABSENCE

Cr G Wieland – Bicton/Attadale Ward
Cr C Robartson – Bull Creek/Leeming Ward

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

Councillors Barling, Pazolli and Barton advised that they did not have time to read Item P17/3752 Confidential Item – Purchase of Applecross Strategic Property

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

Nil

6. QUESTION TIME

6.1 Mr G Crawford, Melville Residents and Ratepayers Association

Subject: 6 April 2017 Special Meeting Council draft minutes – inaccurate recording of questions

Question 1

Why has the City misrepresented the Melville Residents and Ratepayers Association's question 1 in its draft minutes?

Response

The City is required to include a summary of the question and response. As the comment provided with the question is assessed to be defamatory, the City will not include such comment in the Minutes.

Question 2

Why has Council not answered the question actually asked?

Response

See the response to Question 1.

Question 3

Given the question relates to the Chief Executive Officer's conduct; why did the Mayor delegate to the Chief Executive Officer to respond to the question?

Response

A response had been provided to inform media and the response related to the question asked.

6.2 Mr G Crawford, Melville Residents and Ratepayers Association

Advice of Complaint –

A complaint has been made regarding some matters of administration of the City. The complaint will be actioned in accordance with the City's Complaint Management Policy.

7. AWARDS AND PRESENTATIONS

Nil

8. CONFIRMATION OF MINUTES**8.1 ORDINARY MEETING OF THE COUNCIL – 21 MARCH 2017**
Minutes 21 March 2017**COUNCIL RESOLUTION**

At 6.40pm Cr Aubrey moved, seconded Cr Macphail -

That the Minutes of the Ordinary Meeting of the Council held on Tuesday, 21 March 2017, be confirmed as a true and accurate record.

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

CARRIED UNANIMOUSLY (10/0)

8.2 NOTES OF AGENDA BRIEFING FORUM – 4 APRIL 2017
Notes 4 April 2017**COUNCIL RESOLUTION**

At 6.40pm Cr Schuster moved, seconded Cr Foxton -

That the Notes of the Agenda Briefing Forum held on Tuesday, 4 April 2017, be received.

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

CARRIED UNANIMOUSLY (10/0)

8.3 SPECIAL MEETING OF ELECTORS – 15 MARCH 2017
Minutes SME 15 March 2017**COUNCIL RESOLUTION**

At 6.41pm Cr Aubrey moved, seconded Cr Phelan -

That the Minutes of the Special Meeting of Electors held on Wednesday, 15 March 2017, be confirmed as a true and accurate record.

At .6.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (10/0)

8.4 SPECIAL MEETING OF ELECTORS – 23 MARCH 2017
Minutes SME 23 March 2017

COUNCIL RESOLUTION

At 6.41pm Cr Aubrey moved, seconded Cr Woodall -

That the Minutes of the Special Meeting of Electors held on Thursday, 23 March 2017, be confirmed as a true and accurate record.

At 6.41pm the Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (10/0)

8.5 SPECIAL MEETING OF COUNCIL – 6 APRIL 2017
Minutes SMC 6 April 2017

COUNCIL RESOLUTION

At 6.45pm Cr Woodall moved, seconded Cr Pazolli -

That the Minutes of the Special Meeting of the Council held on Thursday, 6 April 2017, be deferred for confirmation at the May 2017 Ordinary Meeting of Council.

At 6.45pm the Mayor submitted the motion, which was declared
CARRIED UNANIMOUSLY (10/0)

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

Nil

9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

Nil

10. DEPUTATIONS

Nil

11. APPLICATIONS FOR NEW LEAVES OF ABSENCE

At 6.45pm Cr Schuster moved, seconded Cr Aubrey -

That the application for new leave of absence submitted by Cr Barton on 18 April 2017 be granted.

At 6.45pm the Mayor submitted the motion which was declared

CARRIED UNANIMOUSLY (10/0)

12. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

ITEM P17/375 Confidential Item – Purchase of Applecross Strategic Property

13. PETITIONS

Nil

At 6.46pm His Worship the Mayor requested that item 16.1 be brought forward for discussion.

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

16.1 Proposed Amendments to Canning Bridge Activity Centre Plan

At 6.46pm Cr Schuster moved, seconded Cr Pazolli –

That the Council:

- 1. Requests the Chief Executive Officer to report back to Council of the feasibility of reviewing the Canning Bridge Activity Centre Plan [“CBACP”] to consider the following objectives listed as (i) to (iii) inclusive below:**
 - (i) Amend Clause 5.7, Desired Outcome 5, [Side and Rear Setbacks] to remove the requirement for provisions of privacy not to be considered within the CBACP area, in favour of a requirement to protect neighbour privacy when those premises are single residential or grouped housing properties through the use of glazing technologies, placement and size of windows and the like;**
 - (ii) Amend the CBACP to require all proposals for multiple unit developments of 4 stories or higher to provide mandatory Amenity Impact Statements in the H4, H8 and M10 areas of the CBACP Q1 and Q2 zones, as described in Council Policy LPP 1.10, for neighbouring properties that are not themselves multi- unit developments; and,**
 - (iii) Amend Clause 2.3 of the CBACP to require a lot size minimum of 1,200 square metres for buildings of 14 metres height or above (approximately 4 stories) instead of 20 metres as is currently the case.**
- 2. Requests the Chief Executive Officer to provide a briefing to an Elected Members Information Session in relation to the matching of the provision of transport (major and minor roads; public transport), water, sewerage, drainage, electricity, gas, pedestrian facilities in the CBACP area against the potential demands on that infrastructure over time as the CBACP area re-develops; and,**
- 3. Requests the Chief Executive Officer to provide a briefing at an Elected Members Information Session on the relationship between State Planning Policy (SPP) 4.2 (Activity Centres for Perth and Peel) and the CBACP in relation to residential densities expected in the M15, H8 and H4 zones of the CBACP, how these densities relate to the developments either approved or seeking approval in the CBACP area, and whether and if so how residential density constraints consistent with the requirements of SPP 4.2 could be implemented in the CBACP.**

16.1 Proposed Amendments to Canning Bridge Activity Centre Plan - Continued**AMENDMENT**

That the Council –

After ‘1 Requests the Chief Executive Officer to insert a comma followed by the words:

‘As part of an upcoming review of’ and remove the words ‘report back to Council of the feasibility of reviewing’ and then inserting a comma after [CBACP] (pg67)

Both the Mover and Secunder agreed to incorporate the amendment into the Officer Recommendation.

COUNCIL RESOLUTION (16.1)

That the Council:

- 1. Requests the Chief Executive Officer, *as part of an upcoming review of the Canning Bridge Activity Centre Plan* [“CBACP”], to consider the following objectives listed as (i) to (iii) inclusive below:
 - (i) Amend Clause 5.7, Desired Outcome 5, [Side and Rear Setbacks] to remove the requirement for provisions of privacy not to be considered within the CBACP area, in favour of a requirement to protect neighbour privacy when those premises are single residential or grouped housing properties through the use of glazing technologies, placement and size of windows and the like;**
 - (ii) Amend the CBACP to require all proposals for multiple unit developments of 4 stories or higher to provide mandatory Amenity Impact Statements in the H4, H8 and M10 areas of the CBACP Q1 and Q2 zones, as described in Council Policy LPP 1.10, for neighbouring properties that are not themselves multi- unit developments; and,**
 - (iii) Amend Clause 2.3 of the CBACP to require a lot size minimum of 1,200 square metres for buildings of 14 metres height or above (approximately 4 stories) instead of 20 metres as is currently the case.****
- 2. Requests the Chief Executive Officer to provide a briefing to an Elected Members Information Session in relation to the matching of the provision of transport (major and minor roads; public transport), water, sewerage, drainage, electricity, gas, pedestrian facilities in the CBACP area against the potential demands on that infrastructure over time as the CBACP area re-develops; and,**
- 3. Requests the Chief Executive Officer to provide a briefing at an Elected Members Information Session on the relationship between State Planning Policy (SPP) 4.2 (Activity Centres for Perth and Peel) and the CBACP in relation to residential densities expected in the M15, H8 and H4 zones of the CBACP, how these densities relate to the developments either approved or seeking approval in the CBACP area, and whether and if so how residential density constraints consistent with the requirements of SPP 4.2 could be implemented in the CBACP.**

At 7.16pm the Mayor submitted the motion, as amended which was declared

CARRIED UNANIMOUSLY (10/0)

16.1 Proposed Amendments to Canning Bridge Activity Centre Plan (Continued)

Cr Schuster provided the following reasons in support of the motion.

1. The CBACP is a transforming plan for our City and a key part of the City's strategy to continue with R20 style densities in most of our suburbs – I continue to support it. That said the experience of the first 18 months of the CBACP has been mixed in some respects, particularly in the H4 areas. This has been created by the general economic and housing conditions in Perth which seem to be delaying new projects around the metropolitan area, and the desires of individual proponents to develop unit stock that suits the market they have;
2. In the past few months the Council has endorsed some small changes to the CBACP (December 2016) as a result of a review requested when we approved the CBACP; the issue of notification signs on major development sites has finally been resolved after a few goes; the capacity to call up major developments for Council consideration has been broadened; and the Council has requested amendments to limit buildings in the H4 zone to 16 metres in height, to increase car parking requirements in multi-unit developments and consider the issue of visitor parking. All of these came from consideration of development approvals I have been involved in and the need to moderate impacts on single residential and grouped housing residents/owners who will be in transition in these areas for 20 to 30 years –in my view we have to continue seeking the correct transition arrangements to encourage the CBACP objectives while protecting to the extent possible the amenity of remaining single residences;
3. Item 1 relates to Clause 5.7 in the CBACP that states privacy considerations will not be considered (along with solar access and overshadowing) in development applications – clearly this one line in a 122 page document did not attract the attention it deserved in the consultation period, as it attracted only limited comment. The effect of it is to allow 4 (or 5 depending on your viewpoint) story buildings with large windows to living areas to overlook suburban backyards that will probably still be there in 20 years – there are technology options such as frosted glazing that still allow light in, and allow residents to look out and up but not down into neighbour's properties and I am suggesting the CBACP be changed to allow this. The December Council resolution went a little way towards this by suggesting developers need to be aware of amenity for neighbours;
4. Council policy LPP 1.10 requires Amenity Impact Statements in certain developments –I am simply suggesting this be extended to the Q1 and Q2 zones in the CBACP (the Melville section), except where the neighbouring properties are multi-unit developments, so as to require proponents and planners to properly consider if the amenity of the neighbouring properties has been protected to the extent possible;
5. Currently developments in the H8 area require a minimum lot size of 1,200 sq metres and I am suggesting extending this to the H4 area. This will potentially have the effect of slowing development in the H4 area which actually matches the staging suggestions in the CBACP, where the core area was thought to be the initial focus – the most recent approval in the H4 area was for 29 apartments on an 1100 sq metre lot, which most people think is too many and not in keeping with the character of Applecross; and,

16.1 Proposed Amendments to Canning Bridge Activity Centre Plan (Continued)

6. The final two points request a briefing on infrastructure and the imposition of R Codes in the CBACP –the R Code removal again did not create a lot of comment and is allowed under SPP 3.1 (Residential Design Codes), but SPP 4.2 suggests (Table 3) that 20 to 30 dwellings per gross hectare in District Centres as acceptable –I suspect that is too low, but nonetheless think a structured discussion on the development of R codes for the H4 and H8 areas of the CBACP would be useful as a way to match plans with reality.

At 7.19pm Cr Woodall left the meeting and returned at 7.23pm

MOTION OF PRIVILEGE

At 7.17pm Cr Macphail moved, seconded Cr Phelan, the following Motion in accordance with Clause 8.4 of Standing Orders Local Law 2003 -

That Cr Macphail be allowed to speak on a matter of privilege.

At 7.18pm the Mayor submitted the motion, which was declared

CARRIED (8/2)

Vote Result Summary	
Yes	8
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barton	No
Cr Pazolli	No

At 7.24pm Cr Phelan moved, seconded Cr Barling –

That in accordance with Standing Order Clause 9.6 (Limitation of duration of speeches) Cr Macphail be permitted an extension of time to speak.

At 7.24pm the Mayor submitted the motion which was declared

CARRIED (10/0)

MOTION OF PRIVILEGE - CONTINUED

TABLING OF DOCUMENTS

At 7.28pm Cr Macphail moved, seconded Cr Aubrey, the following Motion in accordance with Clause 9.11 of Standing Orders Local Law 2003 –

That the documents as tabled be accepted and included as an attachment to the minutes.

[Documents Tabled by Cr Macphail](#)

At 7.28pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (8/2)

Vote Result Summary	
Yes	8
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Foxton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barton	No
Cr Pazolli	No

14. REPORTS OF THE CHIEF EXECUTIVE OFFICER

M17/5539 – EXTRA ORDINARY ELECTION (AMREC)

Ward : Palmyra/Melville/Willagee
 Category : Operational
 Application Number : Not Applicable
 Subject Index : Elections
 Customer Index : Western Australian Electoral Commission
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Not Applicable
 Responsible Officer : Jeff Clark
 Governance and Compliance Program Manager

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input 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>

M17/5539 – EXTRA ORDINARY ELECTION (AMREC)**KEY ISSUES / SUMMARY**

- An extraordinary vacancy has occurred in the Palmyra/Melville/Willagee ward as a result of the election to State Parliament of former Councillor Lisa O'Malley.
- The Council must resolve to either hold an extraordinary election to fill the ward vacancy or request the Western Australian Electoral Commissioner to allow the vacancy to remain unfilled until the forthcoming local government election in October 2017.
- This report recommends that the vacancy remain unfilled pending the forthcoming local government election in October 2017.

BACKGROUND

The City of Melville (the City) is required to respond to the unexpected vacancy created by the election to State Parliament of former Councillor Lisa O'Malley. The City is required to take action by the provisions of the *Local Government Act 1995* to resolve whether to undertake an extraordinary election or make an application to the Western Australian Electoral Commissioner to allow the vacancy to remain unfilled until the forthcoming local government election in October 2017.

DETAIL

The City is required to take action to either commence a process to undertake an extraordinary election or request that the Western Australian Electoral Commissioner allow the vacancy to remain unfilled pending the forthcoming local government election to be held in October 2017.

The required time for an extraordinary election is within four months of the date that a vacancy occurs. Should the Council resolve that an extraordinary election be held, the Western Australian Electoral Commissioner would be approached to seek his agreement to conduct an election. The notice period for an election is usually 80 days which would mean an election would be held in June 2017. A Councillor elected would then serve the remainder of the term until 21 October 2017 when the biennial local government election will take place.

The Council can resolve to request the Western Australian Electoral Commissioner to allow the vacancy to remain unfilled until the forthcoming local government election as the provisions of Section 4.17(2), (3) and (4) of the *Local Government Act 1995* apply.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

No consultation with community groups is required.

M17/5539 – EXTRA ORDINARY ELECTION (AMREC)**II. OTHER AGENCIES / CONSULTANTS**

Consultation with the Western Australian Electoral Commissioner is required.

STATUTORY AND LEGAL IMPLICATIONS

The Council or the Mayor is required by the *Local Government Act 1995* Section 4.9 to nominate an election date with the consideration that there is enough time for the Western Australian Electoral Commissioner to comply with all electoral requirements. Alternatively, the Council may resolve to use Section 4.17(2), (3) and (4A)(b) of the *Local Government Act 1995* to allow the vacancy to remain unfilled, with the approval of the Western Australian Electoral Commissioner, until the local government election in October 2017.

FINANCIAL IMPLICATIONS

There will be financial implications should the Council resolve to hold an extraordinary election of an estimated cost of approximately \$45,000 for the Western Australian Electoral Commission and additional staff and advertising costs of \$5,000 bringing an estimated total cost of \$50,000. Should the Council resolve to leave the vacancy unfilled, the election will be part of the biennial election cost.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

There are no Council Policies that relate to this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council may resolve to require an extraordinary election which will incur a significant cost and allow a Councillor elected to hold office for the remaining term to October 2019. This is not a recommended option.

CONCLUSION

The option to hold an extraordinary election immediately prior to the biennial local government election that would provide a newly elected Councillor a term to October 2019 is not recommended. The *Local Government Act 1995* makes provision for such extraordinary vacancies and provides that the vacancy may remain unfilled with the approval of the Western Australian Electoral Commissioner until the next ordinary election.

M17/5539 – EXTRA ORDINARY ELECTION (AMREC)**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5539)****ABSOLUTE MAJORITY**

At 7.34pm Cr Aubrey moved, seconded Cr Schuster -

That the Council resolves by Absolute Majority decision to request the Western Australian Electoral Commissioner to approve leaving the extraordinary vacancy in the Palmyra/Melville/Willagee ward unfilled pending the biennial local government election to be held in October 2017.

At 7.34pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY (10/0)

**M17/5542 – ADOPTION OF THE PROPOSED CITY OF MELVILLE MEETING PROCEDURE
LOCAL LAW 2017 (AMREC) (ATTACHMENT)**

Ward	:	All
Category	:	Operational
Subject Index	:	Acts, Statutes and Local Laws
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	:	M16/5513 Proposed City of Melville Meeting Procedure Local Law 2016 (November 2016)
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Corrine Newman Executive Support and Governance Officer

AUTHORITY / DISCRETION

DEFINITION

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<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>

M17/5542 – ADOPTION OF THE PROPOSED CITY OF MELVILLE MEETING PROCEDURE LOCAL LAW 2017 (AMREC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- The Council resolved to commence the process to make a new Meeting Procedures Local Law at its Ordinary Meeting held 15 November 2016.
- In accordance with the requirements of the *Local Government Act 1995*, the proposed new local law was advertised to the community and the community were given the opportunity to make comment.
- No submissions were received from the community
- The Department of Local Government and Communities was provided with a copy of the local law and provided a submission.
- This report seeks the Council's endorsement, by absolute majority, to continue to the process to create the City of Melville Meeting Procedure Local Law 2017, in accordance with the requirements of the *Local Government Act 1995*.

BACKGROUND

In November 2016, the Council considered the proposed City of Melville Meeting Procedure Local Law and resolved to commence the process to make the new local law:

That the Council:

1. Authorises the Chief Executive Officer to advertise the proposed City of Melville Meeting Procedure Local Law 2016 as contained in the Proposed Meeting Procedures Local Law for public comment, in accordance with the requirements of Section 3.12(3) of the *Local Government Act 1995*.
2. Directs that a copy of the proposed City of Melville Proposed Meeting Procedure Local Law 2016 be forwarded to the Minister for Local Government in accordance with section 3.12(3) of the *Local Government Act 1995*.
3. Directs the Chief Executive Officer to arrange for the proposed Meeting Procedure Local Law 2016 to be referred to an Elected Member Information Session for discussion prior to the final report being presented to Council.
4. Directs the Chief Executive Officer to prepare a further report at the conclusion of the public advertising period to enable the Council to consider the submissions made.

DETAIL

The proposed local law was advertised:

- a) in the West Australian newspaper on Wednesday 23 November 2016
- b) in the Melville Times newspaper on Tuesday 29 November 2016
- c) on the noticeboard at the City of Melville Civic Centre
- d) on the noticeboards of all City of Melville Public Libraries; and on the City of Melville website.

M17/5542 – ADOPTION OF THE PROPOSED CITY OF MELVILLE MEETING PROCEDURE LOCAL LAW 2017 (AMREC) (ATTACHMENT)

Due to the festive season, the timeframe for submissions on the local law was extended and closed on Friday 27 January 2017. No submissions were received from the community.

Officers suggest the change in title from “City of Melville Meeting Procedures Local Law 2016” to “City of Melville Meeting Procedures Local Law 2017” to better indicate when the local law was made for ease of future reference.

A copy of the proposed local law was forwarded to the Minister for Local Government and Communities on 25 November 2016 with the Department of Local Government and Communities providing written comments and suggestions on the proposed local law as follows:

Submission Content	Response
<p>Clause 6.7 – suggestion for inclusion of words “unless the Council or Committee resolves otherwise”.</p> <p>Reason - To allow the meeting to discuss an announcement further if circumstances require it.</p>	Accepted and changes made.
<p>Clause 9.16 – amendment to format of clause.</p>	Accepted and changes made.
<p>Clause 10.5 – suggestion that subclause (3)(a) be deleted.</p> <p>Reason – The Delegated Legislation Committee has concerns that clauses such as this may hinder the Council’s ability to pass a motion under subclause (3)(b).</p>	Accepted and changes made.
<p>Part 14 – Suggestion that the Part be revised and limited to only obligations imposed under the <i>Local Government Act 1995</i> and associated Regulations.</p>	Accepted and changes made.
<p>Clause 21.1 – suggested that the penalty be changed to \$1,000 with a daily penalty of \$100 for continuing offences.</p> <p>Reason – The Delegated Legislation Committee has previously requested undertakings when a local law attempts to establish higher penalties.</p>	Accepted and changes made.
<p>The Department of Local Government also provided suggestions of on a range of drafting edits.</p>	Accepted and changes made.

The changes that have been accepted and made to the proposed local law are not significant changes and the City is able to proceed with the making of the local law. A copy of the amended proposed local law can be found [5542 Adoption of City of Melville Meeting Procedure Local Law.](#)

**M17/5542 – ADOPTION OF THE PROPOSED CITY OF MELVILLE MEETING PROCEDURE
LOCAL LAW 2017 (AMREC) (ATTACHMENT)**

Following Council's adoption of the local law, the City is required to publish the new local law in the *Government Gazette* and submit a copy to the Minister for Local Government and Communities. After the local law has been published in the Gazette, the City is required to give Statewide public notice:

- stating the title of the local law;
- summarising the purpose and effect of the local law
- specifying when the local law comes into operation
- advising where copies of the local law may be obtained.

Once the local law has appeared in the *Government Gazette*, the City is also required to send an explanatory memorandum and copies of the local law to the Joint Standing Committee on Delegated Legislation for further review.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

As required by section 3.12(3) of the *Local Government Act 1995*, the City of Melville advertised its intention to make the proposed local law in the West Australian and the Melville Times newspapers, on notice boards and the Civic Centre and libraries and on its website and called for public submissions. Public submissions closed on 27 January 2016.

No submissions were received from the community.

II. OTHER AGENCIES / CONSULTANTS

As required by the local law making process under the *Local Government Act 1995*, the proposed local law was forwarded to the Minister for Local Government and Communities on 25 November 2016. The comments made by the Department of Local Government and Communities have been taken into consideration.

STATUTORY AND LEGAL IMPLICATIONS

The *Local Government Act 1995* provides guidance on the process to follow to make a local law. Section 3.12(4), (5) and (6) specifically address the process to be undertaken following the close of the public submission period.

FINANCIAL IMPLICATIONS

There are financial costs associated with the advertising of the adoption of the local law and the gazettal of the new local law. Sufficient provision has been made in the adopted 2016-2017 Budget to accommodate these costs.

M17/5542 – ADOPTION OF THE PROPOSED CITY OF MELVILLE MEETING PROCEDURE LOCAL LAW 2017 (AMREC) (ATTACHMENT)**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

Under the *Local Government Act 1995*, local governments are empowered to make local laws to assist in the performance of their functions as long as the local laws are not inconsistent with the Act or any other written law.

The creation of adequate and appropriate local laws benefits the community by ensuring the regulation of activities within the district.

POLICY IMPLICATIONS

There are two Council policies directly associated with this local law:

- CP-014 Question Time at Committee and Council Meetings; and
- CP-088 Recording of Meetings

Both policies will be reviewed to ensure alignment with the gazetted local law.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council could not proceed with the making of the Proposed Meeting Procedure Local Law 2017, in which case the existing Standing Orders Local Law 2003, as amended, would remain in place in its current format. Alternatively, the Council could determine to make a local law that is substantially different to the local law that was advertised to the community, in which case, the local law making process would need to recommence from the beginning.

CONCLUSION

The purpose of the City of Melville Meeting Procedure Local Law 2017 is to provide the rules for the conduct of meetings of the Council, Council appointed Committees and Electors.

The effect of the new Meeting Procedure Local Law 2017 is to give a better understanding of the process of all Council meetings, Council appointed Committee meetings and meetings of Electors and that these shall be conducted in an orderly manner in accordance with the local law unless otherwise provided in the Act, Regulations or other written law.

The proposed local law, if adopted by the Council, will be gazetted in the *Government Gazette* and will come into effect 14 days after the advertising date.

M17/5542 – ADOPTION OF THE PROPOSED CITY OF MELVILLE MEETING PROCEDURE LOCAL LAW 2017 (AMREC) (ATTACHMENT)

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5542)

ABSOLUTE MAJORITY

At 7.34pm Cr Aubrey moved, seconded Cr Foxtton -

That the Council:

1. **by absolute majority, in accordance with section 3.12(4) of the *Local Government Act 1995* adopts the City of Melville Meeting Procedures Local Law 2017 as amended and contained in [5542 Adoption of City of Melville Meeting Procedure Local Law.](#) and affixes the Common Seal.**
2. **endorses the progression of the remaining actions to finalise the publication of the City of Melville Meeting Procedures Local Law 2017 in accordance with section 3.12 and 3.15 of the *Local Government Act 1995*.**

AMENDMENT

At 7.35pm Cr Schuster moved, seconded Pazolli -

That the Council adds a new Recommendation 1 in item M17/5542 as follows:

“Clause 11.10 (1) (b) of the proposed Local Law be amended by deleting the words “has already spoken to” and inserting the word “moved”.

And that existing Recommendations 1 and 2 be renumbered 2 and 3 respectively

At 7.49pm the Mayor submitted the motion, which was declared

LOST (5/6)

NOTE: Due to an equality of votes at the Council Meeting, the Presiding Member exercised his right to cast a second vote to reach a decision in this matter (Section 5.21(3) of the *Local Government Act 1995*).

Vote Result Summary	
Yes	5
No	5

Vote Result Detailed	
Cr Barling	Yes
Cr Barton	Yes
Cr Macphail	Yes
Cr Pazolli	Yes
Cr Schuster	Yes
Cr Aubrey	No
Cr Foxtton	No
Cr Phelan	No
Cr Woodall	No
Mayor Aubrey	No

**M17/5542 – ADOPTION OF THE PROPOSED CITY OF MELVILLE MEETING PROCEDURE
LOCAL LAW 2017 (AMREC) (ATTACHMENT)****COUNCIL RESOLUTION (5542)****ABSOLUTE MAJORITY****That the Council:**

- 1. by absolute majority, in accordance with section 3.12(4) of the *Local Government Act 1995* adopts the City of Melville Meeting Procedures Local Law 2017 as amended and contained in [5542 Adoption of City of Melville Meeting Procedure Local Law.](#) and affixes the Common Seal.**
- 2. endorses the progression of the remaining actions to finalise the publication of the City of Melville Meeting Procedures Local Law 2017 in accordance with section 3.12 and 3.15 of the *Local Government Act 1995*.**

At 7.50pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY (10/0)

M17/5543 – COUNCIL POLICY CP-091 ELECTED MEMBERS ALLOWANCES AND EXPENSES REVIEW (REC) (ATTACHMENT)

Ward : All
 Category : Operational
 Subject Index : Leases, Licences, Agreements, Contracts
 Customer Index : Department of Lands
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : M16/5515 – Council Policy Cp-091 Elected Members Allowances and Expense Review (November 2016)
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Jeff Clark
 Governance and Compliance Program Manager

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input 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>

M17/5543 – COUNCIL POLICY CP-091 ELECTED MEMBERS ALLOWANCES AND EXPENSES REVIEW (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- The Council Policy CP-091 requires updating to include revised allowance values previously approved by the Council.
- A provision within the Policy is required to facilitate and reimburse the Mayor for expenses incurred in representing the City.
- The amended Policy is recommended for approval.

BACKGROUND

In May 2016, the Council adopted a recommendation from the Salaries and Wages Tribunal and this report will update the Council Policy CP-091 with the revised figures.

The Policy has been further reviewed and found that a provision to reimburse the Mayor for expenses incurred when representing the City should be included in the Policy. A provision was included in previous versions of this policy and when the original Policy was split into the two separate policies (Elected Members Allowances and Expenses and the new Elected Members Professional Development policy) the provision was inadvertently removed.

This matter was considered at the 15 November 2016 meeting of the Council, where the following was resolved:

“That this item be deferred to a future Elected Members information for further discussion in 2017.”

The matter was presented to the Elected Members Information Session held Tuesday 14 March 2017 for discussion.

DETAIL

Following the presentation of information and discussion at the Elected Member Information Session and further review of the Policy, the following changes are proposed:

- The revised figures previously approved by the Council have been inserted in the Summary Table in the Policy to ensure that any reference to the Policy is consistent with the Council resolution;
- The inclusion of a provision to reimburse the Mayor for expenses incurred while attending meetings, functions or events when representing the City;
- The removal of clauses at items 1.3 and 1.4 relating to pro-rata payments of allowances for periods of leave in excess of four weeks that are not related to Council business. This clause was in the original policy that was split into two separate policies in 2014, following the Salaries and Wages Tribunal determination. The *Local Government Act 1995* and determinations by the Salaries and Wages Tribunal are silent on this matter.

A copy of the policy, showing the proposed changes is attached to this document [5543 Elected Members Allowances And Expenses](#).

M17/5543 – COUNCIL POLICY CP-091 ELECTED MEMBERS ALLOWANCES AND EXPENSES REVIEW (REC) (ATTACHMENT)

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

No comment has been sought from the community.

II. OTHER AGENCIES / CONSULTANTS

No comment has been sought from other agencies or consultants.

STATUTORY AND LEGAL IMPLICATIONS

The *Local Government Act 1995* provides at Section 5.98 (2), (3) and (4) that expenses incurred may be reimbursed specifically or generally. This information is confirmed in the *Local Government (Administration) Regulations 1996* at Regulation 32(1)(c) which states:

- 32 *Expenses that may be approved for reimbursement (Act s 5.98(2)(b) and (3))*
- (1) *For the purposes of section 5.98(2)(b), the kinds of expenses that may be approved by any local government for the reimbursement by the local government are –*
- (a) *an expense incurred by a council member in performing a function under the express authority of the local government; and*
 - (b) *an expense incurred by a council member to whom paragraph (a) applies by reason of the council member being accompanied by not more than one other person while performing the function if, having regard to the nature of the function, the local government considers that it is appropriate for the council member to be accompanied by that other person; and*
 - (c) *an expense incurred by a council member in performing a function in his or her capacity as a council member.*

FINANCIAL IMPLICATIONS

There is a provision in the Operational Budget for such representation expenses.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

Risk Statement	Level of Risk	Risk Mitigation Strategy
That the City is not represented at community and significant local government functions and events due to the cost of attendance.	Moderate consequences possible resulting in a Medium level of risk	Provide reimbursement for expenses incurred by the Mayor or is duly nominated and authorised representative in representing the City.

M17/5543 – COUNCIL POLICY CP-091 ELECTED MEMBERS ALLOWANCES AND EXPENSES REVIEW (REC) (ATTACHMENT)**POLICY IMPLICATIONS**

The Council Policy CP-091 Elected Members Allowances and Expenses requires updating to:

- include a provision to allow for the reimbursement of expenses associated with the representation of the City, to the Mayor, or their nominate representative; and
- remove clauses associated with the ability to pro-rata allowances during periods of extended leave of absences associated with meeting attendance.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council may choose to not provide reimbursement to the Mayor for expenses incurred in representing the City at significant community and local government meetings, functions and events. The Mayor may choose to personally pay for attendance when required or only attend selected events. The outcome of reduced attendance could be a limited representational presence at significant events and community engagements.

The Council may also choose to retain the ability to pro-rata allowances for extended absences associated with meeting attendance; however the legitimate wording of such a clause would require further exploration.

CONCLUSION

The Council and the City has an expectation that the Mayor of the City will be present at significant community and other relevant events. Often these events incur a cost that should be met by the City rather than as a personal expense of the Mayor, or his duly nominated and authorised representative.

OFFICER RECOMMENDATION (5543)**APPROVAL**

At 7.51pm Cr Phelan moved, seconded Cr Foxtton –

That the Council approves the amended Council Policy CP-091 Elected Members Allowances and Expenses as attached
5543 Elected Members Allowances And Expenses

M17/5543 – COUNCIL POLICY CP-091 ELECTED MEMBERS ALLOWANCES AND EXPENSES REVIEW (REC) (ATTACHMENT)

AMENDMENT

That the Council amend the Officer's Recommendation 5543 as follows:

- 1. Renumber the existing Officer's Recommendation as recommendation 1.*
- 2. Add a new recommendation 2: "The Council notes that the Salaries and Wages Tribunal does not provide for the Annual Meeting Attendance Fee to be paid on a pro-rata basis."*
- 3. Add a new recommendation 3: "The Council requests the Chief Executive Officer to advocate through the Western Australian Local Government Association for changes to the Salaries and Wages Tribunal's determinations to allow for Annual Meeting Attendance Fees to be pro-rated."*

Both the Mover and Seconder agreed to incorporate the amendment into the Officer Recommendation

COUNCIL RESOLUTION (5543)

APPROVAL

- 1. That the Council approves the amended Council Policy CP-091 Elected Members Allowances and Expenses as attached [5543 Elected Members Allowances And Expenses](#)*
- 2. The Council notes that the Salaries and Wages Tribunal does not provide for the Annual Meeting Attendance Fee to be paid on a pro-rata basis.*
- 3. The Council requests the Chief Executive Officer to advocate through the Western Australian Local Government Association for changes to the Salaries and Wages Tribunal's determinations to allow for Annual Meeting Attendance Fees to be pro-rated.*

At 7.58pm the Mayor submitted the substantive motion as amended, which was declared -

CARRIED (9/1)

Vote Result Summary	
Yes	9
No	1

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Barton	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Pazolli	No

M17/5543 – COUNCIL POLICY CP-091 ELECTED MEMBERS ALLOWANCES AND EXPENSES REVIEW (REC) (ATTACHMENT)Reasons for Amendment

Cr Woodall provided the following reasons in support of the amendment.

1. The current annual meeting attendance fee cannot be pro-rated regardless of how many meetings an elected member misses (for whatever reason).
2. It understandable and reasonable to expect an elected member to miss one or even two meetings due to illness, other council business etc.
3. However the community expects an elected member to represent their views and interests as their representative, which is primarily achieved through speaking and voting at council meetings.
4. A change to the annual meeting attendance fee to allow for pro-rating in some circumstances would be beneficial, as it would allow for the Council to at least consider pro-rating where elected members have missed multiple meetings without good reason.
5. This amendment simply calls on the Chief Executive Officer to advocate (through Western Australian Local Government Association) for the salaries and wages tribunal to allow for pro-rating where a Council sees fit to do so.

M17/5000 – 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 : Jeff Clark – Governance and Compliance Program Manager

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input 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 24 February 2017 up to and including 23 March 2017 for the Council's noting.

M17/5000 – 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
1350	The City of Melville and Dr Shayne Silcox	CEO Contract Variation Refer OMC February 2017 C17_5525	CEO Personnel File

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

Section 2.5(2) of the *Local Government Act 1995* states:
The local government is a body corporate with perpetual succession and a common seal.

Section 9.49A (3) of the *Local Government Act 1995* states:
(3) *The common seal of the local government is to be affixed to a document in the presence of —*

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

FINANCIAL IMPLICATIONS

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

M17/5000 – COMMON SEAL REGISTER (REC)**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 Chief Executive Officer in executing the documents listed under the Common Seal of the City of Melville from 24 February 2017 up to and including 23 March 2017.

At 9.21pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (10/0)

C17/6000 - INVESTMENT STATEMENTS AS AT 28 FEBRUARY 2017 (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 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 presents the investment statements for the period ending 28 February 2017 for the Council's information and noting.

C17/6000 - INVESTMENT STATEMENTS FOR FEBRUARY 2017 (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.

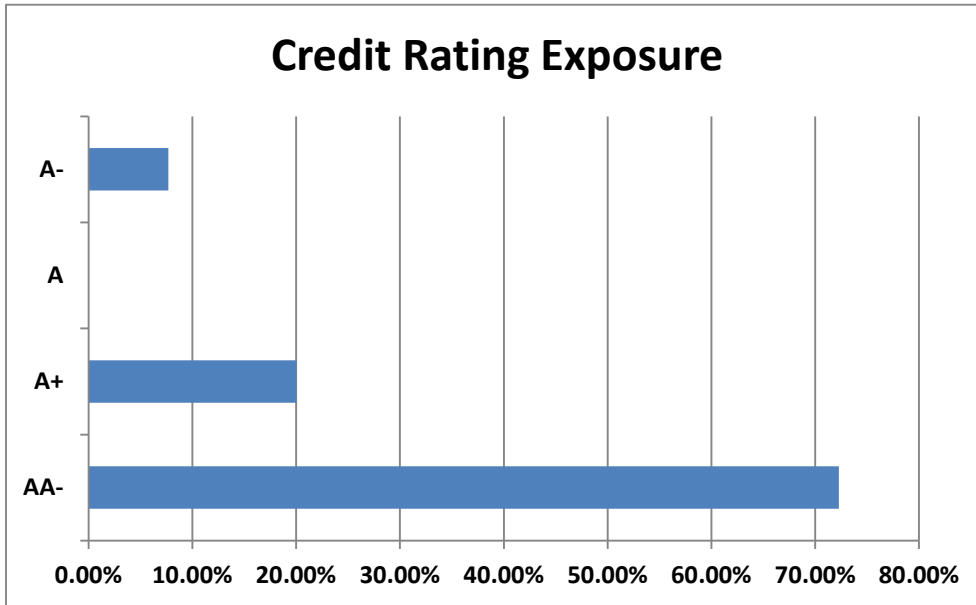
The investment of cash holdings is undertaken in accordance with Council Policy CP-009 - Investment of Funds, with the objective of maximising returns whilst maintaining low levels of credit risk exposure.

DETAIL

Summary details of investments held as at 28 February 2017 are shown in the tables below. The following statements detail the investments held by the City as at 28 February 2017.

CITY OF MELVILLE	
STATEMENT OF INVESTMENTS	
FOR THE PERIOD ENDING 28 FEBRUARY 2017	
SUMMARY BY FUND	
	AMOUNT
	\$
MUNICIPAL	\$ 37,813,840
RESERVE	\$ 117,644,597
TRUST	\$ 776,759
CITIZEN RELIEF	\$ 209,131
	\$ 156,444,328
SUMMARY BY INVESTMENT TYPE	
	AMOUNT
	\$
11AM	\$ 5,389,720
31DAYS AT CALL	\$ 1,000,000
60DAYS AT CALL	\$ 2,000,000
90DAYS AT CALL	\$ 5,000,000
TERM DEPOSIT	\$ 140,823,963
FRTD	\$ 2,000,000
UNITS (Local Govt Hse)	\$ 230,645
	\$ 156,444,328
SUMMARY BY CREDIT RATING	
	AMOUNT
	\$
AA-	\$ 112,913,683
A+	\$ 31,300,000
A	\$ -
A-	\$ 12,000,000
UNITS (Local Govt Hse)	\$ 230,645
	\$ 156,444,328

C17/6000 - INVESTMENT STATEMENTS FOR FEBRUARY 2017 (REC)



DIVERSIFICATION RISK & GREEN INVESTMENTS

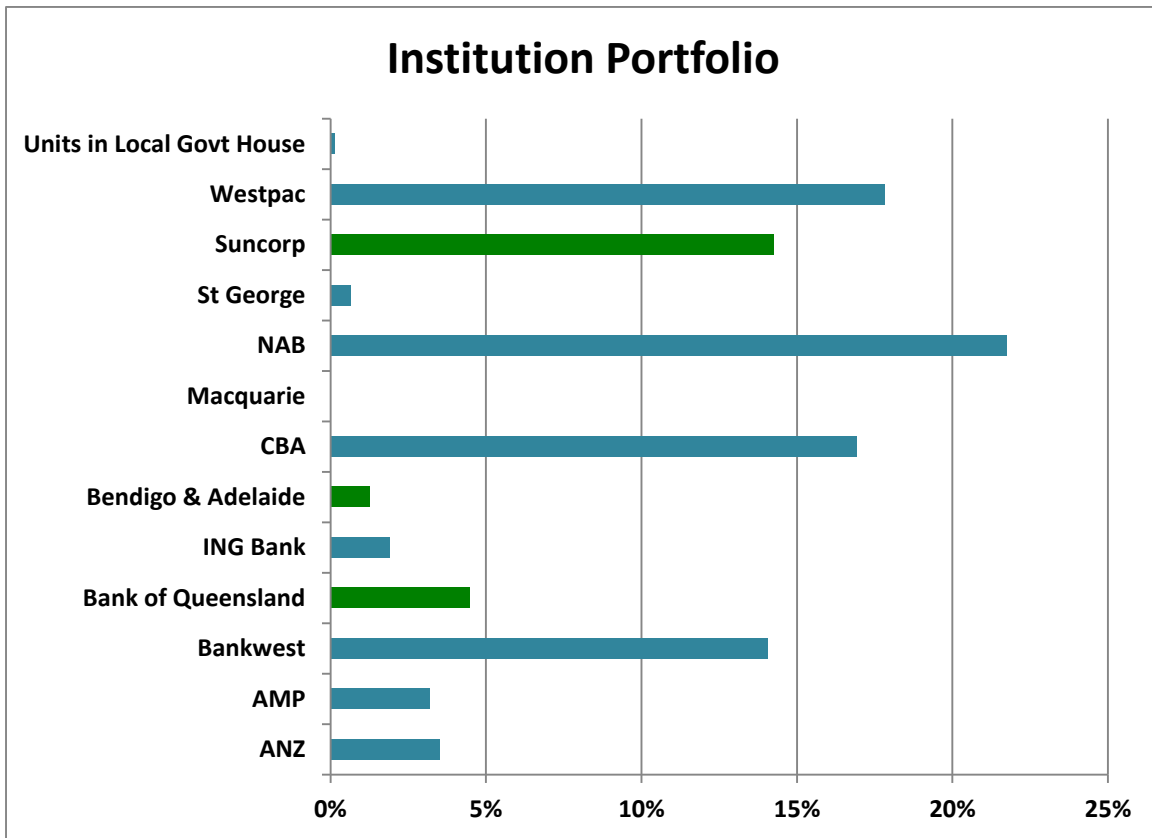
INSTITUTION	INVESTMENT TYPE	S & P RATING	AMOUNT \$	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	NON FOSSIL FUEL	INVESTMENT WITH ADI WITH NON FOSSIL FUEL
ANZ BANK (TERM)	TERM	AA-	5,500,000	3.52%	3.52%	25%	No	
AMP BANK (TERM)	TERM	A+	5,000,000	3.20%	3.20%	20%	No	
BANKWEST (TERM)	TERM	AA-	22,000,000	14.06%	14.06%	25%	No	
BANK OF QUEENSLAND (TERM)	TERM	A-	7,000,000	4.47%	4.47%	20%	Yes	7,000,000
BENDIGO AND ADELAIDE BANK (TERM)	TERM	A-	2,000,000	1.28%	1.28%	20%	Yes	2,000,000
COMMONWEALTH BANK (TERM)	TERM	AA-	26,500,000	16.94%	16.94%	25%	No	
ING BANK (TERM)	TERM	A-	1,000,000	0.64%				
ING BANK (FRTD)	FRTD	A-	2,000,000	1.28%	1.92%	20%	No	
MACQUARIE BANK (TERM)	TERM	A	-	0.00%	0.00%	20%	No	
NAB (TERM)	TERM	AA-	34,006,702	21.74%	21.74%	25%	No	
ST GEORGE BANK (TERM)	TERM	AA-	1,000,000	0.64%	0.64%	25%	No	
SUNCORP METWAY LTD (TERM)	TERM	A+	22,300,000	14.25%	14.25%	20%	Yes	22,300,000
WESTPAC (MAXI BONUS 1)	11AM	AA-	2,354,068	1.50%				
WESTPAC (MAXI BONUS 2)	11AM	AA-	1,035,652	0.66%				
WESTPAC (MAXI DIRECT)	11AM	AA-	2,000,000	1.28%				
WESTPAC (31DAYS AT CALL)	31DAYS AT CALL	AA-	1,000,000	0.64%				
WESTPAC (60DAYS AT CALL)	60DAYS AT CALL	AA-	2,000,000	1.28%				
WESTPAC (90DAYS AT CALL)	90DAYS AT CALL	AA-	5,000,000	3.20%				
WESTPAC (TERM)	TERM	AA-	14,517,260	9.28%	17.84%	25%	No	
UNITS IN LOCAL GOV'T HOUSE	NA	NA	230,645	0.15%	0.15%		N/A	
			156,444,328	100%	100%			31,300,000
Total Non Fossil Fuel Lending ADI								20%

Note: Reference for financial institutions not supporting Fossil Fuel Lending is at (<http://www.marketforces.org.au>)

MATURITY COMPARISON

TERM to MATURITY	AMOUNT \$	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	38,359,955	100%	100%	
	38,359,955	100%		
RESERVE FUNDS				
< 1 year	117,644,597	100%	100%	
	117,644,597	100%		

C17/6000 - INVESTMENT STATEMENTS FOR FEBRUARY 2017 (REC)



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

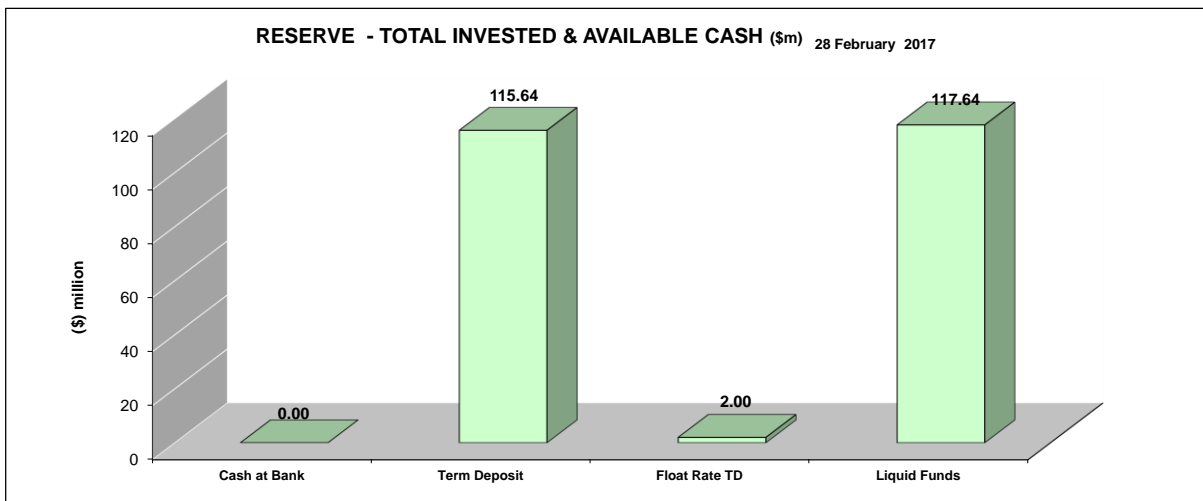
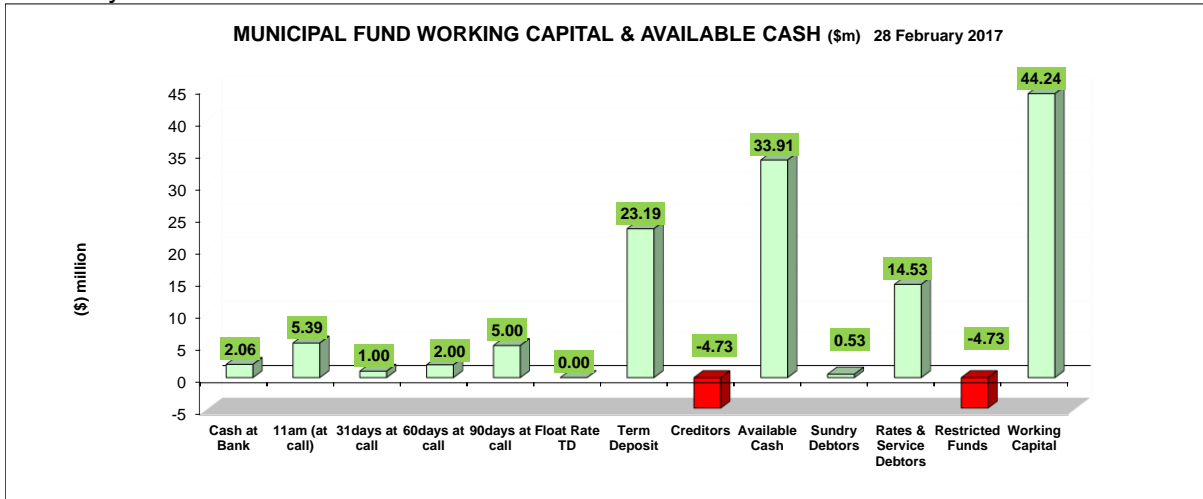
“Green investments” are authorised investment products made in authorised institutions that respect the environment by not investing in fossil fuel industries.

The total investment in authorised institutions that do not lend to industries engaged in the exploration for, or production of, fossil fuels, as at 28 February 2017 was 20%.

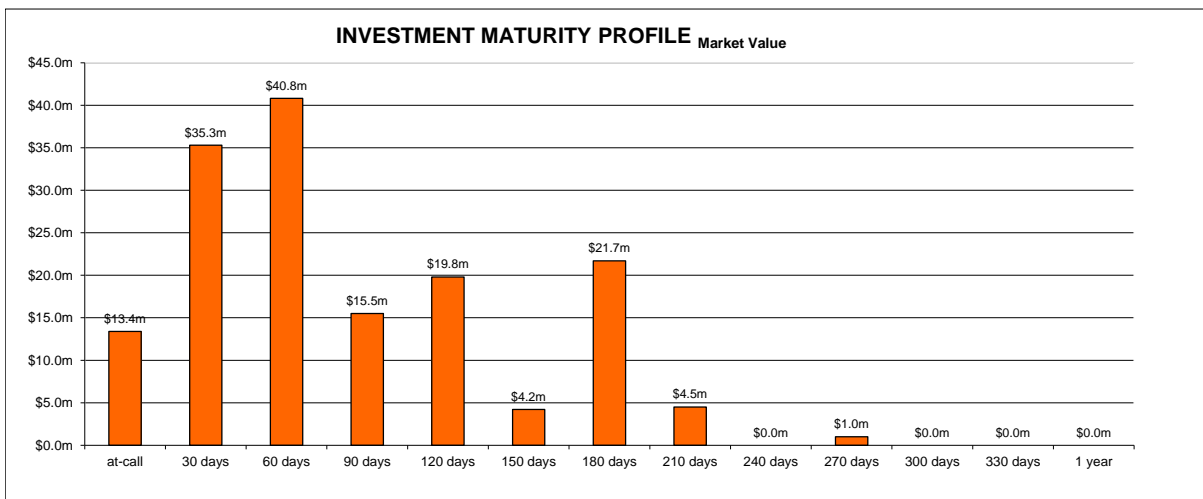
C17/6000 - INVESTMENT STATEMENTS FOR FEBRUARY 2017 (REC)

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 28 February 2017.



The graph below summarises the maturity profile of the City's investments at market value as at 28 February 2017.



C17/6000 - INVESTMENT STATEMENTS FOR FEBRUARY 2017 (REC)**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

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

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 oversighted by the Australian Prudential Regulation Authority (APRA).

FINANCIAL IMPLICATIONS

For the period ending 28 February 2017:

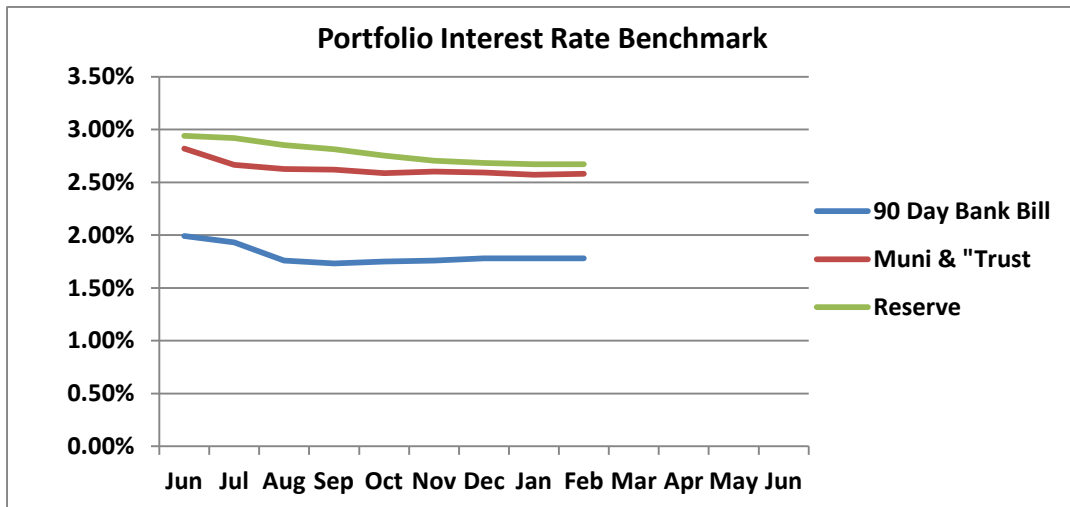
- Investment earnings on Municipal and Trust Funds were \$443,393 against a year to date budget of \$426,687 representing a \$16,706 positive variance.

The weighted average interest rate for Municipal and Trust Fund investments as at 28 February 2017 was 2.58% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.78%.

- Investment earnings on Reserve accounts were \$2,430,118 against a year to date budget of \$1,536,109 representing a \$894,009 positive variance.

The weighted average interest rate for Reserve account investments as at 28 February 2017 was 2.67% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.78%.

C17/6000 - INVESTMENT STATEMENTS FOR FEBRUARY 2017 (REC)



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. The interest rate risk is high due to the short-term nature of the City’s investments and the inability, due to legislative restrictions, to lock into longer dated investments which attract higher interest rates and help reduce exposure to reductions in interest rates.

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*.

C17/6000 - INVESTMENT STATEMENTS FOR FEBRUARY 2017 (REC)

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 City’s 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 report only presents information for noting.

CONCLUSION

The City’s investment portfolio is invested in highly secure investments that are returning low investment returns which are commensurate with the low level of risk of the portfolio.

20% 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

Future investment earnings are expected to continue to decrease when compared to previous years as interest rates continue to stay low. Furthermore legislative restrictions that have been implemented by the Western Australian State Government limiting term deposits to a maximum term of 12 months, has resulted in the City not being able to invest in longer term deposits which, depending on the interest rate yield curve, can attract higher interest rates than shorter term investments.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6000)**NOTING****That the Council notes the Investment Report for the period ending 28 February 2017.**

At 9.21pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (10/0)

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR FEBRUARY 2017 (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 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 presents the details of payments made under delegated authority to suppliers for the month of February 2017 and recommends that the Schedule of Accounts Paid be noted.

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR FEBRUARY 2017 (REC)
(ATTACHMENT)**

BACKGROUND

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

DETAIL

The Schedule of Accounts Paid for the period ending 28 February 2017 including Payment Registers numbers, Cheques 563 to 568 and Electronic Funds Transfers batches 431 to 435, Trust Payments, Card Payments and Payroll was distributed to the Elected Members of the Council on 1 April 2017. Payments for the period totalled \$8,131,752.57 for the Municipal Fund and \$73,300.05 for the Trust Fund whilst new investment transactions totalled \$2,500,000. Details of the payments are shown in attachment [6001 February 2017](#).

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

Supplier Name	Remittance Number	Remittance Details	Amount
Alpha West Services Pty Ltd	E054724 & E054960	Cisco AMS & Smartnet maintenance	\$27,333.48
AMP Capital Investors Real Estate Pty Ltd Property Trust Account	E055040	Refund of overpaid rates due to revaluation at 125-133 Riseley Street, Booragoon	\$198,438.22
Asphaltech Pty Ltd	E054991	Road resurfacing at various sites	\$629,685.14
Australian Taxation Office	Direct Bank Transfer	Pay as You-Go taxation and other deductions from employee payroll for pays 16 & 17	\$610,960.00
Axiis Contracting Pty Ltd	E054776	Concrete works at various sites	\$51,579.51
Brentwood Karoonda Sporting Association	E054877	25% contribution from City of Melville towards Karoonda Park renovations, field lighting and cricket net	\$49,500.00
Building & Construction Industry Training Fund	Chq 007151	Remittance of the building construction training levy collected by the City with building licence applications	\$39,885.60
Data#3 Limited	E054691 & E054940	Veritas Enterprise Vault licensing	\$36,542.29
DB Cunningham Pty Ltd T/A Advantearing Civil Engineers	E054810	Stage 2 remedial works to boardwalk at Dundas Point	\$35,315.10
Department of Commerce	E054594	Remittance of Building Service Levy collected on building licence applications	\$33,414.45
Department of Fire & Emergency Services	E054754	ESL remittance for December	\$864,467.49
Dickies Tree Service	E054619 & E054884	Tree lopping services	\$53,016.34
Elexacom	E054697 & E054943	Electrical services	\$25,274.42
EMSO Maintenance T/A Crabclaw Holdings Pty Ltd	E054677 & E054931	Building maintenance	\$68,139.99

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR FEBRUARY 2017 (REC)
(ATTACHMENT)**

Flexi Staff	E054643 & E054903	Temporary employment	\$69,174.41
Forpark Australia	E054622	Replacement of playground at Woolshed Park	\$47,630.00
Fredon Air Pty Ltd	E054787 & E055010	Supply & installation of air conditioner at Tivoli Theatre and service & maintenance to air conditioners City wide	\$143,293.04
Lawn Doctor	E054684	Aeration of major Reserves	\$26,921.00
Melville Mazda	E054846 & E055046	Refund of overpaid rates due to interim notice at 385 Canning Highway, Palmyra & filters and brake parts	\$26,889.57
Reino International Pty Ltd	E054854 & E055052	Duncan parking meter 3G upgrade and licence fees	\$32,126.61
Rhysco Electrical Services	E054726 & E054963	Electrical services	\$48,241.65
Roadsafe Traffic Management	E054604, E054794 & E055012	Traffic management services	\$32,302.66
Southern Metropolitan Regional Council	E054695 & E054941	MRF & MSW gate fees for January	\$416,408.03
Synergy	E054642 & E054902	Electricity charges	\$541,668.99
TJS Cleaning Services Perth Pty Ltd	E054997	Cleaning services for LeisureFit Booragoon and Melville and AH Bracks Library	\$28,428.40
T-Quip Turf Equipment Solutions	E054596 & E054631	Toro Workman HDX-D net of trade in	\$37,560.29
Tree Planting & Watering (ATF) Baroness Holdings Pty Ltd	E054762	Street tree watering	\$41,090.62
Triton Electrical Contractors Pty Ltd	E054985 & E054758	Irrigation cubicles to various Reserves	\$54,979.90
Water Corporation	Chq's 066452 & 066519	Water charges	\$51,865.30
Westpac Bank	Direct Bank Transfer	Payment of salaries and wages to City employees net of tax and deduction for pays	2,065,145.67
Youngs Plumbing Service Pty Ltd	E054710 & E054952	Building maintenance	\$38,732.45

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.

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR FEBRUARY 2017 (REC)
(ATTACHMENT)****FINANCIAL IMPLICATIONS**

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable as this report presents information for noting only.

CONCLUSION

Payments for the period totalled \$8,131,752.57 for the Municipal Fund and \$73,300.05 for the Trust Fund whilst new investment transactions totalled \$2,500,000.

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 ending 28 February 2017 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 February 2017](#)

At 9.21pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (10/0)

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR FEBRUARY 2017 (REC)
(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>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

KEY ISSUES / SUMMARY

This report presents:

- The Statements of Financial Activity by Program, Sub-Program and Nature and Type, for the period ending 28 February 2017 and recommends that they be noted by the Council.
- The variances for the month of February 2017 and recommends that they be noted by the Council.

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR FEBRUARY 2017 (REC)
(ATTACHMENTS)**
BACKGROUND

The Statements of Financial Activity for the period ending 28 February 2017 have been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.

DETAIL

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

Variances

CITY OF MELVILLE EXTRACT OF RATE SETTING STATEMENT FOR VARIANCES IN EXCESS OF \$50,000 for the Period 1 July 2016 to 28 February 2017								
	February	YTD	YTD			Annual	Annual	Current
	Actual	Rev. Budget	Actual	Variance	Variance	Budget	Rev. Budget	Commit.
	\$	\$	\$	\$	%	\$	\$	\$
Revenue								
General Purpose Funding	1,227,513	10,424,492	11,431,227	1,006,735	10%	12,931,170	12,931,170	-
Law, Order, Public Safety	13,417	2,501,611	2,565,551	63,940	3%	2,509,843	2,608,609	-
Community Amenities	90,048	2,660,532	2,899,920	239,388	9%	3,136,387	3,237,387	-
Recreation and Culture	770,730	5,556,130	5,434,195	(121,934)	-2%	8,469,621	8,469,848	-
Transport	124,333	2,626,589	2,711,658	85,069	3%	4,641,787	5,081,058	-
Other Property and Services	(69,874)	497,565	601,606	104,041	21%	3,356,430	3,356,430	-
	2,660,223	26,897,122	28,514,463	1,586,575	6%	35,739,377	36,379,142	-
Expenses								
Governance	(222,937)	(2,706,159)	(2,154,828)	551,332	-20%	(4,110,317)	(4,299,013)	(189,139)
General Purpose Funding	(47,716)	(4,530,658)	(4,441,560)	89,098	-2%	(6,919,538)	(6,919,538)	(6,002)
Law, Order, Public Safety	(303,709)	(2,719,632)	(2,491,064)	228,568	-8%	(4,051,723)	(4,160,269)	(76,651)
Health	(85,490)	(743,980)	(662,319)	81,661	-11%	(1,115,196)	(1,115,196)	(13,658)
Education & Welfare	(202,523)	(1,743,426)	(1,624,535)	118,891	-7%	(2,650,229)	(2,631,980)	(46,585)
Community Amenities	(1,636,087)	(16,298,391)	(14,991,735)	1,306,657	-8%	(24,619,692)	(25,436,745)	(411,805)
Recreation and Culture	(2,331,450)	(19,065,009)	(18,109,896)	955,113	-5%	(28,710,832)	(28,911,857)	(1,431,750)
Transport	(1,511,434)	(11,378,146)	(10,755,007)	623,139	-5%	(15,078,943)	(15,133,578)	(722,136)
Economic Services	(175,649)	(1,421,086)	(1,655,254)	(234,169)	16%	(2,174,143)	(2,184,143)	(51,030)
Other Property and Services	(474,325)	(7,877,375)	(6,790,896)	1,086,480	-14%	(11,740,320)	(11,686,095)	(581,487)
	(6,995,129)	(68,526,579)	(63,716,928)	7,490,036	-7%	(101,232,456)	(102,539,937)	(3,555,132)
Net Result Excluding Rates	(4,334,906)	(41,629,458)	(35,202,464)			(65,493,079)	(66,160,795)	
Capital Revenue & Expenditure								
Purchase of Furniture & Equipment	(65,664)	(936,781)	(698,161)	238,620	-25%	(1,454,494)	(2,390,609)	(209,612)
Purchase of Plant & Equipment	(40,410)	(3,302,617)	(2,082,326)	1,220,291	-37%	(2,441,631)	(4,687,329)	(502,382)
Purchase of Land & Buildings	(155,640)	(2,972,828)	(2,135,022)	837,806	-28%	(3,786,000)	(9,506,200)	(799,348)
Purchase of Infrastructure Assets	(996,580)	(11,452,882)	(8,311,255)	3,141,627	-27%	(15,935,141)	(21,183,669)	(3,583,864)

A more detailed summary of variances and comments based on the Rate Setting Statement by Sub-Program ([6002C Sub Program February 2017](#)) is provided in attachment [6002H February 2017](#).

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR FEBRUARY 2017 (REC)
(ATTACHMENTS)****Revenue**

\$82.59 million in Rates was raised to 28 February 2017. This is compared with a revised year to date budget of \$82.73 million, resulting in a negative variance of \$146,722.

Money Expended in an Emergency and Unbudgeted Expenditure

Not applicable for February 2017.

Budget Amendments

There were no budget amendments processed in February 2017 as the 2016-2017 mid-year budget review was being finalised.

Rates Collections and Debtors

Rates, Refuse, Fire and Emergency Service Authority and Underground Power payments totalling \$2,127,627 were collected over the course of the month. Rates collection progress for the month of February is 2.2% below the target of 88%. This represents a dollar value of \$1,904,550. As at 28 February, 86.8% of 2016-2017 rates had been collected, compared with 92% collected for the same time last year.

Total sundry debtor balances decreased by \$142,218 over the course of the month from \$676,580 to \$534,361. The 90+ day's debtor balance decreased by \$18,627 from \$108,984 to \$79,958.

Granting of concession or writing off debts owed to the City

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

No debts were written off under delegated authority in the month of February 2017.

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR FEBRUARY 2017 (REC)
(ATTACHMENTS)**

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

DESCRIPTION	LINK
Statement of Financial Activity By Nature and Type – February 2017	6002A Nature Type February 2017
Rate Setting Statement by Program – February 2017	6002B Program February 2017
Rate Setting Statement by Sub-Program – February 2017	6002C Sub Program February 2017
Representation of Net Working Capital – February 2017	6002E February 2017
Reconciliation of Net Working Capital – February 2017	6002F February 2017
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – February 2017	6002H February 2017
Summary of Rates Debtors – February 2017	6002L February 2017
Graph Showing Rates Collections – February 2017	6002M February 2017
Summary of General Debtors aged 90 Days Old or Greater – February 2017	6002N February 2017

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

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

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

34. Financial activity statement report — s. 6.4

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

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

C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR FEBRUARY 2017 (REC)

- (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.

FINANCIAL IMPLICATIONS

Variances are dealt with in attachment [6002H February 2017](#) (Notes on Statement of Variances in excess of \$50,000 by Sub-Program).

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no identifiable strategic, risk 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.

CONCLUSION

The attached financial reports reflect a positive financial position of the City of Melville as at 28 February 2017.

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR FEBRUARY 2017 (REC)
(ATTACHMENTS)**

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6002)

NOTING

That the Council:

- Notes the Rate Setting Statement and Statements of Financial Activity for the month ending 28 February 2017 as detailed in the following attachments:**

DESCRIPTION	LINK
Statement of Financial Activity By Nature and Type – February 2017	<u>6002A Nature Type February 2017</u>
Rate Setting Statement by Program – February 2017	<u>6002B Program February 2017</u>
Rate Setting Statement by Sub-Program – February 2017	<u>6002C Sub Program February 2017</u>
Representation of Net Working Capital – February 2017	<u>6002E February 2017</u>
Reconciliation of Net Working Capital – February 2017	<u>6002F February 2017</u>
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – February 2017	<u>6002H February 2017</u>
Summary of Rates Debtors – February 2017	<u>6002L February 2017</u>
Graph Showing Rates Collections – February 2017	<u>6002M February 2017</u>
Summary of General Debtors aged 90 Days Old or Greater – February 2017	<u>6002N February 2017</u>

At 9.21pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (10/0)

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

Ward : All
 Category : Strategic
 Subject Index : Waste
 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 : T16/3697 Waste Disposal Review Strategic Waste Management Plan
 T16/3735 Three Bin Food Organics Garden Organics Trial
 Works Programme : Not Applicable
 Funding : Refuse Facilities Reserve
 Refuse Bin Reserve
 Responsible Officer : John Christie
 Director Technical Services

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	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>

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- At the Ordinary Meeting of the Council on 13 December 2016, the Council supported the implementation of a three bin Food Organics and Garden Organics (FOGO) trial within the City, subject to a future report to the Council detailing the trial area, the infrastructure requirements and the financial implications.
- Since the December resolution, Officers have been working collaboratively with the Southern Metropolitan Regional Council (SMRC), the City of Fremantle and the Town of East Fremantle in preparing the trial parameters.
- As the City of Melville has its own in-house waste collection service, it has been recommended that the City undertake the trial on behalf of the remaining Members of the Regional Resource Recovery Centre Project.
- The City of Fremantle and the Town of East Fremantle have agreed to contribute funding to the trial, for all non bin related costs, based on population.
- The SMRC has allocated an amount of \$1 million to assist with the implementation of the trial and will be taking a lead role with the education, communication and marketing of the trial, as well as bin auditing and tagging throughout the trial.
- To reduce the adverse impact on rates, it is proposed to fund the trial from the City's Refuse Facilities Reserve and the Refuse Bin Reserve.
- To enable this, two slight amendments to the purposes of the Refuse Facilities and Refuse Bin Reserves are required.
- The City has made an application to the Waste Authority for funding through the "Better Bins" Programme and if successful will receive \$30 per household.
- The trial is expected to commence around September 2017 and will involve five areas within the City.
- The trial areas proposed have been carefully selected to be representative of certain demographic aspects across the three participating local governments, with varying housing types including multi-unit developments.
- For the duration of the trial, it is recommended to revert back to a fortnightly recyclables collection service to allow the collection of the red lidded bin without the need to purchase additional plant and equipment.
- It is anticipated that the trial will run until 30 June 2018, with a report being presented as part of the 2018-2019 budget process to determine the success of the trial and to consider the future implementation of a permanent change to the collection service.
- This report recommends that the Council endorses the implementation of a three bin food and garden organics trial and that the trial be funded by the City from the Refuse Facilities Reserve and the Refuse Bin Reserve.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)****BACKGROUND**

At the Ordinary Meeting of the Council on 15 March 2016, the Council resolved to give “in principle” support to the Southern Metropolitan Regional Council’s Draft Strategic Waste Management Plan. An extract from the Council Resolution of 15 March 2016 specifically relating to a future three bin trial of Food Organics and Garden Organics is detailed below:

“That the Council:

- 1. Gives “in principle” support to the recommendations and proposed actions contained within the Southern Metropolitan Regional Council’s Draft Strategic Waste Management Plan.*
- 2. Requests that further detailed investigations be undertaken by the Southern Metropolitan Regional Council to determine the implications associated with the proposed recommendations and actions contained within the Draft Strategic Waste Management Plan.*
- 3. Requests the Chief Executive Officer to provide the City’s responses to the Southern Metropolitan Regional Council in respect to each of the proposed actions contained within the Draft Strategic Waste Management Plan as outlined below.*

Collection Actions

- 1. Conduct a three bin Food Organics and Garden Organics trial through the Regional Resource Recovery Centre drums (the Waste Composting Facility) – retain or mothball the drums dependent on the outcome.*

Response:

The introduction of a three bin trial is considered appropriate and is consistent with the Waste Authority’s Waste Hierarchy for resource recovery. The City of Melville supports the implementation of a three bin Food Organics and Garden Organics trial”.

At the Ordinary Meeting of the Council on 13 December 2016 the Council resolved as follows:

“That the Council:

- 1. Supports the implementation of a three bin FOGO trial within the City, subject to a future report to the Council as part of the 2017-2018 budget process which details the trial area, the infrastructure required and the financial implications associated with the implementation of the trial.*
- 2. Requests the Chief Executive Officer to work collaboratively with the Southern Metropolitan Regional Council and remaining Project Participants to develop the scope and design parameters of a three bin FOGO trial for future consideration in support of the adopted Strategic Waste Management Plan of the Southern Metropolitan Regional Council.”*

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)****DETAIL**

In accordance with the December 2016 resolution, Officers of the City have been working collaboratively with the SMRC, the City of Fremantle and the Town of East Fremantle to identify the parameters of the three bin FOGO trial. During the discussion with the City of Fremantle and the Town of East Fremantle it was identified that the City of Melville would be better placed to conduct the trial in isolation, rather than attempting to coordinate the trial across the three local government areas.

One reason for this decision is that the City has its own in-house waste service, while the City of Fremantle and the Town of East Fremantle contract out all or part of their waste collection service and there would be a need to enter into contract variations with their contractors, which may or may not be successful.

As a result of the City undertaking the trial, the City of Fremantle and the Town of East Fremantle, have agreed to contribute funding towards the trial. This contribution will be based on the population proportion of the participating local governments and will result in the City of Fremantle contributing 21.35% and the Town of East Fremantle contributing 5.32% of the trial costs, excluding the cost of bins and kitchen caddies as these will remain the property of the City of Melville.

Trial Areas

Five trial areas have been identified within the City and are contained within the following suburbs:

- Bicton
- Brentwood
- Bull Creek
- Mount Pleasant
- Willagee

The areas included in the trial have been carefully selected to be representative of certain demographic aspects across the three participating local governments. The demographic statistics are outlined in the attached document Stage 1 [3749 Fogo Trial Demographics](#), which forms an attachment to this Agenda and was distributed on Wednesday, 5 April 2017.

The collection service will operate across standard working days, moving from suburb to suburb over the course of the week. As a result, participating areas have been selected in line with existing collection routes to reduce disruption to operations and streamline the process for operational staff and residents. Due to the sample size for the trial and the collection service logistics, it is difficult to encapsulate whole suburbs. During the selection process, consideration was also given to areas that can be more easily identified on maps, which will aid when explaining to the community which areas are involved in the trial.

Most of the properties within the trial areas have been deemed appropriate to receive the service, with a small amount of properties being serviced by rear-loader trucks in Willagee and Mount Pleasant being excluded. Several multi-unit developments have been visited and investigated to deem their suitability and are included in the trial areas.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

The trial is expected to commence in September 2017 and run for the remainder of the 2017-2018 financial year. During this period an assessment of the success of the trial will be undertaken and it is anticipated that a report will be presented to the Council as part of the 2018-2019 budget process indicating the outcomes of the trial. It is at this point the Council will determine whether to consider the full implementation of a three bin FOGO system across the City.

An overview of selected areas across the City of Melville can be seen in the attached document which forms an attachment to this Agenda and was distributed on.... Individual suburb maps are also form an attachment to this Agenda.

[3749 Fogo Trial Demographics](#)

[3749 Fogo Trial Maps](#)

[3749 Fogo Trial Overview Map](#)

Infrastructure Requirements

For the duration of the trial, it is recommended that the City reverts back to a fortnightly collection service for the yellow topped bin within the trial areas. This will allow the City to undertake the collection process with its existing waste vehicles without the need to incur additional operating or capital expenditure for the additional waste collection vehicles.

The City will be required to purchase additional bins and it is estimated that an additional 6,860 red topped, 140 litre bins for residual waste and 6,860 lime green topped bins for food and garden organics will be required. It is anticipated that the cost of the bins will be partly offset with a successful “*Better Bins Kerbside Collection Programme*”, grant application to the Waste Authority which is currently set at \$30 per household if a 140 litre red topped bin is provided. This reduces to \$24 per household if a 240 litre red topped bin is provided. For the duration of the trial it is recommended that a 140 litre red topped bin is provided, which will be emptied on a fortnightly basis. The lime green lidded bin which will contain the food and garden organic material will be emptied weekly.

As a result of reverting to a fortnightly collection service for the yellow topped bin, it is anticipated that there may be some households within the trial area that need additional capacity for their recyclables, as such, it is considered appropriate to purchase additional 360 litre yellow topped bins and to provide these where there are capacity issues for recyclables. Discussions with the SMRC indicate that the take-up of 360 litre bins in other local governments who have implemented a similar FOGO system is approximately 10%, therefore the City will purchase 673 360 litre yellow topped bins in anticipation of this potential capacity issue.

To assist with source separation of the food organic material, the City will provide kitchen caddies to the residents in the trial areas and provide a roll of 150 compostable liners. It will be essential that the residents do not use plastic shopping bags that are not compostable as this will contaminate the compost stream and cause serious problems at the composting facility. It is intended that if any resident requires additional compostable liners for the kitchen caddies, then the City will provide these on an as needs basis at no cost.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)****STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

At this stage, the City has not undertaken any consultation with the community in regard to the proposed trial. However, the SMRC and the City's Marketing and Communications Coordinator are in the process of developing a comprehensive Communications Plan.

As part of the Communications Plan, trial participants will be directly engaged throughout the process, with the City and the SMRC ensuring that these residents receive direct communication and information throughout the trial period. Participants will receive communications through a number of formats, including:

- Direct letters/mail outs;
- Information Packs;
- Dedicated Customer Service Hotline; and
- Information stalls and education at community events.

These efforts will support the broader communications actions, as identified through the Communications Plan, while utilising the standard marketing and communications channel to push out key messages to the wider community throughout the trial.

Independent Survey

While the City has not undertaken any formal community consultation at this stage, the SMRC regularly surveys residents about their satisfaction of waste services, as well as their waste behaviours. The results of these surveys helps to provide an insight to the needs and wants of the communities and helps to shape the community education provided by the SMRC.

These surveys take shape in two forms; an independent survey conducted by an external market research group and a community survey conducted by members of the SMRC communications team and volunteer committee members of the SMRC Waste Recycling Education Network.

The most recent independent survey, conducted in 2016 asked residents from the City of Melville, City of Cockburn, City of Fremantle, City of Kwinana and Town of East Fremantle, a range of questions regarding waste and recycling.

The survey included a sample size of 500 residents who were asked three questions about the introduction of a third bin into their waste services. The results were as follows for the City of Melville, City of Fremantle and the Town of East Fremantle.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**City of Melville Residents

- When asked if Councils should provide households with a third bin for food and garden waste, 75% of Melville residents agreed.
- When asked if they would prefer a third bin to include food and garden waste or just garden waste, 48% of Melville residents preferred food and garden waste, as against 32% of respondents who wanted a garden waste only option, with the remaining respondents either not wanting a third bin or not sure which they would prefer.
- When asked if they would be willing to pay a yearly fee for a third bin service, 59% of Melville residents would pay up to \$50, 73% up to \$25 and 82% up to \$12.

City of Fremantle Residents

- When asked if Councils should provide households with a third bin for food and garden waste, 80% of Fremantle residents agreed.
- When asked if they would prefer a third bin to include food and garden waste or just garden waste, 64% of Fremantle residents preferred food and garden waste, as against 13% of respondents who wanted a garden waste only option, with the remaining respondents either not wanting a third bin or not sure which they would prefer.
- When asked if they would be willing to pay a yearly fee for a third bin service, 47% of Fremantle residents would be willing to pay up to \$50, 59% up to \$25 and 68% up to \$12.

Town of East Fremantle Residents

- When asked if Councils should provide households with a third bin for food and garden waste, 82% of East Fremantle residents agreed.
- When asked if they would prefer a third bin to include food and garden waste or just garden waste, 54% of East Fremantle residents preferred food and garden waste, as against 27% of respondents who wanted a garden waste only option, with the remaining respondents either not wanting a third bin or not sure which they would prefer.
- When asked if they would be willing to pay a yearly fee for a third bin service, 70% of East Fremantle residents would be willing to pay up to \$50, 79% up to \$25 and 88% up to \$12.

Residents from all SMRC Member Councils (including Cockburn and Kwinana)

- When asked if Councils should provide households with a third bin for food and garden waste, 76% of SMRC residents agreed.
- When asked if they would prefer a third bin to include food and garden waste or just garden waste, 50% of SMRC residents preferred food and garden waste, as against 31% of respondents who wanted a garden waste only option, with the remaining respondents either not wanting a third bin or not sure which they would prefer.
- When asked if they would be willing to pay a yearly fee for a third bin service, 58% of SMRC residents would be willing to pay up to \$50, 67% up to \$25 and 77% up to \$12.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

It is clear from the results of the residents surveyed, that there is community support for the introduction of a third bin for food and garden organics within the City of Melville and the broader SMRC region. In addition to this support, it also shows that many residents who support a third bin are also willing to pay an additional fee for this additional service.

Community Events

During displays and exhibitions and community events, the SMRC frequently surveys the public about waste behaviours and services. Over the last six months, a total of 135 respondents made up of individuals from both SMRC member councils and the broader metropolitan area were surveyed and the results were as follows:

- When asked if they would like a third bin for garden and food waste, 84% of respondents agreed.
- When asked if they would like this bin to include food and garden waste, or garden waste only, 82% of respondents preferred the food and garden waste option.
- When asked if they would be willing to pay a yearly fee for this service, 38% of people would be happy to pay up to \$50, 63% up to \$25 and 77% up to \$12.

II. OTHER AGENCIES / CONSULTANTS

There has been extensive consultation between the SMRC, the City of Fremantle and the Town of East Fremantle. Discussions have taken place with the Waste Authority regarding the *"Better Bins Kerbside Collection Programme"*.

STATUTORY AND LEGAL IMPLICATIONS

As a member of the SMRC, the City has a statutory and legal obligation to abide by the terms of the Establishment Agreement of the SMRC and the Project Participants' Agreement for the Regional Resource Recovery Centre Project.

The City will continue to comply with this statutory and legal requirement.

FINANCIAL IMPLICATIONSBin Options

There are two potential options with regard to the provision of new bins. There is an option of providing two new bins, a red lidded 140 litre bin for residual waste and a lime green lidded bin for food and garden organics. The estimated cost of undertaking the trial and providing two new bins is \$847,938, which includes the provision of kitchen caddies and compostable liners.

An alternative is to only provide one new bin, being a red lidded 140 litre bin and to replace the dark green lids with lime green lids on the existing 240 litre green bins. If this is preferred, the estimated cost of undertaking the trial is \$682,453, which again includes the provision of kitchen caddies and compostable liners.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

Over the last four months the SMRC has spoken with a number of regional and local governments in Western Australia, interstate and abroad. Many local governments who have undertaken bin lid changes have encountered problems with new lids fitting older and different model bins, as well as logistical challenges after the initial changeover to ensure that all lids have been changed and that they close properly preventing insect intrusion and odour issues.

Alongside these challenges, a number of local governments stated that retrofitting lids rather than replacing the bins, saw a number of residents not recognise the new bin-lid as meaning a difference in the use of the bin, which resulted in a lack of understanding and contamination of the waste stream. One particular discussion with a regional local government in South Australia, servicing eight local governments, strongly recommended that after having undertaken a substantial number of rollouts, that providing new bins as against retrofitting existing bins was by far the better option.

Another point for considering the provision of a new lime green lidded bin is the age of the City's existing bin infrastructure, which is estimated to be between 15-20 years old. New bins generally come with a 10 year guarantee, and while the many of the bins currently in circulation are still in good condition, it is expected that some of the bins will be close to reaching the end of their expected life and will be replaced within the next few years. Therefore, even if the City wasn't considering the trial, a number of the existing bins would need to be replaced over the coming years, thus making the provision of two new bins a highly viable option as opposed to retrofitting existing green bins and providing one new bin.

In addition to the age of the existing bin infrastructure, providing residents in the trial areas with two new bins rather than one new bin and changing the lid on the older bin is likely to aid in better source separation. By taking away the existing green bin and replacing it with two clearly distinctly different bins, will place a stronger emphasis on the changes to the service being a 'new system' and a new way of source separation.

It is therefore recommended that the City provides the residents in the trial area with two new bins, being a 140 litre red lidded bin and a 240 litre lime green lidded bin, rather than replacing the existing bin lid.

External Funding

The City has submitted a grant funding application to the Waste Authority's "*Better Bins Kerbside Collection Programme*". The Better Bins Collection Programme is a \$20 million State Government initiative which is being delivered by the Waste Authority and is an incentive based programme for local governments to implement best practice kerbside waste and resource recovery. This incentive based programme makes available up to \$30 per household for local governments that implement best practice kerbside collections and if successful the City will receive \$212,430 for the trial area. This funding is only available after the implementation of the best practice kerbside collection; therefore the estimated costs shown above do not take this amount into consideration.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

As the City has agreed to implement the trial in association with the City of Fremantle and the Town of East Fremantle, both local governments have agreed to contribute to the trial costs, excluding the cost of the bin infrastructure. The City of Fremantle will contribute 21.35% and the Town of East Fremantle will contribute 5.32% of the cost of the trial. At this stage the non bin costs are estimated at \$114,495 (inclusive of 10% contingencies), resulting in future contribution of \$24,445 from the City of Fremantle and \$6,091 from the Town of East Fremantle. This contribution is based on population and in a similar manner that supports the funding of the SMRC. Both the City of Fremantle and the Town of East Fremantle have confirmed they are committed to the percentage funding and are aware that the figures shown above are estimated costs and the final cost may differ.

Funding from Reserve Funds

To implement the trial without having an adverse impact on rates in 2017-2018, it is recommended that the costs of the trial be funded from the City's Refuse Facilities Reserve and Refuse Bin Reserve. However, to be able to do so, there would need to be an amendment to the purpose of the Refuse Facilities Reserve.

Refuse Facilities Reserve

The current wording of the Refuse Facilities Reserve is as follows:

"To be used for payments relating to the establishment and operation of waste management facilities, funding associated costs, and the cost of landscaping, environmental and rehabilitation works of former refuse tip sites operated by the City of Melville and for any additional waste collection and disposal costs of waste associated with storm or disaster events".

The above wording of the Refuse Facilities Reserve does not allow for the funding of waste collection operations for municipal solid waste, which under the circumstances and the potential impact on the waste budget in any given financial year, it would be considered a practical move to include this element within the Refuse Facilities Reserve.

It is therefore recommended that the purpose of the Refuse Facilities Reserve should be amended to reflect this change, and at the same time updating the wording slightly to reflect the desired outcomes of the City.

The suggested new wording of the Refuse Facilities Reserve is as follows:

To be used for payments relating to the establishment and operation of waste management facilities and collection systems, funding associated costs, and the costs associated with monitoring and remediating/rehabilitating, including landscaping, former refuse tip sites operated by the City of Melville and for any additional waste collection and disposal costs of waste associated with storm or disaster events.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

The following indicates the recommended changes to the Refuse Facilities Reserve:

To be used for payments relating to the establishment and operation of waste management facilities and collection systems, funding associated costs, and the costs associated with monitoring and remediating/rehabilitating including landscaping former refuse tip sites operated by the City of Melville and for any additional waste collection and disposal costs of waste associated with storm or disaster events.

The estimated closing balance of the Refuse Facilities Reserve at 30 June 2017 is projected to be \$9,028,384.

Refuse Bins Reserve

While the current wording of the Refuse Bins Reserve allows for the purchase of the new bins, it is also recommended to amend the purpose of the Refuse Bin Reserve to allow the distribution of the bins, not only the purchase.

The current wording of the Refuse Bins Reserve is as follows:

“To be used for the purchase and replacement of domestic refuse and recycling bins or receptacles.”

The suggested new wording of the Refuse Bin Reserve is as follows:

To be used for the purchase, replacement and distribution of domestic refuse and recycling bins or receptacles.

The following indicates the recommended changes to the Refuse Bins Reserve:

To be used for the purchase, replacement and distribution of domestic refuse and recycling bins or receptacles.

The estimated closing balance of the Refuse Bin Reserve at 30 June 2017 is projected to be \$1,764,402.

A copy of the estimated budget forms and attachment to this agenda and was distributed on Wednesday 5, April 2017.

Southern Metropolitan Regional Council

At the October 2016 SMRC Council meeting, the Council resolved to increase the research and development budget for the Strategic Waste Management Plan, relating to a Food Organics and Garden Organics trial by an additional \$850,000 to \$1 million.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

As a result of the increase in funding, the SMRC will be contributing towards the communications and community education which will provide tools and resources for residents. This includes the funding of the following:

- Research, preparation and formulation of communications plan;
- Design and production of education and communications materials;
- Promotion and advertisements;
- Public place engagement and community education workshops; and
- Household bin tagging programme.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are a number of future risks associated with the trial, with perhaps the most prominent risk being the risk of failing to educate and inform the community resulting in cross contamination of the waste streams. This has been shown to be a significant factor in the success of the implementation of three bin systems in other local governments.

Ensuring that a comprehensive education and marketing campaign is developed and implemented both prior to and during the trial is essential. It is for this reason both SMRC and City will be working closely to develop a programme and to implement the learnings from other local governments who have successfully implemented three bin systems.

The environmental implications remain the same as our current operations, as all waste collected will continue to be delivered to the Regional Resource Recovery Centre.

There is also a risk that the final costs may differ slightly from the estimates shown above, and that the City may not be successful in attaining the grant funding from the Waste Authority. The estimates have been prepared in consultation with the SMRC, the City of Fremantle and the Town of East Fremantle and appear to be reflective of the requirements of the trial. It is proposed that any variation from the estimated funding will be offset from the Refuse Facilities Reserve and the Refuse Bin Reserve whether positive or negative. Preliminary discussions with the Waste Authority regarding the implementation of the trial indicate that the trial parameters are consistent with best practice kerbside collections and the City is confident that the funding amount will be supported and endorsed.

POLICY IMPLICATIONS

There are no direct policy implications associated with this report.

This report is consistent with the Council's Waste Minimisation Policy CP-036 which has the following Policy Objective:

"To provide guidance and direction to the City for the minimisation of collected domestic waste going to landfill, whilst also providing a value for money service to our residents."

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)****ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The Council could resolve to not approve the funding for the trial and to continue with the current collection service. However this would be in contradiction to the Council's previous resolutions supporting the implementation of the Regional Strategic Waste Management Plan, which included the undertaking of a three bin food and garden organics trial. It should also be recognised that there has been significant work undertaken to date in preparation for the trial and should the trial not proceed, this could have an adverse impact on the SMRC's strategic objectives in the longer term with regard to the future of the Regional Resource Recovery Centre and in particular the aging infrastructure associated with the Waste Composting Facility.

The Council could resolve to not amend the purpose of the Refuse Facilities Reserve and the Refuse Bin Reserve to allow funding for the trial; however this would result in additional operating costs being included to the Waste Services operating budget, and potentially result in an increase in rates for the 2017-2018 financial year.

CONCLUSION

The Council has resolved previously to support the implementation of a three bin food and garden organics trial and Officers have been working closely with the SMRC over the past three months in developing the trial parameters.

It is clear that there is community support for a food and garden organics waste system, not only within the City of Melville, but also in the neighbouring local governments. As such, it is recommended that the City commits funding as part of the 2017-2018 budget to allow the trial to progress.

The City of Fremantle and the Town of East Fremantle have committed to contribute to the trial for a proportion of the non bin costs. Furthermore, the City has submitted an application for funding through the Waste Authority's Better Bin Programme, which if successful, will result in a \$30 contribution per household.

The implementation of a three bin food and garden organics waste collection service is consistent with best practice waste collection services, which ensures all organic material is recovered from the waste stream, before being disposed of in landfill, thus maximising resource recovery. While this already occurs within the City with our current two bin system, the introduction of a three bin system for food and garden organics should result in a cleaner waste stream being processed at the Waste Composting Facility, which in turn should result in better quality compost. It will also give an indication of the most cost effective processing method at the Regional Resource Recovery Centre and assist with the transitioning out of the Bedminster drum technology to a Moving Aerated Floor, which would result in significant cost reductions.

The introduction of a three bin system will also facilitate the progression toward Waste to Energy, with ultimately the red lidded bin going directly to a future Waste to Energy facility and again reducing costs and increasing diversion rates from landfill.

At 8.00pm Ms Newman left the meeting.

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

To assist with ensuring the trial does not impact on residential rates, it is proposed to fund the trial from the City's Refuse Facilities Reserve and Refuse Bin Reserve. However some slight changes to wording of the purposes of the reserves is required. This is considered appropriate under the circumstances.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3749) APPROVAL

At 8.00pm Cr Schuster moved, seconded Cr Macphail -

That the Council:

1. **Endorses the implementation and funding of a three bin Food Organics and Garden Organics trial within the City to commence in the 2017-2018 financial year.**
2. **Endorses the following wording of the purpose of the Refuse Facilities Reserve and notes the proposed amendment will be presented as part of the 2017-2018 Budget Process:**

To be used for payments relating to the establishment and operation of waste management facilities and collection systems, funding associated costs and the costs associated with monitoring and remediating/rehabilitating including landscaping, former refuse tip sites operated by the City of Melville and for any additional waste collection and disposal costs of waste associated with storm or disaster events.

3. **Endorses the following wording of the purpose of the Refuse Bin Reserve and notes the proposed amendment will be presented as part of the 2017-2018 Budget Process:**

To be used for the purchase, replacement and distribution of domestic refuse and recycling bins or receptacles.

4. **Endorses the funding allocation for the non bin costs associated with the three bin Food Organics and Garden Organics trial from the Refuse Facilities Reserve.**
5. **Endorses the provision of two new bins, being a new 140 litre red lidded bin, a new 240 litre lime green lidded bin and kitchen caddies for residents within the trial areas.**
6. **Endorses the funding allocation for the supply and delivery of new waste bins and kitchen caddies associated with the three bin Food Organics and Garden Organics trial from the Refuse Bin Reserve.**
7. **Notes that a funding application has been submitted to the Waste Authority's Better Bins Kerbside Collection Programme.**
8. **Notes that if the funding application to the Waste Authority's Better Bins Kerbside Collection Programme is unsuccessful, the funding for all new bins will be provided from the Refuse Bin Reserve**

**LATE ITEM T17/3749 - THREE BIN FOOD AND GARDEN ORGANICS (FOGO) TRIAL
(REC) (ATTACHMENT)**

9. **Notes the financial commitment to the trial from the City of Fremantle and the Town of East Fremantle.**
10. **Requests the Chief Executive Officer to notify the Southern Metropolitan Regional Council, the City of Fremantle and the Town of East Fremantle in writing of point 1 above.**

At 8.20pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (10/0)

At 8.21pm Mr Handcock and Mr Molony left the meeting.

M17/5546 – SPECIAL MEETING OF ELECTORS – MOUNT PLEASANT BOWLING CLUB SITE – MOTIONS CARRIED (REC)

Ward	: All
Category	: Operational
Subject Index	: Council Administration
Customer Index	: Elected Members
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: Not Applicable.
Works Programme	: Not Applicable.
Funding	: In accordance with 2016-2017 Budget
Responsible Officer	: Jeff Clark – Governance and Compliance Program Manager

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input checked="" type="checkbox"/>	Executive	The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
<input type="checkbox"/>	Legislative	Includes adopting local laws, town planning schemes & policies.
<input type="checkbox"/>	Review	When the Council operates as a review authority on decisions made by Officers for appeal purposes.
<input type="checkbox"/>	Quasi-Judicial	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.
<input type="checkbox"/>	Information	For the Council/Committee to note.

M17/5546 – SPECIAL MEETING OF ELECTORS – MOUNT PLEASANT BOWLING CLUB SITE – MOTIONS CARRIED (REC)**KEY ISSUES / SUMMARY**

- At the City of Melville Special Meeting of Electors held on 23 March 2017, one motion was carried and the Council needs to consider the response.
- A recommendation for the motion is referred for consideration of the Council.

BACKGROUND

The City of Melville held a Special Meeting of Electors on 23 March 2017. At the meeting one motion from electors was carried and the Council is required to consider the motion and decide on any future action that should be resolved in the interests of the City.

DETAIL

The motion relates to the proposed new use of the land now occupied by the Mt Pleasant Bowling Club in Bedford Road, Ardross and that the Council should consider alternative proposals for, community, recreation and leisure use of the site that is compatible with the current Ardross environment.

Motion

“That the Council notes that the ratepayers strongly disagree with the potential loss of this Reserve and the designated land use of which it holds, and would like the Council to retain the Mount Pleasant Bowling Club and premises for the benefit of the community”.

CARRIED UNANIMOUSLY

Project History:

The first stage of community engagement for the proposed Mount Pleasant Bowling Club redevelopment has been completed. This stage asked for people’s input on the future of the site and did not propose any specific plans for the future redevelopment.

The initial community engagement was conducted from 15 February 2017 to 13 March 2017. The public advertising and community engagement methods included:

1. 1,219 letters sent to local residents in the local area
2. Information, an online survey and discussion forum on the Melville Talks page
3. Six large signs placed around the perimeter of the site
4. Information flyers
5. An ‘About Melville’ local newspaper advertisement
6. Information and a link to Melville Talks on the City of Melville website
7. Two information sessions held on-site – one held during the day and one in the evening
8. Emails to a project update database (with 82 people registered to date)

**M17/5546 – SPECIAL MEETING OF ELECTORS – MOUNT PLEASANT BOWLING CLUB
SITE – MOTIONS CARRIED (REC)**

9. Frequently Asked Questions
10. A video about the project and what is happening on Melville Talks
11. A letter and emails sent to the Mount Pleasant Bowling Club
12. A letter sent to the Department of Lands for information purposes
13. Letters sent to local politicians
14. Social media posts on Facebook and Twitter
15. Hard copy information at the Civic Centre
16. A survey of development preferences conducted both online and hard copy
17. Four artists impressions of possible redevelopment scenarios for the site

The following feedback was received during the first stage of community engagement –

- 66 survey responses
- 20 written submissions
- Comments from nine people on Melville Talks
- Verbal feedback

There were mixed views in the community about the future of the site:

- Some support for a redevelopment of the site with parkland and housing
- Concern about / opposition to the bowling club moving away from the site. The existing facility was seen to serve as a social hub and not just a bowling club for some of the community
- Some support for the whole site to be developed as a new park (alternately voiced as opposition to housing being developed on some of the site)
- Verbal concerns about a range of issues

A formal report on the initial community engagement process will be referred to Council in due course.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

Stakeholder engagement occurred at the Special Meeting of Electors held on the 23 March 2017.

II. OTHER AGENCIES / CONSULTANTS

Consultation has also taken place with officers from relevant State Government Departments.

**M17/5546 – SPECIAL MEETING OF ELECTORS – MOUNT PLEASANT BOWLING CLUB
SITE – MOTIONS CARRIED (REC)****STATUTORY AND LEGAL IMPLICATIONS**

The Council is required to consider any decisions from an electors meeting at the next or subsequent ordinary council meeting as noted below:

5.33. Decisions made at electors' meetings

(1) All decisions made at an electors' meeting are to be considered at the next ordinary council meeting or, if that is not practicable —

(a) at the first ordinary council meeting after that meeting; or

(b) at a special meeting called for that purpose, whichever happens first.

(2) If at a meeting of the council a local government makes a decision in response to a decision made at an electors' meeting, the reasons for the decision are to be recorded in the minutes of the council meeting.

FINANCIAL IMPLICATIONS

There are no financial implications relating to this item other than the costs of conducting the Special Meeting.

Should the Council resolve to retain the Bowling Club building and greens, an unassessed considerable cost would be incurred in maintenance on the building and site.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic management implications contained in this report.

POLICY IMPLICATIONS

There are no policy implications.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council is required by the *Local Government Act 1995* to consider any motions passed at the Special Meeting of Electors.

At 8.21pm Mr Tieleman left the meeting and returned at 8.23pm
At 8.36pm Mr J Rae entered the meeting

M17/5546 – SPECIAL MEETING OF ELECTORS – MOUNT PLEASANT BOWLING CLUB SITE – MOTIONS CARRIED (REC)

CONCLUSION

This report recommends the action arising from the Special Meeting of Electors held on the 23 March 2017. The motion from the Special Meeting of Electors can be viewed in conjunction with the feedback received as part of the preliminary engagement with the community on the future of the site. The feedback will be taken into account when considering the next steps to further explore possible options for the site of the Mount Pleasant Bowling Club.

OFFICER RECOMMENDATION (5546)

NOTING

At 8.21pm Cr Macphail, seconded Cr Phelan -

That the Council;

- 1. Notes the motion from the Special Meeting of Electors held on 23 March 2017.**
- 2. Notes that preliminary engagement on the possible redevelopment of the Mount Pleasant Bowling Club site has been conducted and the results of this engagement, together with the motion from the Special Electors Meeting, will assist in the consideration of the next steps relating to the future of the site.**
- 3. Requests Chief Executive Officer to advise the mover of the Motion at the Special Meeting of Electors in writing of the Council's resolutions.**

AMENDMENT

At 8.30pm Cr Pazolli moved, seconded Cr Barton -

That the Council insert the following words in item 1, after 2017-

“and that the electors at the meeting strongly disagreed with the potential loss of this Reserve and the designated land use of which it holds”.

At 8.49pm The Mayor submitted the amendment which was declared –

CARRIED (8/2)

M17/5546 – SPECIAL MEETING OF ELECTORS – MOUNT PLEASANT BOWLING CLUB SITE – MOTIONS CARRIED (REC)

Vote Result Summary	
Yes	8
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Barton	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Pazolli	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Cr Phelan	No
Mayor Aubrey	No

COUNCIL RESOLUTION (5546)

That the Council;

- 1. Notes the motion from the Special Meeting of Electors held on 23 March 2017 and that the electors at the meeting strongly disagreed with the potential loss of this Reserve and the designated land use of which it holds.**
- 2. Notes that preliminary engagement on the possible redevelopment of the Mount Pleasant Bowling Club site has been conducted and the results of this engagement, together with the motion from the Special Electors Meeting, will assist in the consideration of the next steps relating to the future of the site.**
- 3. Requests Chief Executive Officer to advise the mover of the Motion at the Special Meeting of Electors in writing of the Council's resolutions.**

At 8.56pm the Mayor submitted the motion as amended which was declared

CARRIED (8/2)

Vote Result Summary	
Yes	8
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barton	No
Cr Pazolli	No

C17/5548 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)

Ward : All
 Category : Policy
 Subject Index : BMS – Council Policies
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Item C16/5484 – Review of Council Policy CP-023 Procurement of Products and Services - Ordinary Meeting of Council held 17 May 2016.
 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>
<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>

C17/5548 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)

KEY ISSUES / SUMMARY

- Amendments to the *Local Government (Functions and General) Regulations 1996* permitting local governments to establish and manage panels for pre-qualified suppliers, took effect on 1 October 2015.
- Council Policy CP-023 Procurement of Products or Services was subsequently revised and adopted at the Ordinary Meeting of Council held on the 9 December 2015 to reflect these changes.
- This report and recommendation proposes a refinement to section 13. Panels of Pre-Qualified Suppliers of the current policy and minor amendments to other sections.

BACKGROUND

In December 2015, the City's Council Policy CP-023 Procurement of Products or Services was amended to incorporate the establishment and management of pre-qualified panels following a change in legislation. The amendments were a prescribed requirement under the *Local Government (Functions and General) Regulations 1996*.

DETAIL

During the establishment of pre-qualified panel documentation it was identified that refinements to section 13 of the policy, "Panels of Pre-Qualified Suppliers" were necessary to enable more flexibility in the set up of future panels. At the same time it is proposed to remove superfluous content that is better suited to an offer document, work instruction or procedural document, which will help simplify and reduce the size of the policy. The proposed changes do not affect the City's compliance with current legislation.

A summary of the key amendments are provided below:

13. Panels of Pre-Qualified Suppliers

Heading	Description of Amendment	Basis for removal or amendment
Policy Heading, headings 2,3,4,7,9,11,12,13,	• Formatting Amendments	• Removal of unnecessary capitalisation
5. Suppliers Obligations	• Separation of first paragraph	• Provide clear separation of the requirements.
11. Purchasing from Disability Enterprises	• Deletion and replacement of text	• Refinement of intent regarding value for money.

C17/5548 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)

12. Purchasing from Aboriginal Businesses	<ul style="list-style-type: none"> • Deletion and replacement of text 	<ul style="list-style-type: none"> • Refinement of intent regarding value for money
13.1 Policy Objectives	<ul style="list-style-type: none"> • Deleted – Statements relating to risk management and assessment 	<ul style="list-style-type: none"> • Risk assessment is integral to the City's procurement planning process and is not a legislated requirement to be included in the policy
13.2 Establishing a Panel	<ul style="list-style-type: none"> • Deleted - Minimum term of a panel • Deleted - Text relating to evaluation criteria • Deleted -Text relating to minimum number of suppliers for panel or category appointment 	<p>All of these items are determined through the procurement planning process and/or will be contained in Request for Applications (RFA) documentation and is not legislated to be included in a policy</p>
	<ul style="list-style-type: none"> • Deleted - State wide advertising notification of panel size 	<ul style="list-style-type: none"> • Not legislated to be included in a policy
	<ul style="list-style-type: none"> • Inclusion – Suppliers will be subject to the City's Panel Terms • Deleted - Information relating to supplier replacement 	<ul style="list-style-type: none"> • Included to ensure panel members are aware of the documentation relating to terms of their appointment • Not legislated to be included in policy. Will be determined through procurement planning and included in RFA
13.3 Distributing Work amongst Panel Members	<ul style="list-style-type: none"> • Section deleted 	<ul style="list-style-type: none"> • Replaced with new section 13.3 Panel Purpose – to more clearly state the purpose and structure of the panel
13.3 Panel Purpose	<ul style="list-style-type: none"> • New section added • Description of panel purpose - Support or Professional 	<ul style="list-style-type: none"> • Clarity around panel purpose • Enhance compliance with legislated requirements
13.4 Purchasing from the Panel	<ul style="list-style-type: none"> • Section deleted 	<ul style="list-style-type: none"> • Replaced with new section 13.4 Procuring from the Panel

C17/5548 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)

13.4 Procuring from the Panel	<ul style="list-style-type: none"> • Inclusion - Quoting process from panel type as described at 13.3 • Inclusion of maximum contract length to this section 	Enhance compliance with legislated requirements.
13.5 Distributing Work amongst Panel Members	<ul style="list-style-type: none"> • New section added • Inclusion – Work distribution amongst Panel types • Removal – Quotation process 	<ul style="list-style-type: none"> • Enhance compliance with legislated requirements for inclusion in policy • Level of detail not required, will be contained in RFA
13.6 Panel Communication	<ul style="list-style-type: none"> • New section Included – Appointment of dedicated contact person 	<ul style="list-style-type: none"> • Enhance compliance with legislated requirement to include in policy
13.7 Record Keeping	<ul style="list-style-type: none"> • Removal of text – Specific details of document types to be retained for record keeping 	<ul style="list-style-type: none"> • Level of detail not required, will be included in process map or work instruction
References applicable to Policy	<ul style="list-style-type: none"> • Addition of applicable documents and new delegated authorities 	<ul style="list-style-type: none"> • Update of reference documents

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

No community engagement or consultation has been carried out.

II. OTHER AGENCIES / CONSULTANTS

No external engagement or consultation has been carried out.

STATUTORY AND LEGAL IMPLICATIONS

The *Local Government (Functions and General) Regulations 1996 Regulation 11A* requires the City to have a written Purchasing Policy and Regulation 24AC requires the City to have a written policy to address the pre-qualified supplier matters specified at Regulation 24AC(2).

FINANCIAL IMPLICATIONS

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

C17/5548 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no environmental management implications with regard to this matter.

The complexity of internal process specifically the procurement process is identified as a Strategic Risk (Risk R4.7) and is rated as High.

The Finance Team has identified the following as an operational risk, which is also rated High.

Risk Statement	Level of Risk	Risk Mitigation Strategy
The Finance Team has an identified operational risk of "Delays in tendering and procurement process result in delays in products and services" and in some cases rework. Other results of this risk are staff and supplier frustration, impact on ability to expend funds and completed scheduled works and internal staff inefficiencies.	Moderate consequences which are likely, resulting in a High level of risk	Review Purchasing Policy and Procedure to reduce complexity of process. Continue Procurement Planning meetings. Implement further improvements to simplify the procurement process.

Other risks identified with this change in Policy are -

Risk Statement	Level of Risk	Risk Mitigation Strategy
Risk of Procurement Policy and Procedures not being applied or implemented by Service Areas resulting in non-compliance with legislation.	Moderate consequences which are likely, resulting in a High level of risk	Deliver training to staff in legislative requirements and application of City of Melville Procurement Policy and Procedure. Initial monitoring and reporting to EMT/OMT on compliance with policy and procedure. Periodic internal audits be undertaken in regards to purchases being undertaken to ensure they meet the necessary standards.

POLICY IMPLICATIONS

The main implication of the changes is that the policy will enable more flexibility through the procurement planning phase of appointing Panels that reflect the City's needs.

At 8.57pm Cr Foxtton left the meeting and returned at 9.00pm.
At 9.04pm Cr Pazolli left the meeting and returned at 9.06pm.
At 9.05pm Cr Woodall left the meeting and returned at 9.07pm

C17/5548 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council could elect not to revise section 13 Panels of Pre-Qualified Suppliers.

The City's Panel set up would remain restrictive.

CONCLUSION

The current Policy showing the proposed "doc track changes" to CP-023 is attached. The proposed changes will further streamline the appointment of panels of pre-qualified suppliers and ensure continuing compliance with current legislation.

OFFICER RECOMMENDATION (5548) APPROVAL

At 9.12pm Cr Barling moved, seconded Cr Macphail –

That the Council adopts revised Council Policy CP-023 Procurement of Products and Services as attached [5548 CP-023 Procurement of Goods and Services Review](#)

PROCEDURAL MOTION

At 9.07pm Cr Pazolli moved, seconded Cr Barton, the following Procedural Motion in accordance with Clause 11.1(b) of Standing Orders Local Law 2003 -

That the Council defer consideration of this report (Item C17/5548 Review of Council Policy CP-023 Procurement of Products and Services) to an Elected Members Information Session for further discussion.

At 9.09pm the Mayor submitted the motion, which was declared

LOST (4/6)

Vote Result Summary	
Yes	4
No	6

Vote Result Detailed	
Cr Barton	Yes
Cr Foxtton	Yes
Cr Pazolli	Yes
Cr Phelan	Yes
Cr Aubrey	No
Cr Barling	No
Cr Macphail	No
Cr Schuster	No
Cr Woodall	No
Mayor Aubrey	No

C17/5548 - REVIEW OF COUNCIL POLICY CP-023 PROCUREMENT OF PRODUCTS AND SERVICES (REC) (ATTACHMENT)

COUNCIL RESOLUTION (5548)

APPROVAL

That the Council adopts revised Council Policy CP-023 Procurement of Products and Services as attached [5548 CP-023 Procurement of Goods and Services Review](#)

At 9.21pm the Mayor submitted the motion, which was declared

CARRIED (8/2)

Vote Result Summary	
Yes	8
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barton	No
Cr Pazolli	No

15. EN BLOC ITEMS

At 9.21pm Cr Schuster moved, seconded Cr Phelan –

That the recommendations for items, M17/5000, C17/6000, C17/6001 and C17/6002, be carried En Bloc.

At 9.21pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (10/0)

17. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

Nil

18. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

At 9.22pm Cr Aubrey moved, seconded Cr Barling –

That the meeting be closed to the public to permit discussion on a confidential matter (Item P17/3752 – Purchase of Applecross Strategic Property covered under section 5.23 of the *Local Government Act 1995*).

At 9.23pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (10/0)

At 9.24pm His Worship the Mayor adjourned the meeting

At 9.38pm the meeting resumed.

CONFIDENTIAL ITEM P17/3752 – PURCHASE OF APPLECROSS STRATEGIC PROPERTY (REC) (CONFIDENTIAL ATTACHMENT)

This item of business is being dealt with in confidential business in accordance with the following provisions Section 5.23 and Section 5.41 of the *Local Government Act 1995*. 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 contract entered into, or which maybe entered into, by the local government and which relates to a matter to be discussed at the meeting;*
- (b) *A matter that if disclosed, would reveal information that has a commercial value to a person.*

OFFICER RECOMMENDATION (3752)**APPROVAL**

At 10.10pm Cr Aubrey moved, seconded Cr Macphail–

That the Council approve the confidential recommendation in Confidential Attachment “A”.

AMENDMENT

That the Council add the following to the recommendation following the letter “A”:

“in respect to the purchase of the property at 50-52 Kishorn Road, Applecross for \$3,800,000 (exclusive of GST).

The Chief Executive Officer will present a report back to the Council detailing future uses for the property situated at 50-52 Kishorn Road, Applecross together with the City’s adjoining properties situated at 23-31 Moreau Mews, Applecross”

Both the Mover and Seconder agreed to incorporate the amendment into the Officer Recommendation.

PROCEDURAL MOTION – QUESTION BE PUT

At 10.21pm Cr Woodall moved, seconded Cr Foxtton the following procedural motion in accordance with Clause 11.1(d) of Standing Orders Local Law 2003 –

That the motion as amended be now put.

At 10.22pm the Mayor submitted the motion which was declared

CARRIED (6/4)

CONFIDENTIAL ITEM P17/3752 – PURCHASE OF APPECROSS STRATEGIC PROPERTY (REC) (CONFIDENTIAL ATTACHMENT)

Vote Result Summary	
Yes	6
No	4

Vote Result Detailed	
Cr Aubrey	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barling	No
Cr Barton	No
Cr Pazolli	No
Cr Schuster	No

COUNCIL RESOLUTION (3752)

APPROVAL

That the Council approve the confidential recommendation in Confidential Attachment “A” in respect to the purchase of the property at 50-52 Kishorn Road, Applecross for \$3,800,000 (exclusive of GST)

The Chief Executive Officer will present a report back to the Council detailing future uses for the property situated at 50-52 Kishorn Road, Applecross together with the City’s adjoining properties situated at 23-31 Moreau Mews, Applecross.

At 10.25pm the Mayor submitted the motion, which was declared

CARRIED (8/2)

Vote Result Summary	
Yes	8
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barton	No
Cr Pazolli	No

CONFIDENTIAL ITEM P17/3752 – PURCHASE OF APPECROSS STRATEGIC PROPERTY (REC) (CONFIDENTIAL ATTACHMENT)

At 10.25pm Cr Schuster moved, seconded Cr Aubrey –

That the meeting come out from behind closed doors and the public be invited back into the meeting, it should be noted that no members of the Public returned to the meeting..

At 10.25pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (10/0)

19. CLOSURE

There being no further business to discuss, the Mayor declared the meeting closed at 10.25pm.