

MINUTES

OF THE

ORDINARY MEETING OF THE COUNCIL

HELD ON

TUESDAY 21 FEBRUARY 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, 21 FEBRUARY 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 G Wieland
Cr C Robartson, Cr M Woodall
Cr P Phelan, Cr L O'Malley
Cr N Foxtan, 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
Ms K Johnson (From 10.00 to 10.40pm)	Executive Manager Organisational Development
Mr P Prendergast (Until 10.10pm)	Manager Statutory Planning
Ms L Reid (Until 10.10pm)	Manager Cultural Services
Mr G Ponton (Until 10.10 pm)	Manager Strategic Urban Planning
Mr J Rae (Until 10.0pm pm)	Strategic Land and Property Executive
Mr P de Lang (Until 9.24pmpm)	Healthy Melville Coordinator - Leisure Planning
Mr J Clark	Governance & Compliance Program Manager
Ms C Newman	Executive Support & Governance Officer
Mr N Fimmano	Governance & Property Officer
Ms S Tranchita	Minute Secretary
Mr R Murphy	Department of Local Government and Communities

At the commencement of the meeting there were 350 members of the public and 6 members from the Press in the Public Gallery.

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

Nil

4.2 APPROVED LEAVE OF ABSENCE

Nil

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

Nil

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

Nil

At 6.39pm Cr Schuster left the meeting and returned at 6.41pm.

6. QUESTION TIME

6.1 Mr R Pride, Applecross

Question 1

- a) *Can the Mayor and the CEO each advise whether they are aware that Wave Park Group also entered discussions with Perth Airport for a lease of land on the airport estate for its proposed surf park?*
- b) *If so, are the Mayor and the CEO aware that the lease rate negotiated between Wave Park and the City of Melville for prime riverfront land at Alfred Cove is almost half that required by Perth Airport for empty sand plain near Perth Airport?*

Response

Q1(a) – Yes the City was advised by Andrew Ross of Wave Park Group that they had looked into a potential site near the Perth Airport to lease for their Wave Park proposal.

Q1(b) – The City is not aware of the lease rate required by Perth Airport. The lease rate offered by Wave Park Group to the City in its proposal has been assessed by an Independent Valuer and found to be in line with the results in the valuation report.

6.2 Mr E Nielsen, Booragoon

With reference to the unforeseen circumstances that arose at the Special Meeting of Electors (SME) 23 Jan 2017 (re Wave Park proposal), the subsequent Minutes (published Friday 17 February 2017) and the Late Item M17/5529 – SPECIAL MEETING OF ELECTORS – WAVE PARK – MOTIONS CARRIED published Saturday 18 February 2017, I raise the following.

Question 1

*On the 24 January 2017, the day after the SME, I lodged an FOI Application requesting a digital copy of the recording made at the meeting. During that process I was informed by Mr Clark that the Minutes would not be published until after the postal voting process had been concluded so the results could be included in the Minutes. It now shows that the Minutes only published last Friday (17 Feb) did **NOT** include the voting results, **WHY?***

Response

The Minutes on the City's website have voting results in the document at page 24.

Question 2

Then last Saturday 18 Feb 2017, the day after, the Late Item M17/5529 appears showing the results of the postal vote. Although the text of the Motions from the SME 23 Jan 2017 has been correctly (verbatim) recorded on page 2 in this Late Item, on page 4 when it comes to the point where Council is expected to carry out what is required of them under Section 5.33

6. QUESTION TIME

of the Act (that of considering the Motions and vote) the Motions are not included but have been replaced with an item containing text that bears no resemblance of the Motions, WHY?

Response

The Officer Recommendation is consistent with the *Local Government Act 1995* Section 5.33 requirements. There is no requirement to repeat the text of the motion as it is contained in the report.

Question 3

In addition, this new text states among other things 'That the Council having considered the voting outcomes of the two motions...' When did the Council meet to consider these voting outcomes?' Council has not been in session since these results were known...or have they?

Response

The Council has received and reviewed the report and will consider the report's contents at this meeting.

Question 4

Furthermore the text continues with '...resolves that the motions will be included in its consideration at the time that it considers Item CD17/8095 (Wave Park Lease)'. How is Council going to be able to appropriately and diligently consider the Electors' Motions after they have been denied due process in the first place?

Response

The Council has the capacity to make any enquiry it chooses on a matter and will vote when it has the required knowledge on a matter to make an informed decision.

Question 5

The officers recommendation for this item is 'NOTING' which means that Council only have to NOTE what is written (in this case not the Motions). No deliberation, consideration or decisions required. This method seems to be deployed when Electors' Motions appear to 'be in conflict' with the City's agenda, why is that so?

Response

The decision to "Note" this report is in the context that the Council also resolves that the motions will form part of the consideration of another report.

6. QUESTION TIME

Question 6

There appears to be 3 copies of the Business Case-Wave Park Proposal available on the City's website all with no identification such as logos or author (SMC 28 Nov 2016 refers). These 3 documents have different descriptions added to the titles on the front page but are identical throughout showing no amendments as suggested by the description on the front page of the document that accompanied the Minutes. Who are the authors and owners of these documents?

Response

The business case document is owned by the City of Melville with both Louis Hitchcock and Christine Young its authors.

Question 7

The Record of Certificate of Title for 596 Canning Hwy (Bowling Club) shows an Easement to the Minister for Works (Minister for Finance) on this land. The Minister's interest may affect any lease agreement, use and/or development on this site. Why is there no mention of this easement in either the Business Case or elsewhere? Has it been appropriately dealt with?

Response

This information is publicly available and contained in other documents received by the City when researching the proposed site.

Question 8

Towards the end of the meeting when an Elector asked for the City to engage an external body to oversee the voting process Mr Silcox (CEO) responded by saying 'at the end of the day Mr Clark is the Returning Officer for Local, State and Federal Elections so I am pretty sure we got the process down pretty right...' A check with the Electoral Commission WA shows that Mr Clark is a Returning Officer for Cockburn in this upcoming State Election which would have no bearing on the question raised. Would the CEO please explain what relevance his response has to the question?

Response

At the Special Meeting of Electors a suggestion was made that the electoral processes of the Australian Electoral Commission be used and a Returning Officer be appointed. Dr Silcox provided assurance that the skills and knowledge required for a vote at a Special Meeting of Electors were available within the City's staff.

Question 9

Information is currently circulating that the Mayor has acknowledged that this matter (proposed lease agreement) was being rushed through wanting it finalised before the State Election for fear of a new Government stopping the Wave Park at Tompkins Park from going ahead. Would the Mayor please elaborate on why the City should engage in politics to the detriment of due process?

6. QUESTION TIME

Response

I have received one email indicating Union involvement and one email claiming the involvement of a political party in this matter.

I have no direct knowledge regarding any proposal to defer the motion until after the election.

The questions were of operational nature and will be received by the Chief Executive Officer for an administrative response.

6.3. Mr W Green, Bull Creek

Question 1

Is the Council aware of the apparent death of a motorcyclist on Leach Highway in an incident involving a container truck just prior to Christmas?

Response

The Chief Executive Officer is aware of that and it's a very distressing experience for us to see the number of accidents on the freight route particularly on Leach Highway.

7. AWARDS AND PRESENTATIONS

Nil

8. CONFIRMATION OF MINUTES

8.1 **ORDINARY MEETING OF THE COUNCIL – 13 DECEMBER 2016** [Minutes 13 December 2016](#)

COUNCIL RESOLUTION

At 6.44pm Cr Schuster moved, seconded Cr Aubrey –

That the Minutes of the Ordinary Meeting of the Council held on Tuesday, 13 December 2016, be confirmed as a true and accurate record.

At 6.44pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

8.2 **NOTES OF AGENDA BRIEFING FORUM – 7 FEBRUARY 2017** [Notes 7 February 2017](#)

COUNCIL RESOLUTION

At 6.44pm Cr Aubrey moved, seconded Cr Foxtton –

That the Notes of the Agenda Briefing Forum held on Tuesday, 7 February 2017, be received.

At 6.44pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

8.3 ANNUAL GENERAL MEETING OF ELECTORS – 7 DECEMBER 2016
Minutes AGM 7 December 2016

COUNCIL RESOLUTION

At 6.44pm Cr Wieland moved, seconded Cr Aubrey–

That the Minutes of the Annual General Meeting of Electors held on Wednesday, 7 December 2016, be confirmed as a true and accurate record.

At 6.44pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

8.4 SPECIAL MEETING OF ELECTORS – 7 DECEMBER 2016
Minutes SME 7 December 2016

COUNCIL RESOLUTION

At 6.44pm Cr Aubrey moved, seconded Cr Foxtan–

That the Special Meeting of Electors held on Wednesday, 7 December 2016, be confirmed as a true and accurate record.

At 6.45pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

8.5 SPECIAL MEETING OF ELECTORS – 12 DECEMBER 2016
Minutes SME 12 December 2016

COUNCIL RESOLUTION

At 6.45 pm Cr Wieland moved, seconded Cr Robartson –

That the Special Meeting of Electors held on Monday, 12 December 2016, be confirmed as a true and accurate record.

At 6.45pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

8.6 SPECIAL MEETING OF ELECTORS – 23 JANUARY 2017
Minutes SME 23 January 2017 Wave Park
(Environmental Impacts of Wave Park)

COUNCIL RESOLUTION

At 6.45 pm Cr Schuster moved, seconded Cr Woodall–

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

At 6.45pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

8.7 SPECIAL MEETING OF ELECTORS – 23 JANUARY 2017
Minutes SME 23 January 2017 Elector Voting
(Elector Voting)

COUNCIL RESOLUTION

At 6.45pm Cr Schuster moved, seconded Cr Robartson–

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

At 6.45pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

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

- Item P17/3738 – Cr Barling – Interest under the Code of Conduct
- Item P17/3738 – Cr Schuster – Interest under the Code of Conduct
- Item P17/3738 – Cr Foxtton – Interest under the Code of Conduct
- Item P17/3738 – Cr Aubrey – Interest under the Code of Conduct
- Item M17/5522– Mayor Aubrey – Interest under the Code of Conduct
- Item C17/5521 – Shayne Silcox – Interest under the Code of conduct
- Item C17/5525 – Shayne Silcox – Interest under the Code of Conduct

9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

Nil

10. DEPUTATIONS

Nil

11. APPLICATIONS FOR NEW LEAVES OF ABSENCE

At 6.49pm Cr Aubrey moved, seconded Cr Robartson-

That the applications for new leaves of absence submitted by Cr Schuster on 21 February 2017 be granted.

At 6.49pm the Mayor submitted the motion which was declared

CARRIED UNANIMOUSLY (13/0)

12. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil

13. PETITIONS

NIL

14. REPORTS OF THE CHIEF EXECUTIVE OFFICER

At 6.50pm the Deputy Mayor requested that Items M17/5529 and CD17/8095 be brought forward for discussion.

**M17/5529 – SPECIAL MEETING OF ELECTORS – WAVE PARK – 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.

**M17/5529 – SPECIAL MEETING OF ELECTORS – WAVE PARK – MOTIONS CARRIED
(REC)****KEY ISSUES / SUMMARY**

- At the City of Melville Special Meeting of Electors held on 23 January 2017, two motions were put to the meeting and the Council needs to consider the responses.
- A recommendation for each motion is referred for consideration of the Council.

BACKGROUND

The City of Melville held a Special Meeting of Electors on 23 January 2016. At the meeting two motions from electors were put to the meeting and the Council is required to consider the motions and decide on any future action that should be resolved in the interests of the City.

DETAIL

The two motions relating to the environmental and community impacts of the proposed ground lease of a portion of Tompkins Park to Wave Park Group Pty Ltd for the development of a surf sports, recreation and leisure facility, are as follows:

Motion 1

That the City of Melville Council NOT support in any way, including by granting ground lease, or proceed with, the location of the proposed Wave Park on any part of Tompkins Park, the current site of the Melville Bowling Club or any other part of Applecross, Alfred Cove or Attadale foreshores.

The Council has considered the Wave Park Business Case and endorsed the advertising of the unsolicited proposal adhering to requirements as per Section 3.59 of the Local Government Act 1995 at the Special Meeting of Council 28 November 2016.

Motion 2

Electors hereby request that Council refer all of the questions and concerns of electors expressed at this meeting to Wave Park Group Pty Ltd so that they can be addressed as part of the preparation of any development application that might be prepared for the site.

Further, electors hereby request that Council ensures each of these matters are considered by relevant regulatory authorities as required under the planning and environmental approval process associated with any development application submitted by Wave Park Group Pty Ltd.

**M17/5529 – SPECIAL MEETING OF ELECTORS – WAVE PARK – MOTIONS CARRIED
(REC)**

The questions and responses contained in the Minutes of the Special Meeting of Electors are available for the Wave Park Group to access.

Should the Development Application progress, concerns expressed at the Special Meeting of Electors will be addressed in the regulatory assessments that will be required. The Minister of Environment will have the final determination on the Development Application.

For Occupational Health and Safety reasons there were limits on the number of people able to enter the Meeting Room.

As there were in excess of 650 attendees at the meeting and it was difficult for staff to ensure accurate voting results it was agreed that all registered attendees that were eligible to vote would participate in a postal vote on the motions.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

Stakeholder engagement has occurred in relation to this motion, at the Special Meeting of Electors held on the 23 January 2017.

II. OTHER AGENCIES / CONSULTANTS

Consultation has taken place with the Department of Local Government and Communities after the Special Meeting of Electors.

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.

**M17/5529 – SPECIAL MEETING OF ELECTORS – WAVE PARK – MOTIONS CARRIED
(REC)****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.

CONCLUSION

A letter, Voting Sheet and Reply Paid Envelope were sent to electors and ratepayers who attended the Special Meeting of Electors held on 23 January 2017. The mail was posted on Friday, 27 January 2017, to all eligible electors that attended and registered their attendance at the meeting. The close off for receipt of the Voting Sheets was by 4pm on Friday, 10 February 2017.

Following a count of the voting papers received Motion 1 received 385 votes for the motion and 130 votes against. Motion 2 received 185 votes for the motion and 320 votes against.

This report recommends that both motions arising from the Special Meeting of Electors be considered and noted.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5529)**NOTING**

That the Council having considered the voting outcomes of the two motions from the Special Meeting of Electors – Wave Park held on 23 January 2017, resolves that the motions will be included in its consideration at the time that it considers Item CD17/8095 Wave Park Group Ground Lease Recreational Facility Proposal for Tompkins Park at the February 2017 Ordinary Meeting of Council.

Reject and Replace Motion

At 6.51pm Cr Pazolli moved:

That the City of Melville Council NOT support in any way, including by granting ground lease, or proceed with, the location of the proposed Wave Park on any part of Tompkins Park, the current site of the Melville Bowling Club or any other part of Applecross, Alfred Cove or Attadale foreshores.

The Reject and Replace Motion was not accepted by the Presiding Member

M17/5529 – SPECIAL MEETING OF ELECTORS – WAVE PARK – MOTIONS CARRIED (REC)

Motion of Dissent with the Presiding Member's Ruling

At 6.55pm Cr Pazolli moved, seconded Cr Barton, the following Procedural Motion in accordance with Clause 11.1(f) of Standing Orders Local Law 2003 -

That the ruling of the Presiding Member relating the Presiding Members ruling on the Reject and Replace motion be disagreed with.

At 6.55pm the Mayor submitted the Procedural Motion which was declared

LOST (3/10)

Vote Result Summary	
Yes	3
No	10

Vote Result Detailed	
Cr Barton	Yes
Cr Foxtan	Yes
Cr Pazolli	Yes
Cr Aubrey	No
Cr Barling	No
Cr Macphail	No
Cr O'Malley	No
Cr Phelan	No
Cr Robartson	No
Cr Schuster	No
Cr Wieland	No
Cr Woodall	No
Mayor Aubrey	No

COUNCIL RESOLUTION (5529)

NOTING

At 6.57pm Cr Schuster moved, seconded Cr Robartson –

That the Council having considered the voting outcomes of the two motions from the Special Meeting of Electors – Wave Park held on 23 January 2017, resolves that the motions will be included in its consideration at the time that it considers Item CD17/8095 Wave Park Group Ground Lease Recreational Facility Proposal for Tompkins Park at the February 2017 Ordinary Meeting of Council.

At 6.57pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

Ward : Bicton/Attadale
 Category : Strategic
 Subject Index : Recreation
 Customer Index : Wave Park Group
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : CD16/8081 – City of Melville Lawn Bowls Strategy – Ordinary Meeting of Council – June and October 2016
 CD16/8092 – Wave Park Group Ground Lease Recreational Facility Proposal For Tompkins Park – 28 November 2016
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Christine Young – Director Community Development
 Louis Hitchcock – Executive Manager Legal Services

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.

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)****KEY ISSUES / SUMMARY**

- This report advises details of submissions received as a result of the Public Notice advising the proposed disposition of a portion of Tompkins Park by way of a ground lease for recreational purposes.

The Council is required to consider all submissions received and then resolve to proceed or amend the proposed disposition.

BACKGROUND

The City of Melville, at a Special Meeting of the Council on Monday, 28 November 2016, resolved to advertise the proposed ground lease and Business Case in accordance with Section 3.59 of the Local Government Act 1995 as follows:

That the Council:-

1. Notes the Business Case which details the proposed Wave Park Recreational facility project and ground lease;
2. Approves the proposal for advertising of the Business Case and Ground Lease proposal as per the requirements of Section 3.59 of the Local Government Act 1995; and
3. Directs the Chief Executive Officer to report to the Council at the conclusion of the advertising.

The Public Notice of a Major land Transaction was prepared by the City's solicitors in accordance with Section 3.59(4) of the Local Government Act 1995. The Public Notice period seeking submissions commenced on Saturday, 3 December 2016 and closed on Friday, 27 January 2017 at 5pm with all valid submissions having must been received by closing of the advertising period.

The Public Notice of Major Land Transaction was advertised in the West Australian on Saturday, 3 December 2016 and Wednesday, 11 January 2017. In addition to this, the Notice was also advertised in the Melville Times on Tuesday, 6 December 2016 and Tuesday, 10 January 2017.

DETAIL

The Council is required to consider all submissions received, and the Council's decision and the reasons for a decision must be recorded in the Minutes of the Meeting.

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

An advertisement inviting submissions on the proposed ground lease arrangement was placed in the West Australian on Saturday, 3 December 2016 with submissions closing after an eight week period at 5pm on Friday, 27 January 2017. Notices were also placed in the Melville Times, the City's Website, Public Notice Board and in all Libraries.

A total of 3,694 valid submissions were received during the advertising period with all submissions recorded electronically. In addition, a total of 56 late submissions were received after closing and accordingly cannot be considered by the Council. Most submissions received were in the form of public comment on the proposal with those expressing their support and those expressing their objection to the proposal.

The submissions received and recorded have been subject to an independent internal audit process to validate the integrity of the submissions and the count.

Three alternative proposed use submissions were received and are summarised in Table 1 below:

Table 1:

Alternative Proposals (3)	Proposal	Officer's Comment
<p><u>Name</u> Mr Rex Baker</p> <p><u>Address</u> 35A Dunkley Ave Applecross</p> <p><u>Proponent</u> "Community"</p>	<p>This proposal requests that Council ceases evaluating the proposal by Wave Park Group.</p> <p>Council allows for the presentation of an alternative proposal from the community (?) for the use of the site.</p> <p>Council take no further action in regard to relocating the Melville Bowls Club until the alternative proposal has been received and evaluated.</p>	<p>Noted</p> <p>This submission does not represent an alternative ground lease proposal to that advertised by the City.</p> <p>In addition, to be considered by Council, alternative proposals must be submitted during the public submission period and cannot be considered if they are received after the submission period is closed.</p>

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

<p><u>Name</u> Mr A T Jackson</p> <p><u>Address</u> 55 Doney Street Alfred Cove</p> <p><u>Proponent</u> "Not Specified"</p>	<p><u>Proposal 1</u> Amalgamate the two bowling clubs but house them in one facility. Upgrade the clubhouse to accommodate enlarged membership and include a public café. The café to leased separately or operated by the bowling club as a source of income with the café having an outlook to the river.</p> <p><u>Proposal 2</u> In addition to Proposal 1 or instead of it, construct an adventure playground that focuses on entertainment and education for children.</p>	<p>Noted</p> <p>This submission does not represent an alternative ground lease proposal to that advertised by the City.</p> <p>This is an idea with no explanation of who will pay for and deliver the proposal. It seems to imply that the City will pay for the delivery of the proposal.</p>
<p><u>Name</u> Mr David Maynier</p> <p><u>Address</u> Unit 4 Pelican Cove 240 Burke Drive Attadale</p> <p><u>Proponent</u> "Alfred Cove Action Group"</p>	<p>Retain the Melville Bowling Club clubhouse building when the club vacates to the new facility at Tompkins Park.</p> <p>The area to the south of the Melville Bowling Club clubhouse between Canning Highway to be developed as a community recreation area with the clubhouse to be converted to a coffee shop/restaurant or kiosk.</p> <p>The area to the north of the clubhouse and existing shared use path to be cleared of existing structures and fencing and restored for passive recreation to the general public use as a natural bushland using local native flora and reinstated to the status of Bush Forever.</p> <p>The existing car park is to be retained to service the restaurant facility, Tompkins Park overflow parking and users of the POS.</p> <p>The shared use path re-routed where it leaves Atwell House to the facilitate access to the restaurant/kiosk and eliminate the dangerous bends for walkers and cyclists.</p>	<p>Noted</p> <p>This submission does not represent an alternative ground lease proposal to that advertised by the City.</p> <p>This proposal requires the City to deliver the proposal and not the proponent, does not reflect a ground lease proposal of the site as an alternative to the Wave Park ground lease.</p> <p>Small rental income to be derived from the restaurant/kiosk.</p>

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The total submissions received as comment only including those received from State Government. Agencies, are summarised below in Table 2.

These submissions have been sorted into four categories as described below:

1. City of Melville Residents For and Against;
2. Non City of Melville Residents For and Against;
3. State Government. Agencies – Those from the heads of the State Government Departments; and
4. Questions Only.

Common comments received and raised both for and against the proposal are as follows:

Support for the Proposal

1. Family recreational use
2. Safe alternative to children surfing in the ocean with the presence of sharks and physiological fears and anxiety developing in children who surf in Perth
3. Healthy activity, increased physical activity and mental wellbeing
4. Sporting and skills development
5. Alternative to Perth beaches to benefit from consistent surfing conditions
6. Regional Tourism benefits
7. Local economic benefits
8. Accessible to the general public
9. Represents a new sport in the City of Melville

Objections against the Proposal

1. Environmental damage to the Nature Reserve and Swan River
2. Contamination concerns both existing and future on the site
3. Proponent has no track record and questions over the Proponent's capacity to fund, build and operate the facility successfully
4. Site remediation obligations and concern that ratepayers will have to pay for this if the project fails
5. Traffic impacts
6. Unsociable behaviour by users of the facilities
7. Compatibility of proposed use with Sport and Recreational uses currently existing at Tompkins Park
8. Operating hours of the facility
9. Financial return to the City from ground rent is considered inadequate for such a facility and the length of the ground lease being offered

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PROPOSAL FOR TOMPKINS PARK (AMREC)

Table 2:

Submission Numbers	Summary of Submissions	Support/Object	Officer's Comment
<p>Demographic Split</p> <p>Residents = 719 Non-Residents = 2,307</p> <p>Total: 3,026</p>		Support For The Proposal	Noted
<p>Demographic Split</p> <p>Residents = 587 Non-Residents = 64</p> <p>Total: 651</p>		Object Against The Proposal	Noted
<p>9</p>	<p>Questions raised over the impacts from the proposal and how they will be dealt with.</p>	<p>Questions Only</p>	<p>Noted</p> <p>These questions will be addressed during the Proponent's Development Application phase should the Proposal be approved to proceed and can not be fully answered at this point in time.</p>
<p>State Government. Agency</p> <p>1</p>	<p>Director General of Water</p>	<p>Proponent will be required to prepare an Urban Water Management Plan (UWMP) in accordance with the WAPC's Better Urban Water Management 2008.</p>	Noted

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<p>State Government Agency 1</p>	<p>Senior Town Planner at Water Corporation</p>	<p>No concern with the proposal from a water services planning perspective.</p>	<p>Noted</p>
<p>State Government Agency 1</p>	<p>Director General of Department of Planning</p>	<p>Proponent will be required to lodge application to Department of Parks and Wildlife and in turn will be referred by Department of Parks and Wildlife to Department of Planning for comment.</p>	<p>Noted</p>
<p>State Government. Agency 1</p>	<p>Director General of Department of Parks and Wildlife</p>	<p>Noted that a comprehensive assessment under the Swan and Canning Rivers Management Act 2006 (SCRM) will occur if the Proponent lodges a Development Application with Department of Parks and Wildlife and will be determined by the Minister for Environment.</p>	<p>Noted</p>
<p>State Government. Agency 1</p>	<p>Director, Facilities and Camps at the Department of Sport and Recreation</p>	<p>Department is supportive in principles of the proposed development. Department is supportive in principle of the City's Bowls Strategy and relocation of the Melville Bowling Club as proposed.</p>	<p>Noted</p>

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)****II. OTHER AGENCIES / CONSULTANTS**

As part of the due diligence undertaken by the proponent and the City, the following agencies and stakeholders some of which put in a submission as detailed in the report were consulted.

The Key Stakeholders:

- City of Melville
- Wave Park Group trading as Urbnsurf Perth
- Melville Bowls Club
- Tompkins Park Sporting Clubs
- Department of Sport and Recreation
- Department of Parks and Wildlife (Swan River Trust)
- Department of Environment
- Department of Lands
- Department of Planning
- Department of Water
- Water Corporation
- Western Power
- Main Roads
- Local Residents and Business Operators
- Atwell Art Association
- Swan Estuaries Reserve Action Group (SERAG)

STATUTORY AND LEGAL IMPLICATIONS

The Local Government Act 1995 at Section 3.59 (3) (b) requires the Council to consider all valid submissions received prior to resolving any action. The Council's decision and the reasons for a decision must be recorded in the Minutes of the Meeting. The decision must also be made by an absolute majority of the Council.

FINANCIAL IMPLICATIONS

The financial implications have been detailed in the Business Case provided to the Council under confidential cover at the Special Meeting of the Council on Monday, 28 November 2016.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**City of Melville's Strategic Objectives**

The City's Corporate Business Plan 2016-2020 provides the following Priorities relevant to this proposal.

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

Priority 1: Restricted current revenue base and increasing/changing service demands impacts on rates.

Key Strategies to address this:

1. Explore opportunities for increased residential density and commercial investment in strategic locations, aligned to the local planning objectives and coupled with the exploration of special area rating.
2. Creating greater revenue from our current and potential land, property and facility holdings.
3. Pursue productivity and efficiency improvements.

Priority 2: Meeting the demand to provide fit for use/appropriate infrastructure into the future.

Key Strategies to address this:

1. Optimise facilities to achieve “fit for use” facilities for current and future beneficiaries. Includes amalgamation of like groups into hubs and shared use of facilities.
2. Review the standards and management model that we assess our asset gap against.
3. Ensure sufficient funding is available to replace assets at their end of life.

Priority 3: Urban development creates changes in amenity (positive and negative) which are not well understood.

Key Strategies to address this:

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

Further, the City's Strategic Community Plan - People, Places, Participation 2016-2026 aims to facilitate the following aspirations:

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

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The opportunity for the facility to further the City's Strategic Community Plan objectives and strategies are noted. Risk management of the proposal was addressed in detail in the Business Case. However, risks for the City are identified below:

Risk Statement	Level of Risk	Risk Mitigation Strategy
<p>There is a risk that the City of Melville is tying up an important component of freehold land for potentially 50 years under the ground lease opportunity and foregoing the opportunity for alternative uses in the future.</p>	<p>Moderate consequences which would be rare, resulting in Low level of risk.</p>	<p>The proposal site sits within the Tompkins Park precinct and is zoned Parks and Recreation for public use. It is unlikely that a change of use away from recreation would be acceptable to the Council or Community, and it is therefore reasonable to assume that there are little alternative redevelopment options for the site providing the level of financial return, despite it being freehold land which the City owns.</p>
<p>There is the risk that if the owner and operator collapse, the City of Melville will inherit the facility and will either need to find a suitable experienced operator or undertake the operations itself.</p>	<p>Major consequences which would be possible, Resulting in a High level of risk.</p>	<p>The City's solicitors will ensure that the City is as legally protected as can be reasonably expected under Contract Law, by ensuring that the default provisions within the ground lease agreement provide a clear course of action in the event that the Wave Park Group is placed into Administration or Liquidation. In addition a security bond of significant value will be required from Wave Park Group to cover the "make good" costs such as demolition and site restoration so that the City does not bear the costs. With risk mitigation as described risk is reduced to Medium.</p>

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)****Independent Risk Assessment**

The City engaged the services of an independent risk assessor to undertake a risk assessment study of the proposal on behalf of the City and advise the City of potential risks and measures to mitigate those risks. The Report was issued on Friday, 28 October 2016 and it identified and ranked the risks associated with this proposal and recommended mitigation strategies for the City to employ. None of the risks identified were considered to be so severe that they would prevent the City from being able to mitigate those risks. No fatal flaws were identified from the risk assessment.

POLICY IMPLICATIONS

The Council's "Land and Property Retention, Disposal and Acquisition" Policy (CP-005) is the principal Policy that will apply to this transaction. Other Council Policy that may apply includes the following:-

- Architectural and Urban Design Advisory Panel – CP-069 Canning Highway Precinct Design Guidelines – CP-075
- Car Parking and Access – CP-079
- Crime Prevention Through Environmental Design of Buildings – CP-065
- Disability Access and Inclusion Policy – CP-084
- Energy Efficiency in Building Design – CP-080
- Environmental Policy – CP-030
- Flood and Security Lighting – CP-058
- Land Property Retention, Disposal and Acquisition – CP-005
- Non-Residential Development – CP-087
- Outdoor Advertisements and Signage – CP-093

ALTERNATIVE OPTIONS AND THEIR IMPLICATIONS

The alternative option is to not proceed with approving the ground lease proposal from Wave Park Group Pty Ltd.

CONCLUSION

The City has received an unsolicited proposal from the Wave Park Group to ground lease a portion of the Tompkins Park Reserve covering approximately 4.4 hectares for the purpose of constructing and operating a Wave Park recreational facility. This proposal is considered a unique, transformational proposal that could provide a number of community benefits to the City and although implementing the proposal will come with risks, based on independent advice sought by the City those risks can be mitigated to a reasonable extent. The community benefits and risks are outlined in the Business Case and also show excellent alignment to the City's Strategic Community Plan aspirations, and the Strategic Corporate Plan objectives.

At 8.17pm Cr Schuster left the meeting and returned at 8.19pm.
At 8.40pm Cr Barling left the meeting and returned at 8.42pm.
At 8.41pm Mr L Hitchcock left the meeting and returned at 8.43pm.
At 8.47pm Dr Silcox left the meeting and returned at 8.49pm.
At 8.47pm Cr Aubrey left the meeting and returned at 8.493pm.
At 8.50pm Cr Wieland left the meeting and returned at 8.52pm.
At 8.51pm Cr Phelan left the meeting and returned at 8.53pm.
At 8.55pm Cr O'Malley left the meeting and returned at 8.57pm.
At 9.11pm Cr Pazolli left the meeting and returned at 9.13pm.

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The proposal offers the introduction of a unique recreation facility to the community whilst at the same time providing significant financial return.

The proposal is to be funded by the Wave Park Group and the initial offer proposes payment to the City of an annual commencing ground lease rent of \$700,000 (ex GST) plus variable outgoings in return for granting a long term ground lease to the Wave Park Group.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (8095) ABSOLUTE MAJORITY APPROVAL

At 6.59pm Cr Macphail moved, seconded Cr Wieland–

That the Council, having considered the submissions as set out in this report:

- 1. By absolute majority decision authorises the Chief Executive Officer to proceed with the drafting and executing the ground lease agreement with Wave Park Group Pty Ltd; and**
- 2. Requests the Chief Executive Officer to, by way of a Notice on the City's website, advise the public and all parties who provided submissions that the ground lease proposal by Wave Park Group Pty Ltd has been approved by the Council.**

REJECT AND REPLACE MOTION NO 1

At 7.01pm Cr Pazolli moved, seconded Cr Barton–

That the City of Melville Council NOT support in any way, including by granting ground lease, or proceed with, the location of the proposed Wave Park on any part of Tompkins Park, the current site of the Melville Bowling Club or any other part of Applecross, Alfred Cove or Attadale foreshores.

At 7.42pm the Mayor submitted the motion, which was declared

LOST (5/8)

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

Vote Result Summary	
Yes	5
No	8

Vote Result Detailed	
Cr Barling	Yes
Cr Barton	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Schuster	Yes
Cr Aubrey	No
Cr Foxtan	No
Cr Macphail	No
Cr Phelan	No
Cr Robartson	No
Cr Wieland	No
Cr Woodall	No
Mayor Aubrey	No

REQUEST FOR AN EXTENSION TO SPEAK

At 7.08pm Cr Barton moved, seconded Cr Wieland -

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

At 7.08pm the Mayor submitted the motion which was declared

CARRIED UNANIMOUSLY (13/0)

At 7.14pm Cr Pazolli requested a further five minutes to speak, however, the request was denied.

REJECT AND REPLACE MOTION NO 2.

At 7.43pm Cr Barton moved, seconded Cr Wieland –

That the Council reject the Officer's Recommendation 8095, replacing it with:

“That the Council;

- 1. Requests the Chief Executive Officer to investigate fully the legal issues raised about the business case and its advertising; and**
- 2. Requests the Chief Executive Officer to report the results of this investigation to an Elected Member Information Session; and**
- 3. Defer any decision on proceeding with a ground lease until the legal issues are resolved to the satisfaction of the Council.”**

At 8.16pm the Mayor submitted the motion, which was declared

LOST (4/9)

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

Vote Result Summary	
Yes	4
No	9

Vote Result Detailed	
Cr Barling	Yes
Cr Barton	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Aubrey	No
Cr Foxtton	No
Cr Macphail	No
Cr Phelan	No
Cr Robartson	No
Cr Schuster	No
Cr Wieland	No
Cr Woodall	No
Mayor Aubrey	No

Motion of Dissent with the Presiding Member's Ruling

At 8.02pm Cr Pazolli moved, seconded Cr Barton, the following Procedural Motion in accordance with Clause 11.1(f) of Standing Orders Local Law 2003 -

That the ruling of the Presiding Member relating to a Point of Order made on his comments relating to the "spirit of the Act" be disagreed with.

At 8.03pm the Mayor submitted the Procedural Motion which was declared

LOST (3/10)

Vote Result Summary	
Yes	3
No	10

Vote Result Detailed	
Cr Barton	Yes
Cr Pazolli	Yes
Cr O'Malley	Yes
Cr Aubrey	No
Cr Barling	No
Cr Foxtton	No
Cr Macphail	No
Cr Phelan	No
Cr Robartson	No
Cr Schuster	No
Cr Wieland	No
Cr Woodall	No
Mayor Aubrey	No

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)****AMENDMENT 1**

At 8.17pm Cr Woodall moved, seconded Cr Robartson –

- 1. That the Council amends item 1 of the Officers recommendation by deleting the words “executing the” and replacing them with the words “negotiation of a....”**
- 2. That the Officers recommendation number two, be renumbered number three and that the word “approved” be replaced with the word “progressed” and the following number two recommendation be inserted. “2. Requests the Chief Executive Officer to present the ground lease agreement to an Elected Member Information Session prior to seeking final authority from the Council to execute the agreement.”**

At 8.17pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**Reasons for Amendment – Cr Woodall

Cr Woodall provided the following reasons in support of the Amendment –

1. The proposed wave park at Alfred Cove is a major project which has the potential to cause reputational and/or financial damage to the City if it does not succeed.
2. It is imperative that the City is protected in the event of Wave Park Group entering administration or liquidation, or otherwise failing to run the facility. The terms of the lease agreement are critical in this respect.
3. Given the value and scale of this development, as well as the strong level of community interest, it is important for Council to closely consider the terms of any lease agreement before giving final approval.
4. This motion proposes to give the Chief Executive Officer full discretion to negotiate and draft the lease, but the Council retains the right to give final approval or refusal.

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

AMENDMENT 2

At 8.56pm Cr Schuster moved, seconded Cr Phelan–

That the Council add a new recommendation 4 as follows: “The term of the proposed lease be limited to 30 years with the capacity for it to be extended, if the Council so resolves, through an appropriate public process as decided by the Council of the day in the last two years of the lease”;

At 8.59pm the Mayor submitted the amendment, which was declared

CARRIED (7/6)

Vote Result Summary	
Yes	7
No	6

Vote Result Detailed	
Cr Barling	Yes
Cr Foxton	Yes
Cr O'Malley	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Cr Aubrey	No
Cr Barton	No
Cr Macphail	No
Cr Pazolli	No
Cr Wieland	No
Mayor Aubrey	No

AMENDMENT 3

At 8.59pm Cr Schuster moved, seconded Cr Pazolli –

That the Council add a new recommendation 5 as follows:” If the proposal proceeds and in the event that the City requires less groundwater for its Tompkins Park facilities, any excess groundwater pumping capacity this provides under the City’s licence through the Rights in Water and Irrigation Act will be used on other City parks or reserves”;

At 9.00pm the Mayor submitted the amendment, which was declared

CARRIED (11/2)

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

Vote Result Summary

Yes	11
No	2

Vote Result Detailed

Cr Aubrey	Yes
Cr Barling	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Schuster	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Cr Barton	No
Mayor Aubrey	No

AMENDMENT 4

At 9.01pm Cr Schuster moved, seconded Cr Phelan –

That the Council add a new recommendation 6 as follows: "In the event that the proposal is supported in this meeting, the final lease agreement, with all relevant regulatory approvals in place, must be finalised by February 28, 2019, or the proposal lapses, unless this date is amended by Council prior to 28 February, 2019."; and,

At 9.04pm the Mayor submitted the amendment, which was declared

CARRIED UNANIMOUSLY (13/0)

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

AMENDMENT 5

At 9.05pm Cr Schuster moved, seconded Cr Woodall –

That the Council add a new recommendation 7 as follows:” In the event the proposal is supported in this meeting the Council provides to the Wave Park Group all information it holds by way of regulatory correspondence and consulting reports other than confidential documents in respect to the Contaminated Sites Act 2003 and relevant classifications of the land, which is the subject of this proposal.”

At 9.11pm the Mayor submitted the amendment, which was declared

CARRIED (11/2)

Vote Result Summary	
Yes	11
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr O'Malley	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Schuster	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barton	No
Cr Pazolli	No

AMENDMENT 6

At 9.12pm Cr Schuster moved, seconded Cr Woodall –

That the Council add a new recommendation 8 as follows:

8 In the event that the proposal is supported in this meeting, the final lease agreement contain a clause requiring Wave Park Group Pty Ltd provide and maintain for the term of the lease a bank guarantee, or similar security, of an amount sufficient to cover the total costs of “make good” and (remediation and rehabilitation) of the ground lease site, to be accessed by the City in the event of the failure or inability of Wave Park Group Pty Ltd to continue operating the facility.

At 9.15pm the Mayor submitted the amendment, which was declared

CARRIED (12/1)

**CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY
PROPOSAL FOR TOMPKINS PARK (AMREC)**

Vote Result Summary	
Yes	12
No	1

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barton	Yes
Cr Foxtan	Yes
Cr Macphail	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Schuster	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barling	No

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

1. Given their diverse nature my proposal is that these proposed amendments be dealt with separately by the Council, if thought fit.
2. The lease term has no magic in terms of the number of years, but in my view if approved the lease should not be as an "as of right" 50 years (30 + 10 + 10), but rather be for 30 years to provide the capacity for satisfactory return on investment, then subject it to a public process at the time;
3. The Wave Park, if approved, will apparently use much more groundwater than the Bowls Club does currently and I don't think any savings the City might make from its City wide groundwater licence should be used at the Wave Park –that is a regulatory hurdle the Wave Park needs to meet;
4. The proposal for a period of a year to gain all approvals and sign the lease is in my view a protection for the City from unforeseen circumstances that could cause the process to extend for a long period of time; and,
5. The provision of all information on the contaminated site would happen anyway , but given the issues that could exist if excavations are not handled effectively I would prefer the Council to resolve that the Wave Park Group be formally provided with all the necessary information.

CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY PROPOSAL FOR TOMPKINS PARK (AMREC)

At 9.16pm Cr Schuster moved, seconded Cr Pazolli -

That the following amendment be deleted

“a new recommendation 4 as follows: “The term of the proposed lease be limited to 30 years with the capacity for it to be extended, if the Council so resolves, through an appropriate public process as decided by the Council of the day in the last two years of the lease”

At 9.20pm the Mayor submitted the amendment, which was declared

CARRIED (12/1)

Vote Result Summary	
Yes	12
No	1

Vote Result Detailed	
Cr Aubrey	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barton	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Schuster	Yes
Cr Barling	No

COUNCIL RESOLUTION

That the Council, having considered the submissions as set out in this report:

- 1. By absolute majority decision authorises the Chief Executive Officer to proceed with the drafting and negotiation of a ground lease agreement with Wave Park Group Pty Ltd; and**
- 2. Requests the Chief Executive Officer to present the ground lease agreement to an Elected Member Information Session prior to seeking final authority from the Council to execute the agreement.**
- 3. Requests the Chief Executive Officer to, by way of a notice on the city's website, advise the public and all parties who provided submissions that the ground lease proposal by Wave Park Group Pty Ltd has been progressed by the Council.**

CD17/8095 - WAVE PARK GROUP GROUND LEASE RECREATIONAL FACILITY PROPOSAL FOR TOMPKINS PARK (AMREC)

4. If the proposal proceeds and in the event that the City requires less groundwater for its Tompkins Park facilities, any excess groundwater pumping capacity this provides under the City's licence through the Rights in Water and Irrigation Act will be used on other City parks or reserves";
5. In the event that the proposal is supported in this meeting, the final lease agreement, with all relevant regulatory approvals in place, must be finalised by February 28, 2019, or the proposal lapses, unless this date is amended by Council prior to 28 February, 2019."
6. In the event that the proposal is supported in this meeting, the final lease agreement, with all relevant regulatory approvals in place, must be finalised by February 28, 2019, or the proposal lapses, unless this date is amended by Council prior to 28 February, 2019.
7. In the event the proposal is supported in this meeting the Council provides to the Wave Park Group all information it holds by way of regulatory correspondence and consulting reports other than confidential documents in respect to the Contaminated Sites Act 2003 and relevant classifications of the land, which is the subject of this proposal.
8. In the event that the proposal is supported in this meeting, the final lease agreement contain a clause requiring Wave Park Group Pty Ltd provide and maintain for the term of the lease a bank guarantee, or similar security, of an amount sufficient to cover the total costs of "make good" and (remediation and rehabilitation) of the ground lease site, to be accessed by the city in the event of the failure or inability of Wave Park Group Pty Ltd to continue operating the facility.

At 9.22pm the Mayor submitted the substantive motion as amended, which was declared

CARRIED BY ABSOLUTE MAJORITY (8/5)

Vote Result Summary	
Yes	8
No	5

Vote Result Detailed	
Cr Aubrey	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barling	No
Cr Barton	No
Cr O'Malley	No
Cr Pazolli	No
Cr Schuster	No

At 9.24pm the meeting was adjourned.

At 9.24pm Mr de Lang left the meeting

At 9.37pm the meeting resumed.

At 9.36pm Cr Schuster having declared an interest in item P17/3738 left the meeting.

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
(CONFIDENTIAL ATTACHMENT)**

Disclosure of Interest

Item No.	P17/3738
Elected Member/Officer	Cr R Aubrey
Type of Interest	Interest under the Code of Conduct
Nature of Interest	Member of JDAP
Request	Stay, Discuss, Vote
Decision of Council	Not Applicable

Disclosure of Interest

Item No.	P17/3738
Elected Member/Officer	Cr T Barling
Type of Interest	Interest under the Code of Conduct
Nature of Interest	Deputy Member of JDAP
Request	Stay, Discuss, Vote
Decision of Council	Not Applicable

Disclosure of Interest

Item No.	P17/3738
Elected Member/Officer	Cr N Foxtton
Type of Interest	Interest under the Code of Conduct
Nature of Interest	Member of JDAP
Request	Stay, Discuss, Vote
Decision of Council	Not Applicable

Disclosure of Interest

Item No.	P17/3738
Elected Member/Officer	Cr C Schuster
Type of Interest	Interest under the Code of Conduct
Nature of Interest	Member of JDAP
Request	Leave
Decision of Council	Not Applicable

P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL
(REC) (CONFIDENTIAL ATTACHMENT)

Ward : Palmyra/Melville/Willagee
 Category : Strategic
 Application Number : Not Applicable
 Property : 10 Archibald Street, Willagee
 Proposal : Residential Redevelopment Project Proposal
 Business Case between the City of Melville and
 the Satterley Property Group
 Owners : 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 : Confidential Item P16/3701 – Carawatha
 Redevelopment Project Update
 Responsible Officer : Jeremy Rae
 Strategic Land and Property Executive

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.

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL
(REC) (CONFIDENTIAL ATTACHMENT)****KEY ISSUES / SUMMARY**

- On 20 August and 10 December 2013 the Council endorsed a process seeking Requests for Proposals to develop a 2.6 ha portion of the Carawatha site in Willagee.
- A Request for Proposals was advertised on 15 April 2015 in the West Australian Newspaper and the City's web-site. The deadline for submissions was 5.00pm on 28 May 2015 by which time seven proposals had been received.
- The preferred proponent Satterley Property Group and the City have proposed a residential development concept which would see the City participate with Satterley Property Group (SPG) to deliver a built form housing development on the site consistent with the City's objectives for the site.
- The Business Case is to be treated as "confidential" as Council has not yet resolved that it be advertised. At such time as Council resolves to advertise the Business Case then it would be made public.
- The Report and attached Business Case outline the proposal and make recommendations to progress to Public Advertising of the proposal in accordance with the provisions of Section 3.59 of the Local Government Act 1995.
- The proposal would see the Satterley Property Group pay a project participation fee of \$6.5M to the City equating to the comparative market value of the site.

BACKGROUND

In June 2006 the City of Melville acquired the former Carawatha Primary School site, situated at 10 Archibald Street Willagee corner of North Lake Road, from the Department of Education. The City's key objectives in acquiring the site were to address the long held concerns of residents wishing to see activation in the suburb through urban renewal and to provide additional public open space required for Willagee. Approximately 1.3 hectares has been developed as public open space and the 2.6 hectare balance of the site set aside for future development in accordance with the City's objectives for the suburb of Willagee as adopted by the Council in the Willagee Structure Plan. The development site is uniquely placed at the eastern entrance to Willagee and offers the opportunity to create an entrance statement to Willagee which would set the tone for future place making and urban renewal within the suburb.

At its meetings held on 20 August 2013 (Resolution C13/3405) and 10 December 2013 (Resolution C13/5339) the Council endorsed an approach to explore opportunities for the potential redevelopment of the City's strategic properties via either seeking requests for proposals (RFP) or expression of interest (EOI) subject to community engagement and compliance with the requirements of the Local Government Act 1995. In April 2015 the City sought requests for proposals for a 2.6ha portion of the former Carawatha Primary School site so as to deliver on the initial key objectives original sought by the City in addition to achieving the objectives outlined in the Willagee Structure Plan, which had been developed following extensive community consultation and feedback.

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
(CONFIDENTIAL ATTACHMENT)**

The City endorsed the recommendation from the Evaluation Panel which identified Satterley Property Group (SPG) as the highest ranked proponent out of all submissions received for the redevelopment of the Carawatha site and the shortlist of preferred proponents in accordance with their ranking from the evaluation assessment in the event that a successful conclusion of the RFP process could not be reached with the highest ranking proponent. An Elected Member Information Session was provided with a full briefing on the RFP process and the Phase 1 evaluation assessment and recommendations on 14 July 2015. All parties that submitted were advised in writing of their individual evaluation results and their ranking.

Phase 2 of the RFP process saw SPG and the City finalise elements of the development concept, determine a proposed development structure, project feasibility and cash flow, obtain an independent land valuation, negotiation of the project participation fee that SPG would pay the City and the completion of the project business case (Business Case).

DETAIL**Property Details**

- Current Owner
 - City of Melville
- Address
 - 10 Archibald Street, Willagee
- Title Particulars
 - Part Lot 300 Diagram D48936 Certificate of Title Volume 2607 Folio 498
- Easements and Encumbrance
 - None
- Total Land Area
 - Estimated 2.596 Hectares (subject to future survey)
- Zoning
 - Urban (MRS)
 - Residential R60 under LPS No.6
- Valuation Report
 - Colliers International

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
(CONFIDENTIAL ATTACHMENT)****Purpose**

The purpose of the Business Case is to provide a detailed analysis of the joint residential development proposal between the City and SPG for the Carawatha site for the purpose of informing the Council and, if approved, advertising the proposal in accordance with the provisions of Section 3.59 of the Local Government Act 1995.

Strategic Alignment

The project strategically aligns with the principles and objectives stated within the City's draft Land Asset Management Plan in the following ways:-

- Supports Community and Social Needs
- Generates Economic Value
- Delivers Planning Outcomes
- Creates Additional Revenue Streams
- Supports Intergenerational Equity by Delivering Long Term Financial, Social and Environmental Value to the Community

Proposal Particulars

Work on refining the proposed development concepts, project feasibility and structure has been underway for several months with a draft development proposal and development structure being prepared which would in principle achieve the objectives for the City and SPG. There has been a heavy emphasis by the City on preparing a project development model which will deliver on planning and built form design objectives, achieve a fair return and mitigate project and financial risks to the City.

Attached in the Business Case Appendix is a flow chart depicting the development structure model proposed for the project. Binding this structure would be a series of agreements between the City, SPG and project development participant including a development agreement and project management and selling agreement.

Detailed Summary of the Proposed Development Structure Model**Structure**

The proposed joint venture model between the City and SPG as depicted in the Appendix illustrates the relationship between the participants and the project manager. The model includes an SPG Special Purpose Vehicle (SPV) that would participate with the City in developing the project and also be the legal entity for its equity contribution (participation fee) to the development project. SPG itself would then act as project manager and selling agent for the City and the SPV to project manage, deliver and sell the development. This is a common model used by the property development sector both private and public/private joint venture arrangements and a model frequently employed by LandCorp.

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(CONFIDENTIAL ATTACHMENT)**

The benefits from this structure to the City are that it allows the City to retain ownership and control of the land up until it is developed and sold. In addition, the land remains unencumbered and free from mortgage or security throughout the project life. This mitigates risk to the City should the developer fail to deliver the project, collapse or decide to walk away from the joint venture and the project.

Proposed Agreements

The relationship between the project participants (City and SPV) would be governed by a “Development Agreement” and the relationship between the project participants and the project manager and selling agent would be governed by the “Project Management and Selling Agreement”. As part of the risk assessment process the City has received advice from its consultants on the proposed terms that may be included in these agreements to ensure they can be drafted equitably. The draft agreements would be subject to a full review by the City’s Solicitors before recommending they be finalised. This would occur after the conclusion of the Section 3.59 advertising period and if the Council approves the project to proceed.

Joint Venture Equity Split

Under the proposed structure the City would contribute the land (at valuation) representing its 50% equity contribution to the project and the Developer SPV’s 50% equity contribution would take the form of the payment of a “Participation Fee” to the City which would equate to 100% of the land’s value. This is a suitable basis for an equitable joint venture structure with the initial working capital requirements of the project budget being met from the joint venture participants equity contribution.

Project Management

Satterley Property Group (SPG) would be responsible for the project management, sales and marketing of the development, acting under instruction of the joint venture partners. SPG would internally resource these functions and in turn charge the project in line with industry market rates for such services. All project costs would be paid by the project manager (SPG) in accordance with the project budget and reimbursed from the Developer SPV and City on a 50/50 basis. Net sales proceeds after payment of all project costs would be split 50/50 between the City and Developer SPV as joint venture participants.

Valuation

The Valuation Report was prepared on the basis of the approved Valuation Brief issued by the City. The scope of the brief was agreed to by both the City and SPG prior to being issued. The appointment of the Valuer was made solely by the City for the purpose of informing negotiations with SPG over the land value and participation fee, as well as meeting the City’s requirements under Section 3.59 of the Local Government Act 1995.

P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
(CONFIDENTIAL ATTACHMENT)Independent Licensed Valuer Details

Colliers International (WA) Pty Ltd
Dean Johnston AAPI
Director | Valuation & Advisory Services
Certified Practising Valuer
Licensed Valuer No. 44426
For the State of Western Australia

Definition of Project Related Site Value

“The Project Related Site Assessment is the Value of the site in relation to a particular project intended for the land being an amount which depends entirely upon the success of the project as forecast in the analysis. The Project Related Site Assessment does not represent the value of the land in isolation, but rather an assessment concluded by way of a hypothetical development cash flow analysis in relation to the particular project proposed.”

Assessment Method

There are two acceptable methods used for calculating the project related site values:-

1. The discounted cash flow approach analyses the net cash flow line before finance. Under this method the cost of capital is implicit in the discount rate adopted.
2. The traditional residual value method applies a developer margin on after finance. Under this analysis the Valuer has assumed 100% debt funding of all costs project costs.

The Valuer has assessed the appropriateness of the discount rate and developer margin rate on the basis of the projects expected timeframe, scale, risks and opportunities. Having considered the merits of the proposed project the Valuer has adopted a developer margin of 15% and discount rate of 19% pa.

Valuation Report Assessment

- ‘As is’ Project Related Site Assessment by the Valuer
\$5.9M – GST Inclusive (Margin Scheme Basis)
- ‘As Is’ Current Market Site Value Range by the Valuer
\$6.230M to \$6.750M - GST Inclusive (Margin Scheme Basis)

POLICY IMPLICATIONS

Council Policy that would need to be referred to if the Proposal is to proceed includes the following:

- Car Parking and Access (Policy CP-079, 19/8/2013)
- Crime Prevention Through Environmental Design of Buildings – CP-065
- Architectural and Urban Design Advisory Panel – CP-069

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
(CONFIDENTIAL ATTACHMENT)**

- Disability Access and Inclusion Policy – CP-084
- Energy Efficiency in Building Design – CP-080
- Environmental Policy – CP-030
- Flood and Security Lighting – CP-058
- Land Property Retention, Disposal and Acquisition – CP-005
- Physical Activity – CP-028

STAKEHOLDER ENGAGEMENT**Community**

Requests from Willagee residents for more flexible development rules were emphasised during public consultation for the Willagee Structure Plan and its associated scheme amendment. Major consultation events included:

- Strategic Community Planning in 2011, comprising extensive consultation with focus groups from each neighbourhood
- Willagee Structure Plan Community Visioning Session February 2013 (public meeting held in Willagee Library attended by more than 100 people)
- Public advertising of the Draft Willagee Structure Plan June-August 2013. All landowners in Willagee were sent a hardcopy letter informing them of the structure plan and inviting them to comment
- Public advertising of the Willagee Structure Plan Scheme Amendment 11 November 2014 to 23 December 2014

In addition to the above mail out, there were public notices in the Melville Times, together with notices on the City's website, at the Willagee Library, Community Centre and some shops. The project co-ordinator contacted every business in the suburb, held interviews with key landowners, and organised two Community Information Sessions at the Willagee Library.

All key project decisions were made by the Council at public meetings in June 2013 (see report P13/3403), December 2013 (see report P13/3424), September 2014 (See P14/3504) and March 2015 (see P15/3585). The reports for these meetings give full details of public consultation and indicate how strongly the project was supported by local community as well as by elected members.

Structure Planning Process Community Feedback

A total of 51 written submissions were received during the Willagee Structure Plan advertising period in mid-2013. In summary, there was high level of overall community support for the vision for the future of the suburb and the structure plan.

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
(CONFIDENTIAL ATTACHMENT)**Awards and Special Mentions

At its awards event in November 2013 the Planning Institute of Australia WA awarded the Willagee Structure Plan a special commendation for the thoroughness of its community consultation. The project was also mentioned positively in Parliament by local member Mr Peter Tinley MLA.

Community Feedback during Advertising of Scheme Amendment 71

Scheme Amendment 71 was advertised for 42 days from Tuesday 11 November 2014 until Tuesday 23 December 2014 via the following methods:

- Direct contact with key stakeholders in Willagee
- Emails sent to more than 200 people on the Willagee Structure Plan email database
- An advertisement in the Melville Times on Tuesday 11 November 2014
- Two Community Information Sessions on 27 November 2014, held at lunchtime and in the evening
- Letters sent to all service agencies
- Information available for viewing at the Civic Centre
- Information available on the City's website

A total of twenty-seven (27) submissions were received. No written objections to the scheme amendment were received.

Key Stakeholders

Key stakeholders that have or will be consulted in relation to the proposed development include:-

- Willagee Community, Residents and Business Owners
- Department of Planning
- Department of Environmental Regulation
- Department of Parks and Wildlife
- Department of Water
- Water Corporation
- Western Power
- Main Roads
- Telstra

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Communications Plan

As part of community engagement for the business case stage, the City would establish a communications plan to engage with the community over the project and its deliverable benefits to the community in meeting planning, social and economic outcomes. The engagement plan would be implemented from the time the proposal is formerly advertised under section 3.59 of the Local Government Act 1995.

STATUTORY AND LEGAL IMPLICATIONS

Section 3.59 (3) of the Local Government Act 1995 lists the content a Business Plan or Business Case should cover in the form of a major land transaction and requires an overall assessment of the proposal.

Several attachments referred to in this Report are determined to be confidential as they relate to commercially confidential information. This item of business may be dealt with in confidential business in accordance with the following provisions Section 5.23 and Section 5.41 of the Local Government Act 1995 which states as follows:

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

- (a) A 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.

FINANCIAL IMPLICATIONS

Satterley Property Group has assessed the land value (participation fee) payable to the City at **\$6.5M** which is within the Independent Valuers assessed current market site value range.

Summary of Key Financial Indicators

Key Performance Indicators	Value
Project Participation Fee Paid By SPG (Agreed Land Value)	\$6,500,000
Projected Net Income	\$56,176,000
Projected Total Development Cost (Inc. Land Value)	\$47,256,000
Projected Net Profit	\$8,920,000

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Projected Return on Cost	18.81%
Project Internal Rate of Return (IRR)	19.87%
Profit Distribution Summary	Value
<u>City of Melville</u>	
Project Participation Fee (Agreed Land Value)	\$6,500,000
Project Profit Share (50%)	\$4,460,000
Total Project Return	\$10,960,000
<u>Satterley Property Group</u>	
Project Management & Selling Fees	\$3,597,000
Project Profit Share (50%)	\$4,460,000
Total Project Return	\$8,057,000

Whilst the forecast project return on cost of 18.81% is considered the minimum acceptable by traditional private sector standards, the forecast project internal rate of return (IRR) of 19.87% is considered an acceptable benchmark measure of the potential project return and reflects more accurately the projected cash flow position of the project over its estimated life. It is also considered acceptable given the de-constrained attributes of the Carawatha site represented by the fact that it is a “Ready to Go” site with zoning in place and would present as a lower risk development opportunity to the private sector.

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
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The following sources of funding have been identified for delivery of the development concept.

Funding Source	Cost Type	Project Funding Amount
City Land & Property Reserve	Construction Participation Fee Construction	\$ 8,000,000
Satterley Property Group		\$ 6,500,000
Satterley Property Group		\$ 8,000,000
Total		\$22,500,000
Alternate / Other:		
<ul style="list-style-type: none"> Retained earnings as precincts are developed and sold External funding contribution Bank/Senior Lender (SPG Borrower) 		

Economic Impact Assessment

The proposed redevelopment project is considered to produce significant flow-on economic benefits for Willagee and the local surrounding community. The City commissioned the services of AEC Group, who are economic consultants and advisers, to prepare an economic impact assessment for the proposed project. The project is estimated to have considerable economic benefits at the suburb and regional level. These are outlined below in terms of construction and operational impacts.

Construction Impact

The construction phase of the project is estimated to deliver economic benefits to the Melville Local Government Area. Overall, the construction phase is estimated to provide the following economic outcomes for the region (over the period of development):

- Output of \$22.2 million (including \$9.0 million in direct impacts).
- Gross Regional Product of \$8.7 million (including \$2.0 million in direct impacts).
- Wages and salaries of \$5.0 million (including \$1.0 million paid to labour directly associated with the project).
- FTE employment of 72 (including 20 direct jobs associated with the project).

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
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The following table provides an overview of the economic impact of the construction phase.

Impact Type	Output (\$000)	GVA (\$000)	Income (\$000)	Employment FTE
Direct Impact	\$9,000	\$2,000	\$1,000	20
Indirect Impact (Type 1)	\$7,200	\$3,300	\$2,000	23
Indirect Impact (Type 2)	\$6,000	\$3,400	\$2,000	29
Total Impact	\$22,200	\$8,700	\$5,000	72

Operational Impact – Regional

At a regional (i.e. Perth and Peel) level, the project is expected to provide the following:

- **Contributing to Perth and Peel Infill Targets:** Infill development (redevelopment projects in the existing urban area) indirectly alleviates housing demand at the urban fringe, as it provides more housing options for residents. In addition, government costs of infrastructure development are maximised (on a per dwelling basis). The development plans show three development scenarios, ranging from 65 to 140 dwellings. It is estimated around \$13.23M in government infrastructure costs will be saved by the high-yield scenario and this will save \$7.09M more than the low-yield development.
- **Reducing Travel Times:** Providing homes close to jobs, public transport, civic functions, retail and entertainment options is a community benefit. Doing so lowers the needs for residents to travel to access employment and the other services they require and promotes public transport use. As a result, negative externalities of travel in terms of lost time commuting, monetary expenses of travel, pollution, congestion, traffic, noise and so on are minimised.

Operational Impact - Local

At the local (suburb) level, the project is estimated to have the following benefits:

- **Contribution to Viability of Local Retail:** Through increasing the population in the suburb of Willagee, it is estimated the project could increase total household disposable incomes in the suburb by over \$7.2 million per annum, resulting in an estimated associated expenditure on goods and services of approximately \$5.1 million per annum which will take place both within and outside the assessment boundaries.

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- **Assisting Housing Diversity and Affordability:** The delivery of 140 dwellings to the market in both separate dwellings (32 dwellings) and medium density dwellings (108 dwellings) will improve the diversity of housing in the local market (which is currently dominated by separate dwellings) and better match the demographic profile of the suburb. The delivery of the dwellings is also anticipated to improve housing affordability through increased supply of units/ apartments in the suburb.
- **Rates and Taxes Increases:** It is estimated the value of rates associated with the dwellings delivered by the project would equate to \$225,000 per annum in additional revenues to the City of Melville. Increased rates revenues translate into increased local service provision including build and maintenance of roads, footpaths, parks and gardens and sporting facilities.
- **Ability to Meet Current Needs and Anticipated Demand:** Willagee is home to high proportions of single parent and lone person households. These households tend to demand higher density housing than other households, suggesting demand for additional density in the suburb. Forecasts for the suburb suggest demand for an additional 1,406 dwellings by 2036. This project will assist the suburb in meeting this demand, through the delivery of 140 dwellings (10% of this demand).

These are long term benefits which will flow to the community over an extended period.

Project Objectives and Outcomes

The opportunity to create a new residential development for the City of Melville community presents numerous social benefits.

The potential benefits that flow are as follows:-

1. Enriches community life and shared experiences
2. Encourages a sense of belonging and place
3. Enhances shared experiences
4. Stimulates vibrancy and economic activity
5. Attracts tourism
6. Creates employment
7. Provides housing diversity and encourages affordability

Concept Design Elements

The following is a detailed summary of the anticipated form of development, product mix and target market identified for the proposed development. Satterley Property Group developed a "Concept Design Storyboard" prepared by Mackay Urban Design. The concept gave consideration to the Carawatha Policy Area Objectives and Design Principles in its formation. In addition, the design, orientation and lot typologies have been considered to maximise the benefit created by public open space (Carawatha Park) along the western boundary.

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The City is seeking a high quality urban design outcome that considers the potential change in the local demographic over the mid-term. In this respect, the proposed development concept is ideally suited to responding to the anticipated demographic changes. Specifically, the diversity of housing product and the anticipated price points of the proposed development respond to the following market trends:-

1. Young, single professionals looking to live close to local employment centres (Fremantle, Murdoch University, Fiona Stanley Hospital, etc.)
2. Single parent households seeking affordable living options
3. Mid-life couples and younger families looking for a lifestyle closer to facilities than is offered by a conventional suburban fringe location
4. Older couples (empty nesters) looking to down size but stay in the local area
5. Retirees looking for housing that is well suited to ageing in place and close to local facilities

Proposed Product Yield Table

Product Typology	Proposed Yield Option	Mid Yield Option	Low Yield Option
Vacant Lots	12	12	12
Townhouses (2 Levels)	20	40	53
Duplex Apartments (2 Levels) 8 Duplex Lots	16	16	Nil
Apartments (3-4 Levels)	92	37	25
Total	140	105	90

Concept Design Features

There are various objectives and guidelines within the Willagee Structure Plan applying to the Carawatha site. The Concept Design Storyboard has considered the objectives.

Key features of the Concept Design include:

1. “Green fingers” of open space bringing visual and pedestrian connectivity to the park deep into the Carawatha site
2. All lots overlook open space or activating street fronts (Archibald Street and North Lake Road), so there is no front/back conflict of housing and enables passive surveillance
3. Three split level vacant lots to take up the change in level to and overlook Carawatha Park
4. The 12 premium Carawatha Park vacant lots will incorporate two metre park set back allowing a footpath interface with the park

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5. A laneway and hedge interface to the existing retirement village is provided which will be pleasing aesthetically and not encroach from a built form perspective
6. A landscape / stormwater detention basin has been created on the lowest part of the site
7. Development on North Lake Road to incorporate additional setback for retention of existing boundary trees
8. A landmark building to be created on the Archibald Street and North Lake Road corner

Premium Lots

A total of 12 vacant lots (c.300sqm each, 10m frontage) will be provided. This represents the premium home sites within Carawatha and preliminary pricing is expected to be around \$375,000 for each lot. Target market is second or third home buyers attracted to build new homes adjoining parkland. Given the park-side location, it is anticipated that buyers would be attracted to two level constructions to maximise outlook.

Townhouses

The 20 cottage lots (c 180sqm each, 6m frontage) on which it is proposed to build two level townhouses with common walls/boundaries. Accommodation will provide 3 bedrooms, 2 bathrooms with double garage off the laneways. Home sizes of 130sqm to 140sqm are anticipated to be built on the lots. Preliminary pricing is expected to be around \$575,000 for each townhouse. Target market is downsizers and those seeking to purchase an entry level, yet high quality home in the City of Melville.

Duplex Apartments

The eight cottage lots on each corner are designated as duplex lots (c 225sqm each, 7.5m frontage) on which it is proposed to construct two level buildings with a ground floor apartment and first floor apartment. Each apartment will provide two bedrooms, one bathroom and share a double carport off the laneways. Apartment sizes are expected to be approximately 75sqm in area. Preliminary pricing is expected to be \$420,000 for each apartment. Presently, this type of product is not available in Willagee however has pre-sold quite well in other developments. Target market is predominantly downsizers and single parent and/or single child families. Dependant on design outcome, the number of duplex cottage homes could range up to 16.

Apartments – (1 Bedroom 1 Bathroom)

Apartment buildings will be over three levels with under-croft parking. The one bedroom one bathroom apartments would comprise 55sqm of internal strata area, plus courtyard or balcony and a car-bay. Preliminary pricing is expected to be around \$350,000 for each apartment. The target market is single households, couple only households, and investors as good rental demand will exist in this locality given proximity to employment centres. At \$350,000 this may also attract first home buyers. Dependant on design outcome, the number of one bedroom apartments could range from 5 to 19.

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(CONFIDENTIAL ATTACHMENT)****Apartments – (2 Bedrooms 2 Bathrooms)**

The two bedroom two bathroom apartments would comprise 74sqm of internal strata area, plus courtyard or balcony and a car-bay. Preliminary pricing is expected to be \$460,000 for each apartment. The target market is downsizers, young families / professional couples seeking a high quality yet relatively affordable housing option in the City of Melville, and investors as good rental demand will exist in this locality given proximity to employment centres. A higher weighting to these apartments is proposed, being at least 67% of apartment stock, given market indicators have suggested a strong preference for two bedrooms. Dependant on design outcome, the number of two bedroom apartments could range from 20 to 73.

Potential Child Care Site – Sub Precinct “D”

In addition to the above product typology, there has been discussion with Satterley Property Group that the City may retain sub-precinct “D” which was earmarked for a small apartment complex development to be retained by the City and used for the purpose of a Child Care Centre. Whilst the value of this site would come at a cost to the City in the form of a reduction in overall profit share it would become a long term property asset that generates a community benefit.

Presently, both new townhouse and new multi-level apartment developments are not available in Willagee. However, it is considered that market demand will exist for high quality product in a unique park-side location and it is a suburb with continued strong value growth potential. The depth of market demand will need to be tested, however an advantage of the Concept Design allows for prudent staging of apartment development and/or provision of alternate cottage homes on these sites should depth of apartment demand be shallower than anticipated and/or cottage home demand exceed expectations.

The proposed Concept Design seeks to achieve a delicate balance between realising a development yield that delivers an attractive financial benefit to the City (consistent with financial objectives) and creating a place that is beneficial to the local community and consistent with the community’s expectations in regard to new developments. In this respect, the proposed Concept Design seeks to optimise rather than simply maximising the yield at the expense of the development’s impact on the local community. The development concept has been prepared with due regard to the City’s planning framework and is consistent with:-

1. The planning parameters of density, plot ratio, setbacks, and heights;
2. The intent of the Carawatha Master Plan that has been previously prepared on behalf of the City;
3. Best practice urban design principles.

The experience offered to residents by the newly created Carawatha Park will be enhanced through the provision of significant potential for passive surveillance of the park from adjacent dwellings, and a sense that the park is an integral part of the community rather than an isolated piece of green infrastructure.

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The proposed development concept will also address and help support the existing local centre (Archibald Hub) by means of providing a new resident population of up to several hundred residents within a short walk of the Archibald Hub. In addition to the economic benefit for the centre, a significant increase in 'walk-to' patronage will also contribute to a marked increase in community interaction and the development of social capital. The Concept Design will act as an important catalyst to accelerate investment in the area and encourage the continued redevelopment of old housing stock.

Sustainable urban development is a key object of the proposed project and the City together with SPG intends to apply sustainability principles contained within the Urban Development Institute of Australia's Sustainable Urban Development Index. Design of infrastructure, urban planning and building design will give strong consideration to consumer awareness and behaviours with regard to ecosystems, waste, energy and comfort, materials, water, community, economy, transport and affordability.

Building Design Initiatives

Key considerations and possibilities applicable to the Carawatha concept include solar orientation (passive solar design); solar access zones for living areas; cross and stack ventilation; permeable fencing (encouraging cross ventilation); energy efficient lighting and appliances; smart metering infrastructure; north and west facing roof areas allocated for solar devices; integrated photovoltaic power systems; plug-in points for electric vehicles; building designs to allow heat purging (e.g. natural ventilation, porous surfacing)/heating (e.g. mass concrete) at night; green roofs/cool roofs (e.g. heat resistant materials); use of recycled building products; double glazing; use of local materials; rainwater harvesting; water-wise appliances and plumbing; and stormwater retention.

Landscaping Initiatives

The Carawatha concept will seek to retain a significant number of the existing established trees to maximise amenity, estate presentation and shading outcomes. These existing trees are located in an enlarged setback area to North Lake Road. An additional pocket of trees can be retained in a landscaped area to North Lake Road. Another additional pocket of trees will be retained in a landscaped area midway along to North Lake Road frontage, which, as the low point in the site, is required to provide stormwater detention and infiltration. The stormwater detention will be managed by means of best practice water sensitive urban design techniques to compliment the tree retention. The proposed Carawatha concept also includes a significant amount of new landscaping by means of street trees, hedging to the shared boundary with the Braemar Retirement Complex to the north, within front setback areas, and the proposed 'green fingers' that run through the site and connect with the nature based play in the adjoining Carawatha Park. Water-wise and climate-responsive landscaping principles will be incorporated into the design aimed at creating a sustainable and engaging outdoor community environment.

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Public Open Spaces and Public Art Contribution

The provision of public open space is dealt with by the recent addition of the new 1.2 hectare “Carawatha Park”. This not only provides public open space but is also an active recreational park that services Willagee residents and future residents at Carawatha. In addition the proposed subdivision concept plan for Carawatha includes green fingers and street scaping providing a high level of public open space in and around the housing typology. Provision has also been made in the project budget to fund a public art contribution which will see art and sculptures within the public open spaces and form part of the street-scaping plans.

Process and Program Schedule

The ‘Process Chart’ (see Business Case Appendix) has been developed to guide the RFP through to the contracts and implementation phase of the proposed Carawatha Residential Development Project. The Process chart also aligned with the steps outlined in the City’s RFP and Contract and Tender Advisory Unit Tender Evaluation Process. At each phase of the Process there is a decision gate (control) whereby either the Chief Executive Officer or Council approve to proceed further with the proponent and the project. The process also adheres to the City’s property disposition and retention policy CP- 005 and the advertising and public notice requirements within the Local Government Act 1995 outlined in Section 3.59. The City’s “Land and Property Retention, Disposal and Acquisition” Policy (CP-005) will apply to this transaction.

The following is an indicative timeline for the proposed project planning and development program and reflects the various phases depicted in the Process Chart.

The dates below are indicative only at this stage and may be subject to change. From date of approval by Council to proceed with the project it is expected to have a project life of not more than five years.

<u>Phase</u>	<u>Process</u>	<u>Duration</u>
1	RFP Issued, Evaluation and Selection (Completed)	4 months
2	Discussion and Negotiations with Proponent (Completed)	9 months
3	Public Notice and Consultation	2 months
4	Contractual Agreements & Execution	2 months
5	DA Planning	6 months
6	Settlement and/or Redevelopment & Construction (Staged)	4 years
7	Clearances, Titles, Settlements & Winding-Up	2022

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The City commissioned Pricewaterhouse Coopers to conduct a risk assessment of the development proposal and the proponent Satterley Property Group. There is no strategic, risk or environmental management implications with this proposal apart from what are summarised in the risk table below:-

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Risk Statement	Level of Risk	Risk Mitigation Strategy
<p>The draft development Agreement and Project Management/Selling Agreements prepared by SPG have elements that carry risk for the City and currently appear to favour SPG over the City.</p>	<p>High level of risk</p>	<p>The City will ask its solicitors to review the agreements thoroughly to ensure all potential legal risks to the City are captured and addressed. In addition the City may seek a second opinion for another solicitor to peer review the advice to ensure all reasonable steps are taken to mitigate the risks.</p>
<p>Sales risk due to the prevailing market conditions and the uncertainty of market appetite for the proposed development.</p>	<p>Medium level of risk</p>	<p>The project is planned to be developed in stages to ensure pre-sales targets are achieved before each stage works is commenced. In addition, the project has allowed for extensive marketing campaign costs if required to bolster sales if the market is in a sluggish phase and sales hurdle rates decline.</p>
<p>Potential for conflicts of interest given the Project Manager is related to the Developer Participant and the City as a project participant is also the responsible agency in the planning approvals process.</p>	<p>Low level of risk</p>	<p>All agreements are to be made by the “Management Committee” solely and in accordance with the voting powers. Further, the City can manage its potential conflict of interest by demonstrating that due process is followed and if deemed necessary a Probity Group or similar would be established. The development application will be assessed by the Joint Development Assessment Panel to which the City only provides a Responsible Authority Report (RAR) and is not the assessing agency for final approval.</p>

**P17/3738 – CARAWATHA RESIDENTIAL DEVELOPMENT PROJECT PROPOSAL (REC)
(CONFIDENTIAL ATTACHMENT)****ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

1. Do nothing and retain the existing site and forgo the benefits of activation, housing supply and increased economic return to the local community and the City;
2. Sell the site as is and lose control over the built form development and timing of the delivery of the development and reduced economic return to the City; and
3. Redevelop the site into vacant lots only and sell all lots and lose control over the built form development and project outcome and not capture the full economic return potential for the City.

CONCLUSION

The City has engaged in a very detailed and thorough public process to identify and secure a development proposal for Carawatha which aims to deliver on key objectives for the City. In assessing the options one of the key considerations is the level of risk the City may be exposed to as a result of undertaking such a project. The proposal is structured in such a way that it should deliver minimal risk to the City whilst delivering key benefits and outcomes sought from the project. Through prudent measures the City together with its Risk Advisors would be able to implement a project risk mitigation strategy which addresses the identified risks and their potential impacts should they arise. This proposal if approved will not only deliver on key objectives sought by the City but will enhance the Council's and Community's confidence in the City to deliver similar projects in the future within the City.

At 9.39pm Cr Barton returned to the meeting

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3738)**APPROVAL**

At 9.39pm Cr Wieland moved, seconded Cr Phelan–

That the Council;

1. **Notes the Business Case which details the proposed Carawatha Residential Development Project in Willagee;**
2. **Accepts the land valuation report prepared by Colliers International dated 29 June 2016 and confirms that the valuation is a true indication of the current land value;**
3. **Approves the Proposal for advertising of the Business Case and the Project Participation Fee as per the requirements of section 3.59 of the Local Government Act 1995; and**
4. **Directs the Chief Executive Officer to report to the Council at the conclusion of the advertising period.**

At 9.39pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (12/0)

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Vote Result Summary	
Yes	12
No	0

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barling	Yes
Cr Barton	Yes
Cr Foxtan	Yes
Cr Macphail	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes

At 9.40pm Cr Schuster returned to the meeting.

P17/3739 – IMPROVING PUBLIC SPACES POLICY (REC) (ATTACHMENT)

Ward : All
 Category : Policy
 Application Number : Not Applicable
 Property : Not Applicable
 Proposal : Improving Public Spaces Policy
 Applicant : Not Applicable
 Owner : Not Applicable
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Not Applicable
 Responsible Officer : Gavin Ponton
 Manager Strategic Urban Planning

AUTHORITY / DISCRETION

DEFINITION

<input 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 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 checked="" 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.

P17/3739 – IMPROVING PUBLIC SPACES POLICY (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- High quality public spaces are vital components of healthy and liveable neighbourhoods.
- Improving public spaces is a top priority according to community feedback informing People, Places, Participation: A Strategic Community Plan for the City of Melville 2016-2026 (Community Plan).
- An independent assessment by POS Tool (University of Western Australia) calculated that public spaces occupy 25.8% of the City's total area, which does not include other public spaces, such as club pay-for-use facilities and pedestrian-friendly streets. The City has more available public space than most comparable, inner-urban local governments in Perth.
- It is critical that the funding available for public spaces is utilised effectively and efficiently to deliver best value for the community.
- The key recommendation of the draft policy is that the City prioritise improvements to the quality, useability, amenity, sustainability, variety, safety and accessibility of public spaces over the purchase of expensive freehold land for additional parkland.
- Purchasing more freehold land is not the only way to increase the amount of effective public space available to the community. There are better and more innovative ways to increase the amount of accessible public space.
- The draft policy is supported and informed by the research and analysis in the attached Public Spaces Strategy.
- It is recommended that the Council adopt the draft policy to provide a clear strategic direction and inform future decision-making on the best ways to improve public spaces.

BACKGROUND

The term 'public open space' (POS) has usually referred in technical terms to local public open space provided and maintained by the local government. POS has been classified as being different to Regional Open Space (ROS) reserved under the Metropolitan Region Scheme, which is also managed and maintained by local governments. Whilst there are some justifications for this approach at a strategic planning and subdivision level, the average person is not likely to know the technical designation of their favourite park – they just want a place that is accessible, safe, interesting and functional.

Public open space strategies have previously focussed primarily on the quantity of POS provided in a particular area. This has been benchmarked against the Western Australian Planning Commission's (WAPC) 10% requirement detailed in Development Control Policy 2.3 – Public Open Space in Residential Areas (DC Policy 2.3). The primary purpose of the WAPC requirements was/is to inform subdivision planning, not how to best manage existing public spaces in developed urban areas.

This approach has been updated by the WAPC's draft Liveable Neighbourhoods 2015 and the Department of Sport and Recreation's (DSR) Classification Framework for Public Open Space, which state that all publicly accessible land can contribute to a network of public spaces, even if it is not a formal POS site.

The City needs a new approach to guide public space decision-making and priorities informed by the draft Liveable Neighbourhoods and other relevant documents.

P17/3739 – IMPROVING PUBLIC SPACES POLICY (REC) (ATTACHMENT)

The City's Public Open Space Review 2004 reviewed the 1995 ERM Mitchell McCotter – City of Melville Open Space Report. It provided an inventory of parks and reserves across the City and identified the location, size, and quantity of reserves within "cells" of each suburb. The Review found that some "cells" have less than the 10% standard of public open space, but noted that this was not a standard to be retrofitted in to older suburbs laid out prior to the Stephenson Hepburn Plan of 1955 (which set the 10% figure). The Review was prepared in accordance with the relevant planning framework at the time. It did not assess other aspects such as quality, amenity, useability, sustainability, safety or accessibility of public open space. It also did not recognise pedestrian-friendly streets, footpaths, dual use paths etc. as public space amenities.

A community survey at the time found that there was a good level of satisfaction by the community with the quality of parks within the municipality.

The Public Open Space Strategy 2004 is required to be updated because:

- It is now over 12 years old and based on a study originally completed in 1995.
- It is based on a quantitative approach to planning for reserves and public open spaces that has been acknowledged in the draft Liveable Neighbourhoods 2015 as outdated.
- It does not recognise that the quality, amenity, useability, sustainability, safety or accessibility of public spaces are all important to creating great public spaces for the community.
- There are a range of opportunities to improve the way available funds are utilised to improve public spaces for the community.

DETAIL

High quality public spaces are vital components of healthy and liveable neighbourhoods.

The character and image of a city or an area is often defined by its public spaces. Parks, reserves, public spaces and natural areas (or lack thereof) affect our wellbeing and quality of life. They provide a wide range of benefits, including, but not limited to: health, social, environmental, economic and spiritual benefits. They offer spaces for exercise, recreation and social interaction, habitat protection and water management.

Improving public spaces is a top priority for the City as an organisation according to community feedback informing People, Places, Participation: A Strategic Community Plan for the City of Melville 2016-2026 (Community Plan). A total of 1,367 people responded to the survey and 89% of respondents said that parks, reserves and natural areas were very or fairly important priorities, which was the highest-ranked priority along with being fit and healthy. Public spaces are very important for the community.

'Public open space', which has often just been seen as parks and reserves, is referred to more broadly as 'public space' in the proposed approach.

'Public spaces' include all publicly-accessible land that could be used for sport, recreation, nature conservation, green spaces, exercise, water management, passive outdoor enjoyment and social activities.

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Examples of public spaces include parks, local or regional reserves, river foreshores, bushland areas, accessible school ovals, footpaths, cycle paths, publicly-accessible rooftop gardens, parklets and streets that are or could be made more pedestrian-friendly. This definition is consistent with State Government documents, such as the draft Liveable Neighbourhoods 2015, Public Open Space Strategy Guide for Local Governments and the Classification Framework for Public Open Space. The public spaces definition recognises the wide range of benefits that public spaces provide and the way spaces are used by the community. For example, local streets and footpaths are reported as the most frequently used facilities among Western Australian adults for physical activity, but were not considered in previous public open space strategies.

The updated approach is contrasted with the previous approach in the Public Open Space Review 2004 below.

Previous Approach	Improved Approach
<ul style="list-style-type: none"> • Focus on quantity of local public open space • Outline a hierarchy of parks and reserves • Urban planning-based 	<ul style="list-style-type: none"> • Focus on the quality, safety, accessibility, quantity, comfort, amenity, usefulness, variety and sustainability of public spaces • Provide a connected network of high quality and diverse public spaces • Whole of organisation approach

The updated approach is proposed to be formalised in the attached draft Improving Public Spaces Policy. [3739 Improving Public Spaces Policy](#)

The draft policy is supported and informed by the attached Public Spaces Strategy, which provides more detail and discussion on the challenges and opportunities as well as setting Guiding Principles for future projects and actions. The Strategy is a technical informing document for the proposed approach. It was prepared by a cross-functional project team.

[3739 Public Spaces Strategy](#)

Improving Public Spaces Policy

The purpose of the draft policy is to provide a clear strategic direction and inform future decision-making on the best ways to improve public spaces.

The objectives are to:

1. To create a more liveable city.
2. To improve the quality, useability, amenity and safety of public spaces.
3. To improve physical and mental health outcomes.
4. To develop greener and more sustainable public spaces.
5. To provide a variety of public spaces for different uses and users.
6. To improve accessibility and connections.
7. To show respect for and celebrate Aboriginal culture and history.
8. To deliver best value for money.
9. To create public spaces which are fit for their intended purposes.

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Quantity of Open Space

The University of Western Australia's Centre for the Built Environment has a geospatial analytic tool for public open space referred to as POS Tool. It provides a standardised methodology and calculates public space in each local government area. It allows comparisons to be made with other local government areas and provides the basis for the inventory of public spaces in the City. The information in the table below has been independently calculated by POS Tool.

Local Government Area	Percentage of Local Government Area provided as Parks	Percentage of Local Government Area as Natural Public Space	Percentage of Local Government Area as Other Public Spaces	Total Public Space as a Percentage of Local Government Area
City of Melville	6.3%	18%	1.5%	25.8%
City of Stirling	7.8%	9.2%	1.5%	18.5%
City of Canning	5.2%	18.8%	1.1%	25.1%
City of Bayswater	7.4%	1.7%	1.3%	10.4%
City of Fremantle	5.2%	3.7%	1.5%	10.4%
City of Cockburn	2.5%	27.4%	0.5%	30.4%
City of South Perth	10.5%	2.6%	3.4%	16.5%
Town of Victoria Park	10.5%	1%	2.4%	13.9%
Town of Claremont	4.2%	4.4%	3.8%	12.4%
Average	6.6%	10%	1.9%	18.2%

Notes: City of Melville statistics above includes data for the new Carawatha Park, Ogilvie Road Reserve and former Bicton Sub-station Park, which were not included in 2013 POS Tool data.

Club-pay-for-use facilities are not classified as public space by POS Tool. Bowling clubs, golf clubs, tennis clubs etc are therefore excluded from the statistics.

Source: Centre for the Built Environment and Health (2013). Geo-Spatial Analytic tool for Public Open Space (POS). <http://www.postool.com.au>

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The City has more public space as an overall percentage than comparable inner urban or neighbouring local governments, with the exception of the City of Cockburn, which has large natural areas reserved. Cockburn is an outer metropolitan Council with large 'green wedge' areas (for example Bibra, Yangebup and Thomson's Lakes) and so the context is different to the City of Melville.

The City has a large amount of public space and it is generally well distributed across the local government area. Attachment 3 shows the indicative public spaces in the City. Given the scale of the City, small areas of public space are not easy to see on the map. The map also doesn't show all the pedestrian-friendly streets suitable for social and recreational opportunities.

[3739 Map of Public Spaces in the City of Melville](#)

The City is fortunate to have large regional foreshore reserves along the Swan and Canning Rivers. This is particularly important as the northern areas of the City were planned and subdivided before the WAPC introduced minimum public open space requirements for new subdivisions.

The City has large regional reserves such as Wireless Hill, Point Walter Regional Reserve, Melville Glades Golf Club and Piney Lakes Reserve.

The data analysis demonstrates that the City does not need to prioritise the purchase of freehold land for new public spaces given the overall quantity of public space it has.

The WAPC's Liveable Neighbourhoods and DC Policy 2.3 - Public Open Space in Residential Areas include requirements that land in new subdivisions should be set aside for public open space. The standard requirement is that 10 percent of the gross subdivisible area of a proposed subdivision be given up free of cost to the Crown for public open space (POS). The 10 percent land ceding requirement is in addition any land required to be set aside to be later acquired by the State for Regional Open Space (ROS) or Foreshore Reserves.

The primary purpose of the WAPC requirements was/is to inform subdivision planning. The 10% POS requirement is not intended to be retrospectively imposed on areas that were planned prior to 1955. The suburbs that were surveyed prior to 1955 include: Applecross; Alfred Cove; Ardross; Attadale; Bicton; Melville; Mount Pleasant; Palmyra and Willagee. These suburbs were planned prior to the introduction of the 10% POS standard. All suburbs within the jurisdiction of the City of Melville have been developed within the legislation in force at the time.

Best Value for Money Approach

The purchase of additional land for new parks is constrained by a range of factors in the City of Melville, particularly:

- High land values.
- The limited size of most landholdings and fragmented ownership, which means that it is difficult to purchase contiguous lots at the same time.
- The difficulty of finding suitably located sites that could be amalgamated into an existing park (i.e. lots next to existing parks).
- Market competition for land, which means that suitable land may not be able to be purchased by the City even if this was desired.
- The land purchase requirements and processes of the Local Government Act 1995.

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Land in the City of Melville is expensive. Based on an assumed rate of \$1,000 per square metre (land in some parts of the City would be far more expensive, while other parts may be cheaper), \$800,000 could possibly buy 800 square metres of land to add to a park, not including the landscaping of the site or adding any amenities/facilities. Additional maintenance funding would also be required on an ongoing basis. A park of this size would be considered small pocket park.

By comparison, \$800,000 could potentially deliver any one of the following public space benefits:

- 2.1 kilometres of new or upgraded footpaths (\$250 per square metre x 1.5m wide)
- 2,000 new trees
- 266 new bench seats
- 123 picnic tables
- 200 drink fountains
- 100 single-plate barbeques
- 123 swing sets
- 16 outdoor gym sets
- 26 half-court basketball courts

This hypothetical example highlights the opportunity of thinking creatively to best utilise the available funding for the benefit of the whole community.

The key recommendation of the policy is that the City prioritise improvements to the quality, useability, amenity, sustainability, variety, safety and accessibility of public spaces over the purchase of expensive freehold land for additional parklands (i.e. quantity). There are many opportunities to think creatively and best utilise the available funding for the benefit of the whole community.

It is recommended that the City only purchase freehold land for additional parkland if:

- The identified needs of the local community are unable to be met by improving the quality, useability, amenity, sustainability, variety, safety and accessibility of existing public spaces;
- A cost effective opportunity arises; or
- Existing local public spaces are demonstrably suffering from over-utilisation.

Increase the Amount of Effective Public Space without Purchasing Expensive Freehold Land

Purchasing more freehold land is not the only way to increase the amount of effective public space available to the community. More cost effective ways to increase the amount of accessible public space include:

- Upgrading road reserves to become parks. For example, the City previously converted areas of road reserve in Willagee and Palmyra to parks, including at Joan Williams Park, Baal Street Reserve, Jagoe Loop, Tony Zuvella Park, and Three Bears Park.
- Upgrading road reserves to include more trees, seating areas, parklets or other useable public spaces.
- Making streets more pedestrian-friendly and pleasant for people to relax and spend time (for example Applecross Village).
- Upgrading drainage areas or sumps to allow public spaces and/or incorporate environmental features/plantings (natural areas are important spaces in urban areas).

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- Negotiating with local schools to allow after-hours community access to school ovals. Many schools in the area already allow after-hours community access to school ovals.
- Negotiating with developers to provide publicly-accessible decks/rooftop gardens in new developments.
- Providing new footpaths / cycle paths to encourage walking and cycling.

The above examples do not require the purchase of expensive freehold land, which means that more can be done with the funding available or that public space improvement costs can be reduced.

Guiding Principles for Future Projects and Actions

The policy identifies principles to guide future projects and actions as summarised in the table below.

	Principles	Comments
1	Utilise a best value for money approach to improving public spaces.	The purchase of additional land for new parks is constrained by a range of factors, including (but not limited to) high land costs. Purchasing additional freehold land for public spaces is difficult and would only be viable and warranted in limited circumstances.
2	Prioritise improvements to the quality, useability, amenity, comfort, sustainability, variety, safety and accessibility of public spaces over the purchase of expensive freehold land for additional parklands. (Further discussed above in the report)	The funding available for public spaces would be better utilised on improving the quality, useability, amenity, comfort, sustainability, variety, safety and accessibility of public spaces.
3	Recognise pedestrian-friendly streets as important public spaces.	Local streets and footpaths are consistently reported as the most frequently used facilities among Western Australian adults for physical activity. The Healthy Active by Design Master Checklist recommends to: “Design attractive, interesting, welcoming and distinct streetscapes which reinforce the functions of a street as important and valuable public places ...”
4	Encourage walking, cycling, active children’s play and other physical activities to improve physical health outcomes.	Research shows that physical inactivity is one of the most powerful, modifiable risk factors for all causes of death and disease. Physical health outcomes can be improved by making it easier and more attractive for people to walk, cycle and be physically active.
5	Develop new or upgrade existing footpaths and cycle paths, particularly to improve connections to activity centres, schools, key public transport routes, parks and reserves.	Upgrades should prioritise areas where the City wants to encourage walking and cycling. High priority connections include to/between activity centres, schools, key public transport routes and parks.

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6	Make public spaces more accessible and comfortable for seniors.	The number of people aged 65 or more will increase significantly in coming decades. It is important that public spaces are accessible, comfortable and inclusive to encourage activity and interaction for seniors.
7	Upgrade underutilised public spaces to encourage more community use.	There are opportunities across the City to improve existing spaces by providing more things to do, adding new amenities (seats or barbeques for example), providing shade and greenery, improving accessibility and connections, attracting different users and making spaces more sustainable.
8	Install interpretative signage and artworks in public spaces.	Parks and natural areas can encourage learning through interpretative signage, guided walks or educational activities. They also offer places for cultural experiences.
9	Respect and celebrate Aboriginal culture and history in public spaces.	The City's Aboriginal Reconciliation Action Plan includes a number of recommendations that are supported by the policy and Strategy, including: <ul style="list-style-type: none"> • Adopting a dual-naming strategy for public places and natural features • Interpretative signage and artworks in places of significance for Whadjuk people • Cultural awareness talks or tours in public spaces
10	Incorporate stormwater management, hydro-zoning and water sensitive urban design in parks and streetscapes.	Designing parks and verges to manage typical rainfall events and minor storms can help reduce pressure on the overall drainage network, provide additional water to vegetation and help recharge local aquifers.
11	Upgrade drainage sumps to incorporate water sensitive urban design and allow public access where possible.	Spaces used for recreational or natural purposes as well as stormwater management can be classified as public spaces according to Liveable Neighbourhoods. Fenced drainage sumps are not considered to be public spaces. Modifying existing sumps to allow public access (where safe to do so) can increase the amount of effective public space.
12	Encourage Community Play Streets.	Play Streets create play spaces by temporarily closing local streets to through traffic so that children and adults can play and socialise outside on their local street. The concept offers a relatively cheap and quick way to temporarily improve public spaces.

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13	Investigate reductions to speed limits in activity centres and residential areas to improve road safety and promote walking and cycling.	<p>Austrroads Part 4: Network Planning makes a distinction between roads as “links” (where vehicle movement is prioritised) and streets as “places” (where streets encourage activity and interaction).</p> <p>There is consistent, strong evidence for the relationship between vehicle speed and the risk of injury. Speed is the single most important contributor to road fatalities; an aggravating factor in all crashes; and contributes to the severity of crash outcomes regardless of the cause (World Health Organisation 2008). There is also good evidence that low neighbourhood speed limits (generally 30 km/h or less) encourage walking and cycling.</p>
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STAKEHOLDER ENGAGEMENT

The development of the draft policy and background Strategy has been guided by:

- Community feedback from the City’s Strategic Community Plan
- Community Wellbeing Survey 2015
- Resident and Business Perceptions Survey 2016
- Community feedback on Local Planning Strategy and Activity Centre Plans
- Comments received through various other community consultation processes

The ‘Clean and Green’ community aspiration in the Community Plan describes ideas discussed in the policy and Strategy, including (but not limited to):

“I would like to see more footpaths so I can safely walk my pram around our suburb”
Myaree resident

“...recreation areas could have simple additions - like walls to play tennis against, a volleyball net, soccer goals, a couple of running lanes marked in public open space such as Rick Vosper reserve - this would encourage people to be active in their immediate area.” Brentwood resident

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The community is generally satisfied with public spaces in the City, as summarised in the table below.

Topic	Source	Community Feedback
Range of open spaces for leisure activities	Community Wellbeing Survey and Scorecard 2015	90.5% of respondents agreed that the City has a sufficient range of open spaces for leisure activities
Parks and public open spaces	Resident and Business Perceptions Survey 2016	95% of respondents were either delighted (69%) or satisfied (25%) with the City's parks and public open spaces.
Sport and Recreation Facilities	Resident and Business Perceptions Survey 2016	91% of respondents were either delighted (62%) or satisfied (30%) with the City's sport and recreation facilities.
Natural Bushland	Resident and Business Perceptions Survey 2016	89% of respondents were either delighted (53%) or satisfied (35%) with the City's natural bushland areas.

The policy and background Strategy respond to and build upon previous community feedback on public space. It is therefore not recommended that the policy or the background Strategy be advertised for public comment in this instance.

STATUTORY AND LEGAL IMPLICATIONS

There are no statutory or legal implications resulting from the draft policy.

FINANCIAL IMPLICATIONS

It is critical that the funding available for public spaces is utilised effectively and efficiently to deliver best value for the community.

The draft policy and background Strategy help to inform future decisions on projects and actions. They do not have direct financial implications.

Some of the ideas would be new for the City, whilst some are existing actions already being undertaken by the City (for example the Friendly Neighbourhoods programme). Funding for public space improvements could potentially come from one or a combination of the following methods:

- Public open space reserve
- Capital works budgets
- Project budgets
- Operational budgets
- Other sources (e.g. grants)

The suggested approach would provide the best value for money for the City's residents and ratepayers.

P17/3739 – IMPROVING PUBLIC SPACES POLICY (REC) (ATTACHMENT)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic, risk or environmental management implications.

POLICY IMPLICATIONS

This is a new policy, the implications of which are outlined in this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

There are a number of alternate options available for the Council to consider, which are summarised below.

Alternate Option	Implication
Request that changes be made to the draft policy prior to its endorsement.	Changes can be made via a resolution of the Council.
Do not support the draft policy.	The policy would not progress further and there would be no strategic document on the best ways to improve public spaces.
Request that the draft policy and/or the background Strategy be advertised for public comment.	The draft policy and/or the background Strategy would be advertised for public comment. A report would be presented to the Council following the public advertising period.

CONCLUSION

Public spaces are valuable civic assets and are essential to community wellbeing and quality of life. It is critical that funds set aside to improve public spaces are utilised effectively and efficiently to deliver the best value for money.

The draft policy provides a clear direction and informs future decision-making on the best ways to improve public spaces. It recommends that the City prioritise improving the quality, amenity, safety, accessibility, useability and sustainability of public spaces over the purchase of expensive freehold land for additional parkland. Purchasing more freehold land is not the only way to increase the amount of public space. There are cheaper and more innovative ways to increase the amount of available public space.

The proposed approach is considered to be the most effective way to improve public spaces and enhance community wellbeing for today and tomorrow.

At 9.55pm Mr Hitchcock left the meeting and returned at 10.02pm.

P17/3739 – IMPROVING PUBLIC SPACES POLICY (REC) (ATTACHMENT)

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3739)

APPROVAL

At 9.42pm Cr Phelan moved, seconded Cr Macphail –

That the Council:

1. **Endorses the Improving Public Spaces Policy in Attachment 1.**
3739 Improving Public Spaces Policy.
2. **Notes the background information provided in the Public Spaces Strategy in Attachment 2.**
3739 Public Spaces Strategy.

Procedural Motion

At 9.41pm Cr Pazolli moved, seconded Cr Barton, the following Procedural Motion in accordance with Clause 11.1(b) of Standing Orders Local Law 2003 -

That this item be deferred to a future meeting of Council.

At 9.42pm the Mayor submitted the motion, which was declared

LOST (3/10)

Vote Result Summary	
Yes	3
No	10

Vote Result Detailed	
Cr Barton	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Aubrey	No
Cr Barling	No
Cr Foxtton	No
Cr Macphail	No
Cr Phelan	No
Cr Robartson	No
Cr Schuster	No
Cr Wieland	No
Cr Woodall	No
Mayor Aubrey	No

P17/3739 – IMPROVING PUBLIC SPACES POLICY (REC) (ATTACHMENT)**Amendment**

At 9.47pm Cr Schuster moved, seconded Cr Robartson –

The proposed recommendation 1 in item P17/3739 be amended as follows:

“The full stop at the end of the current recommendation be replaced with a comma and the following words be added: “with the addition of a point 14 on page 2 of the draft policy CP-*103 which reads as follows:

14. Liaises as appropriate and works co-operatively with the state Agencies managing regional reserves in the city, community groups and other stakeholders to manage and improve public spaces

At 9.50pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

Reasons for Amendments

1. The Public Open Space strategy makes several mentions of Regional Reserves (vested in the State and recognised in the MRS). By their nature in the City these regional reserves are almost always contiguous with local open space managed by the City, and it simply makes sense to recognise that for effective management on both sides of a cadastral boundary, the City should maintain close liaison with the relevant State agencies, and if necessary make joint management arrangements so everyone knows where they stand.
2. As it is usually not obvious to the user who is responsible for reserves, such arrangements could no doubt extend to joint information provision as well.

P17/3739 – IMPROVING PUBLIC SPACES POLICY (REC) (ATTACHMENT)**COUNCIL RESOLUTION**

That the Council:

1 Endorses the Improving Public Spaces Policy in Attachment 1 [3739 Improving Public Spaces Policy](#), with the addition of a point 14 on page 2 of the draft policy CP-*103 which reads as follows:

14. Liaises as appropriate and works co-operatively with the state Agencies managing regional reserves in the city, community groups and other stakeholders to manage and improve public spaces

**2 Notes the background information provided in the Public Spaces Strategy in Attachment 2.
[3739 Public Spaces Strategy.](#)**

At 9.58pm the Mayor submitted the motion as amended, which was declared

CARRIED UNANIMOUSLY (13/0)

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)

Ward	:	All
Category	:	Policy
Application Number	:	Not applicable
Property	:	Not applicable
Proposal	:	Proposed Amendments to Local Planning Policy LPP1.1 Planning Process and Decision Making
Applicant	:	Not applicable
Owner	:	Not applicable
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	P16/3711 Review of Council Policy CP056: Planning Process and Decision Making.
Responsible Officer	:	Peter Prendergast Manager Statutory Planning

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 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 checked="" 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.

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- Council Policy CP-056 'Planning Process and Decision Making' was last substantially reviewed by the Council at its Ordinary Meeting held on 21 June 2016.
- In September 2016 Council endorsed a minor review of all Council policies to bring them up to date with the current planning framework. Modifications included the renaming of all relevant Council Policies to Local Planning Policies.
- At the December 2016 meeting of Council, Elected Members requested that the Chief Executive Officer (CEO) consider further amendments to the policy to provide greater clarity with regard to advertising of development applications and the role of Elected Members in the decision making process.
- The policy has been reviewed, taking into consideration the applicable December 2016 Resolution of Council, and a number of amendments are now proposed for the approval of Council. The amendments are considered to be minor in nature and do not require formal consultation under the provisions of the Planning and Development (Local Planning Schemes) Regulations.

BACKGROUND

The Council at its Ordinary Meeting of 15 March 2016 considered a number of amendments to CP-056: Planning Process and Decision Making. The amendments endorsed by the Council at that time related to the need to align the provisions of the Council policy with the Planning and Development (Local Planning Schemes) Regulations (the Regulations), as well as the inclusion of requirements for informal notification in respect of applications that are determined by the Joint Development Assessment Panel (JDAP).

At the June 2016 Ordinary Meeting, the policy provisions relating to informal notification requirements advocated by Part 1.8 were further streamlined to provide, at the discretion of the City, the opportunity for such notification in respect of any major development proposal, irrespective of its location, and irrespective of who the decision maker is.

At the December 2016 Council Meeting, the Council requested the policy be reviewed further and that the review be submitted to the Council in February 2017, with a proposal to advertise the revised policy for public comment. The associated resolutions of the Council are now the subject of consideration in this report.

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)**DETAIL**

At the December 2016 Ordinary Council Meeting, Elected Members requested a review of Local Planning Policy 1.1 "Planning Process and Decision Making" (LPP1.1), to consider changes to the consultation and call up provisions of the policy. The matters raised in the Notice of Motions presented at that Council meeting are outlined below.

1. In the Definition of "Major Development" on page 2 remove the words "2,000 m²" and replace them with "1,000 m²" ;
2. In the definition of "Major Development" on page 2 , after the words "— classed as a major development" replace the full stop with a comma and add the words "unless the Form 2 proposal in some way requires the exercise of judgement under the City's planning scheme and/or policies, or the R Codes.";
3. In Section 1.7 "Advertising of Planning Applications" on page 5, Clause 1.7.4 (b) remove the full stop at the end of the Clause, replace it with a comma, and add the words "but will be subject to the provisions of Cl. 1.8 of this Policy.";
4. In Section 1.7 "Advertising of Planning Applications" a new sentence is to be added to the end of Clause 1.7.5 (c) as follows – "If the application is either a referral to JDAP or defined as a Major Development, then in addition to the other provisions in this Clause the proponent shall erect an information sign on site in accord with the provisions in Clause 1.8";
5. In Clause 1.7.7 "Extent of Advertising" a new sentence be added to the end of Clause 1.7.7 (e) as follows –"For avoidance of doubt and irrespective of any other provision of this policy, for a development that is either the subject of a referral to JDAP or is defined as a Major Development, the proponent will place an information, or invitation to comment sign, as is relevant on the site.".
6. Insert: 3.5.4(a) (iii) Any Major Development (whether referred to the DAU or not referred to the DAU) can be called up by any Elected Member writing to the CEO at the discretion of the Elected Member without the Elected Member needing to obtain the agreement of the CEO or other Planning Officers that there is a relevant planning matter to be considered.
7. Insert 3.7.6(c) Any Major Development whether assessed by Planning Officers to be compliant or not.

[3740 LPP-1.1 Planning Process and Decision Making \(draft recommendation\)](#)

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

The Regulations came into effect on 19 October 2015. Clause 5 of Schedule 2 of the Regulations contains requirements for amending a local planning policy. In accordance with Sub-Clause 5(1) the local government should advertise the changes to the Local Planning Policy in the same manner as it would for a new policy, described in Clause 4, unless the modifications are considered minor. In this instance it is considered that the recommended modifications are minor and formal advertising is not required.

It is noted that the Council resolution of December 2016, which requested a report on a review of the Planning Process and Decision Making Policy to the February 2017 Council meeting, anticipated a proposal to advertise the revised policy for public comment. As outlined above, formal advertising is not required and is therefore not recommended.

II. OTHER AGENCIES / CONSULTANTS

Clause 4(4) of Schedule 2 of the Regulations requires that the Council advises the Western Australian Planning Commission (WAPC) if it is of the opinion that the policy is inconsistent with any State Planning Policy. As there is no such inconsistency in this case, the WAPC need not be informed.

STATUTORY AND LEGAL IMPLICATIONS

The review of a Local Planning Policy, provided such a review is undertaken in accordance with the provisions of the Regulations, does not in itself have any statutory or legal implications.

If the Council resolves to endorse the proposed amendments to the call up provisions of the policy, and should this result in delays to the decision making process which exceed the standard decision making timeframes established by the Regulations, then applicants are able to lodge an appeal to the State Administrative Tribunal. In addition, it should be noted that there is no jurisdiction to refuse to approve a development which meets the Deemed to Comply provisions of the R Codes.

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)

FINANCIAL IMPLICATIONS

There are some financial implications for the City and the applicant in relation to the recommended policy changes as listed below:

- The informal notification process places has implications for staff resources and budgets, via the preparation and mailing of letters to adjoining landowners, updating plans and information on the City's website and responding to enquiries from interested landowners.
- There are financial implications for the applicant in placing a sign on site.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are number of strategic risks associated with the suggested change in policy as follows:

Risk Statement	Level of Risk	Risk Mitigation Strategy
Raised community expectations that there is an ability to object or provide feedback through the informal notification process.	Moderate consequences which are likely, resulting in a High level of risk.	Letters and sign on site to clearly state that these are intended to inform only.
Potential compromise to the ability of the decision maker to meet statutory processing targets.	Moderate consequences which are likely, resulting in a High level of risk.	It is recommended that the Council does not pursue changes to the call up procedures.
Potential for decisions to be made which are inconsistent with the planning framework.	Moderate consequences which are likely, resulting in a High level of risk.	As above.
Potential reputational risk for the City.	Moderate consequences which are likely, resulting in a High level of risk.	As above.
Elected Members focus may be diverted to operational rather than strategic matters	Moderate consequences which are likely, resulting in a High level of risk.	As above

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)**POLICY IMPLICATIONS**

Local Planning Policy LPP 1.1 Planning Process and Decision Making enables a consistent approach by the City in relation to the assessment and public advertising of development applications.

COMMENT

At the December Ordinary Council Meeting, Council resolved to request that Local Planning Policy 1.1 Planning Process and Decision Making (LPP1.1), be reviewed with specific reference to the consultation and call up provisions of the policy. The matters to be considered as a part of this report are listed below, together with an associated response.

- 1. In the Definition of “Major Development” on page 2 remove the words “2,000 m²” and replace them with “1,000 m²” ;**

In planning terms this amendment is not recommended. The definition of major development including commercial development of 2,000sqm or above is consistent with State Planning Policy. The proposed amendment to define commercial development of 1,000sqm as major development will result in inconsistency in policy terms, and confusion on the part of applicants and developers. In addition, the change proposed will likely result in adverse administrative implications for the City.

- 2. In the definition of “Major Development” on page 2 , after the words “— classed as a major development” replace the full stop with a comma and add the words “unless the Form 2 proposal in some way requires the exercise of judgement under the City’s planning scheme and/or policies, or the R Codes.”;**

A Form 2 application may be used when a minor amendment to a development which was previously approved by the JDAP is proposed. Where substantial changes are proposed a Form 2 submission would be inappropriate, and a new Form 1 application would be required. The process associated with Form 2 applications is governed by the Planning and Development (Development Assessment Panels) Regulations 2011. Where minor modifications are proposed and an exercise of judgement is sought which has the potential to adversely impact a third party landowner, formal consultation in accordance with the provisions of Clause 1.7 of policy LPP1.1 would apply. For these reasons, it is recommended that this amendment should not be pursued.

- 3. In Section 1.7 “Advertising of Planning Applications” on page 5, Clause 1.7.4 (b) remove the full stop at the end of the Clause, replace it with a comma, and add the words “but will be subject to the provisions of Cl. 1.8 of this Policy.”;**

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)

Under the Regulations, permitted (P) land uses are acceptable uses within a given zone and therefore do not require advertising. Where a new development is proposed that is a P use, but which requires the exercise of discretion against one or more of the associated development requirements, that Development Application (DA) will be advertised in accordance with the provisions of this policy. In view of this, it is proposed to update Clause 1.7.4 b as follows:

'P' land uses are permitted uses in principle and therefore do not require advertising. It is proposed to add two new clauses to clarify that while the use does not require advertising a development application may still be advertised in accordance with the provisions of this policy.

- (f) The above clauses (a)-(e) relate to land use permissibility only. Where the built form characteristics of a proposed land use development proposal seeks the exercise of judgement by the decision maker to determine the proposal, advertising may be required.
 - (g) 'While a land use may not require formal advertising under the provisions of this Clause, the provisions of Clause 1.8 of this policy still apply'.
4. In Section 1.7 "Advertising of Planning Applications" a new sentence is to be added to the end of Clause 1.7.5 (c) as follows – "If the application is either a referral to JDAP or defined as a Major Development, then in addition to the other provisions in this Clause the proponent shall erect an information sign on site in accord with the provisions in Clause 1.8";
5. In Clause 1.7.7 "Extent of Advertising" a new sentence be added to the end of Clause 1.7.7 (e) as follows – "For avoidance of doubt and irrespective of any other provision of this policy, for a development that is either the subject of a referral to JDAP or is defined as a Major Development, the proponent will place an information, or invitation to comment sign, as is relevant on the site.".

The intent of the suggested changes in point 4 and 5 above are acknowledged, it being to ensure that a wide range of landowners and occupiers in the locality are made aware of development proposals and are either formally consulted or informally notified as is appropriate.

Rather than adding a new sentence to each of the Clauses above it is proposed to reword Clause 1.8 to read as follows:

"All applications for Major Development (refer to the definition of Major Development in this policy) will be subject to an informal notification process in addition to the requirements of Clause 1.7 above. The key methods to be adopted to facilitate this informal notification process will be the display of a site notice installed by the applicant; a letter, or an email to owners/occupiers the City's website and where relevant the social media platforms used by the City. Letters and emails will be sent to owners and occupiers of land directly adjacent to or sharing a common boundary

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with the development site and properties which are directly across a thoroughfare from the development site. The informal notification letter or email will only apply for those owners/occupiers who are not the subject of formal consultation.

The content of the informal notification process will inform, as opposed to consult, in which case formal submissions are not sought or considered.”

In addition to the proposed changes above, City officers recommend modification of clause 1.7.7 (c) as follows:

“Wider public consultation – where a proposed development requires general advertisement in accordance with LPS6 or as required by Clause 1.7.6 above, such consultation should generally be undertaken in accordance with Diagram 1 below. In addition, a site notice shall be displayed on the site for the duration of the consultation period”

6. Insert: 3.5.4(a) (iii) Any Major Development (whether referred to the DAU or not referred to the DAU) can be called up by any Elected Member in writing to the CEO at the discretion of the Elected Member without the Elected Member needing to obtain the agreement of the CEO or other Planning Officers that there is a relevant planning matter to be considered.

7. Insert 3.7.6(c) Any Major Development whether assessed by Planning Officers to be compliant or not.

In relation to the proposed changes outlined in the points 6 and 7 above, it is noted that the City of Melville has recently adopted Local Planning Scheme No. 6 and a number of local structure plans and activity centre plans which guide development within key areas across the City. These, together with the City’s suite of Local Planning Policies, State Planning Policies, and Planning Bulletins published by the Department of Planning, combine to comprise the planning policy framework, against which the assessment and determination of planning applications is made. This framework of planning policy has been endorsed by Council. The assessment and determination of development applications against this Council endorsed framework ensures consistency in decision making, whether those decisions are taken under delegation to the CEO, the Development Assessment Unit (DAU), by the JDAP, or by the Council. . Where development is proposed which complies with the development standards established by an approved policy or plan there is an expectation that the development assessment and determination process would be straightforward and streamlined to deliver timely decisions, in accordance with the determination timelines established by the Regulations.

In respect of development applications for which the provisions of the Residential Design Codes apply, Clause 2.5.4 of the Codes states that where a proposed development meets the Deemed to Comply provisions and the relevant provisions of the Scheme and any relevant Local Planning Policy, it should not be refused. Where an application under the R Codes seeks exercise of judgement in respect of the relevant Design Principles of the Codes, neighbour consultation may be required where there is considered to be possible impact or where consultation is specifically required by the Scheme or relevant Local Planning Policy.

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Where an application is under assessment and the Deemed to Comply provisions of the R Codes are satisfied, Clause 4.1.1 states that such applications should not be the subject of consultation. In these scenarios, the expectation of applicants and developers is that the development approval process will be straightforward and timely. The call up of such applications to the Council without a relevant planning cause, for a decision by the Council, would therefore be contrary to the R Code provisions.

Where a development application does not meet with the acceptable development standards of LPS6, a structure or activity centre plan or the Deemed to Comply standards of the R-Codes, it will be advertised in accordance with the provisions of the Planning Process and Decision making policy. Where valid objections are received, the DAU process will apply, including the associated call up provisions. The parameters that are outlined in Clause 3.5.4 (a) (i) of LPP 1.1 are designed to assist Elected Members in the execution of their duties. These call up provisions were framed on the basis that development proposed by DA's that is consistent with the Council endorsed planning policy framework, may appropriately be dealt with under delegation, and the call up of such planning applications to Council would be unnecessary.

The introduction of the ability for Elected Members to call up any item to Council, for any reason, could impact on the ability to provide a responsive and effective planning service, and may be seen to undermine the Council and State planning policy framework. that has been put in place to ensure decision making is aligned to Council Policy and consistently applied. In addition, the call up of any development application to Council without relevant grounds would not provide an effective good governance audit trail. For these reasons the amendments proposed by points 6 and 7 above are not recommended for inclusion in the reviewed policy.

Minor changes to LPP1.1 also recommended as part of this review.

Clauses 1.7.9 (a) and 1.7.10 make reference to a 21 day advertising timeframe. The timeframes associated with advertising are determined by the Regulations, and in this case are 14 days. It is proposed to modify this clause accordingly. Clause 1.7.9 (b) includes reference to the advertising of development proposals which are assessed against the provisions of a Council Policy. This Clause is no longer deemed required as the provisions of Clause 1.7.9 (a) apply. It is therefore recommended that the Clause be deleted, and subsequent clauses renumbered accordingly.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council may determine that further changes to the policy are required. As discussed earlier in the report it is not recommended that the Council make changes to the call up provisions of the policy as these would be likely to result in longer determination periods, increased number of appeals to the State Administrative Tribunal and, potentially, a loss of confidence in the City of Melville as a place to invest.

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)**CONCLUSION**

In conclusion, it is recommended that LPP 1.1, Planning Process and Decision Making, be amended as outlined by this report. As stated previously, it is considered that the changes proposed can, if approved, be implemented without the need for further community consultation.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3740)**APPROVAL**

At 10.00pm Cr Schuster moved, seconded Cr Foxton –

That the Council pursuant to Clause 4, Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015 adopts the following changes to Local Planning Policy LPP1.1 Planning Process and Decision Making as detailed below.

- 1. Amend Clause 1.7.4 (b) to read ‘P’ land uses are permitted uses in principle and therefore do not require advertising.**
- 2. Add two new clauses 1.7.4(f) and (g) as follows:**
 - (f) The above clauses (a)-(e) relate to land use permissibility only. Where a development proposal seeks the exercise of judgement by the decision maker to determine the proposal, advertising may be required.**
 - (g) ‘While a land use may not require formal advertising under the provisions of this Clause, the provisions of Clause 1.8 of this policy still apply’.**
- 3. Amend Clause 1.7.7(c) to read “Wider public consultation – where a proposed development requires general advertisement in accordance with Local Planning Scheme 6 or as required by Clause 1.7.6 above, such consultation should generally be undertaken in accordance with Diagram 1 below. In addition, a site notice shall be displayed on the site for the duration of the consultation period”.**
- 4. Reword Clause 1.8 to read as follows:**

“All applications for Major Development (refer to the definition of Major Development in this policy) will be subject to an informal notification process in addition to the requirements of Clause 1.7 above. The key methods to be adopted to facilitate this informal notification process will be the display of a site notice installed by the applicant; a letter, or an email to owners/occupiers the City’s website and where relevant the social media platforms used by the City. Letters and emails will be sent to owners and occupiers of land directly adjacent to or sharing a common boundary with the development site and properties which are directly across a thoroughfare from the development site. The informal notification letter or email will only apply for those owners/occupiers who are not the subject of formal consultation.

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The content of the informal notification process will inform, as opposed to consult, in which case formal submissions are not sought or considered.”

5. Modify Clauses 1.7.9 (a) and 1.7.10, remove reference to 21 day advertising timeframe and replace with 14 day timeframe.
6. Delete Clause 1.7.9(b) and renumber the remaining clauses accordingly.

3740 LPP-1.1 Planning Process and Decision Making (draft recommendation)

Amendment**APPROVAL**

At 10.01pm Cr Schuster moved, seconded Cr Foxton –

That the Council pursuant to Clause 4, Schedule 2 of the Planning and Development (Local Planning Schemes) Regulations 2015 adopts the following changes to Local Planning Policy LPP1.1 Planning Process and Decision Making as detailed below.

7. Amend Clause 1.7.4 (b) to read ‘P’ land uses are permitted uses in principle and therefore do not require advertising.
8. Add two new clauses 1.7.4(f) and (g) as follows:
 - (f) The above clauses (a)-(e) relate to land use permissibility only. Where a development proposal seeks the exercise of judgement by the decision maker to determine the proposal, advertising may be required.
 - (g) ‘While a land use may not require formal advertising under the provisions of this Clause, the provisions of Clause 1.8 of this policy still apply’.
9. Amend Clause 1.7.7(c) to read “Wider public consultation – where a proposed development requires general advertisement in accordance with Local Planning Scheme 6 or as required by Clause 1.7.6 above, such consultation should generally be undertaken in accordance with Diagram 1 below. In addition, a site notice shall be displayed on the site for the duration of the consultation period”.
10. Reword Clause 1.8 to read as follows:
 - 1.8.1 All Form 1 JDAP applications will be the subject of an informal notification process.
 - 1.8.2 All Major Developments (refer definition of Major Development in this policy) which are not being determined by the JDAP will be the subject of an informal notification process.
 - 1.8.3 The key methods to be adopted to facilitate this informal notification process will be the display of a site notice installed by the applicant; a letter, or an email to owners/occupiers the City’s website and

P17/3740 - REVIEW OF LOCAL PLANNING POLICY LPP1.1 PLANNING PROCESS AND DECISION MAKING (REC) (ATTACHMENT)

where relevant the social media platforms used by the City. Letters and emails will be sent to owners and occupiers of land directly adjacent to or sharing a common boundary with the development site and properties which are directly across a thoroughfare from the development site. The informal notification letter or email will only apply for those owners/occupiers who are not the subject of formal consultation.

1.8.4 Where a site notice is required to be installed on site under Clause 1.7 of this policy an informal notification site notice will not be required.

11. Modify Clauses 1.7.9 (a) and 1.7.10, remove reference to 21 day advertising timeframe and replace with 14 day timeframe.

12. Delete Clause 1.7.9(b) and renumber the remaining clauses accordingly.

13. Reword Clause 3.3 as follows:

3.3.1 All applications which seek to modify a condition of Planning Approval or alter the previously approved plans are to be determined at the same level of delegation to which the previous determination was made, unless the modification:

- (a) Is minor in the opinion of the decision maker ; and,
- (b) Will not result in any additional significant impacts upon adjoining property owners.

3.3.2 Where an application is received to vary a JDAP determination, be it via a Form 2 or standard application form, which requires the exercise of judgement, consultation may be required under Clause 1.7 of this policy.

3.3.3 Further to 3.3.2 no consultation will be undertaken where a proposal complies with the relevant planning framework.

Procedural Motion

At 10.04pm Cr Pazolli moved, seconded Cr Barton, the following Procedural Motion in accordance with Clause 11.1(b) of Standing Orders Local Law 2003 -

That this item be deferred to the March 2017 meeting of Council for further consideration.

At 10.06pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

**P17/3741 - PROPOSED ROAD RESERVE CLOSURES, MURDOCH MIXED USE
PRECINCT ACTIVITY CENTRE PLAN (REC) (ATTACHMENT)**

Ward : University
 Category : Operational
 Application Number : DA-2016-1211
 Property : Portion of Kwinana Freeway & Lot 510, Murdoch
 Proposal : Road Reserve Closure
 Applicant : Landcorp
 Owner : Crown
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter...
 Previous Items : Not Applicable
 Responsible Officer : Peter Prendergast
 Manager Statutory Planning

AUTHORITY / DISCRETION

DEFINITION

<input checked="" 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 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 (e.g. 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.

**P17/3741 - PROPOSED ROAD RESERVE CLOSURES, MURDOCH MIXED USE
PRECINCT ACTIVITY CENTRE PLAN (REC) (ATTACHMENT)**

KEY ISSUES / SUMMARY

- In August 2013 the City resolved to advise the Western Australian Planning Commission (WAPC) that it supported the Murdoch Specialised Activity Centre Structure Plan (MSACSP) which was subsequently approved by the WAPC in October 2013.
- The Murdoch Mixed Use Precinct Activity Centre Plan (the Centre Plan) was approved by the Western Australian Planning Commission in September 2016 and the City is currently advertising a local planning policy to act as the design guidelines for this area.
- Landcorp has requested the City initiate two road closures which are required so lots within the Centre Plan area can be formalised.
- A total of seven submissions were received from services agencies during the thirty five day comment period. The submissions are all supportive of the proposal.
- It is recommended that the Council support the two road closures and advise the Minister of Lands of its decision.



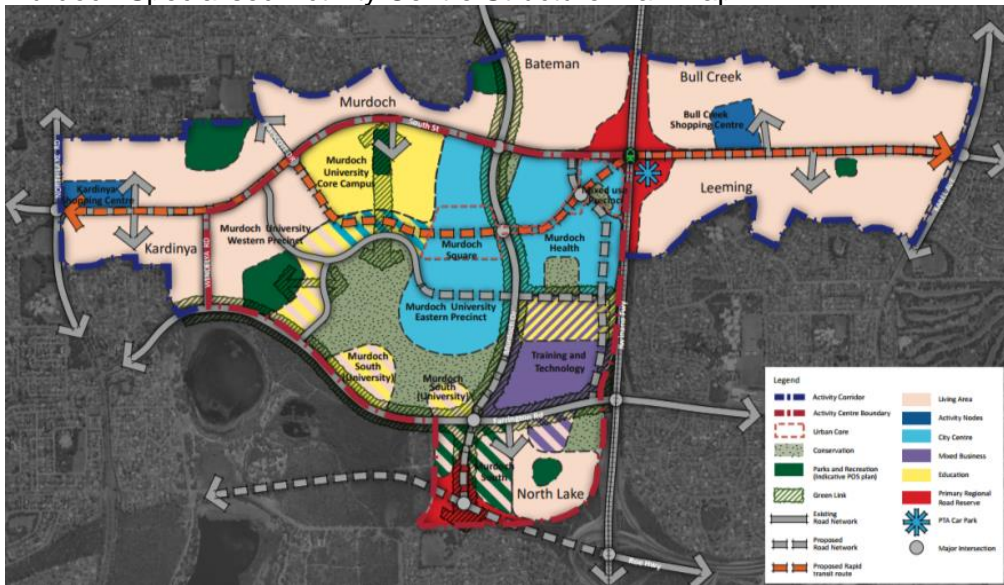
Note: Hatched areas show parcels of road reserve proposed to be closed as a part of this application.

P17/3741 - PROPOSED ROAD RESERVE CLOSURES, MURDOCH MIXED USE PRECINCT ACTIVITY CENTRE PLAN (REC) (ATTACHMENT)

BACKGROUND

The Council at its meeting on 20 August 2013 resolved to advise the WAPC that it supported the Murdoch Specialised Activity Centre Structure Plan (MSACSP) and was subsequently approved by the WAPC in October 2013.

Murdoch Specialised Activity Centre Structure Plan Map

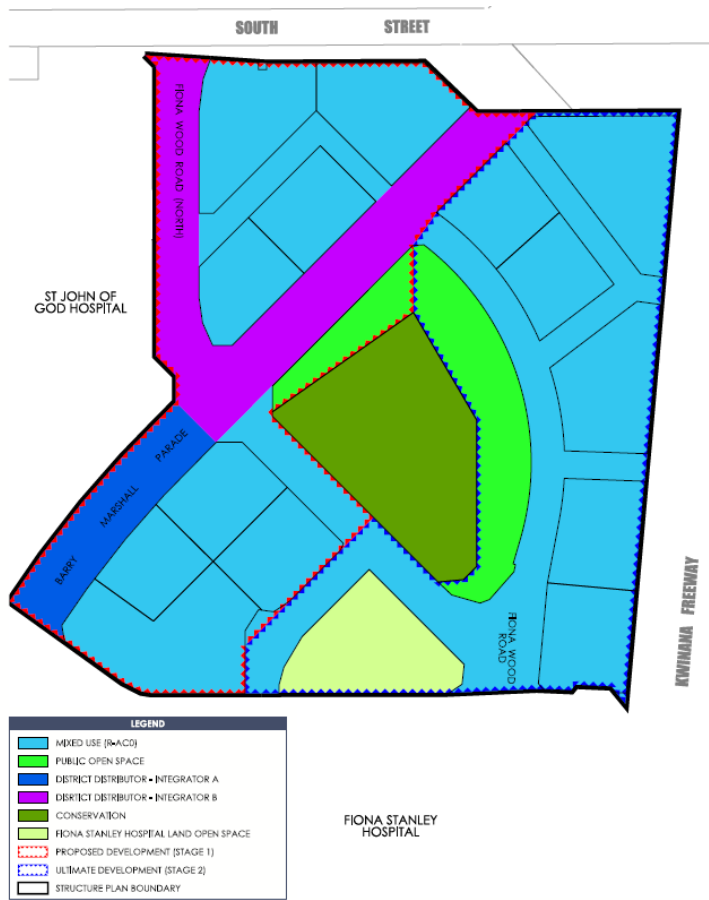


The portions of land are located immediately to the south west of the Murdoch Rail Station, they are in State Government ownership and are identified under the structure plan to be developed for a mix of residential, office, commercial, retail and health related uses.

The Murdoch Mixed Use Precinct Activity Centre Plan (the Centre Plan) was approved by the Western Australian Planning Commission in September 2016. A Local Planning Policy which will provide the design guidelines for development within the area is currently the subject of advertising. These documents also identify the road reserve land as being required for future development.

Landcorp has requested the City initiate two road closures which are required so the lots identified can be formalised for future development.

P17/3741 - PROPOSED ROAD RESERVE CLOSURES, MURDOCH MIXED USE PRECINCT ACTIVITY CENTRE PLAN (REC) (ATTACHMENT)



Murdoch Mixed Use Precinct Activity Centre Structure Plan Lot layout

Scheme Provisions

MRS Zoning	:	Crown
LPS Zoning	:	Urban Development
R-Code	:	Not applicable
Use Type	:	Not applicable
Use Class	:	Not applicable

Site Details

Lot Area	:	Lot 510 1.82ha & Portion of Kwinana Freeway 1,542 ^{m2}
Street Tree(s)	:	Not applicable
Street Furniture (drainage pits etc.)	:	Yes
Site Details	:	Vacant Land and Carpark

[3741 Attachment 1 Murdoch Land Assembly](#)

**P17/3741 - PROPOSED ROAD RESERVE CLOSURES, MURDOCH MIXED USE
PRECINCT ACTIVITY CENTRE PLAN (REC) (ATTACHMENT)****DETAIL**

The details below outline how the land is to be divided and who is responsible:

Disposal of portion of Freeway will be as follows:

- Land to be amalgamated with lot 4083 and to stay with Crown and to make up part of a Public Transport Authority (PTA) lease.

The disposal of lot 510 will be as follows:

- Extension of Barry Marshall Parade City of Melville (CoM) controlled.
- Land for LandCorp to develop, being north of Barry Marshall Parade Extension.
- Land north of the LandCorp allocation to be allocated back to Main Roads WA as it is reserved primary regional road within the Metropolitan Region Scheme.
- Land south of Barry Marshall Parade to stay with Crown and to be amalgamated with lot 4083 to make up part of a PTA lease.

Local Planning Scheme and Local Policy Requirements

Not applicable

R-Code Requirements

Not applicable

STAKEHOLDER ENGAGEMENT

Advertising Required:	Yes
Neighbour's Comment Supplied:	No
Reason:	Consultation required under s 58 Land Administration Act 1997
Support/Object:	No Comments Received.

I. COMMUNITY

Under section 58 of the Land Administration Act 1997 and regulation 9 of the Land Administration Regulations 1998, the permanent closure of roads requires public advertising.

A public notice regarding the road closure was circulated in the Melville times for thirty five days in three additions of the newspaper. A detailed notice was also made available on the City's website. There were no letters sent to residential owners and occupiers as there are no dwellings within the subject area. No written comments were received from the community.

**P17/3741 - PROPOSED ROAD RESERVE CLOSURES, MURDOCH MIXED USE
PRECINCT ACTIVITY CENTRE PLAN (REC) (ATTACHMENT)**

II. OTHER AGENCIES / CONSULTANTS

Thirteen letters were sent to various government agencies and utility providers. Out of the thirteen letters sent, the City received seven responses stating no objection.

Agency	Summary of Submission	Support/ Objection	Officer's Comment	Action (Condition/ Uphold/ Not Uphold)
Western Power	Support on the condition that they are kept inform of developments due location of infrastructure.	Support	None required	Uphold
Telstra	Support on the condition that any affected assets be relocated.	Support	None required	Uphold
Water Corporation of WA	Support on the condition that any affected assets be relocated.	Support	None required	Uphold
Department of Mines	The closure raises no significant issues with respect to mineral and petroleum resources, geothermal energy, and basic raw materials.	Support	None required	Uphold
Atco Gas Australia	Support on the condition that any affected assets be relocated.	Support	None required	Uphold
AARNET	Support on the condition that any affected assets be relocated.	Support	None required	Uphold
Main Roads WA	No objection to the road closure and land assembly.	Support	None required	Uphold

STATUTORY AND LEGAL IMPLICATIONS

The permanent closure of roads is dealt with under section 58 of the Land Administration Act 1997 and regulation 9 of the Land Administration Regulations 1998.

**P17/3741 - PROPOSED ROAD RESERVE CLOSURES, MURDOCH MIXED USE
PRECINCT ACTIVITY CENTRE PLAN (REC) (ATTACHMENT)****FINANCIAL IMPLICATIONS**

There are no financial implications for the City as a result of the proposed road closures. Any costs associated with the closures will be met by the applicant.

The centre plan area will result in the construction of roads, open space and public spaces which will ultimately become the responsibility of the City in terms of maintenance (maintenance of the Conservation Area is the responsibility of the Department of Health). Creation of new lots and associated development will provide future revenue in terms of rates and on-street parking. Negotiations with respect to timing of handover of maintenance responsibilities will aim to ensure that costs are offset by revenue.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic, risks or environmental management implications with this application.

POLICY IMPLICATIONS

There is no Council Policy that relates to the proposed road closures.

COMMENT

LandCorp has requested the City initiate two road closures located in the north east corner of the Murdoch Mixed Use Precinct. The parcel of land known as Lot 510 was formerly used as an off ramp from Kwinana freeway, north bound, to South Street. Portions of this lot will be distributed as follow:

- Extension of Barry Marshall Parade City of Melville (CoM) controlled.
- Land for LandCorp to develop, being north of Barry Marshall Parade Extension.
- Land north of the LandCorp allocation to be allocated back to Main Roads WA as it is reserved primary regional road within the Metropolitan Region Scheme.

The parcel of land within the Kwinana Freeway currently forms part of the Murdoch Rail Station carpark. Once this portion of the Kwinana freeway has been incorporated into the Carpark (lot 4083), this land will be leased back to the Public Transport Authority.

- Land south of Barry Marshall Parade to remain with the Crown and to be amalgamated with lot 4083 to make up part of a PTA lease.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council could elect not to support the proposed road closures. Doing so may result in delays to the Centre Plan lots being formalised.

P17/3741 - PROPOSED ROAD RESERVE CLOSURES (REC) (ATTACHMENT)**CONCLUSION**

The two permanent road closures will not affect the traffic movement within the Murdoch Mixed Use Precinct and the Kwinana Freeway as well as the Murdoch Rail Station carpark. The road closures represent an administrative land assembly process which will facilitate the development of the Landcorp Mixed Use Precinct. It is recommended that the proposed road closures be supported and that the Council decision be forwarded to the Minister for Lands for finalisation.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3741)**APPROVAL****That the Council:**

- 1. Resolves to request the Minister for Lands to close the portions of road reserve shown as Lot 510 of Deposited Plan 66700 and portion of Kwinana Freeway into Lot 4083.**
- 2. Directs the Chief Executive Officer to request the Minister for Lands to close the two portions of road as per the Land Administration Act 1997 and Land Administration Regulations 1998 requirements.**
- 3. Directs the Chief Executive Officer to advise all submitters in writing of the Council's resolution.**

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

P17/3742 - DISPOSITION OF 7 TEMBY COURT, KARDINYA (REC)

Ward : University
 Category : Strategic
 Application Number : Not Applicable
 Property : Lot 323, No. 7 Temby Court, Kardinya
 Proposal : Consider final disposition of land
 Applicant : City of Melville
 Owner : 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 : P15/3616 Potential Disposition of 7 Temby Court, Kardinya
 Responsible Officer : Gavin Ponton
 Manager Strategic Urban Planning

AUTHORITY / DISCRETION

DEFINITION

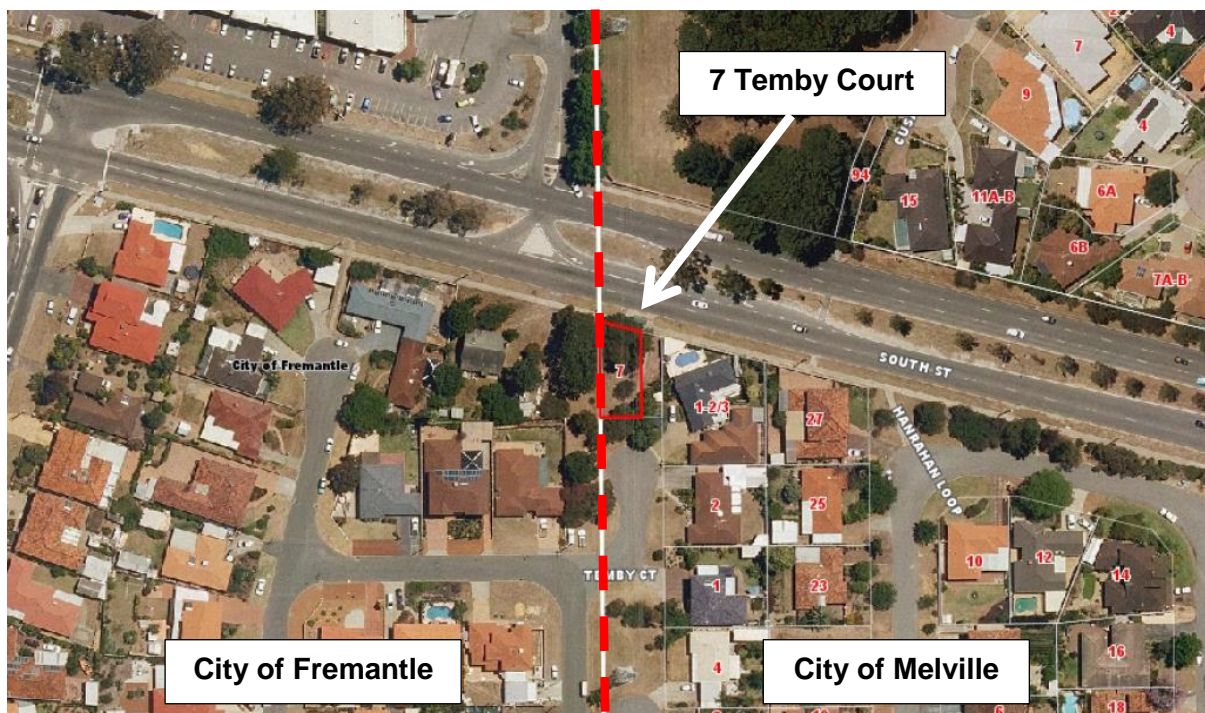
<input type="checkbox"/>	Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input checked="" type="checkbox"/>	Executive	The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, 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.

P17/3742 - DISPOSITION OF 7 TEMBY COURT, KARDINYA (REC)

KEY ISSUES / SUMMARY

- An offer to purchase 7 Temby Court, Kardinya, has been received from the owners of No. 399 South Street, Samson.
- At its meeting on 17 March 2015, Council resolved to obtain a valuation for Lot 323, No. 7 Temby Court, Kardinya, negotiate with the developer of No. 399 South Street, Samson, and, in the event of an offer being received, prepare a Local Public Notice in accordance with the Local Government Act 1995.
- An updated valuation dated 3 November 2016 was obtained to inform the City of the land's current value.
- All the above steps have been completed. No written comments were received in response to the Local Public Notice.
- It is timely to report to Council prior to entering into a final agreement with the purchaser.

Aerial Photo



BACKGROUND

The City owns No. 7 Temby Court, Kardinya in freehold title. The lot has an area of 317m² and is zoned 'Residential R20'. The lot has high tension power lines immediately overhead and therefore cannot be developed for residential purposes. There is currently little financial value in the lot given the development constraints.

P17/3742 - DISPOSITION OF 7 TEMBY COURT, KARDINYA (REC)

The lot is on the current border with the City of Fremantle. The City of Fremantle has approved a residential development for the adjacent lot at 399 South Street, Samson, subject to vehicular access to the site being via South Street rather than being via Temby Court.

At its meeting on 17 March 2015, the Council resolved:

1. Authorises the Chief Executive Officer to:

- A. Obtain a valuation of Lot 323, No. 7 Temby Court Kardinya as required by Section 3.58 (4) (c) (i) of the Local Government Act 1995.**
- B. Negotiate with the developer of 399 South Street, Samson on a potential disposition of Lot 323, No. 7 Temby Court Kardinya via sale or ground lease.**
- C. Prepare and publicly advertise a Local Public Notice in accordance with Section 3.58 (3) and (4) of the Local Government Act 1995.**

2. Notes that a further report will be presented for Council consideration following the conclusion of the above-mentioned steps and before entering in to any final agreement with any other party for the dispossession of Lot 323, No. 7 Temby Court Kardinya.

Items 1A, 1B and 1C are now complete. This report comprises the fulfilment of Item 2.

The local community was strongly opposed to the idea of access via Temby Court.

Scheme Provisions

MRS Zoning	:	Urban
LPS 6 Zoning	:	Residential
R-Code	:	R20
Use Type	:	Not Applicable
Use Class	:	Not Applicable

DETAIL

The City's Land Asset Strategy recommends that 7 Temby Court be disposed of at a suitable time given that it is not considered to have strategic, environmental or community value.

The City of Melville and the purchaser have agreed to the following conditions of sale:

1. 7 Temby Court and 399 South Street will be amalgamated in a reasonable time frame post-settlement assuming a successful negotiation.
2. Restrictive Covenants preventing access and egress via Temby Court will be added to the title. Access and egress to/from 399 South Street will be via South Street only, as directed by Main Roads WA and the City of Fremantle.
3. A separate development application for the car park and landscaping on 7 Temby Court will be granted to the satisfaction of the purchaser prior to settlement.

P17/3742 - DISPOSITION OF 7 TEMBY COURT, KARDINYA (REC)

4. Pedestrian access via the Water Corporation land (immediately east of 7 Temby Court) will be maintained and realigned at the purchaser's expense and to the City of Melville's satisfaction/relevant Australian Standards.
5. Consideration is \$105,000 exclusive of GST (valuation was for \$110,000 ex GST)

STAKEHOLDER ENGAGEMENT

Advertising Required:	Yes – Council resolved to consider disposition of the site as per Section 3.58 (3) of the Local Government Act 1995
Neighbour's Comment Supplied:	No
Reason:	No submissions received
Support/Object:	Not Applicable

I. COMMUNITY

In the past there was considerable concern from local residents about the issue of vehicular access via Temby Court. However, the developer is not seeking vehicular access to Temby Court.

An advertisement inviting submissions on the proposed sale of the land was placed in The West Australian newspaper on Wednesday 16 November 2016 and Wednesday 23 November 2016. A notice was also placed on the Council's website. The landowner at 3 Temby Court, who had previously expressed concern over the prospect of vehicular access to 399 South Street via Temby Court, was directly contacted and invited to comment.

No submissions were received during the advertising period.

II. OTHER AGENCIES / CONSULTANTS

The City has been liaising with the Department of Planning and Main Roads WA on this matter.

Required:	Yes
Reason:	N/A
Support/Object:	N/A

STATUTORY AND LEGAL IMPLICATIONS

The City has legislative requirements to meet in addition to standard property practices. If the Council were to consider the disposition of the land, it would likely be progressed in accordance with a Local Public Notice process. Section 3.58 (3) of the Local Government Act 1995 states that:

P17/3742 - DISPOSITION OF 7 TEMBY COURT, KARDINYA (REC)

“A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property:

- (a) it gives local public notice of the proposed disposition —
 - (i) describing the property concerned; and
 - (ii) giving details of the proposed disposition; and
 - (iii) inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;and
- (b) it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.”

The key points to be aware of are:

- Council has satisfied the legislative requirements and may now proceed with the sale
- No submissions were received

FINANCIAL IMPLICATIONS

The site has been valued by an appropriate specialist. The offer from the owner is consistent with the valuation.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic or environmental management implications with this application.

RISK IMPLICATIONS

As the potential purchaser has agreed to restrictive covenants regarding access and egress to Temby Court, the risk of community concern has been addressed.

POLICY IMPLICATIONS

There are no policy implications.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

Council could elect to not support the sale of 7 Temby Court. While the land is owned in freehold, it cannot be developed for residential purposes due to the high tension power lines immediately overhead. There is little likelihood that the City could realise any value from the land via other methods.

P17/3742 - DISPOSITION OF 7 TEMBY COURT, KARDINYA (REC)**CONCLUSION**

There is an opportunity for the City to realise some value from the land. The site is not considered to have long-term strategic, environmental or community value.

The offer is consistent with the current market valuation. The sale does not involve vehicular access to Temby Court. No written comments from the public were received.

It is recommended that the Council authorise the final agreement for the disposal of the subject lot.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3742)**APPROVAL****That the Council:**

- 1. Notes that no submissions were received during the advertising period in accordance with the Local Public Notice issued under section 3.58 of the Local Government Act 1995.**
- 2. Notes that the Council resolutions in relation to this item from the March 2015 Ordinary Council Meeting have been fulfilled in accordance with section 3.58 of the Local Government Act 1995.**
- 3. Authorises the Chief Executive Officer to enter into a Contract of Sale Agreement for the disposal of Lot 323, No. 7 Temby Court, Kardinya.**

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)**KEY ISSUES / SUMMARY**

- Following community consultation to create the 'Heathcote Vision and Place Plan 2025' a business case was developed with key recommendations and strategies for the future of the site.
- The development of the Vision and Place Plan and subsequent business case was a result of the City taking back management control of the majority of the buildings at Heathcote, and of the more recent opportunity to take back the lease for Murray House and have this building also under City control.
- The business case looks to apply the strategies outlined in the Heathcote Vision and Place Plan 2025 document and Heathcote Activation Strategy.
- The recommendations aim to create a sustainable creative cultural hub that can develop a niche in the Perth Cultural scene.
- Financial modelling presented as part of the business case strives to deliver a financially sustainable management plan for the site.
- The business case also examines the circumstances onsite that currently restrict the potential of the Precinct and makes recommendations to address these barriers.
- Ultimately, the business case seeks to deliver a significant social and economic return on investment, where the Heathcote site provides a meaningful place for the people of Melville and beyond to recreate, create, and enjoy, with increased use and activation of the heritage buildings onsite.

BACKGROUND

The Heathcote Cultural Precinct at Point Heathcote in Applecross is a State heritage-listed site with a rich history and a variety of current uses. From 2000, a large part of the site was leased and managed by the Challenger Institute of Technology. In April 2015, the Challenger Institute sub-lease was returned to the City leaving Canning House (BWG Steakhouse – Frasers Group) and Murray House (Department of Training and Workforce Development) the only two buildings outside the direct management of the City.

The City currently manages the temporary or short term hire of areas on Heathcote Reserve and in the Administration Building, Swan House and the Kitchen Building, while continuing to operate the Heathcote Museum and Gallery. The uses of Heathcote Cultural Precinct buildings include; Artist studios, artist in residence programs, occasional hire for functions, workshops, business training, playgroup and toy library.

In 2016, the development of a community and stakeholder vision for Heathcote Precinct commenced in response to the vacating of Challenger Institute from the majority of buildings onsite. The opportunity to look at the future of the site and the communities aspirations for the precinct was imperative for future decision making.

CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)

The visioning process reaffirmed the importance of the Heathcote Cultural Precinct to the community and resulted in a shared vision statement for the site.

Heathcote Vision: A beautiful and intimate destination that has local to international reach for cultural experiences and recreation, built upon the uniqueness of: Its history and heritage; its picturesque vantage point overlooking the Swan River; and its integrated qualities as a place for diverse cultural experiences.

The vision also captured key focus areas that come together to make the site unique. These four focus areas are: Creativity / Innovation Hub, Re-imaged Heritage Site, Local Food Hub, and Recreation Site.

Findings from the Heathcote Vision, as presented to Elected Members in mid-2016, indicated the strongest potential for Heathcote is to establish a unique and authentic offering to retain and build on its diversity and encourage integration. Rather than centring Heathcote's identity on one or two of the current or proposed new uses for the site, the focus instead will be on the intersection and cross-pollination of different uses and activities. With the place making theme 'Integrated Diversity' for example, Heathcote can continue to have a great playground, a respected art centre together with incorporating new uses such as an innovation / co-working space. What it will become most well-known for however is the imaginative and invigorating ways that these diverse elements are brought together.

Following the consultation to create the vision for the Precinct, the City's Cultural Services team began working with staff across the organisation, stakeholders and consultants to develop strategies and recommendations that would inform the business case that explores the potential for the site to achieve the communities' vision in a sustainable manner.

DETAIL

The Business Case that has been developed, following the Vision and Place Plan, outlines options and recommendations that work towards the community's aspirations for the Heathcote site.

To create the business case several informing documents have been produced to explore the best plans for the site. These documents include the Vision and Place Plan Strategies document, Heathcote Activation Strategy and Murray House Whole of Life Costs Report and are included as attachments to the Business Case.

The Activation Strategy (confidential) created by SpaceMarket (Property Leasing Group) is a key document that outlines viable options for facility and site usage as well as income projections in line with the vision document.

The report found inspiration from local, national and international cultural models to determine the best possible path forward for the site. The analysis of data for local demographics, relevant documents and precedents has determined the most fitting users for the spaces available at Heathcote.

**CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)**

A place making methodology has been used for the Activation Strategy and Place Vision that informs the proposed new building uses and activation onsite. The Heathcote of the future, the one people imagine, is a place where great things happen when different things come together. Part of the proposed activation plan focuses on the opportunity for Heathcote to embrace its history as a Mental Health Institute and align its new purpose as a contemporary wellness centre for practitioners and community wellbeing activities. Pairing this historical theme with Heathcote's current emphasis on families and the arts shall provide a rich experience for visitors and a dynamic workspace for residents to build a strong sense of place.

The proposed uses outlined in the Business Case and Activation Strategy have been modelled from the communities' vision as well as appreciating the buildings heritage design and existing layouts. The recommended uses have been provided with proposed income projections to create a sustainable and resilient Cultural Precinct.

The City also contracted OPUS Group Australia to project the whole of life costs associated with Murray House, one of the buildings onsite, to allow the City to determine the future of that particular building due to its current vacancy and request by the Department of Training and Workforce development to be able to relinquish their long term lease agreement.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

The level of communication, in accordance with the Stakeholder Engagement Policy CP-002 for this item, is to "involve" the community. Social Fabric, in collaboration with Tinderbox, were engaged by the City of Melville in September 2015 to conduct a program of stakeholder engagement to inform the development of a shared vision for the precinct and the identification of place making strategies for inclusion in the place plan.

Place making transforms the lives of individuals and communities through engaging people in the transformation of places. It is founded on recognition that great places make a difference to a range of aspects of individual wellbeing and play an important role in the social, economic, and cultural life of communities.

The stakeholder engagement process conducted during October and November 2015 collected and integrated the knowledge, needs, and ideas of a range of people who have an interest in the future of the Heathcote Cultural Precinct. A letter was sent to 1,800 local residents within a one kilometre radius of the precinct inviting them to have their say, current tenants were asked to promote the engagement process to their members and customers, and it was advertised via the City's website, social media, in libraries, and with posters and flyers.

Community members, current place users, and other stakeholders were invited to complete an online place vision survey during October 2015. Topics covered in the survey included current and future place character, uses and activities, motivations for visiting Heathcote, place attachment, an audit of place strengths and challenges, and ideas for improving the precinct.

CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)

A drop-in engagement activity open to all was also held onsite at Heathcote on 25 October 2015 to coincide with a range of other activities happening across the precinct. The same sets of topics were covered at the pop up, with additional visual materials used to engage participants.

An interview was conducted with BWG Steakhouse, the commercial tenants who have a long term lease at the precinct.

A Think Tank session was held with a small group of visionary experts who have broad cultural programming and facilities experience and local to international perspectives. Participants were asked to consider the broader cultural landscape of Perth (and beyond) and to identify where the Heathcote Precinct could fit. Drawing on their breadth of experience, they were also tasked with identifying strategies to ensure Heathcote has a viable future.

A session was held with relevant City of Melville staff and managers who have a role in the management of the Heathcote Cultural Precinct. Participants reviewed and assessed the ideas generated by external stakeholders in light of City policies, site and resource constraints, and existing knowledge of community needs. They also identified strategies for possible inclusion in the Place Plan.

An analysis of stakeholder feedback – including what people value about Heathcote as it is today and how they would like it to be in future – reveals a range of opinions about what type of place it could be.

The predominant activities as being valued by survey respondents and participants at the pop up were:

- Enjoying the spectacular views
- Playing at the children's playground
- Using the family-friendly gathering spaces e.g. public BBQs, picnic tables, hire spaces
- Walking and relaxing in the beautiful outdoor environment

Other current uses that some stakeholders identified as important to them were:

- Art-related opportunities e.g. exhibitions and workshops
- Restaurant
- Wellbeing and personal development classes and sessions

Looking to the future, these stakeholders want to see:

- Shared community experiences / events especially markets and live music
- Attractive kiosk / coffee shop and café / casual dining options
- More arts opportunities e.g. workshops, Aboriginal art, arts groups
- More wellbeing offerings e.g. meditation, yoga, therapy spaces
- Innovation activities e.g. co-working, support for entrepreneurs, change makers
- New opportunities to connect with nature e.g. botanical displays, nesting boxes
- New opportunities to connect with history e.g. interactive trail and tours
- More activities for kids and families e.g. children's festival
- Volunteering opportunities

CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)

The future vision for Heathcote put forward by Think Tank members is a 'makers hub' that focuses on:

- Heritage arts / classical arts / craft practices
- Local, gourmet, artisan food producers
- Showcasing practice and the process of making
- Facilitating participation and engaging audiences at an intimate level

The Think Tank also proposed:

- Introducing co-working and innovation in niche markets
- Acknowledging the historical focus on mental health and wellbeing, but not pursuing this as a focus for future activities
- Retaining the playgroup onsite

The key themes that were emphasised by internal stakeholders are:

- Arts
- Heritage
- Community uses
- Wellbeing

II. OTHER AGENCIES / CONSULTANTS

The City engaged consultants with various expertise in the development of the Vision and subsequent Business Case for the future of Heathcote. These consultants included:

- Anne Goodall (Social Fabric) and Tinder Box
- SpaceMarket (Property Leasing Group)
- OPUS Australia (Asset Management)

The Think Tank group of business / cultural experts included:

- Russell Aubrey (Mayor, City of Melville);
- Christine Young (Director Community Development, City of Melville);
- Henry Boston (Executive Director, Chamber of Arts and Culture);
- Ted Snell (Director Cultural Precinct, University of Western Australia);
- Marcus Canning (Chief Executive Officer, Artrage (Fringe World Festival));
- Veronica Jeffery (Executive Director Place Management, Metropolitan Redevelopment Authority);
- Brodie McCulloch, (Managing Director, Spacecubed);
- Aaron Rutter (Director, JumpClimb Events (Beaufort Street Festival)); and
- Helen Curtis (Consultant, Apparatus)

CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)**STATUTORY AND LEGAL IMPLICATIONS**

Heathcote Cultural Precinct has prescriptive planning use requirements as set by the conditions on Title outlined in the 2001 Heathcote Agreement. In December 2016, a submission was sent to the State Government Department of Lands for these conditions to be removed and allow the use of Heathcote Cultural Precinct to be guided by more encompassing conditions of use as outlined in the Heathcote Vision and Place Plan and supported by the City of Melville Local Planning Scheme No.6 Section 21.

The City of Melville is currently waiting on final endorsement from the Department of Lands. All correspondence to date with the Department has been positive and in support of the City's submission. The Department of Lands are following their process to update the Conditions on Title as requested by the City. The Department of Lands sought feedback from the State Heritage Office that has supported the City's request.

FINANCIAL IMPLICATIONS

The Heathcote Business Case recommends future uses and activation of the site to create a sustainable cultural precinct that provides the highest possible community benefit. From the estimated financials the proposed activation strategy will reduce the City's overall net cost of managing the buildings onsite, as compared to the past situation with Challenger Institute and the current model, by an average of approximately \$60,000 pa.

The proposed changed uses within the buildings onsite result in increased activation and community access resulting in increased income.

The flow-on financial impacts that are not measured as part of this item are the economic benefits for small businesses onsite and the community. The Artists, Practitioners, Makers and other suppliers / producers provide a vibrant, innovative and creative economic business model onsite. Some current leases onsite have agreements that are linked to the tenant's income, meaning the more viable the businesses are, results in increased income generation for the City to manage the site.

Murray House is owned by the City, although is currently on a 99 year lease to the Department of Training and Workforce Development. There are 85 years left to run on this lease. The peppercorn lease required the Department to retain all costs associated with the facility including maintenance and renewal. In determining if the City should take back the lease and subsequent costs associated with the building the City contracted OPUS Australia to do a full Whole of Life Costs Report on the facility coupled with an income projections report provided by SpaceMarket. Overall the facility was estimated at breakeven with conservative income projections.

The recommendation for the City to take back the Murray House long term lease and proposed activation of the facilities onsite has the highest social return on investment. The proposed activation and uses provide a direct connection to the communities' aspirations for the site. Therefore, this high social return on investment with the breakeven projection for the facility has substantiated the Officer's recommendation.

**CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)**

An amount of \$100,000 has been drafted in the 2017-2018 capital budget for various minor building works onsite to allow the activation and building uses to occur. This includes; upgraded signage, replacing the acoustics panels in the Kitchen Block, reinstating the original entrance to Swan House and pedestrianizing the internal courtyard as indicative projects.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The immediate circumstances impacting the Heathcote vision and business case are; the Murray House lease and the conditions on title for all buildings (detailed in Statutory and Legal Implications Section) in the precinct.

The Department of Training and Workforce Development has requested the option to relinquish the 99 year lease they have with the City of Melville for Murray House. This presents an opportunity to look at the entire site and the potential of Murray House in achieving the precinct vision. If unable to relinquish the lease the Department of Training and Workforce Development have expressed their immediate intention to transfer the lease to another State Government department.

In November 2016, the Department of Training and Workforce Development issued a letter to the City outlining their intent to transfer the Murray House lease to the Department of Education. The Department of Education see the facility as suited to the administration and their training and development services. This use would require over 120 parking bays per day. The City has met with the Department of Education and expressed our concern in regard to the inability of the site to park that number of vehicles daily, with only 90 marked bays onsite. The Department of Education are currently considering this information.

The Department of Training and Workforce Development has been informed about the City's business case and is waiting on a response from the City by early March 2017 with the City's intentions in regard to Murray House. Currently, Murray House has no financial impact, positive or negative, to the City of Melville. Financial calculations of the income and expenditure for Murray House indicate the facility will largely be breakeven for the City with a significant ability for the building to provide community benefit and enhance the sites activation and connection to the community's vision.

This business case assumes that lease holders will provide fit out costs and that income projections outlined in the financial section of this report are based on eighty percent occupancy.

CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)

Risk Statement	Level of Risk	Risk Mitigation Strategy
As a result of increased activation and changed usage, the site is unable to accommodate the parking required which would lead to increased traffic on side streets.	Minor consequences which are possible, resulting in a Medium level of risk.	The Heathcote lower lands be used for overflow parking when required for major events onsite. Activation and uses have been spread across the week as well as day and evening uses. Encourage different modes of transport, train, bike, and walk.
Risk of greater than anticipated maintenance and / or renewal expenses on the Murray House facility.	Moderate consequences which are unlikely, resulting in a Medium level of risk.	A building condition and whole of life costs report was developed. Estimates from this report have been projected for the building in the Heathcote Business Case.
Lower than anticipated income due to reduced building occupancy or the changing market rate.	Moderate consequences which are possible, resulting in a Medium level of risk.	Income projections were provided by a leasing group and are conservative. The occupancy is based on 80%. Marketing plans will be implemented to maximise tenancies.

POLICY IMPLICATIONS

There is no Council Policy that relates to this item.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The recommend option outlined in this item provides the greatest community benefit whilst creating a financially sustainable precinct. Below are two alternatives options and their possible implications.

CD17/8094 - HEATHCOTE CULTURAL PRECINCT BUSINESS CASE (REC)
(CONFIDENTIAL ATTACHMENT)

Option One: For the City of Melville to reject the application of the Department of Training and Workforce Development to relinquish the long term lease of Murray House. The Department of Training and Workforce Development would then seek to transfer the Murray House lease to another State Government department. The implications of this option mean no financial impact for the City positive or negative, however there is less opportunity for community benefit and reduced ability for the site to reach the community's aspirations as outlined in the Vision. Other potential implications include the risk of the future uses by the State Government having broader implications on the site like the current proposal by the Department of Education that would result in 120 cars being required to park onsite each week day which is well beyond the capacity of the site with 90 marked bays available onsite.

Options Two: For the City to pursue commercial tenants of any type rather than the proposed uses that result in tenants that align to the community's aspirations for the site. This could result in limited opportunity for crossing over of activation as well as limited opportunity for the community to be part of the uses and activation onsite.

CONCLUSION

Heathcote Cultural Precinct is an iconic, heritage site for the City of Melville and the wider Western Australian community. This item provides a rare opportunity to utilise the buildings of this site for a vibrant cultural precinct for the community. The social return on investment is compelling in terms of the sites ability to provide outcomes that directly link to the community's aspirations for the site. The ability for the site to also reduce the City's current expenditure onsite is an advantage in ensuring the sites sustainability and resilience as a cultural hub.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (8094)**APPROVAL****That the Council**

- 1. Endorses the Heathcote Vision and Place Plan document as the guiding document for the Heathcote Cultural Precinct.**
- 2. Approves the proposed building uses and activation as proposed in the Activation Strategy and Heathcote business case.**
- 3. Approves the relinquishing of the Department of Training and Workforce Development's long term lease of Murray House subject to the removal of the current conditions on title by the Department of Lands.**
- 4. Lists the proposed financials for consideration in the 2017/2018 budget.**

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

At 10.10pm Mr Prendergast, Mr Ponton and Ms Reid left the meeting.

M17/5522 – NOMINATION OF CITY OF MELVILLE LOCAL GOVERNMENT MEMBERS FOR DEVELOPMENT ASSESSMENT PANELS (REC)

Disclosure of Interest

Item No. M17/5522
 Member His Worship the Mayor
 Type of Interest Impartiality Interest
 Nature of Interest Cr Aubrey is my Daughter
 Request Stay, Discuss and Vote
 Decision of Council Stay, Discuss and Vote

Ward : All
 Category : Operational
 Subject Index : Development Assessment Panels
 Customer Index : Development Assessment Panels
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : M15/5448 – Nomination of City of Melville Government Members for Joint Development Assessment Panels (November 2015).
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Corrine Newman
 Executive Support and Governance Officer

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.

M17/5522 – NOMINATION OF CITY OF MELVILLE LOCAL GOVERNMENT MEMBERS FOR DEVELOPMENT ASSESSMENT PANELS (REC)**KEY ISSUES / SUMMARY**

- Development Assessment Panels (DAPs), also known as Joint Development Assessment Panels (JDAPs) and Local Development Assessment Panels (LDAPs) commenced on 1 July 2011.
- The City of Melville's current nominated Members are Councillor C Schuster and Councillor N Foxtan, with Councillor R Aubrey and Councillor T Barling being nominated as Alternate Members.
- The current terms of appointment will expire on 26 April 2017.
- Following receipt of all local government nominations, the Minister for Planning will consider and appoint nominees for up to a three-year term.
- All DAP members are required to attend training prior to sitting on a DAP and determining applications. Training is provided for new members and previous members are encouraged to attend refresher training.

BACKGROUND

Development Assessment Panels (DAP's) are independent decision making bodies comprised of technical experts and local government representatives, who make decisions based on the existing planning framework of the municipality within which the application site is located.

The City of Melville is part of the Metro Central Joint Development Assessment Panel (JDAP) which also includes representatives from the Cities of Bayswater, Belmont, Canning and South Perth and the Towns of Bassendean and Victoria Park.

The current nominated Development Assessment Panel Members and Alternate Member's terms are due to expire on 26 April 2017.

DETAIL

As the current nominations will expire shortly, the City has received correspondence from the Department of Planning, as required by Regulation 26 of the Planning and Development (Development Assessment Panels) Regulations 2011, to nominate four Elected Members, two local members and two alternate local members, to sit on the respective DAP. The Minister will consider all applications and appoint all nominees for a term of up to three years expiring on 26 April 2020.

Amendments to the Planning and Development (Development Assessment Panels) Regulations 2011 were published in the Government Gazette in December 2016 and come into operation on 1 February 2017. This includes the ability for the Minister for Planning to appointment members for a term up to three years, rather than the previous term of two years. This will allow for local government DAP members who retain their office after an election to remain in place as DAP members until they can be formally reappointed.

**M17/5522 – NOMINATION OF CITY OF MELVILLE LOCAL GOVERNMENT MEMBERS
FOR DEVELOPMENT ASSESSMENT PANELS (REC)**

In instances where a DAP member is not re-elected to the Council, the Alternate (deputy) Member would take the place of the former DAP member. If both the Nominated Members and the Alternate Members are not re-elected, the local government will need to be renominated for the Minister's consideration of appointment. The Council has been requested to consider these matters when selecting nominees as DAP members.

It is a requirement under the Planning and Development (Development Assessment Panels) Regulations 2011, that all DAP members attend compulsory training before they can sit on a DAP and determine applications. Elected Members who have previously undertaken training are not required to attend further training, but are encouraged to attend refresher training. The recent amendments to the Planning and Development (Development Assessment Panels) Regulations 2011 provide the Minister for Planning with the power to remove a DAP member who does not undertake the compulsory training.

Elected Members who are nominated by the Council will be required to provide contact and employment details together with the curriculum vitae for consideration by the Minister.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

Advertising of the Local Government Development Assessment Panel nominations is not required under the Planning and Development (Development Assessment Panels) Regulations 2011.

II. OTHER AGENCIES / CONSULTANTS

No consultation with external agencies is required.

STATUTORY AND LEGAL IMPLICATIONS

DAPs are to make decisions based on the existing planning framework of the municipality within which the application site is located.

Where an application to review a decision made by a DAP is lodged with the State Administrative Tribunal (SAT), members of the DAP who made the decision may be called upon to represent the DAP at SAT.

FINANCIAL IMPLICATIONS

The sitting fee for the local government DAP members determining applications is \$425.00. Local Government DAP members will also be paid \$400.00 upon the completion of the compulsory training and \$200.00 upon the completion of re-training and \$425.00 for attending proceedings at the State Administrative Tribunal in relation to a DAP decision.

M17/5522 – NOMINATION OF CITY OF MELVILLE LOCAL GOVERNMENT MEMBERS FOR DEVELOPMENT ASSESSMENT PANELS (REC)**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

The Minister for Planning must remove a DAP member if they cease to hold a position or qualification which made them eligible to sit as a DAP member, this include non-attendance of compulsory training before they can sit on a DAP and determine applications.

DAP members are bound by similar requirements regarding behaviour and conflict of interest as Elected Members, such as:

- Declare direct or indirect interest in a matter;
- Not to disclose or make improper use of information acquired as a member;
- Not accepting “prohibited” gifts;
- Comply with the Code of Conduct;
- Not to make any statement regarding the competence or honesty of a local government employee or public sector employee.

The primary risk is that the City does not nominate representatives. There are no other risks associated with this report.

POLICY IMPLICATIONS

There are no policy implications that relates to the nomination of City of Melville DAP members

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Should the Council fail to nominate representatives, the Minister for Planning has the ability to appoint community representatives to represent the City of Melville on the DAP. The community representatives would be selected from residents within the local government area who are considered to have relevant knowledge or experience which will enable them to represent the interests of their local community. The implication of this option is that the City of Melville and its interests will not be represented in the determination of the applications by the DAP.

CONCLUSION

It is recommended that the Council nominate two DAP members and two Alternate DAP members. Nominations are required to be forwarded to the Director General of the Department of Planning by 28 February 2017.

M17/5522 – NOMINATION OF CITY OF MELVILLE LOCAL GOVERNMENT MEMBERS FOR DEVELOPMENT ASSESSMENT PANELS (REC)**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5522)****APPROVAL**

At 10.38pm Cr Macphail moved, seconded Cr Phelan–

That the Council:

- 1. Nominates Councillor Aubrey and Councillor Foxton as the City of Melville Development Assessment Panel Members for a term of up to three years commencing April 2017.**
- 2. Nominates Councillor Schuster and Councillor Woodall as the City of Melville Development Assessment Panel Alternate Members for a term of up to three years commencing April 2017.**
- 3. Confirms that Councillor Schuster is to be the Local Joint Development Assessment Panel Alternative Member one and Councillor Woodall is the Development Assessment Panel Alternative Member two.**
- 4. Directs the Chief Executive Officer to forward the advice of the City of Melville nominees for the Development Assessment Panel to the Director General of the Department Planning.**

At 10.38pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

M17/5526 – SPECIAL MEETING OF ELECTORS – 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

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<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.

M17/5526 – SPECIAL MEETING OF ELECTORS – MOTIONS CARRIED (REC)**KEY ISSUES / SUMMARY**

- At the City of Melville Special Meeting of Electors held on 12 December 2016, four motions were carried and the Council needs to consider the responses.
- A recommendation for each motion is referred for consideration of the Council.

BACKGROUND

The City of Melville held a Special Meeting of Electors on 12 December 2016. At the meeting four motions from electors were carried and the Council is required to consider the motions and decide on any future action that should be resolved in the interests of the City.

DETAIL

The four motions relating to the proposed development at 855-857 Canning Highway and 37-39 Reynolds Road Mt Pleasant that were carried at the Special Meeting of Electors are as follows.

Motion 1

**We the electors request the Council should recommend the Joint Development Assessment Panel refusal of this development application based on the implications of traffic generated and setback issues.
CARRIED**

Motion 1 is noted. Council's Local Planning Policy LPP1.1 Planning Process and Decision Making Policy provides relevant background and guidance regarding development applications referred to the Joint Metro Central Development Assessment Panel (JDAP). JDAP is the decision making body responsible for determining all City of Melville Development Assessment Panel (DAP) applications.

The City's Officers are required to prepare a Responsible Authority Report (RAR) to the JDAP for all DAP applications. This RAR outlines the proposal, the assessment undertaken, a summary of any submissions received and a recommendation.

The JDAP determines the application in the place of the City of Melville or other decision maker, taking into account all of the relevant provisions within LPS6, the R-Codes, Local Planning Policies and any other relevant planning documents (eg. State Planning Policies).

To facilitate Council involvement in the DAP process, Elected Members can request that an RAR be referred to the Council for information and consideration, where the DAP application has been the subject of public consultation and submissions in opposition have been received. The development application for a two storey (with basement) commercial development incorporating shops, medical centre and office at 855-857 Canning Highway and 37-39 Reynolds Road Mt Pleasant has been called up to Council for consideration.

M17/5526 – SPECIAL MEETING OF ELECTORS – MOTIONS CARRIED (REC)

The submission date for the RAR for the development has been extended to 17 February 2017. The development application remains under assessment by the City and the City awaits comment from Main Roads WA (MRWA). On receipt of MRWA comment City officers will finalise the RAR and submit a report to Council with the RAR as an attachment. It is open to Council to decide to make a submission to the JDAP on the development application.

Motion 2

We the electors request the Council make a submission to the Joint Development Assessment Panel that this development application be rejected.

Motion 2 is noted. The content of Motion 2 is similar to the content of Motion 1. Refer to comment under Motion 1 above.

CARRIED

Motion 3

We the electors request that Councillors reconsider the consultation process around major Joint Development Assessment Panel developments.

Motion 3 is noted. At its Ordinary Council Meeting held on 13 December 2016 Council requested the Chief Executive Officer to review Council Policy CP – 056 Planning Process and Decision Making and that the review be submitted to the Council in February 2017, with a proposal to advertise the revised policy for public comment.

Council is to receive and consider a report on review of the Planning Process and Decision Making Policy, now known as Local Planning Policy LPP1.1, at its February 2017 Ordinary Council Meeting.

CARRIED

Motion 4

We the electors request that the Council recommend to the Joint Development Assessment Panel that this development proposal be refused as it fails to protect the amenity of the existing community under clause 67 of Planning Development Regulations 2015.

CARRIED

Motion 4 is noted. The development application remains under assessment by the City.

The content of Motion 4 is similar to the content of Motion 1. Refer to comment under Motion 1 above.

M17/5526 – SPECIAL MEETING OF ELECTORS – MOTIONS CARRIED (REC)**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

Stakeholder engagement has occurred in relation to this motion, at the Special Meeting of Electors held on the 12 December 2016.

II. OTHER AGENCIES / CONSULTANTS

Consultation has taken place with other Agencies/Consultants.

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.

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.

M17/5526 – SPECIAL MEETING OF ELECTORS – MOTIONS CARRIED (REC)**CONCLUSION**

This report recommends the action arising from the Special Meeting of Electors.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5526)**NOTING**

That the Council;

- 1 Notes Motion 1 of the Special Meeting of Electors held on 12 December 2016 and will consider the Responsible Authority Report to be submitted by the City of Melville to the Metro Joint Central Development Assessment Panel on the development application for a Two Storey (with Basement) Commercial Development Incorporating Shops, Medical Centre and Office at 855-857 Canning Highway and 37-39 Reynolds Road Mt Pleasant, when the Responsible Authority Report has been prepared and referred to the Council.**
- 2 Will consider the electors' request to provide a submission to the Joint Development Assessment Panel to reject the application when reviewing the Responsible Authority Report.**
- 3 Notes the electors' request to reconsider the consultation process and advises that the Council Local Planning Policy LPP1.1 : Planning Process and Decision Making Policy will be subject to a report to be provided to the February 2017 Ordinary Meeting of the Council.**
- 4 Notes the electors' request that the Council recommends to the Metro Joint Central Development Assessment Panel that the development proposal be refused on amenity grounds and considers this request when reviewing the Responsible Authority Report.**
- 5 Requests Chief Executive Officer to advise the movers of the Motions at the Special Meeting of Electors in writing of the Council's resolutions.**

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- Schedule 2.2 of the Local Government Act 1995 requires that the ward boundaries and the Elected Member representation are reviewed at least every eight years.
- The City last undertook this review in 2008.
- Public submissions on the matter were invited.
- The final determination of Council will be presented to the Local Government Advisory Board in a written report. The Board will then make a recommendation to the Minister for Local Government and Communities, who has the final decision.

BACKGROUND

At its Ordinary Meeting held 16 August 2016, the Council resolved:

“That the Council;

1. Authorises the Chief Executive Officer to initiate the review of Ward Boundaries and Elected Member representation for the district by inviting public submissions in accordance with schedule 2.2, clause 7(1) of the Local Government Act 1995 and make available the ‘Review of Ward Boundaries and Elected Member Representation Community Discussion Paper’.
2. Requests that the Chief Executive Officer prepare a further report at the conclusion of the public submission period to enable the Council to consider any submissions received.”

The “Review of Ward Boundaries and Elected Member Discussion Paper” was made available to the community and public submissions were invited from 13 September and closed at 5:00pm on Friday 28 October 2016, with 30 submissions being received.

As the public submission period has closed, the City is to consider the submissions received and the options put forward and make a report in writing to the Advisory Board proposing to the making of any new order, in accordance with the following sections of the Local Government Act:

s2.2 Districts may be divided into wards –

- (1) The Governor, on the recommendation of the Minister, may make an order –
 - (c) changing the boundaries of a ward
- (4) The Minister can only make a recommendation under subsection (1) if the Advisory Board has recommended under Schedule 2.2 that the order in question should be made.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

s2.3 Names and districts of wards

- (3) If a local government proposes under Schedule 2.2 that an order be made changing the name of the district or a ward, the Minister can only make a recommendation under subsection (3) if the Advisory Board has recommended under Schedule 2.2 that the order in question should be made.
- (4) The Minister can only make a recommendation under subsection (3) if the Advisory Board has recommended under Schedule 2.2 that the order in question should be made.

s2.18 Fixing and changing the number of councillors

- (2) When an order is made under section 2.2 discontinuing a ward system for a district, the number of offices of councillor on the Council remains unchanged unless the order specifies otherwise.
- (3) The Governor, on the recommendation of the Minister, may make an order –
 - (a) Changing the number of offices of councillor on a council; or
 - (b) Specifying or changing the number of offices of councillor for a ward; or
 - (c) As to a combination of those matters.
- (4) The Minister can only make a recommendation under subsection (1) or (3) if the Advisory Board has recommended under Schedule 2.2 that the order in question should be made.

DETAIL

At the close of submissions on Friday 28 October 2016, a total of 30 submissions were received as follows:

Option	Number of Wards	Number of Councillors	Submissions
Option 1	Existing 6 Wards	12 Councillors	8
Option 2	Two Wards	12 Councillors	0
Option 2A	Two Wards	10 Councillors	2
Option 3	Three Wards	12 Councillors	0
Option 3A	Three Wards	9 Councillors	7
Option 4	Four Wards	12 Councillors	5
Option 5	Revised 6 Wards	12 Councillors	4
Option 6	No Wards	12 Councillors	2
Other			2
Total Submissions			30

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

Of the 30 submissions received:

- 40% favoured a six ward structure (12 submissions)
- 30% sought a reduction in the number of councillors (9 submissions)
- 47% preferred a reduction in the number of wards (14 submissions)

Order of preference from submissions:

- Existing (6 wards)
- Three wards (9 councillors)
- Four wards (12 councillors)
- Revised 6 wards
- Two Wards/ No Wards

In keeping with the results of the submissions, the options below were further explored and presented to an Elected Member Information Session. The information paper outlining the options and including all the submissions received is included at

[5527 Ward Boundary & Representation Review Elected Member Information Paper](#)

A summary of the information follows:

Option 1 Existing Structure and Representation (12 Councillors)

This was the most popular option, with eight submissions received from the community, with the following comments:

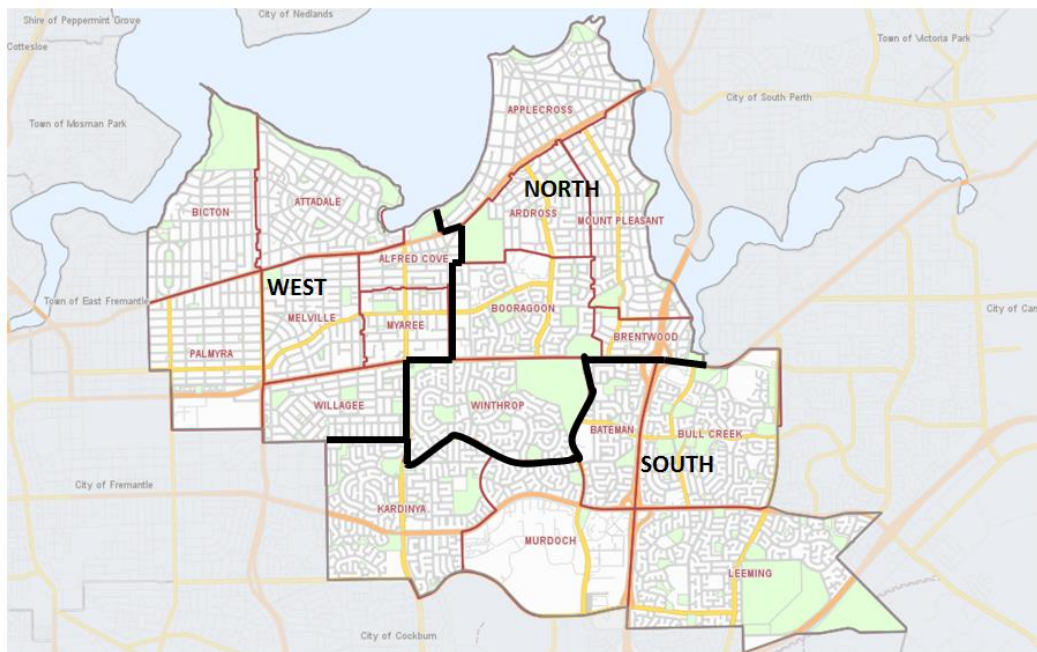
- The ward councillors can get abreast of the local (ward) issues rather than have to be abreast all issues.
- Leave it as is
- Keeping it aligned with suburbs means that you get better representation as the Councillors do not have too large an area of responsibility. It allows community to seek advice or support of those Councillors who live in that area and understand it best. Councillors do not have a large workload and can be at events, meetings and functions as the need arises. If the boundaries are changed and areas enlarged with less Councillors it means that real concerns of ratepayers can be lost in the mountains of paperwork and often ignored. We need Councillors who are present in the electorate seen at events and supporting the local community this can't be done properly if the Ward is too big.
- Options 1 and 5 are preferable as it keeps Willagee with Palmyra and Melville. Having 12 councillors that are all responsible for smaller sections of the City of Melville will ensure that the uniqueness of each suburb is kept.
- It works well as it is.

In considering the prescribed matters as required by the Advisory Board, this option does not meet the acceptable Elected Member to Elector ratio deviations, a number of wards traverse major roads and the structure does not follow suburb boundaries.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

In particular the University Ward current exceeds the Local Government Advisory Boards' preference that Councillor to Elector ratios are not greater than a +/-10% deviation limit.

Whilst this option received the highest number of submissions from the community, they did not provide any significant reasons to support a case to the Local Government Advisory Board to retain this structure given it does not meet the +/- 10% deviation requirements and is therefore considered to be non-complaint.

Option 3A Three Wards and 9 Councillors


Ward	Number of Electors	Number of Councillors	Councillor: Elector Ratio	% Ratio Deviation
West Ward Alfred Cove, Attadale, Bicton, Melville, Myaree, Palmyra and Willagee	24,261	3	8,087	-5.93%
North Ward Applecross, Ardross, Booragoon, Brentwood, Mount Pleasant and Winthrop	22,059	3	7,353	3.68%
South Ward Bateman, Bull Creek, Kardinya, Leeming and Murdoch	22,382	3	7,461	2.27%
TOTAL	68,702	9	7,634	

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

This option received the second highest number of submissions, seven, with the following comments:

- In my opinion it will simplify administration decisions and save money.
- Allows a smaller more decisive council with an odd number - no deadlocked decisions or casting votes. Reduced costs. More aligned with local areas
- It would allow for more efficiency in Council while maintaining specific-interest councillors for each ward.
- At all levels of government we need to reduce our costs as much as possible. Reducing from 12 councillors to 9 councillors will be an automatic cost reduction for all ratepayers. This reduction would not impact the quality of Council decision making or overall community input into Council decisions.
There is no need for 12 councillors. There are many much larger organisations in Australia with Board's or Councils with less than 12 members. A smaller number should make decision making easier- Council meetings cheaper to run and meetings should finish earlier without impacting the quality of decisions made by Council. In addition having an odd number should assist in determining close decisions ie no tied vote.
Allows for a 3 year term whereby one council position for each ward is elected or re-elected each year. Simple and easy. (*see note)
- I believe more consultation among elected council members across boundaries allows for a more cohesive approach to issues facing a greater number of electors and also simplifies for electors who to approach. The current ward structure is far too large.
- I support having wards as it give councillors ownership for an area and provides a point of contact for rate payers. With the current economic down turn it would be beneficial to reduce councillor numbers which would save costs. I also think less councillors would make a more efficient council. 3 wards with 3 councillors seems like a right number to represent rate payers and the ward boundaries align with the different areas within Melville that have different needs.
- Less wards and less councillors = less confusion

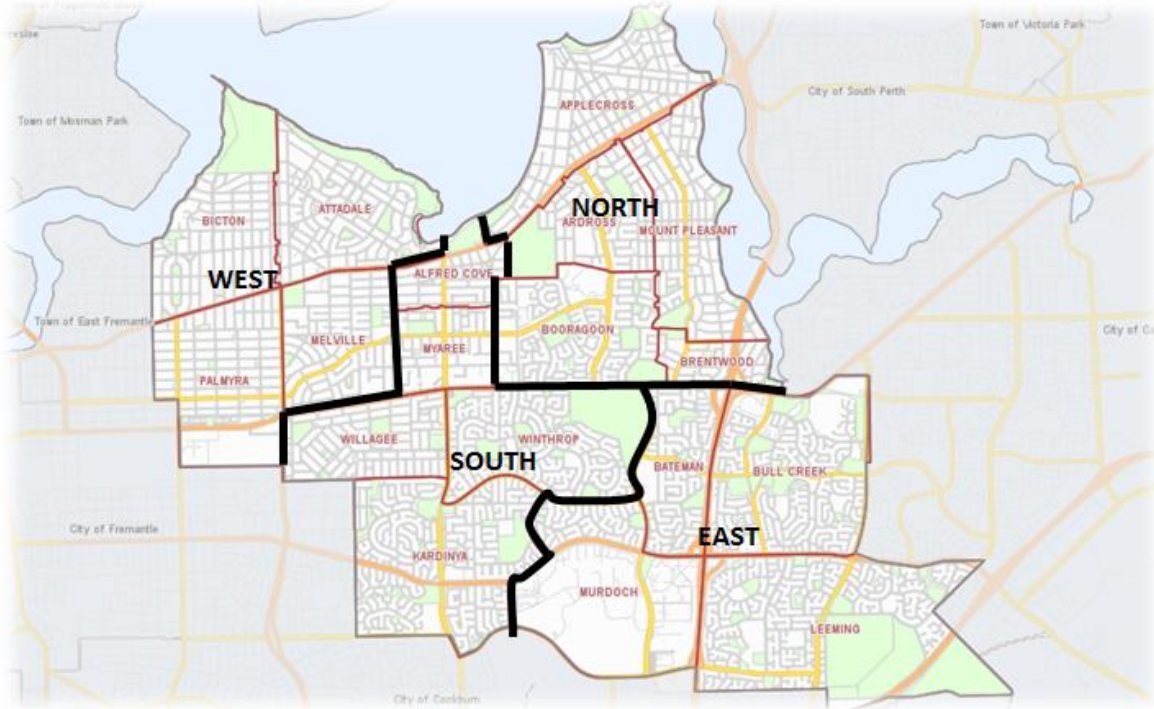
*Note – it should be noted Local Government Elections are held every two years, as required by clause 4.7 of the Local Government Act 1995. There is no choice to hold them every three years.

This option reduces the number of wards and the number of elected members is considered compliant as it meets the acceptable Elected Member to Elector ratio deviations.

In making a final decision, consideration should also be given the prescribed matters as required by the Advisory Board. The proposed wards follow suburb boundaries, however each of the proposed wards traverse major roads and the Myaree commercial/retail precinct is split across two wards. Transition to this structure may need to be staged over the 2017 and 2019 Local Government Elections.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

Option 4 Four Wards and 12 Councillors



Ward	Number of Electors	Number of Councillors	Councillor: Elector Ratio	% Deviation	Ratio
West Ward Attadale, Bicton, Melville, Palmyra	18,164	3	6,055	-5.76%	
North Ward Applecross, Ardross, Booragoon, Brentwood, Mount Pleasant.	17,794	3	5,931	-3.60%	
East Ward Bateman, Bull Creek, Leeming, Murdoch	16,138	3	5,379	6.04%	
South Ward Alfred Cove, Kardinya, Myaree, Willagee, Winthrop	16,606	3	5,535	3.32%	
TOTAL	68,702	12	5,725		

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

This option received the five of submissions from the community with the following comments:

- Increased ratio of councillors to ratepayers will improve access. Larger ward sizes will increase awareness by councillors of municipality issues. Reduced number of wards mitigates the number of boundaries. This may potentially impact on the social interaction and communities of interest of the community located in close proximity to these arbitrary boundaries.
- Councillors should have wider influence across the whole City but Options 6 and 2 would be too difficult for them to manage in relation to work load. Having 4 Wards would be more efficient.
- The number of councillors per ward is increased without increasing the overall number of councillors. It would also increase the diversity of opinion and ideas.
- Wider representation and better access and equity to council business
- I think a reduced number of elected members is sensible. 5 wards with 2 member each would be my preference. (**see note)

**Note – Further to this comment a Five Ward structure (with two councillors per ward) was explored, however a configuration of this nature following suburb boundaries does not meet acceptable deviation limits, and would be considered non-compliant.

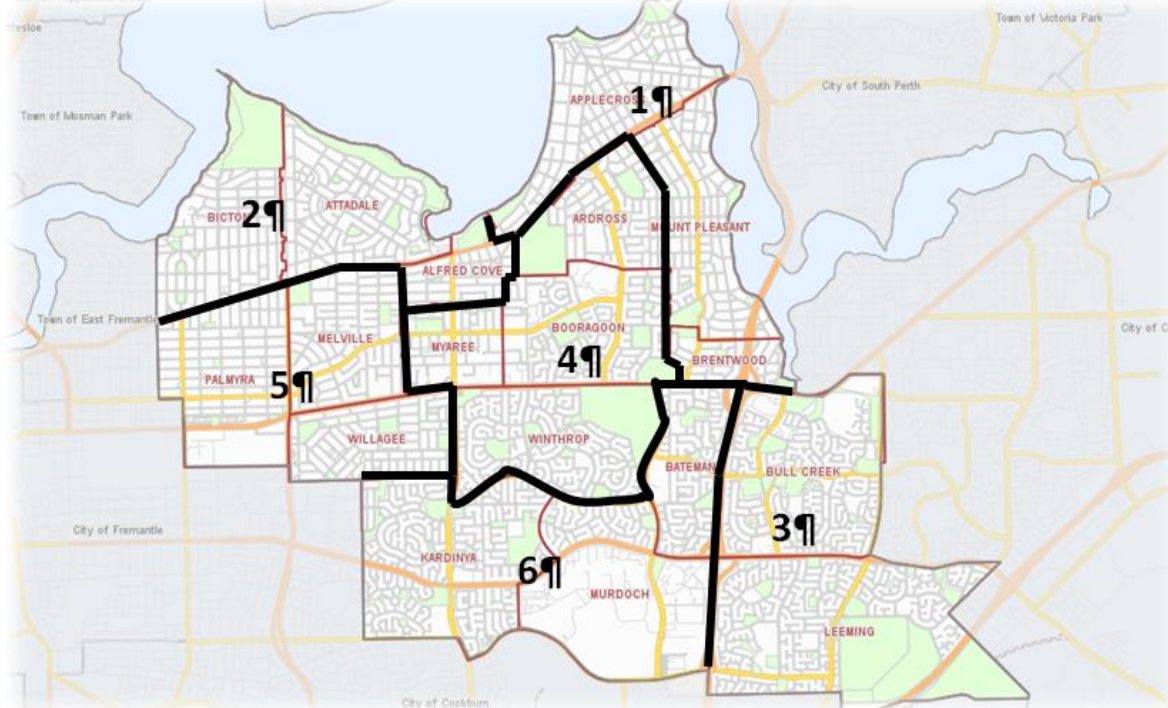
This option reduces the number of Wards, but not the number of Councillors, which provides a different dynamic for the community and elected members by increasing the representation for each Ward, without increasing the overall number of Councillors.

This option is considered compliant as it meets the acceptable Elected Member to Elector ratio deviations and the proposed wards follow suburb boundaries.

Further consideration should also be given the prescribed matters as required by the Advisory Board, that all wards traverse major roads and the Myaree commercial/retail precinct is split across two wards. Transition to this structure could be achieved at the 2017 Local Government Elections.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

Option 5 Revised Six Wards and 12 Councillors



Ward	Number of Electors	Number of Councillors	Councillor: Elector Ratio	% Deviation
Ward 1 Applecross, Brentwood, Mount Pleasant	11,079	2	5,540	3.23%
Ward 2 Alfred Cove, Attadale, Bicton	11,222	2	5,611	1.99%
Ward 3 Bull Creek, Leeming	11,469	2	5,735	-0.17%
Ward 4 Ardross, Booragoon, Myaree, Winthrop	12,137	2	6,069	-6.01%
Ward 5 Melville, Palmyra, Willagee	11,882	2	5,941	-3.77%
Ward 6 Bateman, Kardinya, Murdoch	10,913	2	5,457	4.68%
TOTAL	68,702	12	5,725	

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

This option received the four of submissions from the community with the following comments:

- It better reflects the area and the amenities available to the residents within that area.
- I believe that 12 councillors are required and that these new boundaries are a more equitable distribution than the previous boundaries
- I like the fact that I can get to know my two councillors, and that they have an affinity with the area because they live in it.
- To ensure that the interests of the residents in my suburb are adequately represented I would prefer smaller boundaries.

This option retains a six ward structure as highlighted in the 40% of the submissions received. The Bull Creek/ Leeming Ward, Bicton-Attadale Ward and the Palmyra-Melville-Willagee Wards all remain in their existing configurations.

The City Ward would be reconfigured to include the suburbs of Ardross, Myaree, Booragoon and Winthrop. The Applecross-Mount Pleasant Ward would be reconfigured to encompass the suburbs of Applecross, Mount Pleasant and Brentwood. The University Ward would be reconfigured to include the suburbs of Kardinya, Murdoch and Bateman.

This option is considered compliant as it meets the acceptable Elected Member to Elector ratio deviations and the proposed wards follow suburb boundaries.

Further consideration should also be given the prescribed matters as required by the Advisory Board. It should be noted that two of wards traverse Leach Highway and in proposed ward 4 a small portion of the suburb of Mt Pleasant and a portion of the suburb of Brentwood traverses Kwinana Freeway access to these areas is generally from the western side of the freeway with a number of over and under passes. Additionally transition to this proposal at the 2017 Local Government Elections would require an existing Elected Member to be reallocated from Ward 6 to Ward 4.

Other Suggestions Received From The Community

The following comments were also received during the community submission period:

- We have too many, too small local governments - nearly 150 across WA!!! We should do what we can to make LG as efficient as possible - it is the last great un-reformed section of our economy. Given the local governments fight amalgamations we should look to regional councils, like the Eastern Metro Regional Council, to achieve efficiency. So locally, fewer wards with no more than 2 reps seems good, but we are not given the data to know which is the most cost-effective option.

Elected Members costs were considered and information is included in the Information Paper attached to this report.

- We have long thought that facilities and resources in the suburb of Willagee are pointless to the residents of Melville and Palmyra unless you drove across or braved the barrier of Leach Highway, so it seemed curious to us that it was bundled with Melville and Palmyra as a Ward.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

The Bulk Collection areas seem to have a better boundary outline, which would appear to be for the same reason.

Staff have reviewed the Bulk Collection areas as potential Ward Boundaries, however this configuration does not meet acceptable deviation limits, and would be considered non-compliant and does not follow suburb boundaries.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

Schedule 2.2 clause 7 of the Local Government Act 1995 requires that the City give local public notice of the review and seek community submissions for a minimum of six weeks.

The review of Ward Boundaries and Elected Member Representation was promoted to the community through a variety of methods not limited to the statutory advertising requirements, and included advertising:

- a) in the Melville Times newspaper on 13 September 2016;
- b) on the noticeboard at the Civic Centre;
- c) on the noticeboards at all City of Melville Public Libraries;
- d) on the City of Melville website;
- e) on the Melville Talks submission page
- f) in email signature banners from City of Melville staff;
- g) in social media posts; and
- h) in media releases.

A total of 30 submissions were received.

II. OTHER AGENCIES / CONSULTANTS

At the conclusion of the review, a written report is required to be submitted to the Local Government Advisory Board, detailing the decision of the Council (by absolute majority).

STATUTORY AND LEGAL IMPLICATIONS

The Local Government Act 1995, schedule 2.2, clause 6 requires that every local government that has a ward system undertake a review of its wards and representation so that not more than eight years elapses between each review.

FINANCIAL IMPLICATIONS

The costs associated with the advertising of the Ward Boundary and Elected Member Representation Review was provided for in the 2016-2017 Budget. Any costs associated with transitioning to the Ward and Elected Member Representation determined by the Council will be included in the Draft 2017-2018 budget.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

The purpose of the legislated periodic reviews of ward boundaries and representation is to assess whether or not current arrangements best suit the characteristics of the district and its community and provides the opportunity for the local government to make changes if required.

Effective Elected Member representation is linked to community engagement with the City and participation in Local Government Elections.

POLICY IMPLICATIONS

There are no direct policy implications associated with this report, however once a final decision is made by the Minister for Local Government and Communities references to Wards may need to be revised through a range of documents.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

A number of alternative options and their implications have been addressed in this report and the attached information paper

A written report with the Council's decision on the Review of Ward Boundaries and Elected Member Representation as is to be submitted to the Local Government Advisory Board by 31 March 2017 to enable any changes to be implemented in time for the October 2017 Local Government Elections.

CONCLUSION

As variation between Elected Members and electors in the University Ward is over the accepted deviation limits set by the Local Government Advisory Board and the City Ward is just within the acceptable deviation limits, it is timely for the City to review its boundary and make changes to accommodate future development population growth within the City.

The outcome of the community submissions showed a preference for a six ward structure either in the existing format or in a revised format.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

OFFICER RECOMMENDATION (5527)

ABSOLUTE MAJORITY

At 10.12pm Cr Wieland moved, seconded Cr Robartson –

That the Council, in accordance with Schedule 2.2(9) of the Local Government Act 1995 recommend to the Local Government Advisory Board that:

1. An order be made under s2.2(1) to amend the existing ward boundaries Option 5 as presented to the community. A revised six ward structure following suburb boundaries;
2. An order be made under s2.18 to designate the existing number of 12 Councillors be retained, with each ward being represented by two Councillors.
3. The current method of electing the Mayor externally by the community be retained.
4. An order be made under s2.3 that the existing Ward names be retained, and allocated as follows:

Ward	Suburbs
Applecross – Mt Pleasant Ward	Applecross, Brentwood, Mount Pleasant
Bicton Attadale Ward	Alfred Cove, Attadale, Bicton
Bull Creek – Leeming Ward	Bull Creek, Leeming
City Ward	Ardross, Booragoon, Myaree, Winthrop
Palmyra – Melville – Willagee Ward	Melville, Palmyra, Willagee
University Ward	Bateman, Kardinya, Murdoch

5. The necessary arrangements be made to transition to this structure and representation as part of the October 2017 Local Government Elections.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

Amendment 1

That Council amend City Ward to read Central Ward and University Ward to read Murdoch Ward as indicated below:

4. An order be made under s2.3 that the Ward names allocated are as follows:

Ward	Suburbs
Applecross – Mount Pleasant Ward	Applecross, Brentwood, Mount Pleasant
Bicton – Attadale Ward	Alfred Cove, Attadale, Bicton
Bull Creek – Leeming Ward	Bull Creek, Leeming
City Ward Central Ward	Ardross, Booragoon, Myaree, Winthrop
Palmyra-Melville-Willagee Ward	Melville, Palmyra, Willagee
University Ward Murdoch Ward	Bateman, Kardinya, Murdoch

The Amendment lapsed for want of a mover.

Amendment 2

That Council amend City Ward to read Central Ward, University Ward to read Murdoch Ward and Bicton – Attadale Ward read Bicton - Attadale - Alfred Cove Ward as indicated below:

4. An order be made under s2.3 that the Wards names allocated as follows:

Ward	Suburbs
Applecross – Mount Pleasant Ward	Applecross, Brentwood, Mount Pleasant
Bicton – Attadale Ward Bicton – Attadale – Alfred Cove Ward	Alfred Cove, Attadale, Bicton
Bull Creek – Leeming Ward	Bull Creek, Leeming
City Ward Central Ward	Ardross, Booragoon, Myaree, Winthrop
Palmyra-Melville-Willagee Ward	Melville, Palmyra, Willagee
University Ward Murdoch Ward	Bateman, Kardinya, Murdoch

The amendments to amendment 2 were voted upon separately.

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

At 10.11pm Cr Barton moved, seconded Cr Wieland –

That the Council amend Bicton – Attadale Ward to read Bicton - Attadale - Alfred Cove Ward

At 10.11pm the Mayor submitted the amendment, which was declared

CARRIED BY ABSOLUTE MAJORITY (10/3)

Vote Result Summary	
Yes	10
No	3

Vote Result Detailed	
Cr Barton	Yes
Cr Foxton	Yes
Cr Macphail	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Schuster	Yes
Cr Wieland	Yes
Mayor Aubrey	Yes
Cr Aubrey	No
Cr Barling	No
Cr Woodall	No

At 10.13pm Cr Aubrey moved, seconded Cr Barling –

That Council amend City Ward to read Central Ward

At 10.13pm the Mayor submitted the amendment, which was declared

CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY (13/0)

At 10.15pm Cr Macphail moved, seconded Cr Barton –

That Council amend the University Ward to read Murdoch Ward

At 10.15pm the Mayor submitted the amendment, which was declared

LOST (1/12)

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

Vote Result Summary	
Yes	1
No	12

Vote Result Detailed	
Cr Pazolli	Yes
Cr Aubrey	No
Cr Barling	No
Cr Barton	No
Cr Foxtan	No
Cr Macphail	No
Cr O'Malley	No
Cr Phelan	No
Cr Robartson	No
Cr Schuster	No
Cr Wieland	No
Cr Woodall	No
Mayor Aubrey	No

At 10.19pm Cr Foxtan moved, seconded Cr Barton –

That Council amend the University Ward to read Bateman, Kardinya, Murdoch Ward

At 10.19pm the Mayor submitted the amendment, which was declared

CARRIED BY ABSOLUTE MAJORITY (8/5)

Vote Result Summary	
Yes	8
No	5

Vote Result Detailed	
Cr Aubrey	Yes
Cr Foxtan	Yes
Cr Macphail	Yes
Cr O'Malley	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Wieland	Yes
Cr Woodall	Yes
Cr Barling	No
Cr Barton	No
Cr Pazolli	No
Cr Schuster	No
Mayor Aubrey	No

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

Reasons for Amendments

Further to a presentation at the Elected Members Information Session, discussion regarding the current:

- City Ward will change formation under the proposed Revised Six Ward option. The City Ward is currently made up the suburbs of Myaree, Booragoon, Bateman and a portion of Mount Pleasant. The Revised Six Ward option has the City Ward comprising of Ardross, Booragoon, Myaree and Winthrop and will be surrounded by the other wards, it may be appropriate to change the name to alert the community that a change to these boundaries has occurred.
- The University Ward currently includes the suburbs of the Murdoch, Kardinya and Bateman. The proposed Revised Six Ward option has this ward comprising Murdoch, Kardinya and Winthrop. The Murdoch precinct is a significant development for the future of this area (medical precinct and university) and it may be appropriate to rename this ward Murdoch to recognise this suburb.
- The Bicton – Attadale Ward will continue to include the suburbs of Bicton, Attadale and Alfred Cove, there has been some confusion in the past as to which ward the suburb of Alfred Cove belongs to. Changing the name of this ward to include Alfred Cove will clear up any future confusion.

COUNCIL RESOLUTION (5527)

ABSOLUTE MAJORITY

That the Council, in accordance with Schedule 2.2(9) of the *Local Government Act 1995* recommend to the Local Government Advisory Board that:

- 1. An order be made under s2.2(1) to amend the existing ward boundaries Option 5 as presented to the community. A revised six ward structure following suburb boundaries;**
- 2. An order be made under s2.18 to designate the existing number of 12 Councillors be retained, with each ward being represented by two Councillors.**
- 3. The current method of electing the Mayor externally by the community be retained.**
- 4. An order be made under s2.3 that the Wards names allocated as follows:**

Ward	Suburbs
Applecross – Mount Pleasant Ward	Applecross, Brentwood, Mount Pleasant
Bicton – Attadale – Alfred Cove Ward	Alfred Cove, Attadale, Bicton
Bull Creek – Leeming Ward	Bull Creek, Leeming
Central Ward	Ardross, Booragoon, Myaree, Winthrop
Palmyra-Melville-Willagee Ward	Melville, Palmyra, Willagee
Bateman- Kardinya- Murdoch Ward	Bateman, Kardinya, Murdoch

M17/5527 – REVIEW OF WARD BOUNDARIES AND ELECTED MEMBER REPRESENTATION 2016 – OUTCOME OF COMMUNITY SUBMISSIONS (AMREC) (ATTACHMENT)

- 5. The necessary arrangements be made to transition to this structure and representation as part of the October 2017 Local Government Elections.**

At 10.24pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY (13/0)

**M17/5530 – SPECIAL MEETING OF ELECTORS – ELECTOR VOTING – 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.

**M17/5530 – SPECIAL MEETING OF ELECTORS – ELECTOR VOTING – MOTIONS
CARRIED (REC)****KEY ISSUES / SUMMARY**

- At the City of Melville Special Meeting of Electors held on 23 January 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 January 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 relating to the procedures that the City of Melville should put in place at General and Special Meetings of Electors to ensure, as required under Standing Orders, that persons who are not Electors do not vote, was as follows.

Motion

That the City of Melville Council direct the CEO to put in place a procedure to identify attendees at General and Special Meetings of Electors to ensure that only those persons who are eligible to vote can do so and that those who are not electors do not vote. Such a procedure should involve, where legal, the attendee providing proof of identity and residence before being issued with a suitable voting card, and only votes made with voting cards being counted.

CARRIED BY ABSOLUTE MAJORITY

Discussions were held with the Department of Local Government who advised that Council does not have the power to request attendees to provide proof of identity when attending either Annual Meeting of Electors or Special Meeting of Electors. The Local Government Act 1995 is also silent on this matter and does not provide any power to the City to obtain personal information from attendees.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

Stakeholder engagement has occurred in relation to this motion, at the Special Meeting of Electors held on the 23 January 2017 where attendees were advised of the discussions held with officers from the Department of Local Government.

**M17/5530 – SPECIAL MEETING OF ELECTORS – ELECTOR VOTING – MOTIONS
CARRIED (REC)****II. OTHER AGENCIES / CONSULTANTS**

Consultation has taken place with officers from the Department of Local Government.

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, however, if the Council requires that attendees provide proof of identity and residence at future meetings then there will be a resource issue which will result in a financial cost to Council.

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 10.35pm Cr Aubrey left the meeting and returned at 10.36pm

M17/5530 – SPECIAL MEETING OF ELECTORS – ELECTOR VOTING – MOTIONS CARRIED (REC)

CONCLUSION

At both the Special Meetings of Electors held on the 23 January 2017, the following requirements were implemented for persons attending the meetings:

1. All attendees were required to sign a sign in sheet with the following declaration:
“By signing this sheet, I declare that I am a Ratepayer or Elector of the City of Melville”
2. Attendees were issued with a voting card, there were 450 voting cards available and were issued, however as 656 people attended the meeting approximately 200 people could not be issued with a voting card.

This report recommends the action arising from the Special Meeting of Electors.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5530)

NOTING

At 10.36pm Cr Pazolli moved, seconded Cr Schuster –

That the Council;

- 1 Notes the motion from the Special Meeting of Electors.**

Requests the Chief Executive Officer to consider appropriate measures specific to any General and Special Meetings of Electors to ensure that only those persons who are eligible to vote can do so and that those who are not electors do not vote and that the proposed measures are referred to a future Elected Members Information Session for discussion.

- 2 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 10.37pm the Mayor submitted the motion as amended, which was declared

CARRIED UNANIMOUSLY (13/0)

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

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

KEY ISSUES / SUMMARY

This report details the documents to which the City of Melville Common Seal has been applied for the period from 18 November 2016 up to and including 25 January 2017 for the Council's noting.

M16/5000 – 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
1292	The City of Melville and Blaze Conveyancing on Behalf of Mr and Mrs Duperouzel	Purchase of Land of 5 Willcock Street, Ardross	4058317
1297	The City of Melville	Progress Amendment 3 to LPS6 as per Council resolution at the Ordinary Meeting of the Council 15 November 2016	4074438
1313	The City of Melville and Mary Loton - Heathcote Kitchen Building -Studio 4 Kitchen	Artist Hire Agreement – Hire of the studio to commence on 1 July 2015 and expiring on 30 June 2017 - The City may provide an option to renew the hire agreement	4065549
1314	The City of Melville and Roger Reading - Heathcote Kitchen Building -Studio 3 Kitchen	Artist Hire Agreement – Hire of the studio to commence on 1 July 2015 and expiring on 30 June 2017 - The City may provide an option to renew the hire agreement	4065556
1320	The City of Melville and The Swan River Rowing Club Inc	Deed of Lease Agreement for 10 years commencing 1 January 2017 and expiring on 31 December 2026	4095080
1322	The City of Melville and Mr and Mrs Anastasakis	Temporary Withdrawal of Caveat for Execution for the Purposes of Property Settlement 34B Ullapool Road Mount Pleasant	4109051

M17/5000 – COMMON SEAL REGISTER (REC)**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 contracts advised above.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

There are no policy implications in this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

M17/5000 – COMMON SEAL REGISTER (REC)**CONCLUSION**

This is a standard report for 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 18 November 2016 up to and including 25 January 2017.

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

**C17/5521 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW
(REC) (ATTACHMENT)**

Disclosure of Interest

Item No.	C17/5521
Member	Dr S Silcox
Type of Interest	Impartiality Interest
Nature of Interest	Review of contract
Request	stay and discuss
Decision of Council	stay and discuss
Ward	: All
Category	: Operational
Subject Index	: Personnel file
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	: Item C16/5465 – Chief Executive Officer Performance Review – Ordinary Meeting of Council – 17 May 2016
Works Programme	: Not Applicable
Funding	: Not Applicable
Responsible Officer	: Kylie Johnson Executive Manager Organisational Development

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 reviews decisions made by Officers.
<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.

**C17/5521 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW
(REC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- In accordance with the Council's resolution (C16/5465) on 17 May 2016, a further four year contract with the Chief Executive Officer (CEO) was entered into which became effective from the 20 March 2016.
- The last CEO performance review in 2016 included a review of the survey tool with the Performance Review Consultant, and refinement of the performance criteria for the 2016-2017 review.
- Following the CEO performance process a survey to identify opportunities for improvement was undertaken.
- The annual CEO performance review process is ultimately the determination of the Council. The operational management of the process is through the direction of the Mayor, on behalf of the Council and the Governance Committee. The Governance Committee has been determined through the Council to be the reviewers of the CEO performance.
- The Governance Committee will discuss the CEO performance, future expectations performance criteria, performance development plan and review the salary package, for recommendation to the Council.
- A defined process is proposed for the CEO performance review, as detailed in the agenda item, which incorporates the reviewed performance survey and opportunities to improve the process recommended by the Performance Review Consultant engaged for the 2015 and 2016 CEO performance review, and communicated to elected members as part of the process.

BACKGROUND

On 20 March 2008 Dr Shayne Silcox commenced in the role of Chief Executive Officer at the City of Melville. The last performance review was finalised in May 2016 and a further four year contract was finalised with the Chief Executive Officer, and made effective from 20 March 2016 in accordance with the Council's resolution (C16/5465) made on 17 May 2016.

Clause 7 of the CEO contract details that there needs to be a review of remuneration on an annual basis at a time that is no later than three months after the anniversary of the commencement date.

DETAIL

The Chief Executive Officer performance review process that is attached has indicative estimated dates, and will commence once the Council has approved the stages to be followed, as per attachment: [C17/5521 Chief Executive Officer Performance Review Process](#).

**C17/5521 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW
(REC) (ATTACHMENT)**

The attached process reflects that the performance review survey that has been refined over the past two years through the Performance Review Consultant as per attachment: [C17/5521 Chief Executive Officer Performance Review Survey](#).

Ultimately the overall process is the determination of the Council. The operational management of the process is through the direction of the Mayor, on behalf of the Council and the Governance Committee, and is supported administratively by the Executive Manager Organisational Development, who acts under the Mayor's guidance.

On completion of the CEO performance review process last year Elected Members and the CEO were surveyed to review the overall process and identify strengths and opportunities for improvement. There were five responses received and the results of the survey were provided to all parties through the Elected Members Bulletin. There were no significant themes for amendment of the process.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

There are no public consultation/communication aspects relating to this item.

II. OTHER AGENCIES / CONSULTANTS

There has been no consultation for the 2017 performance review process with any other agencies/consultants at this stage, although there will be future involvement with respect to appointment of a Performance Review Consultant as identified in the proposed process of the CEO review.

STATUTORY AND LEGAL IMPLICATIONS

Section 5.16 (1) of the Local Government Act 1995, states that "Under and subject to section 5.17, a local government may delegate to a committee any of its powers and duties other than this power of delegation" Absolute Majority required.

Section 5.38 of the Local Government Act 1995 states the requirement to review a CEO's performance at least once a year in relation to every year of employment.

Section 5.39 (7) of the Local Government Act 1995 requires a report from the Salaries and Allowances Tribunal with a recommendation as to the remuneration to be paid or provided to a CEO, to be taken into account by the local government before entering into, or renewing a contract of employment with a CEO. Although this section of the Local Government Act 1995 does not include salary reviews this information has been included in the comparative salary data for consideration by the Council when assessing salary.

Section 5.23 (2)(a) of the Local Government Act 1995 states that a meeting by a Council or Committee, or part of a meeting, may be closed to members of the public if a matter affecting an employee is being dealt with.

**C17/5521 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW
(REC) (ATTACHMENT)**

FINANCIAL IMPLICATIONS

The estimated cost of engaging a Performance Review Consultant, who acts as a facilitator to assist with the Performance Review process, is provided for within the current operational budget.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Strategy	Mitigation
That the performance criteria for the next twelve months are not determined	Low	Defined process that includes this stage	

POLICY IMPLICATIONS

There are no policy implications applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

An alternate option is that in accordance with section 5.16 of the Local Government Act 1995, the Council delegates to the Governance Committee all the powers, functions and duties necessary to select and appoint an external consultant to facilitate the performance review process of the Chief Executive Officer.

The implication of this option is that the Governance Committee meetings would require public notice so that the public are invited to attend the meeting. The current proposal is that the Committee formally recommend the Consultant and the authority for appointment remains an operational authority of the Executive Manager Organisational Development.

CONCLUSION

The CEO performance review process provides feedback opportunities to the Council and Chief Executive Officer on performance over the past twelve months, and clarifies future expectations, which are to be reflected in the performance criteria of the Chief Executive Officer's Contract and the Performance Development Plan.

An outcome of the process is resolution by the Council in relation to the Performance Criteria, Performance Development Plan and Salary Review for the Chief Executive Officer.

**C17/5521 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW
(REC) (ATTACHMENT)****OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5521)****APPROVAL**

That the Council;

- 1 Approves the process detailed in Attachment 5521 Chief Executive Officer Performance Review Process for the Chief Executive Officer performance review.**
- 2 Approves the survey tool to be used for the Chief Executive Officer performance review as detailed in Attachment 5521 Chief Executive Officer Performance Review Survey.**

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

At 10.38pm the Chief Executive Officer having declared an interest in the item C17/5525 left the meeting.

C17/5525 – CHIEF EXECUTIVE OFFICER CONTRACT VARIATION (REC)
(CONFIDENTIAL ATTACHMENT)

Disclosure of Interest

Item No.	C17/5525
Member	Dr S Silcox
Type of Interest	Impartiality Interest
Nature of Interest	Relates directly to me
Request	Leave
Decision of Council	Leave

Ward	: All
Category	: Operational
Subject Index	: Personnel file
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	: Item C16/5465 – Chief Executive Officer Performance Review – Ordinary Meeting of Council – 17 May 2016
Works Programme	: Not Applicable
Funding	: Not Applicable
Responsible Officer	: Kylie Johnson Executive Manager Organisational Development

AUTHORITY / DISCRETION

DEFINITION

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

C17/5525 –CHIEF EXECUTIVE OFFICER CONTRACT VARIATION (REC) (CONFIDENTIAL ATTACHMENT)**KEY ISSUES / SUMMARY**

- On 17 May 2016 the Council approved a four year contract with the Chief Executive Officer, which was made effective from 20 March 2016 in accordance with Council resolution (C16/5465).
- Within the terms of the employment contract there is the opportunity for contract variation, provided it is in accordance with either the terms of a Policy, or the approval of the Council.
- The Chief Executive Officer has requested a contract variation that does not change the quantum of the Remuneration Package approved by the Council in May 2016.
- The contract variation requested involves the City no longer providing a vehicle to the Chief Executive Officer.
- The City has recently taken the policy position of no longer providing vehicles for any Management Officer in new employment contracts; so this contract variation request provides visible leadership on this approach and aligns with the operational goal of reducing the administrative vehicle fleet.

BACKGROUND

On 17 May 2016 the Council approved a four year contract with the Chief Executive Officer, which was made effective from 20 March 2016 in accordance with Council resolution C16/5465.

As part of the City approach to enhancing fleet optimisation, vehicles are no longer provided within new employment contracts for existing and new members of the Executive and Operational Management Teams. A number of members of the management team are already under employment contracts that do not include the City providing vehicles.

DETAIL

The Chief Executive Officer has requested that the City provision of a vehicle is removed from his contract and the components of the Remuneration Package adjusted to then ensure the quantum of the Remuneration Package amount remains the same as approved by the Council in May 2016. The proposed contract variation has been provided under confidential cover.

The existing employment contract with the Chief Executive Officer has the following term:

- Clause 5.1 (3) In accordance with either –
- (a) the terms of a Policy; or
 - (b) the approval of the Council,

You may vary the individual components of the Remuneration Package provide that the total value of the Remuneration Package remains the same.

C17/5525 – CHIEF EXECUTIVE OFFICER CONTRACT VARIATION (REC)
(CONFIDENTIAL ATTACHMENT)**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

There are no public consultation/communication aspects relating to this item.

II. OTHER AGENCIES / CONSULTANTS

There has been no consultation with other agencies/consultants.

STATUTORY AND LEGAL IMPLICATIONS

Section 5.23 (2)(a) of the Local Government Act 1995 states that a meeting by a Council or Committee, or part of a meeting, may be closed to members of the public if a matter affecting an employee is being dealt with.

FINANCIAL IMPLICATIONS

There are no financial implications as the total value of the Remuneration Package remains the same.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The transfer of the responsibility for the acquisition, operation, maintenance and resale of vehicles from the City to officers removes the risk to the City of vehicle ownership. The City is also progressing towards the purchase of car pool vehicles that are of a common brand in order to improve the safety of officers using City vehicles, rather than the broad range of vehicles currently operated by the City which results in unfamiliarity with the operating features of those vehicles. The progressive reduction in the City's vehicle fleet and strengthening the requirements in respect to their environmental performance, is being undertaken in order to reduce the City's carbon footprint and environmental impacts.

POLICY IMPLICATIONS

This action is consistent with Operational Policy OP-14 Light Vehicle Policy.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The alternative for the Council involves not approving the recommendation. If this occurred the City fleet would not be reduced by the removal of the Chief Executive Officer vehicle, which would have contributed to enhancing fleet optimisation.

**C17/5525 – CHIEF EXECUTIVE OFFICER CONTRACT VARIATION (REC)
(CONFIDENTIAL ATTACHMENT)****CONCLUSION**

The proposed contract variation does not alter the quantum of the Remuneration Package and achieves the outcome of further reducing the City fleet, thereby enhancing fleet optimisation. It also provides a strong leadership message that vehicles will not be provided to the management team for new contracts.

OFFICER RECOMMENDATION (5525)**APPROVAL**

At 10.39pm Cr Schuster moved, seconded Cr Barling –

That the Council adopts the Chief Executive Officer Employment Contract Variation provided as a Confidential Attachment.

Amendment

At 10.39pm Cr Schuster moved, seconded Cr Barling–

That the Council amend the Officer Recommendation by including the following words “, with the effective date of the contract variation to be that date when the private use of a City of Melville vehicle is no longer available to the Chief Executive Officer.” after the words “Confidential Attachment”

At 10.39pm the Mayor submitted the Amendment, which was declared

CARRIED UNANIMOUSLY (13/0)

COUNCIL RESOLUTION**APPROVAL**

That the Council adopts the Chief Executive Officer Employment Contract Variation provided as a Confidential Attachment, with the effective date of the contract variation to be that date when the private use of a City of Melville vehicle is no longer available to the Chief Executive Officer.

At 10.39pm the Mayor submitted the substantive motion as amended -

CARRIED UNANIMOUSLY (13/0)

Reasons for Amendment

The date that the contract variation comes in to effect can not be determined in advance as it is dependent on the timing for when the Chief Executive Officer can make arrangements for obtaining his own vehicle. This is a process that the Chief Executive Officer can only commit to once the Council have determined whether they are willing to adopt the contract variation.

This detail of clarifying the effective date of the contract variation was inadvertently missed in the original recommendation and hence this amendment is to rectify this point of clarity.

To not align the contract variation to the date that the Chief Executive Officer relinquishes use of the City of Melville vehicle would mean that the Chief Executive Officer would be receiving a different package than the amount specified in the contract.

C17/6000 - INVESTMENT STATEMENTS AS AT 30 NOVEMBER 2016 (REC)

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

This report presents the investment statements for the period ending 30 November 2016 for the Council's information and noting.

C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (REC)

BACKGROUND

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

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

DETAIL

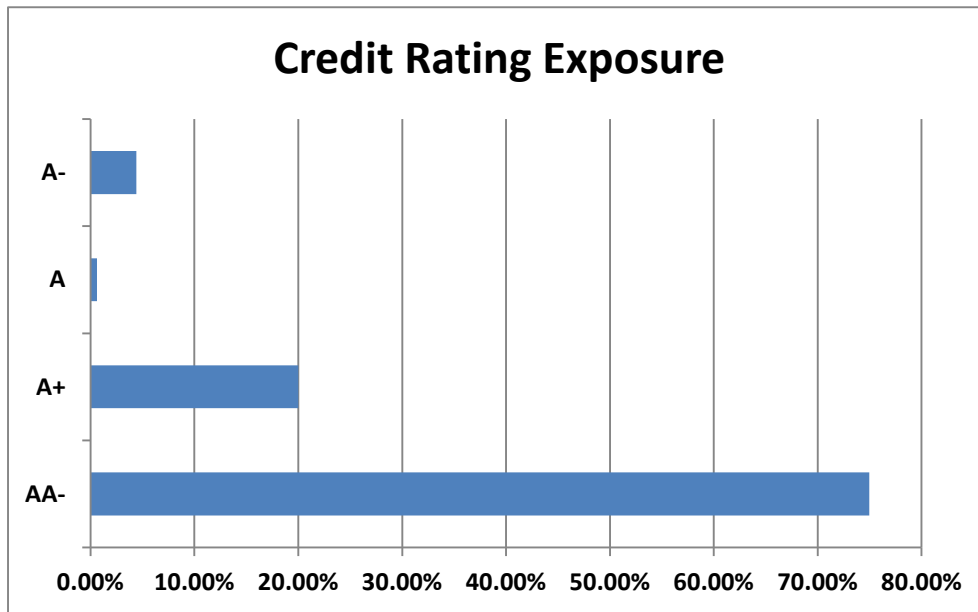
Summary details of investments held as at 30 November 2016 are shown in the tables below. The following statements detail the investments held by the City as at 30 November 2016.

CITY OF MELVILLE	
STATEMENT OF INVESTMENTS	
FOR THE PERIOD ENDING 30 November 2016	
SUMMARY BY FUND	AMOUNT \$
MUNICIPAL	\$ 41,306,065
RESERVE	\$ 116,969,020
TRUST	\$ 751,352
CITIZEN RELIEF	\$ 206,154
	\$ 159,232,590
SUMMARY BY INVESTMENT TYPE	AMOUNT \$
11AM	\$ 5,680,959
31DAYS AT CALL	\$ 1,000,000
60DAYS AT CALL	\$ 2,000,000
90DAYS AT CALL	\$ 5,000,000
TERM DEPOSIT	\$ 143,320,986
FRTD	\$ 2,000,000
UNITS (Local Govt Hse)	\$ 230,645
	\$ 159,232,590
SUMMARY BY CREDIT RATING	AMOUNT \$
AA-	\$ 119,201,945
A+	\$ 31,800,000
A	\$ 1,000,000
A-	\$ 7,000,000
UNITS (Local Govt Hse)	\$ 230,645
	\$ 159,232,590

C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (REC)

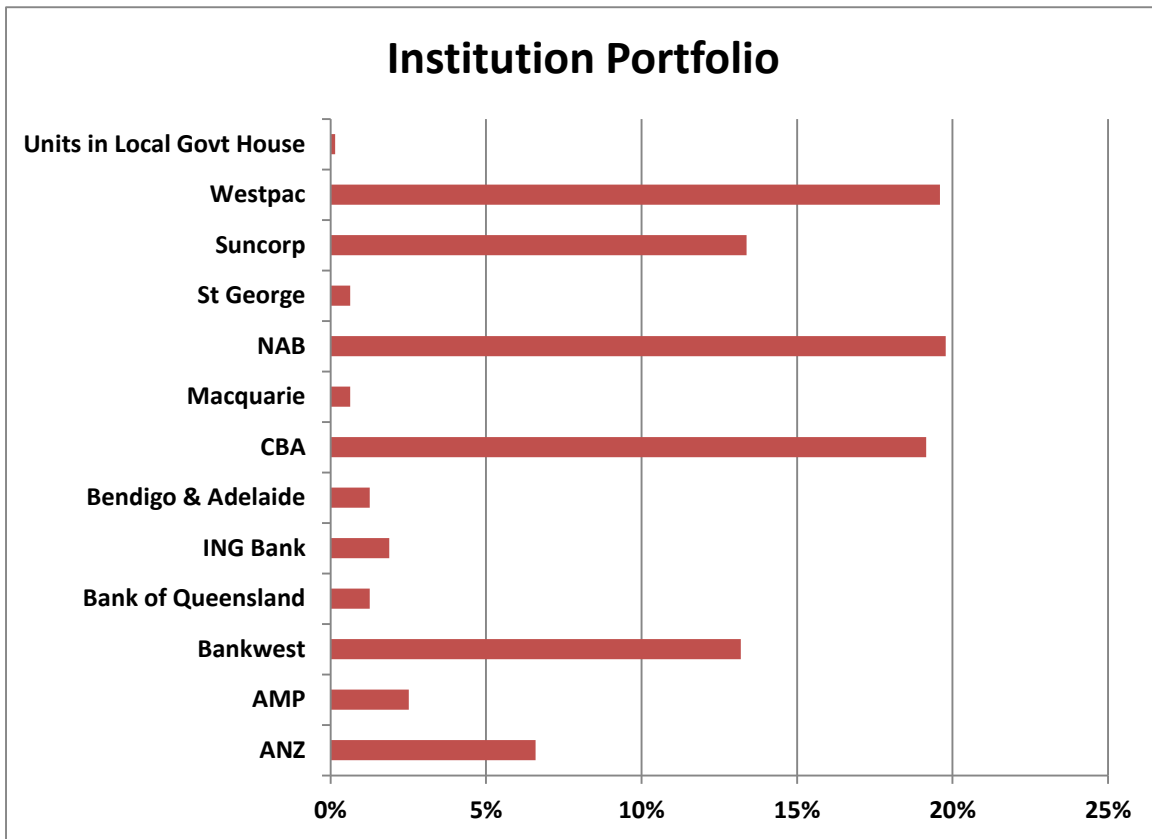
STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 30 November 2016					
INSTITUTION / INVESTMENT	INVESTMENT TYPE	Interest Rate %	S & P RATING	AMOUNT \$	MATURITY DATE
WESTPAC (MAXI DIRECT)	11AM	1.70%	AA-	\$2,300,000	On call
WESTPAC (MAXI BONUS 1)	11AM	1.95%	AA-	\$2,347,984	On call
WESTPAC (MAXI BONUS 2)	11AM	1.95%	AA-	\$1,032,975	On call
				\$5,680,959	
WESTPAC (31DAYS AT CALL)	31DAYS AT CALL	2.15%	AA-	\$1,000,000	On call
				\$1,000,000	
WESTPAC (60DAYS AT CALL)	60DAYS AT CALL	2.95%	AA-	\$2,000,000	On call
				\$2,000,000	
WESTPAC (90DAYS AT CALL)	90DAYS AT CALL	3.05%	AA-	\$5,000,000	On call
				\$5,000,000	
BANK OF QUEENSLAND (TERM)	TERM	Various	A-	\$2,000,000	Various
BANKWEST (TERM)	TERM	Various	AA-	\$21,000,000	Various
BENDIGO AND ADELAIDE BANK (TERM)	TERM	Various	A-	\$2,000,000	Various
COMMONWEALTH BANK (TERM)	TERM	Various	AA-	\$30,500,000	Various
AMP BANK (TERM)	TERM	Various	A+	\$4,000,000	Various
ANZ BANK (TERM)	TERM	Various	AA-	\$10,500,000	Various
ING BANK (TERM)	TERM	Various	A-	\$1,000,000	Various
MACQUARIE BANK (TERM)	TERM	Various	A	\$1,000,000	Various
NAB (TERM)	TERM	Various	AA-	\$31,503,726	Various
ST GEORGE BANK (TERM)	TERM	Various	AA-	\$1,000,000	Various
SUNCORP METWAY LTD (TERM)	TERM	Various	A+	\$21,300,000	Various
WESTPAC (TERM)	TERM	Various	AA-	\$17,517,260	Various
				\$143,320,986	
ING BANK (FRTD)	FRTD	3.27%	A-	\$2,000,000	7-Mar-17
				\$2,000,000	
UNITS IN LOCAL GOVT HOUSE	NA	NA	NA	\$230,645	NA
TOTAL FUNDS INVESTED				\$159,232,590	
CREDIT RISK COMPARISON					
CREDIT RISK	AMOUNT	\$	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AA-	\$125,701,945		79%	80%	
A+	\$25,300,000		16%	50%	
A	\$1,000,000		1%	50%	
A-	\$7,000,000		4%	50%	
UNITS IN LOCAL GOVT: HOUSE	\$230,645		0%	0.1%	Council Decision
TOTAL	159,232,590		100%		

C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (REC)



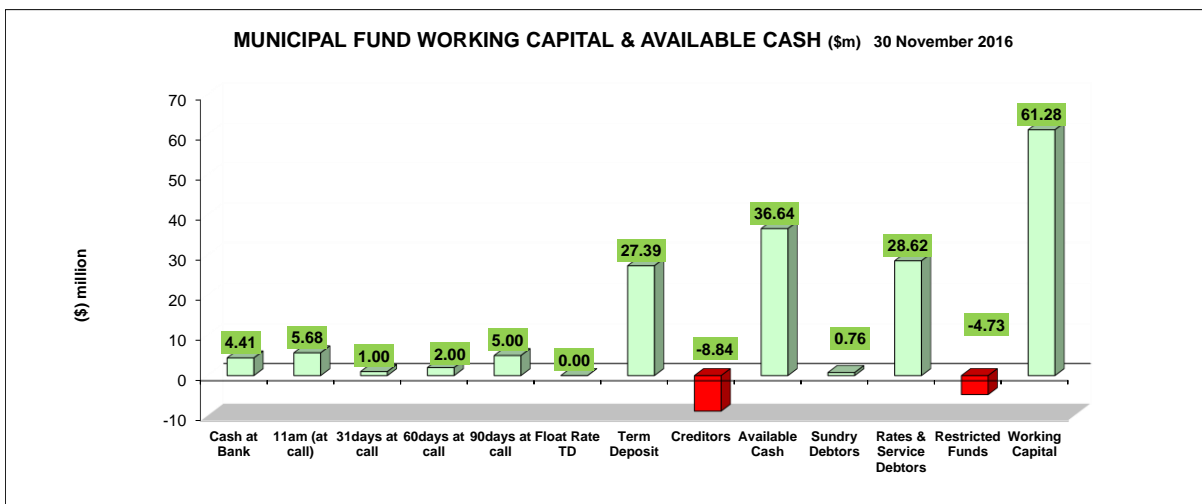
DIVERSIFICATION RISK						
INSTITUTION	INVESTMENT TYPE	S & P RATING	AMOUNT	ACTUAL PROPORTION \$	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION
ANZ BANK (TERM)	TERM	AA-	10,500,000	6.59%	6.59%	25%
AMP BANK (TERM)	TERM	A+	4,000,000	2.51%	2.51%	20%
BANKWEST (TERM)	TERM	AA-	21,000,000	13.19%	13.19%	25%
BANK OF QUEENSLAND (TERM)	TERM	A-	2,000,000	1.26%	1.26%	20%
BENDIGO AND ADELAIDE BANK (TERM)	TERM	A-	2,000,000	1.26%	1.26%	20%
COMMONWEALTH BANK (TERM)	TERM	AA-	30,500,000	19.15%	19.15%	25%
ING BANK (TERM)	TERM	A-	1,000,000	0.63%		
ING BANK (FRTD)	FRTD	A-	2,000,000	1.26%	1.88%	20%
MACQUARIE BANK (TERM)	TERM	A	1,000,000	0.63%	0.63%	20%
NAB (TERM)	TERM	AA-	31,503,726	19.78%	19.78%	25%
ST GEORGE BANK (TERM)	TERM	AA-	1,000,000	0.63%	0.63%	25%
SUNCORP METWAY LTD (TERM)	TERM	A+	21,300,000	13.38%	13.38%	20%
WESTPAC (MAXI BONUS 1)	11AM	AA-	2,347,984	1.47%		
WESTPAC (MAXI BONUS 2)	11AM	AA-	1,032,975	0.65%		
WESTPAC (MAXI DIRECT)	11AM	AA-	2,300,000	1.44%		
WESTPAC (31DAYS AT CALL)	31DAYS AT CALL	AA-	1,000,000	0.63%		
WESTPAC (60DAYS AT CALL)	60DAYS AT CALL	AA-	2,000,000	1.26%		
WESTPAC (90DAYS AT CALL)	90DAYS AT CALL	AA-	5,000,000	3.14%		
WESTPAC (TERM)	TERM	AA-	17,517,260	11.00%	19.59%	25%
UNITS IN LOCAL GOVT HOUSE	NA	NA	230,645	0.14%	0.14%	
			159,232,590	100%	100%	

C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (REC)

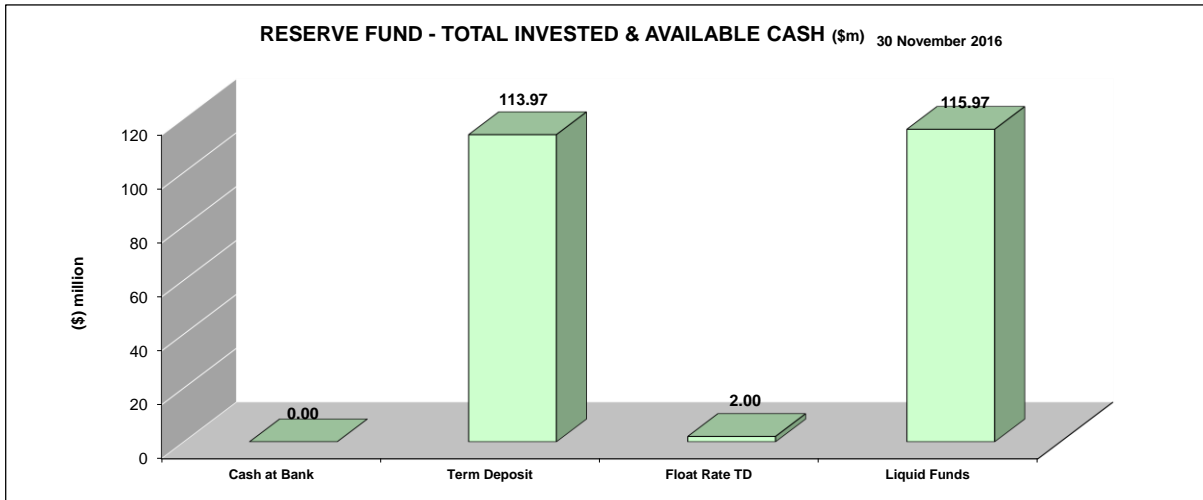


Net Funds Held

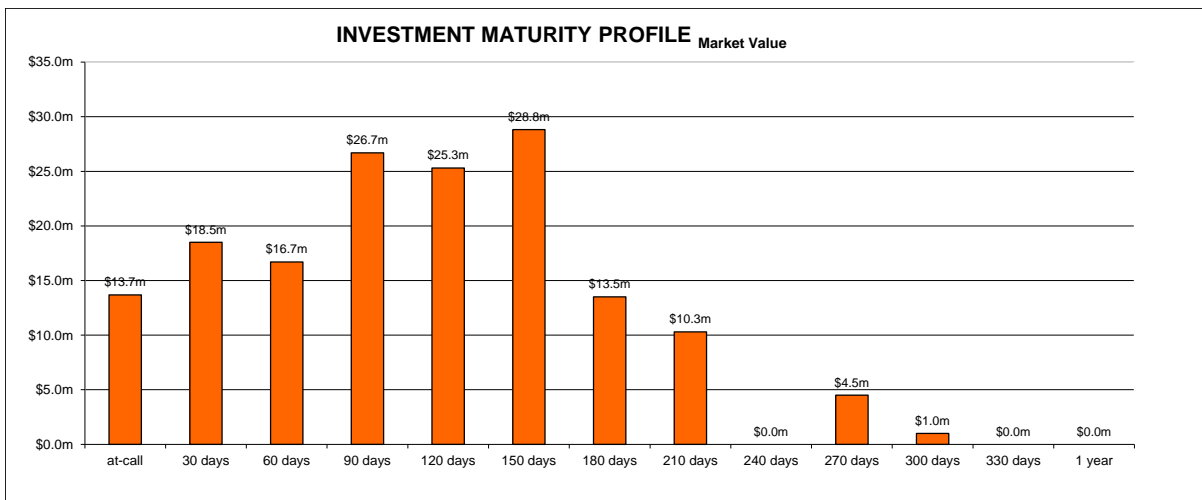
The graphs below summarise the Municipal Fund working capital and available cash and the funds held in the Reserve Fund as at 30 November 2016.



C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (REC)



The graph below summarises the maturity profile of the City's investments at market value as at 30 November 2016.



C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (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 oversight by the Australian Prudential Regulation Authority (APRA).

FINANCIAL IMPLICATIONS

For the period ending 30 November 2016:

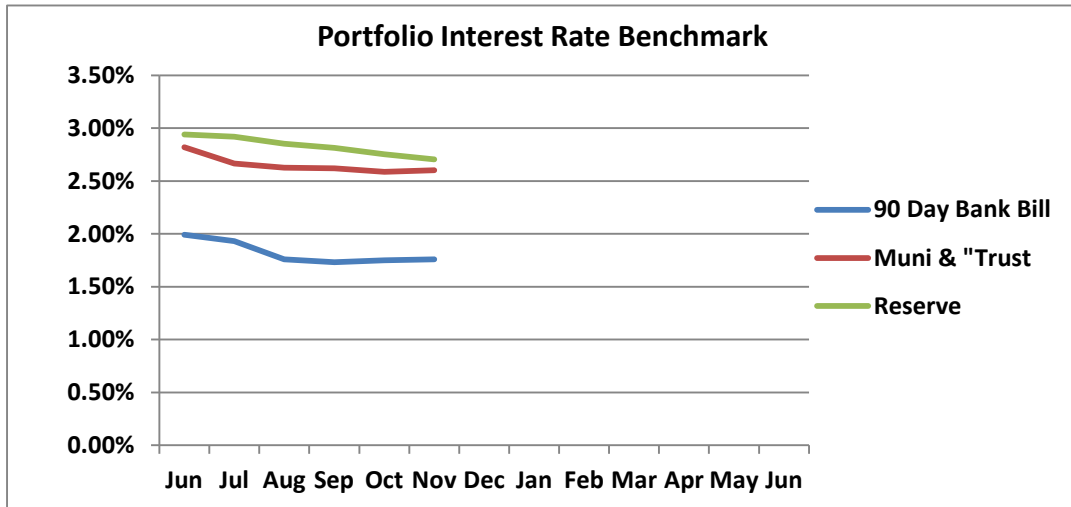
- Investment earnings on Municipal and Trust Funds were \$291,152 against a year to date budget of \$267,096 representing a \$24,056 positive variance.

The weighted average interest rate for Municipal and Trust Fund investments as at 30 November 2016 was 2.60% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.76%.

- Investment earnings on Reserve accounts were \$1,469,240 against a year to date budget of \$960,068 representing a \$509,172 positive variance.

The weighted average interest rate for Reserve account investments as at 30 November 2016 was 2.70% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.76%.

C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (REC)



STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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.

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

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

C17/6000 - INVESTMENT STATEMENTS FOR NOVEMBER 2016 (REC)**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.

Future investment earnings are expected to continue to decrease when compared to previous years as interest rates continue to stay low and the Reserve Bank of Australia (RBA) continues to show a bias towards further reducing the official cash rate. 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 30 November 2016.

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

C17/6000 - INVESTMENT STATEMENTS AS AT 31 DECEMBER 2016 (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

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

KEY ISSUES / SUMMARY

This report presents the investment statements for the period ending 31 December 2016 for the Council's information and noting.

C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)

BACKGROUND

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

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

DETAIL

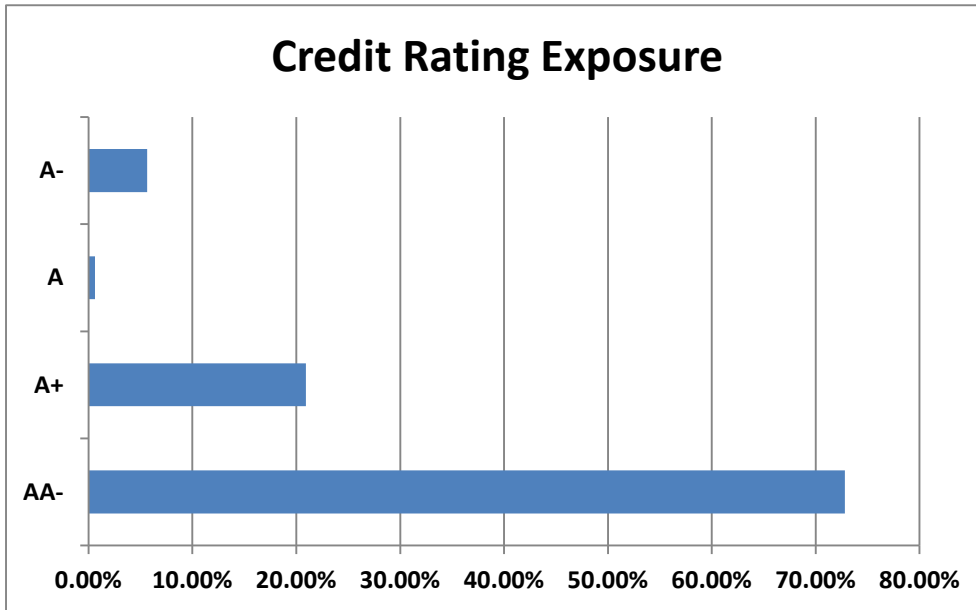
Summary details of investments held as at 31 December 2016 are shown in the tables below. The following statements detail the investments held by the City as at 31 December 2016.

CITY OF MELVILLE	
STATEMENT OF INVESTMENTS	
FOR THE PERIOD ENDING 31 December 2016	
SUMMARY BY FUND	AMOUNT \$
MUNICIPAL	\$ 41,474,885
RESERVE	\$ 116,969,020
TRUST	\$ 785,449
CITIZEN RELIEF	\$ 206,154
	\$ 159,435,508
SUMMARY BY INVESTMENT TYPE	AMOUNT \$
11AM	\$ 6,383,877
31DAYS AT CALL	\$ 1,000,000
60DAYS AT CALL	\$ 2,000,000
90DAYS AT CALL	\$ 5,000,000
TERM DEPOSIT	\$ 142,820,986
FRTD	\$ 2,000,000
UNITS (Local Govt Hse)	\$ 230,645
	\$ 159,435,508
SUMMARY BY CREDIT RATING	AMOUNT \$
AA-	\$ 115,904,863
A+	\$ 33,300,000
A	\$ 1,000,000
A-	\$ 9,000,000
UNITS (Local Govt Hse)	\$ 230,645
	\$ 159,435,508

C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)

STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 31 December 2016					
INSTITUTION / INVESTMENT	INVESTMENT TYPE	Interest Rate %	S & P RATING	AMOUNT \$	MATURITY DATE
WESTPAC (MAXI DIRECT)	11AM	1.70%	AA-	\$3,000,000	On call
WESTPAC (MAXI BONUS 1)	11AM	1.95%	AA-	\$2,350,010	On call
WESTPAC (MAXI BONUS 2)	11AM	1.95%	AA-	\$1,033,867	On call
				\$6,383,877	
WESTPAC (31DAYS AT CALL)	31DAYS AT CALL	2.15%	AA-	\$1,000,000	On call
				\$1,000,000	
WESTPAC (60DAYS AT CALL)	60DAYS AT CALL	2.95%	AA-	\$2,000,000	On call
				\$2,000,000	
WESTPAC (90DAYS AT CALL)	90DAYS AT CALL	3.05%	AA-	\$5,000,000	On call
				\$5,000,000	
BANK OF QUEENSLAND (TERM)	TERM	Various	A-	\$4,000,000	Various
BANKWEST (TERM)	TERM	Various	AA-	\$21,000,000	Various
BENDIGO AND ADELAIDE BANK (TERM)	TERM	Various	A-	\$2,000,000	Various
COMMONWEALTH BANK (TERM)	TERM	Various	AA-	\$30,500,000	Various
AMP BANK (TERM)	TERM	Various	A+	\$4,500,000	Various
ANZ BANK (TERM)	TERM	Various	AA-	\$6,500,000	Various
ING BANK (TERM)	TERM	Various	A-	\$1,000,000	Various
MACQUARIE BANK (TERM)	TERM	Various	A	\$1,000,000	Various
NAB (TERM)	TERM	Various	AA-	\$31,503,726	Various
ST GEORGE BANK (TERM)	TERM	Various	AA-	\$1,000,000	Various
SUNCORP METWAY LTD (TERM)	TERM	Various	A+	\$23,300,000	Various
WESTPAC (TERM)	TERM	Various	AA-	\$16,517,260	Various
				\$142,820,986	
ING BANK (FRTD)	FRTD	3.27%	A-	\$2,000,000	7-Mar-17
				\$2,000,000	
UNITS IN LOCAL GOVT HOUSE	NA	NA	NA	\$230,645	NA
TOTAL FUNDS INVESTED				\$159,435,508	
CREDIT RISK COMPARISON					
CREDIT RISK	AMOUNT	\$	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AA-	\$121,404,863		76%	80%	
A+	\$27,800,000		17%	50%	
A	\$1,000,000		1%	50%	
A-	\$9,000,000		6%	50%	
UNITS IN LOCAL GOVT: HOUSE	\$230,645		0%	0.1%	Council Decision
TOTAL	159,435,508		100%		

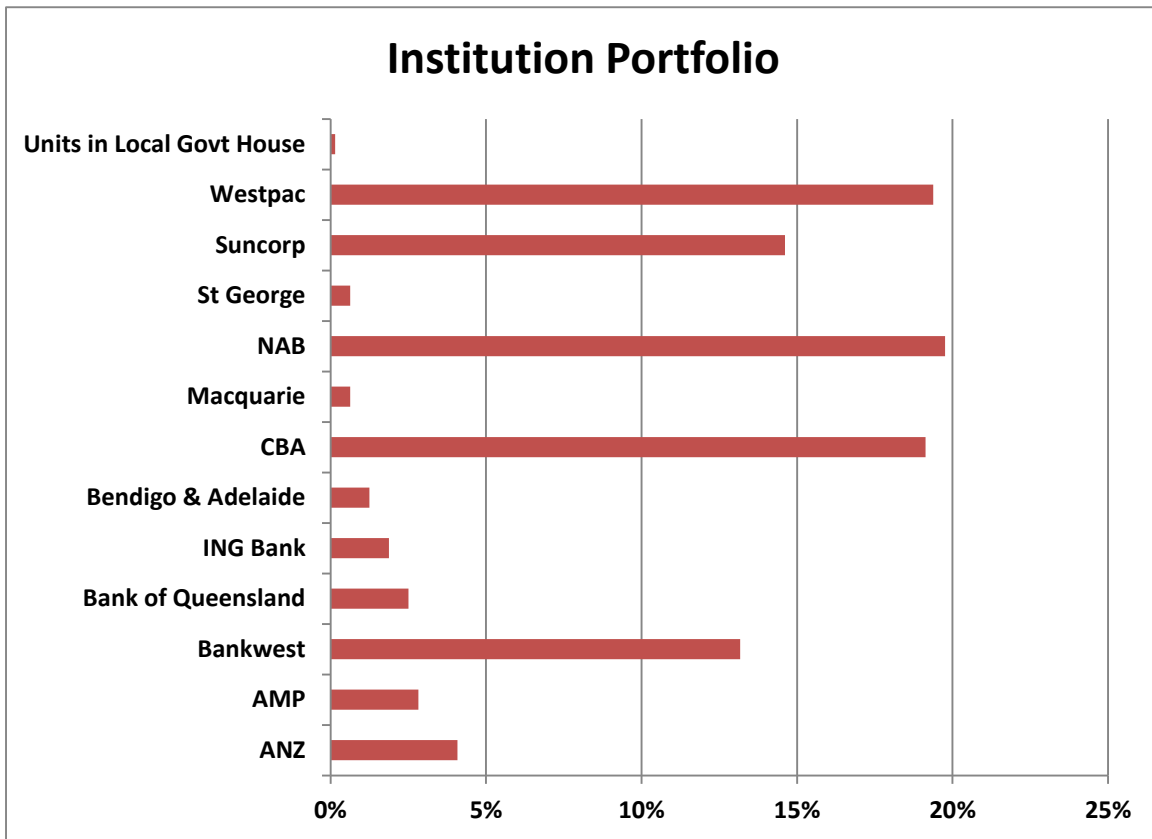
C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)



DIVERSIFICATION RISK							
INSTITUTION	INVESTMENT TYPE	S & P RATING	AMOUNT	\$	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION
ANZ BANK (TERM)	TERM	AA-	6,500,000		4.08%	4.08%	25%
AMP BANK (TERM)	TERM	A+	4,500,000		2.82%	2.82%	20%
BANKWEST (TERM)	TERM	AA-	21,000,000		13.17%	13.17%	25%
BANK OF QUEENSLAND (TERM)	TERM	A-	4,000,000		2.51%	2.51%	20%
BENDIGO AND ADELAIDE BANK (TERM)	TERM	A-	2,000,000		1.25%	1.25%	20%
COMMONWEALTH BANK (TERM)	TERM	AA-	30,500,000		19.13%	19.13%	25%
ING BANK (TERM)	TERM	A-	1,000,000		0.63%		
ING BANK (FRTD)	FRTD	A-	2,000,000		1.25%	1.88%	20%
MACQUARIE BANK (TERM)	TERM	A	1,000,000		0.63%	0.63%	20%
NAB (TERM)	TERM	AA-	31,503,726		19.76%	19.76%	25%
ST GEORGE BANK (TERM)	TERM	AA-	1,000,000		0.63%	0.63%	25%
SUNCORP METWAY LTD (TERM)	TERM	A+	23,300,000		14.61%	14.61%	20%
WESTPAC (MAXI BONUS 1)	11AM	AA-	2,350,010		1.47%		
WESTPAC (MAXI BONUS 2)	11AM	AA-	1,033,867		0.65%		
WESTPAC (MAXI DIRECT)	11AM	AA-	3,000,000		1.88%		
WESTPAC (31DAYS AT CALL)	31DAYS AT CALL	AA-	1,000,000		0.63%		
WESTPAC (60DAYS AT CALL)	60DAYS AT CALL	AA-	2,000,000		1.25%		
WESTPAC (90DAYS AT CALL)	90DAYS AT CALL	AA-	5,000,000		3.14%		
WESTPAC (TERM)	TERM	AA-	16,517,260		10.36%	19.38%	25%
UNITS IN LOCAL GOVT HOUSE	NA	NA	230,645		0.14%	0.14%	
			159,435,508		100%	100%	

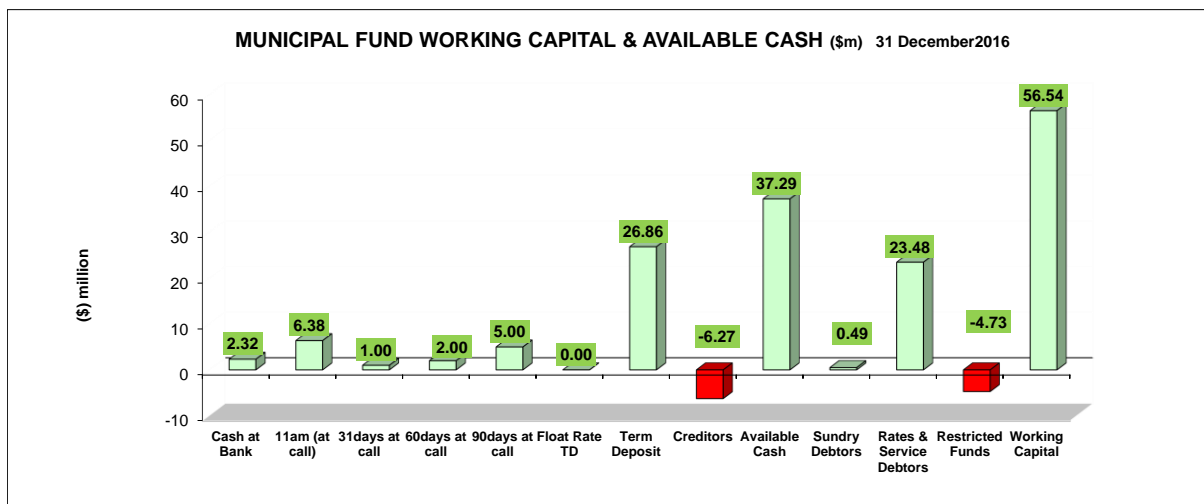
MATURITY COMPARISON					
TERM to MATURITY	AMOUNT	\$	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS					
< 1 year	42,029,689		100%	100%	
	42,029,689		100%		
RESERVE FUNDS					
< 1 year	116,969,020		100%	100%	
	116,969,020		100%		

C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)

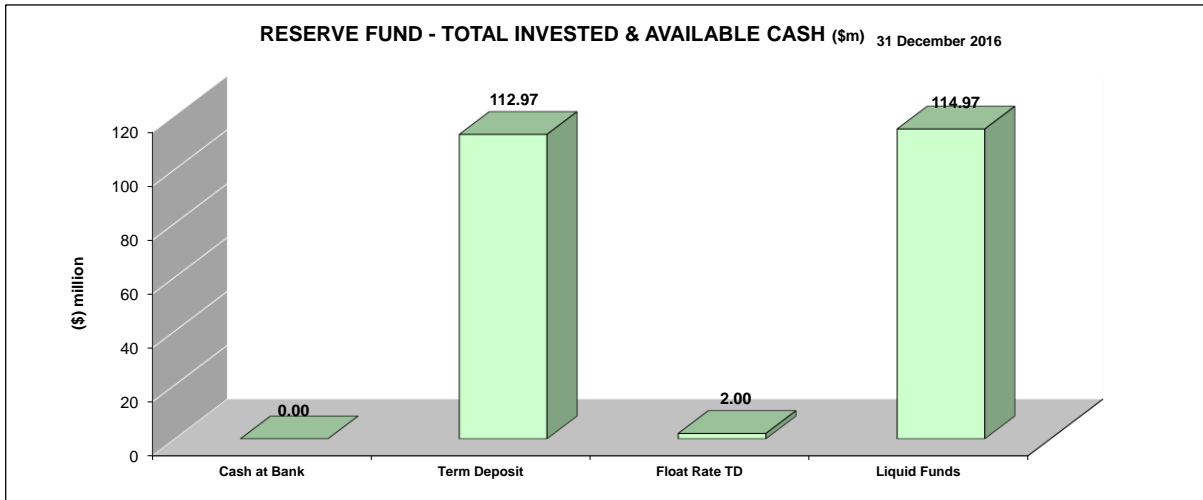


Net Funds Held

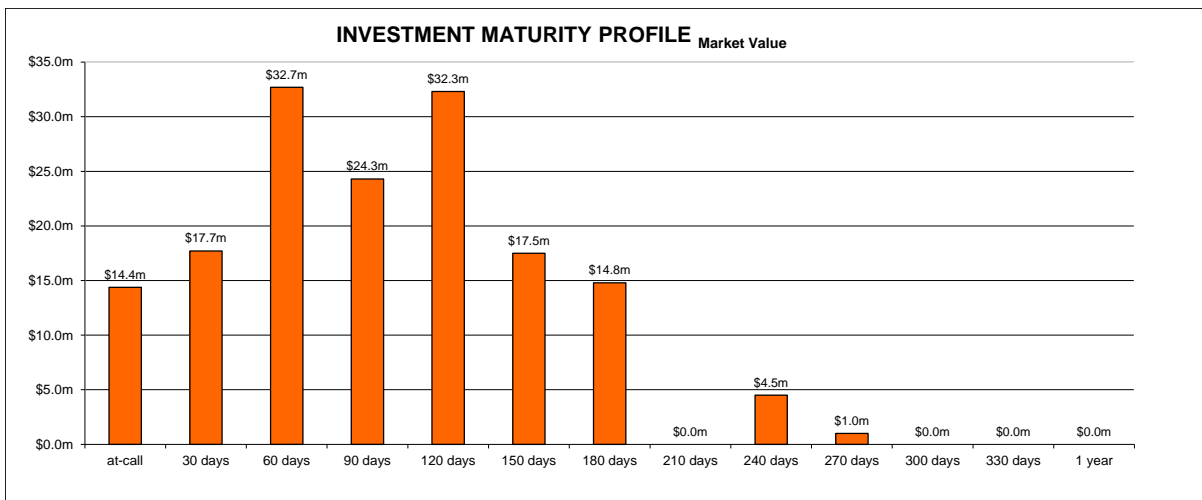
The graphs below summarise the Municipal Fund working capital and available cash and the funds held in the Reserve Fund as at 31 December 2016.



C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)



The graph below summarises the maturity profile of the City's investments at market value as at 31 December 2016.



C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

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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)

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FINANCIAL IMPLICATIONS

For the period ending 31 December 2016:

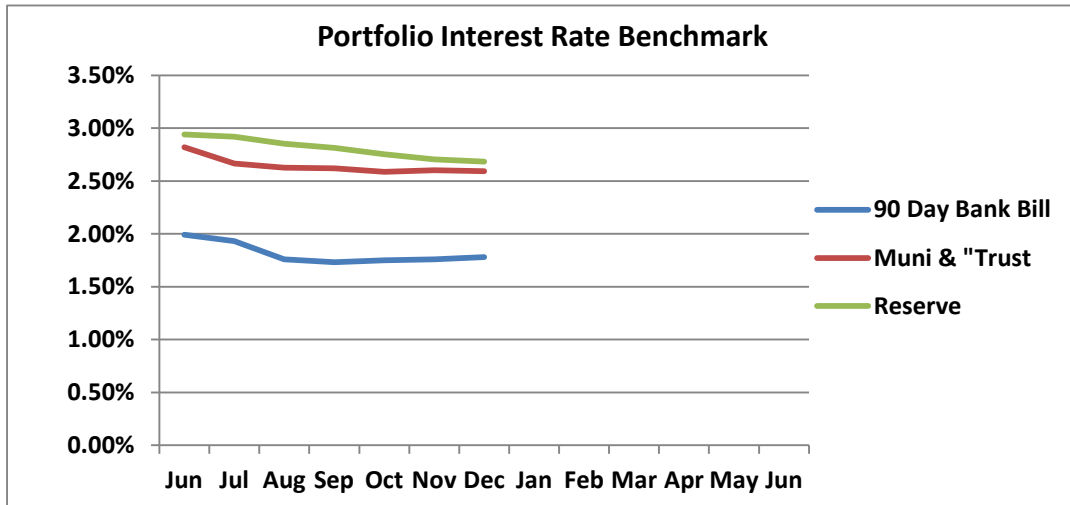
- Investment earnings on Municipal and Trust Funds were \$341,186 against a year to date budget of \$319,849 representing a \$21,337 positive variance.

The weighted average interest rate for Municipal and Trust Fund investments as at 31 December 2016 was 2.59% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.78%.

- Investment earnings on Reserve accounts were \$1,781,783 against a year to date budget of \$1,152,082 representing a \$629,701 positive variance.

The weighted average interest rate for Reserve account investments as at 31 December 2016 was 2.68% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 1.75%.

C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)



STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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.

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

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

C17/6000 - INVESTMENT STATEMENTS FOR DECEMBER 2016 (REC)**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.

Future investment earnings are expected to continue to decrease when compared to previous years as interest rates continue to stay low and the Reserve Bank of Australia (RBA) continues to show a bias towards further reducing the official cash rate. 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 31 December 2016.

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR NOVEMBER 2016 (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

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

KEY ISSUES / SUMMARY

This report presents the details of payments made under delegated authority to suppliers for the month of November 2016 and recommends that the Schedule of Accounts Paid be noted.

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR NOVEMBER 2016 (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 30 November 2016 ([6001 November 2016](#)), including Payment Registers numbers, Cheques 545 to 551 and Electronic Funds Transfers batches 416 to 420, Trust Payments, Card Payments and Payroll was distributed to the Elected Members of the Council on 3 February 2017.

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

Supplier Name	Remittance Number	Remittance Details	Amount
Advantearing Civil Engineers	Chq's 065972 & 066069	Progress claims 1 and 2 for remedial works at Majestic Boardwalk	\$296,895.41
Asphaltech Pty Ltd	E052867	Road resurfacing	\$780,709.42
Australian Taxation Office	Direct Bank Transfer	Pay as You-Go taxation and other deductions from employee payroll for pays 9, 10 and 11	\$929,326.00
Axiis Contracting Pty Ltd	E052466 & E052631	Concrete works	\$68,824.66
Building & Construction Industry Training Fund	Chq 007148	Remittance of the building construction training levy collected by the City with building licence applications	\$35,089.20
City of Cockburn	E052712	Commercial waste tip fees for November	\$115,952.26
Country Club International Pty Ltd	E052463 & E052575	ESD Waste2Water recycle system	\$56,168.20
Datacom Systems WA Pty Ltd	E052609 & E052858	Repair of Symmetra PX 40KW and licence renewal	\$69,113.89
Department of Commerce	E052474	Remittance of Building Service Levy collected on building licence applications	\$34,364.65
Department of Parks & Wildlife	Chq 066061	Implementation of Brentwood Living Stream project	\$38,500.00
Dickies Tree Service	E052489 & E052714	Tree lopping services	\$35,931.21
EMSO Maintenance T/A Crabclaw Holdings P/L Trustee for EMSO Investment Trust	E052542 & E052784	Building maintenance	\$27,290.84
Department of Fire and Emergency Services	E052608	ESL remittance for October	\$1,498,263.52
Flexi Staff	E052509 & E052739	Temporary employment	\$68,113.46
Fredon Air Pty Ltd	E052646 & E052897	Service and maintenance to air conditioners to City buildings	\$120,460.03
Hydroquip Pumps	R052516 & E052747	Installation of bores and replacement of pumps to various reserves	\$402,436.10

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR NOVEMBER 2016 (REC)
(ATTACHMENT)**

Supplier Name	Remittance Number	Remittance Details	Amount
M P Rogers & Associates Pty Ltd	Chq 066058	Design for replacement of boat ramps at Deep Water Point and Point Walter	\$27,030.96
Mesloe Pty Ltd T/A Jims Trees Willetton	E052614	Tree lopping services	\$41,090.31
Natural Area Management & Services	E052688 & E052952	Maintenance to Bushland reserves, revetment works at Point Heathcote and Jeff Joseph Reserve, planting at Piney Lakes and purchase of tubestock	\$31,391.11
Nature Play Solutions Pty Ltd	E052465 & E052624	Progress claims for installation of playscape at Piney Lakes and Wireless Hill	\$132,282.57
NRP Electrical Services	E052676	Supply, installation and commissioning of Innotech Building Management at various City sites	\$87,692.00
Octy Water Pty Ltd T/A Aquamonix	E052655 & E052911	Communications packs for various reserves City wide	\$36,172.40
Optus Billing Services Pty Ltd	Chq's 065959 & 066055	Phone billing	\$111,252.33
Opus International Consultants (PCA) Pty Ltd	E052583	Inventory and survey of constructed infrastructure within City parks	\$29,106.00
Perfekt Pty Ltd	E052594 & E052841	Renewal of HDS support and implementation services	\$36,099.73
RBM Drilling	E052475	Drilling of bore at Layman Park	\$27,592.40
Rhysco Electrical Services	E052577 & E052828	Electrical services	\$57,783.50
Roadsafe Traffic Management	E052653 & E052905	Traffic management services	\$36,994.10
Southern Metropolitan Regional Council	E052802	MSW gate fees 17/10/16 – 31/10/16	\$403,856.78
Synergy	E052508 & E052738	Electricity charges	\$218,283.11
TJS Cleaning Services Perth Pty Ltd	E052877	Cleaning services for LeisureFit Booragoon and Melville and AH Bracks Library	\$28,428.40
Tree Planting & Watering	E052616 & E052864	Street tree watering	\$83,715.37
Triton Electrical Contractors Pty Ltd	E052611 & E052859	Electrical works to irrigation cubicles	\$55,900.18
Westpac Bank	Direct Bank Transfer	Payment of salaries and wages to City employees net of tax and deduction for pays 9, 10 and 11	\$3,146,714.15

STAKEHOLDER ENGAGEMENT
I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR NOVEMBER 2016 (REC)
(ATTACHMENT)**

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

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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.

CONCLUSION

This is a regular monthly report 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 30 November 2016 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 November 2016](#)

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR DECEMBER 2016 (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	When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input 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 checked="" type="checkbox"/>	Information	For the Council/Committee to note.

KEY ISSUES / SUMMARY

This report presents the details of payments made under delegated authority to suppliers for the month of December 2016 and recommends that the Schedule of Accounts Paid be noted.

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR DECEMBER 2016 (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 5 January 2017 ([6001 December 2016](#)), including Payment Registers numbers, Cheques 552 to 556 and Electronic Funds Transfers batches 421 to 426, Trust Payments, Card Payments and Payroll was distributed to the Elected Members of the Council on 3 February 2017.

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

Supplier Name	Remittance Number	Remittance Details	Amount
Amcom Pty Ltd T/A Vocus Communications	E053114	Data line internet charges and Cross Connect charges	\$40,652.56
Asphaltech Pty Ltd	E053122	Road resurfacing	\$628,263.06
Australian Taxation Office	Direct Bank Transfer	Pay as You-Go taxation and other deductions from employee payroll for pays 12 & 13	\$737,621.00
Brentwood Karoonda Sporting Association	E053223	Contribution to renovations at Karoonda Reserve	\$99,000.00
Building & Construction Industry Training Fund	Chq 007149	Remittance of the building construction training levy collected by the City with building licence applications	\$49,556.13
Calibre Coatings Pty Ltd	E053272	Painting at Civic Centre and Trevor Gribble Reserve	\$28,134.70
CSP Group Pty Ltd T/A Stihl Shop Osborne Park	E053186	Purchase of various plant and equipment	\$57,708.00
DB Cunningham Pty Ltd T/A Advantearing Civil Engineers	E053377	Stage 2 repairs to boardwalk at Dundas Point	\$106,979.63
Department of Commerce	E052961	Remittance of Building Service Levy collected on building licence applications	\$45,852.94
Department of Fire & Emergency Services	E053228	ESL remittance for November	\$349,675.95
Dieback Treatment Services	E053419	Application of phosphite to various Reserves	\$36,200.03
Elexacom	E053058 & E053300	Electrical services	\$32,960.85
EMSO Maintenance T/A Crabclaw Holdings P/L Trustee for EMSO Investment Trust	E053040 & E053289	Building maintenance	\$43,563.86
Flexi Staff	E053001 & E053259	Temporary employment	\$68,832.80
Fredon Air Pty Ltd	E053153 & E053356	Service and maintenance to City air conditioners	\$49,740.37
GHD Pty Ltd	E053320	Progress claim for Canning Bridge Masterplan draft report	\$46,251.70

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR DECEMBER 2016 (REC)
(ATTACHMENT)**

Supplier Name	Remittance Number	Remittance Details	Amount
Hydroquip Pumps	E053007 & E053263	Replacement of irrigation systems at various Reserves	\$60,567.90
Jetty Constructions T/A Boss Machinery	E053104	Reconstruct jetty at Gunbower Street	\$30,580.00
MMM WA Pty Ltd	E053069	Installation of coffee rock spalling at The Esplanade and retaining wall at French Street	\$36,726.84
Natural Area Management & Services	E053211 & E053415	Weed control at various Reserves	\$34,869.34
Nature Play Solutions Pty Ltd	E053130, E053229 & E053344	Progress payments for Wireless Hill Playscape	\$162,013.89
Nosh Catering	E053030 & E053282	Catering	\$25,433.80
Octy Water Pty Ltd T/A Aquamonix	E053166	Irrigation controllers for various Reserves	\$25,065.59
Reino International Pty Ltd	E053206 & E053413	Repairs to parking meter and replacement of two parking meters	\$25,339.92
Rhysco Electrical Services	E053084 & E053318	Electrical services	\$62,296.03
Sirsidynix Pty Ltd	E053256	Licence renewal fees and maintenance for Symphony	\$61,889.37
South West Group	E053273	Member council contributions	\$54,500.00
Southern Metropolitan Regional Council	E053224 & E053226	MRF and green waste gate fee for October and RRRC loan repayment	\$448,422.61
Synergy	E053000 & E053258	Electricity charges	\$357,867.30
Tree Amigos Tree Surgeons	E053080 & E053315	Tree lopping services	\$42,882.84
Tree Planting & Watering	E053119 & E053339	Street tree watering	\$93,261.13
Turfmaster	E052997 & E053252	Mowing to various Reserves	\$29,361.20
Water Corporation	Chq's 066162 & 066229	Water charges	\$62,912.81
Western Power	E053255	Cash call 3 for Bicton North	\$750,000.00
Westpac Bank	Direct Bank Transfer	Payment of salaries and wages to City employees net of tax and deduction for pays	\$2,283,746.61
Youngs Plumbing Service Pty Ltd	E053068 & E053307	Building maintenance	\$43,092.29

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR DECEMBER 2016 (REC)
(ATTACHMENT)****STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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.

CONCLUSION

This is a regular monthly report for the Council's information.

**C17/6001 – SCHEDULE OF ACCOUNTS PAID FOR DECEMBER 2016 (REC)
(ATTACHMENT)**

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6001) NOTING

That the Council notes the Schedule of Accounts paid for the period ending 5 January 2017 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 December 2016](#)

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY EN BLOC (13/0)

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR NOVEMBER 2016 (AMREC)
(ATTACHMENTS)**

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

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	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.

KEY ISSUES / SUMMARY

This report presents:

- The Statements of Financial Activity by Program, Sub-Program and Nature and Type, for the period ending 30 November 2016 and recommends that they be noted by the Council.
- The variances for the month of November 2016 and recommends that they be noted by the Council.
- Budget amendments for the period ending 30 November 2016 and recommends that they be adopted by Absolute Majority decision of the Council.

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR NOVEMBER 2016 (AMREC)
(ATTACHMENTS)**
BACKGROUND

The Statements of Financial Activity for the period ending 30 November 2016 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.

For the period ending 30 November 2016, a net positive operating variance of \$3.46 million and a net capital positive variance of \$1.60 million was recorded.

Variances

CITY OF MELVILLE STATEMENT OF VARIANCES IN EXCESS OF \$50,000 by Program for the Period 1 July 2016 to 30 November 2016							
	November Actual \$	YTD Rev. Budget \$	YTD Actual \$	Variance \$	Variance %	Annual Budget \$	Annual Rev. Budget \$
Revenue							
General Purpose Funding	1,240,638	8,736,283	9,409,230	672,947	8%	12,931,170	12,931,170
Law, Order, Public Safety	64,298	2,411,428	2,488,690	77,262	3%	2,509,843	2,608,609
Community Amenities	188,129	2,236,891	2,443,298	206,408	9%	3,136,387	3,237,387
Recreation and Culture	520,048	3,492,059	3,086,511	(405,548)	-12%	8,469,621	8,469,848
Transport	988,781	1,675,859	2,318,775	642,916	38%	4,641,787	5,054,358
Other Property and Services	(124,351)	235,360	514,671	279,311	119%	3,356,430	3,356,430
	3,418,855	20,686,302	22,316,382	1,791,097	8%	35,739,377	36,352,442
Expenses							
Governance	(382,414)	(1,659,623)	(1,360,398)	299,225	-18%	(4,110,317)	(4,299,013)
Law, Order, Public Safety	(391,656)	(1,706,984)	(1,597,012)	109,973	-6%	(4,051,723)	(4,160,269)
Health	(100,279)	(480,483)	(424,905)	55,578	-12%	(1,115,196)	(1,115,196)
Education & Welfare	(226,871)	(1,085,499)	(1,001,990)	83,510	-8%	(2,650,229)	(2,631,980)
Community Amenities	(1,868,156)	(10,047,249)	(9,382,408)	664,842	-7%	(24,619,692)	(25,436,745)
Recreation and Culture	(2,737,238)	(11,988,898)	(11,352,474)	636,424	-5%	(28,710,832)	(28,911,857)
Transport	(1,467,898)	(6,179,746)	(6,632,214)	(452,468)	7%	(15,078,943)	(15,133,578)
Economic Services	(227,014)	(897,172)	(1,046,283)	(149,111)	17%	(2,174,143)	(2,184,143)
Other Property and Services	(997,756)	(6,092,644)	(5,209,774)	882,869	-14%	(11,740,320)	(11,686,095)
	(8,456,425)	(43,743,867)	(41,560,684)	4,047,681	-5%	(101,232,456)	(102,539,937)
Net Result Excluding Rates	(5,037,571)	(23,057,566)	(19,244,303)			(65,493,079)	(66,187,495)
Capital Revenue & Expenditure							
Purchase of Plant & Equipment	(22,519)	(2,263,096)	(1,956,823)	306,273	-14%	(2,441,631)	(4,687,329)
Purchase of Land & Buildings	(1,368,159)	(1,865,873)	(1,690,628)	175,245	-9%	(3,786,000)	(9,506,200)
Purchase of Infrastructure Assets	(2,074,775)	(5,365,235)	(4,713,285)	651,950	-12%	(15,935,141)	(21,183,669)

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR NOVEMBER 2016 (AMREC)
(ATTACHMENTS)**

A more detailed summary of variances and comments based on the Rate Setting Statement by Sub-Program ([6002C Sub Program November 2016](#)) is provided in attachment [6002H November 2016](#).

Revenue

\$82.57 million in Rates was raised to 30 November 2016. This is compared with a revised year to date budget of \$82.68 million, resulting in an immaterial negative variance of \$11k.

Money Expended in an Emergency and Unbudgeted Expenditure

Not applicable for November 2016.

Budget Amendments

Details of Budget Amendments requested for the month of November 2016 are shown in attachment [6002J November 2016](#). Highlighted are five budget amendment journals greater than \$50,000 that were processed in November 2016.

- \$1,250,000 – Transfer of funds from land and property reserve for the purchase of 5, Willcock Street, Ardross.
- \$470,000 – Transfer funding for the Bull Creek Library & Hall refurbishment to a Technical Services account as the project will be managed by Technical Services staff.
- \$386,172 – Transfer from the Melville Recreation solar panel account to the Organisational Environment Sustainability Initiative Reserve until building works are completed.
- \$56,493 – Transfer from Blue Gum Reserve, Environmental drainage and Quenda Wetlands drainage accounts to Piney Lakes/Murdoch Drive/Leach highway corner upgrade for construction costs. Additional funds required for unexpected costs incurred from poor quality construction many years ago.
- \$78,425 – Transfer surplus funds from Civic Centre carpet replacement & Strategic Urban Planning fit-out funds to a single account for the Urban Planning office refurbishment.

Rates Collections and Debtors

Rates, Refuse, Fire and Emergency Service Authority and Underground Power payments totalling \$1,091,096.06 were collected over the course of the month. Rates collection progress for the month of November is 2.8% below the target of 76%. This represents a dollar value of \$2,420,651. As at 30 November, 73.2% of 2016-2017 rates had been collected, compared with 73.8% collected for the same time last year.

Total sundry debtor balances increased by \$48,549 over the course of the month from \$619,504 to \$738,994. The 90+ day's debtor balance increased by \$66,090 from \$143,701 to \$143,701.

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR NOVEMBER 2016 (AMREC)
(ATTACHMENTS)**

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.

\$1,589.50 was written off under delegated authority in the month of November 2016 as the City has exhausted all avenues to recover charges for the pruning of a dangerous tree.

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

DESCRIPTION	LINK
Statement of Financial Activity by Nature and Type – November 2016	6002A Nature Type November 2016
Rate Setting Statement by Program – November 2016	6002B Program November 2016
Rate Setting Statement by Sub-Program – November 2016	6002C Sub Program November 2016
Representation of Net Working Capital – November 2016	6002E November 2016
Reconciliation of Net Working Capital – November 2016	6002F November 2016
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – November 2016	6002H November 2016
Details of Budget Amendments requested – November 2016	6002J November 2016
Summary of Rates Debtors – November 2016	6002L November 2016
Graph Showing Rates Collections – November 2016	6002M November 2016
Summary of General Debtors aged 90 Days Old or Greater – November 2016	6002N November 2016

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:

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR NOVEMBER 2016 (AMREC)
(ATTACHMENTS)****34. Financial activity statement report — s. 6.4**

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

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

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

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

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

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

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

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

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

The variance adopted by the Council is 10% or \$50,000 whichever is greater.

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

FINANCIAL IMPLICATIONS

Variances are dealt with in attachment [6002H November 2016](#) (Notes on Statement of Variances in excess of \$50,000 by Sub-Program).

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR NOVEMBER 2016 (AMREC)
(ATTACHMENTS)**

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 30 November 2016.

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

At 10.41pm Cr Schuster moved, seconded Cr Robartson –

That the Council:

- Note the Rate Setting Statement and Statements of Financial Activity for the month ending 30 November 2016 as detailed in the following attachments:**

DESCRIPTION	LINK
Statement of Financial Activity by Nature and Type – November 2016	6002A Nature Type November 2016
Rate Setting Statement by Program – November 2016	6002B Program November 2016
Rate Setting Statement by Sub-Program – November 2016	6002C Sub Program November 2016
Representation of Net Working Capital – November 2016	6002E November 2016
Reconciliation of Net Working Capital – November 2016	6002F November 2016
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – November 2016	6002H November 2016
Details of Budget Amendments requested – November 2016	6002J November 2016
Summary of Rates Debtors – November 2016	6002L November 2016
Graph Showing Rates Collections – November 2016	6002M November 2016
Summary of General Debtors aged 90 Days Old or Greater – November 2016	6002N November 2016

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR NOVEMBER 2016 (AMREC)
(ATTACHMENTS)**

- 2. By Absolute Majority Decision adopts the budget amendments, as detailed in the attached Budget Amendment Reports for November 2016 [6002J November 2016](#).**

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY (13/0)

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR DECEMBER 2016 (AMREC)
(ATTACHMENTS)**

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

This report presents:

- The Statements of Financial Activity by Program, Sub-Program and Nature and Type, for the period ending 31 December 2016 and recommends that they be noted by the Council.
- The variances for the month of December 2016 and recommends that they be noted by the Council.
- Budget amendments for the period ending 31 December 2016 and recommends that they be adopted by Absolute Majority decision of the Council.

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR DECEMBER 2016 (AMREC)
(ATTACHMENTS)**
BACKGROUND

The Statements of Financial Activity for the period ending 31 December 2016 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:-

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

For the period ending 31 December 2016, a positive net operating variance of \$2.93 million and a net positive capital variance of \$2.09 million was recorded.

Variances

CITY OF MELVILLE STATEMENT OF VARIANCES IN EXCESS OF \$50,000 by Program for the Period 1 July 2016 to 31 December 2016							
	December Actual \$	YTD Rev. Budget \$	YTD Actual \$	Variance \$	Variance %	Annual Budget \$	Annual Rev. Budget \$
Revenue							
General Purpose Funding	399,609	9,626,153	9,808,872	182,720	2%	12,931,170	12,931,170
Law, Order, Public Safety	34,825	2,442,241	2,523,516	81,275	3%	2,509,843	2,608,609
Community Amenities	206,132	2,358,604	2,649,430	290,826	12%	3,136,387	3,237,387
Recreation and Culture	750,277	4,156,904	3,836,788	(320,117)	-8%	8,469,621	8,469,848
Other Property and Services	17,205	354,601	531,876	177,275	50%	3,356,430	3,356,430
	1,622,956	23,372,051	23,939,371	580,585	2%	35,739,377	36,379,142
Expenses							
Governance	(303,305)	(2,075,876)	(1,663,703)	412,173	-20%	(4,110,317)	(4,299,013)
General Purpose Funding	(796,375)	(4,393,969)	(4,326,576)	67,392	-2%	(6,919,538)	(6,919,538)
Law, Order, Public Safety	(288,816)	(2,069,152)	(1,885,828)	183,324	-9%	(4,051,723)	(4,160,269)
Health	(72,502)	(571,648)	(497,407)	74,241	-13%	(1,115,196)	(1,115,196)
Education & Welfare	(215,426)	(1,311,358)	(1,217,415)	93,943	-7%	(2,650,229)	(2,631,980)
Community Amenities	(2,057,757)	(12,225,259)	(11,440,165)	785,094	-6%	(24,619,692)	(25,436,745)
Recreation and Culture	(2,220,219)	(14,354,394)	(13,572,693)	781,701	-5%	(28,710,832)	(28,911,857)
Transport	(1,466,355)	(7,421,697)	(8,098,569)	(676,871)	9%	(15,078,943)	(15,133,578)
Economic Services	(252,986)	(1,083,946)	(1,299,269)	(215,322)	20%	(2,174,143)	(2,184,143)
Other Property and Services	(384,321)	(6,968,465)	(5,594,130)	1,374,336	-20%	(11,740,320)	(11,686,095)
	(8,066,277)	(52,509,133)	(49,626,995)	5,517,740	-5%	(101,232,456)	(102,539,937)
Net Result Excluding Rates	(6,443,321)	(29,137,082)	(25,687,624)			(65,493,079)	(66,160,795)
Capital Revenue & Expenditure							
Purchase of Furniture & Equipment	(132,286)	(685,454)	(576,219)	109,235	-16%	(1,454,494)	(2,365,689)
Purchase of Plant & Equipment	(58,722)	(2,659,099)	(2,015,545)	643,554	-24%	(2,441,631)	(4,687,329)
Purchase of Land & Buildings	(145,555)	(2,362,981)	(1,836,182)	526,799	-22%	(3,786,000)	(9,506,200)
Purchase of Infrastructure Assets	(1,625,017)	(7,461,413)	(6,338,302)	1,123,111	-15%	(15,935,141)	(21,183,669)

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR DECEMBER 2016 (AMREC)
(ATTACHMENTS)**

A more detailed summary of variances and comments based on the Rate Setting Statement by Sub-Program ([6002C Sub Program December 2016](#)) is provided in attachment [6002H December 2016](#).

Revenue

\$82.62 million in Rates was raised to 31 December 2016. This is compared with a revised year to date budget of \$83.65 million, resulting in a negative variance of \$1.03 million. Reversal of the accounting entries made in 2015-16 for rates received in advance of \$951,267, will be undertaken in January 2017.

Money Expended in an Emergency and Unbudgeted Expenditure

Not applicable for December 2016.

Budget Amendments

Details of Budget Amendments requested for the month of December 2016 are shown in attachment [6002J December 2016](#). Highlighted are two budget amendment journals greater than \$50,000 that were processed in December 2016.

- \$150,000 – Transfer from Leisure Fit Melville Building upgrade account to a newly created account for Leisure Fit Melville parking to allow for better financial management of the project.
- \$180,000 – Transfer for Karoonda Sporting Association Clubroom renovation from Reserve accounts to fund a previously endorsed project.

Rates Collections and Debtors

Rates, Refuse, Fire and Emergency Service Authority and Underground Power payments totalling \$7,463,217.14 were collected over the course of the month. Rates collection progress for the month of November is 1.6% above the target of 80%. This represents a dollar value of \$1,384,564. As at 31 December, 81.6% of 2016/2017 rates had been collected, compared with 81.4% collected for the same time last year.

Total sundry debtor balances decreased by \$257,441 over the course of the month from \$738,994 to \$481,553. The 90+ day's debtor balance decreased by \$155,789 from \$143,701 to \$54,002.

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 December 2016.

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR DECEMBER 2016 (AMREC)
(ATTACHMENTS)**

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

DESCRIPTION	LINK
Statement of Financial Activity By Nature and Type – December 2016	6002A Nature Type December 2016
Rate Setting Statement by Program – December 2016	6002B Program December 2016
Rate Setting Statement by Sub-Program – December 2016	6002C Sub Program December 2016
Representation of Net Working Capital – December 2016	6002E December 2016
Reconciliation of Net Working Capital – December 2016	6002F December 2016
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – December 2016	6002H December 2016
Details of Budget Amendments requested – December 2016	6002J December 2016
Summary of Rates Debtors – December 2016	6002L December 2016
Graph Showing Rates Collections – December 2016	6002M December 2016
Summary of General Debtors aged 90 Days Old or Greater – December 2016	6002N December 2016

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:

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR DECEMBER 2016 (AMREC)
(ATTACHMENTS)****34. Financial activity statement report — s. 6.4**

- (1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail —
- (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
 - (b) budget estimates to the end of the month to which the statement relates;
 - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
 - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each statement of financial activity is to be accompanied by documents containing —
- (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) an explanation of each of the material variances referred to in subregulation (1)(d); and
 - (c) such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown —
- (a) according to nature and type classification; or
 - (b) by program; or
 - (c) by business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be —
- (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
 - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

The variance adopted by the Council is 10% or \$50,000 whichever is greater.

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

FINANCIAL IMPLICATIONS

Variances are dealt with in attachment [6002H December 2016](#) (Notes on Statement of Variances in excess of \$50,000 by Sub-Program).

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR DECEMBER 2016 (AMREC)
(ATTACHMENTS)**

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 31 December 2016.

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

At 10.41pm Cr Schuster moved, seconded Cr Phelan –

That the Council:

- Note the Rate Setting Statement and Statements of Financial Activity for the month ending 31 December 2016 as detailed in the following attachments:**

DESCRIPTION	LINK
Statement of Financial Activity By Nature and Type – December 2016	6002A Nature Type December 2016
Rate Setting Statement by Program – December 2016	6002B Program December 2016
Rate Setting Statement by Sub-Program – December 2016	6002C Sub Program December 2016
Representation of Net Working Capital – December 2016	6002E December 2016
Reconciliation of Net Working Capital – December 2016	6002F December 2016
Notes on Rate Setting Statement reporting on variances of 10% or \$50,000 whichever is greater – December 2016	6002H December 2016
Details of Budget Amendments requested – December 2016	6002J December 2016
Summary of Rates Debtors – December 2016	6002L December 2016
Graph Showing Rates Collections – December 2016	6002M December 2016
Summary of General Debtors aged 90 Days Old or Greater – December 2016	6002N December 2016

**C17/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR DECEMBER 2016 (AMREC)
(ATTACHMENTS)**

- 2. By Absolute Majority Decision adopts the budget amendments, as detailed in the attached Budget Amendment Reports for December 2016 [6002J December 2016](#).**

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY (13/0)

15. EN BLOC ITEMS

At 10.41pm Cr Foxtton moved, seconded Cr Phelan–

That the recommendations for items P17/3741, P17/3742, CD17/8094, M17/5526, M17/5000, C17/5521, C17/6000 November, C17/6000 December, C17/6001 November and C17/6001 December be carried En Bloc.

At 10.41pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

16.1 Proposed Amendments to the Canning Bridge Activity Centre Plan – LPS 6

At 10.42 pm Cr Schuster moved, seconded Cr Pazolli –

That the Council requests the Chief Executive Officer -

- 1. to arrange for a report to be provided to Council for a future Council meeting on the Proposal to prepare an amendment to the definition of “Height” on page 45 of the Canning Bridge Activity Centre Plan [CBACP], and the table on page 19 of the CBACP, that has the effect, in the H4 areas only, of restricting the height of a building to a maximum of 16 metres including any open roof structure as currently described in 1 (b) of the height definition, but which still allows the structures defined in 1 (a) of the definition [lift plant, water tower, or similar utility or service not exceeding 3 metres in height] to exceed the 16 metres total height limit.”;**

At 10.52pm the Mayor submitted the motion, which was declared

CARRIED (11/2)

Vote Result Summary	
Yes	11
No	2

Vote Result Detailed	
Cr Aubrey	Yes
Cr Barton	Yes
Cr Foxtton	Yes
Cr Macphail	Yes
Cr O'Malley	Yes
Cr Pazolli	Yes
Cr Phelan	Yes
Cr Robartson	Yes
Cr Schuster	Yes
Cr Woodall	Yes
Mayor Aubrey	Yes
Cr Barling	No
Cr Wieland	No

**16.1 Proposed Amendments to the Canning Bridge Activity Centre Plan – LPS 6
(Continued)**

At 10.59pm Cr Schuster moved, seconded Cr Pazolli –

That the Council requests the Chief Executive Officer -

- 2. to arrange for a report to be prepared for an amendment to alter the car parking provisions in Element 18, Clause 18.3, of the CBACP to require to require single bedroom dwellings (or studios) to have a minimum ratio of one on-site car bay for each dwelling; a minimum ratio of 1.5 bays for each two or three bedroom dwelling; and a minimum ratio of 2 bays for each dwelling of four bedrooms or greater; and,**

At 10.59pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

At 11.00pm Cr Schuster moved, seconded Cr Pazolli –

That the Council requests the Chief Executive Officer -

- 3. to arrange for a report to be prepared in the same amendment, when submitted for Council consideration, to provide advice on the current absence of a requirement to supply some on-site visitor bays for developments in Quadrants 1 and 2, and how this might be addressed.**

At 11.00pm the Mayor submitted the motion, which was declared

CARRIED UNANIMOUSLY (13/0)

**16.1 Proposed Amendments to the Canning Bridge Activity Centre Plan – LPS 6
(continued)**Reasons for Motion

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

1. Recent development approvals under the JDAP system are all, in my view, pressing the boundaries of the CBACP. I don't mind the developments themselves but in my view the height story needs to be made clear, as does the car parking issue,
2. I am a strong supporter of the CBACP and have been since joining the Council, but in the so-called transition zone (H4) there is little doubt that we run the risk of losing community support with some of the mixture of building controls and discretions that the CBACP provides;
3. In particular the capacity of a 16 metre building to actually look 19 metres to a neighbor because of the capacity to erect a free standing roof on the top of it is causing some real angst in parts of the H4 zone. If this part of the amendment fails I would suggest we amend the table on page 19 of the CBACP to make clear that 19 metre buildings are in fact allowed;
4. In my view, in the H4 area we have to be prepared to be flexible as the CBACP development continues, which as the CBACP itself notes is a 50 year venture, because community support in the first 15 years will be critical to the next 35;
5. The car parking issues in my view will be fine in 15 years but they are not in the community's opinion fine now so we, in my view, need to think again. This amendment simply suggests that the standards be the same as the maximum standards applied by the WAPC guidelines.

17. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

Nil

18. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil

19. CLOSURE

There being no further business to discuss, the Mayor declared the meeting closed at 11.00pm.