

MINUTES

OF THE

ORDINARY MEETING OF COUNCIL

HELD ON

TUESDAY 20 AUGUST 2013

AT 6.30PM IN THE COUNCIL CHAMBERS

MELVILLE CIVIC CENTRE

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MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBERS, MELVILLE CIVIC CENTRE, 10 ALMONDBURY ROAD, BOORAGOON, COMMENCING AT 6.30PM ON TUESDAY, 20 AUGUST 2013.

1. OFFICIAL OPENING

The Presiding Member welcomed those in attendance to the meeting and declared the meeting open at 6:30pm. Mr J Clark, 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 D Macphail
Cr A Nicholson
Cr C Robartson, Cr R Willis
Cr J Barton, Cr S Taylor-Rees
Cr R Hill, Cr R Kinnell
Cr N Foxtton, Cr M Reynolds
Cr N Pazolli, Cr P Reidy

WARD

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

3. IN ATTENDANCE

Dr S Silcox	Chief Executive Officer
Ms C Young	Director Community Development
Mr M Tieleman	Director Corporate Services
Mr J Christie	Director Technical Services
Mr S Cope	Director Urban Planning
Mr L Hitchcock	Executive Manager Legal Services
Mr P Prendergast (Until 8.04pm)	Manager Statutory Planning
Mr G Ponton (From 7.27pm to 8.04pm)	Manager Strategic Urban Planning
Mr J Clark	Governance & Compliance Program Manager
Mr N Fimmano	Governance & Property Officer
Ms D Beilby	Minute Secretary

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

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

Nil.

4.2 APPROVED LEAVE OF ABSENCE

Nil.

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

Nil.

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

Nil.

6. QUESTION TIME

Question Taken on Notice at the Special Meeting of Electors held on 5 August 2013

At the Special Meeting of Electors held on 5 August 2013 the following question from Mr Carroll was taken on notice. A response will be forwarded to Mr Carroll from the Director Urban Planning and the details contained in that response are recorded below.

Mr M Carroll, Myaree

Mr Carroll asked what impact the development would have on infrastructure such as sewerage and water. what impact will this have on the pressure in the water mains around the area and what work will need to be done to get that back up to the standard to accommodate an additional 150 residents in approximately 80 dwellings?

Response

The applicant may liaise with government infrastructure agencies prior to the submission of a building application to the City however there is no obligation on the City under the Building Act 2011 and the Building Regulations 2012 to require approval from government infrastructure agencies prior to issuing a building permit. It is the City's standard practice to require as a condition of building approval that the builder obtain approval from the Water Corporation prior to commencing construction.

7. AWARDS AND PRESENTATIONS

His Worship the Mayor congratulated Former Councillor Harvey Everett, who was in attendance in the public gallery, and advised that Mr Everett has received a Certificate of Appreciation from the City of Melville in recognition of his service to the community particularly in his role as Justice of the Peace at the Community Information Centre.

8. CONFIRMATION OF MINUTES**8.1 ORDINARY MEETING OF COUNCIL – 16 JULY 2013**
Minutes 16 July 2013**COUNCIL RESOLUTION**

At 6.42pm Cr Reynolds moved, seconded Cr Willis -

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

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

CARRIED (13/0)

8.2 NOTES OF AGENDA BRIEFING FORUM – 6 AUGUST 2013
Notes 6 August 2013**COUNCIL RESOLUTION**

At 6.42pm Cr Foxtton moved, seconded Cr Macphail -

That the Notes of the Agenda Briefing Forum held on Tuesday, 6 August 2013, be received.

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

CARRIED (13/0)

8.3 SPECIAL MEETING OF COUNCIL – 23 JULY 2013
Minutes 23 July 2013**COUNCIL RESOLUTION**

At 6.42pm Cr Robartson moved, seconded Cr Hill -

That the Minutes of the Special Meeting of Council held on Tuesday, 23 July 2013, be confirmed as a true and accurate record.

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

CARRIED (13/0)

8. CONFIRMATION OF MINUTES (Continued)**8.4 SPECIAL MEETING OF ELECTORS – 5 AUGUST 2013**
Minutes 5 August 2013

The minutes of the Special Meeting of Electors were requested to be checked concerning questions that were asked at the conclusion of the meeting that do not appear in the Minutes of the Special Meeting of Electors on the City's website. The Council did not confirm the Minutes at this meeting pending review and subject to any corrections that may be required.

His Worship the Mayor R Aubrey advised the meeting that the Minutes of Special Meeting of Electors held on 5 August 2013 will be presented to the Ordinary Meeting of Council to be held on 17 September 2013 for confirmation.

COUNCIL RESOLUTION

At 6.43pm Cr Macphail moved, seconded Cr Robartson -

That the Council note the two resolutions from the Special Meeting of Electors being -

- A. That the PowerPoint presentation provided by the Striker Balance Community Action Group be included in the Officer's Responsible Authority Report to the Joint Development Authority Panel.**
- B. That the Council supports the request that the Striker Balance Community Action Group presentation team or substitutes be allowed to present their presentation to the Joint Development Assessment Panel so that it can be presented appropriately.**
Presentation by Striker Balance Community Action Group

At 6.47pm the Mayor submitted the motion, which was declared

CARRIED (13/0)

8.5 SPECIAL MEETING OF COUNCIL – 13 AUGUST 2013
Minutes 13 August 2013**COUNCIL RESOLUTION**

At 6.48pm Cr Willis moved, seconded Cr Reidy -

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

At 6.48pm the Mayor submitted the motion, which was declared

CARRIED (13/0)

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

Nil.

9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

- P13/3415 Cr A Nicholson – Interest Under the Code of Conduct
- P13/3405 Cr R Hill – Interest Under the Code of Conduct

10. APPLICATIONS FOR NEW LEAVES OF ABSENCE

At 6.48pm Cr Reynolds moved, seconded Cr Macphail -

That the applications for new leaves of absence submitted by Cr Foxton and Cr Reidy on 20 August 2013 be granted.

At 6.48pm the Mayor submitted the motion which was declared

CARRIED (13/0)

11. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil.

12. PETITIONS

12.1 Petition - Request for Consideration of Aspects of the Intersection of Dimond Court and Karel Avenue, Leeming

A petition signed by seven residents and 111 non residents (City of Cockburn) was received by the City of Melville on Friday, 19 July 2013. The petition reads as follows –

“We, the undersigned, all being Electors of the City of Melville, do humbly pray that the City of Melville consider the following aspects of the intersection of Dimond Court and Karel Avenue in Leeming.

At current peak hours it is very difficult and dangerous for the residents of 87 homes in Dimond, Fern Leaf, Fremont, Chartwell, Athel Court and members of the Bowling Club, Football Club and Practice Golf Club to enter Karel Avenue from Dimond Court.

It is estimated that traffic volume in Karel Avenue will quadruple with the opening of Fiona Stanley Hospital in 2014 because that is the only direct access to the South Kwinana Freeway. The Karel/Dimond intersection will become more dangerous.

Further development in Jandakot (including a rumored IKEA Superstore) will exacerbate the problem.

We note the nearby corner of Farrington and Karel was only equipped with traffic lights after a fatal collision. We do not want that to happen at Karel/Dimond.

As an indication of the immensity of the current problem, Main Roads employs a ‘stop-go’ man at the Karel/Berrigan roundabout each afternoon to manually control volume.

Summary of requested methods of making Karel Avenue/Dimond Court intersection safe:

- Immediate installation of a keep clear zone.
- Reduction of speed limit to 50kph in Karel Avenue from Roe Highway to Farrington Street, so that when an opening appears it is easier to enter the flow.
- Installation of traffic lights to coincide with Fiona Stanley opening.
- Alternatively, installation roundabout using the verge land on the western side of Karel opposite of Dimond Court.
- Create an opening between Fern Leaf Court and Bainton Road to give an alternative traffic flow along Bainton Road to Terry Road and onto Karel Avenue. Residents of the Fern Leaf sector and the Bainton area both hemmed in by only one exit. In the event of an emergency (fire, etc) that is a real negative.”

COUNCIL RESOLUTION

At 6.49pm Cr Robartson moved, seconded Cr Willis -

That the petition bearing 118 signatures be acknowledged in writing to the lead petitioner with the advice that a report will be presented to a future meeting of Council.

At 6.51pm the Mayor submitted the motion, which was declared

CARRIED (13/0)

At 6.52pm Cr Nicholson moved, seconded Cr Taylor-Rees -

That Standing Orders Local Law 2003 Clause 9.1 second sentence “When invited, Members are to address the Council through the Presiding Member”, be set aside.

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

CARRIED (13/0)

13. REPORTS OF THE CHIEF EXECUTIVE OFFICER

The Presiding Member advised Elected Members that when dealing with the following Reports they act in their Quasi-Judicial capacity which means that they are performing functions which involve the exercise of discretion and require the decision making process be conducted in a Judicial Manner. The judicial character arises from the obligation to abide by the principles of natural justice and requires the application of the relevant facts to the appropriate statutory regime.

**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)**

Ward : University
 Category : Operational
 Application Number : DA-2013-563
 Property : Lot 1 (No. 22) Weatherburn Way, Kardinya
 Proposal : Commercial Self Storage Facility
 Applicant : O'Connor Self Storage
 Owner : F Torabi & S Yazdani
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : None Applicable
 Responsible Officer : Peter Prendergast
 Manager Statutory Planning

AUTHORITY / DISCRETION

DEFINITION

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

**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)**

KEY ISSUES / SUMMARY

- Planning approval is sought to construct a commercial self-storage facility at Lot 1 (No. 22) Weatherburn Way, Kardinya.
- The proposed self-storage facility is to comprise two buildings, each with two levels of storage accessed by service lifts. A small office is also proposed to provide administration space for the operation of the storage business.
- The proposal satisfies all the relevant provisions of the Community Planning Scheme No. 5 (CPS5) and applicable Council Policies with the exception of plot ratio and car parking.
- The scale of the proposed plot ratio variation is considered minor and is not anticipated to result in any significant adverse impacts upon the surrounding area.
- A detailed parking study has been provided with the application which provides information regarding the operation of similar existing storage facilities and their associated car parking demand. On this basis, the number of car parking bays proposed is considered to more than satisfy the peak car parking demands of the business.
- The approval of this application requires a Special Majority decision of Council relating to the plot ratio, whilst an Absolute Majority decision of Council is required relative to the car parking variation.
- The application is recommended for approval subject to conditions.



**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)**

BACKGROUND

Scheme Provisions

MRS Zoning	: Urban
CPS 5 Zoning	: Industrial
R-Code	: Not applicable
Use Type	: Storage and Office
Use Class	: Storage – 'P' Permitted Office – 'I' Incidental

Site Details

Lot Area	: 4647sqm
Street Tree(s)	: None applicable
Street Furniture (drainage pits etc)	: Power pole located within the verge
Site Details	: Refer to aerial photo above

[3412 22 Report And Floorplans 22 Weatherburn Way Kardinya](#)

DETAIL

The proposal satisfies all of the applicable CPS5 and Council Policy provisions with the exception of those matters outlined below:

CPS5 and Policy Requirements

Development Requirement	Required/ Allowed	Proposed	Comments	Delegation to approve variation
Plot Ratio	1.2	1.27	Requires assessment against amenity provisions of Clause 7.8 of CPS5.	Special Majority Decision of Council
Car Parking	48 (47.35) bays (incl. office)	25	Requires assessment against amenity provisions of Clause 7.8 of CPS5.	Absolute Majority of Council

PUBLIC CONSULTATION/COMMUNICATION

The application was not required under CPS5 to be advertised as the proposed variations are considered unlikely to affect any of the surrounding owners or occupiers given the industrial nature of the area, the car parking demand evidence supplied to the City and the location of the property at the end of a cul-de-sac.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

None required as part of this application.

**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)****STATUTORY AND LEGAL IMPLICATIONS**

Should the City of Melville refuse the application for Planning Approval, the applicant will have the right to have the decision reviewed in accordance with Part 14 of the *Planning and Development Act 2005*.

FINANCIAL IMPLICATIONS

There are no financial implications for Council to consider as part of this application.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

The proposal satisfies all of the relevant provisions within the applicable Council policies with the exception of Council Policy 079 – Car Parking (Non-Residential). This is addressed in the Comment section below.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

This application requires a Special Majority decision of Council with respect to the proposed plot ratio variation, and an Absolute Majority decision in respect of the car parking variation.

Council could refuse the application on the basis that the proposal does not satisfy the CPS5 requirements and is contrary to the orderly and proper planning of the locality. However, this course of action is not recommended, for reasons outlined in the Comment section below.

Council could also apply additional conditions of approval to amend the proposed development. Any additional conditions would have to be practical and enforceable.

Should the application be refused or the Applicant not agree with a condition which the City imposes, there is a right of appeal to the State Administrative Tribunal.

COMMENTS

As outlined above, a new commercial self-storage building is proposed at 22 Weatherburn Way, Kardinya.

The proposed self-storage facility is to comprise two buildings, each with two levels of storage accessed by service lifts. A small office is also proposed to provide administration space for the operation of the storage business.

**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)**

The storage units vary in size from 2.25m² to 22.5m². The Applicant states that this type of facility is primarily used for residential storage when customers are moving house or as additional storage space to de-clutter their homes. Businesses also use these types of premises for storage of equipment and the like.

Customers will be able to access the units 6am – 9pm each day. The office will be open 8am – 5.30pm Monday to Friday, 8am – 2pm Saturdays and 9am – 1pm Sundays.

Access to the storage units will be controlled via security gate and key pad and will only be available to staff and customers.

Land Use

The subject site is zoned Industrial pursuant to CPS5.

Within this precinct, Storage is a 'P' use and is therefore permitted subject to compliance with the development requirements set out within Part 4 of CPS5. Departures from the prescriptive development requirements are proposed in relation to plot ratio and car parking. These are addressed below.

Office is an 'I' use within the precinct which means the use is permitted only when incidental to a predominant use. The proposed office is to provide administration space for the operation of the self-storage facility. Due to its size and function, the proposed Office is considered to be incidental and as such its inclusion is supported.

Plot Ratio

CPS5 prescribes a maximum plot ratio of 1.2 within the Industrial precinct, however 1.27 is proposed. This additional plot ratio equates to an additional 330sqm of floorspace.

Clause 4.2 of CPS5 allows for variations to plot ratio (subject to a Special Majority decision of Council) where Council is satisfied that Clause 7.8 of CPS5 is met and that the non-compliance will not have an adverse effect upon the occupiers or users of the development, inhabitants of the locality or the likely future development of the locality.

The proposal is considered to satisfy Clause 4.2 for the following reasons:

- The scale of the proposed variation is considered minor,
- The building meets all of the other development requirements relating to built form, including building setbacks, building height and landscaping.
- The surrounding area to the east, west and south is zoned Industrial. Many lots within the area are developed with a similar built form, as such; the proposal would not result in any significant adverse impacts upon adjoining occupiers, nor the wider industrial area.
- The residential properties to the north of the subject site are located over 40m away. The bulk of the building is mitigated by this distance, but also by the building design and the existing vegetation located within the Garling Street road reserve adjacent to the site.

**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)***Car Parking*

Pursuant to Council Policy 079: Car Parking (Non-Residential), 48 car parking bays are required for the proposed development, however only 25 are provided.

Clause 4.2 of CPS5 allows for variations to car parking (subject to an Absolute Majority decision of Council) where Council is satisfied that Clause 7.8 of CPS5 is met and that the non-compliance will not have an adverse effect upon the occupiers or users of the development, inhabitants of the locality or the likely future development of the locality.

Three parking bays (including one disabled bay) are provided in front of the proposed Office for use by staff and customers. Individual parking bays for the self-storage units are not intended to be line marked, but instead provided in parking lanes where loading and unloading can occur adjacent to storage units.

The Applicant has provided a detailed traffic study undertaken by Aurecon on behalf of the Self Storage Association of Australasia which examines the car parking layout and the actual car parking demand associated with 32 existing self-storage facilities within Australia. The study concludes that such uses do not generate large volumes of traffic and there is no significant demand for car parking for a large proportion of the day / week.

Utilising the findings in the report, the car parking demand resulting from the type of facility proposed and its design would be in the order of 10 bays, however 25 bays are provided. On that basis, and with that level of provision, it is recommended in planning terms that the proposed car parking variation is supported.

In addition, the design of the parking lanes, as opposed to individual marked car parking bays is considered to be of benefit to allow ease of loading and unloading. Furthermore, the horse-shoe shaped access will encourage the through flow of traffic, minimising the likelihood of congestion or bottle necks, particularly at the entrance point.

CONCLUSION

It is considered that the proposed self-storage facility will not result in any significant adverse impacts upon the surrounding area or adjoining properties. Accordingly, the proposal is therefore recommended for approval.

**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)****OFFICER RECOMMENDATION (3412)****SPECIAL MAJORITY APPROVAL**

At 6.53pm Cr Foxtton moved, seconded Cr Macphail -

That the application for a self-storage facility at Lot 1 (22) Weatherburn Way, Kardinya be approved subject to the following conditions:

- 1. All stormwater generated on site is to be retained on site.**
- 2. Prior to the initial occupation of the development, security or flood lighting is to be installed to illuminate the interior laneway and parking bays to the satisfaction of the Manager Statutory Planning.**
- 3. Illuminated signage shall not flash, chase or pulsate.**

Advice Note

- 1. The Applicant is advised to liaise with Western Power regarding the relocation (if necessary) of the existing power pole within the road reserve prior to works commencing on site.**

Amendment

At 6.53pm Cr Reynolds moved, seconded Cr Willis -

That Condition 4 be added -

- 4. Prior to the occupation of the building, three trees shall be planted within the verge located to the north of the proposed building. The trees must be planted in accordance with the provisions of Council Policy CP-029 Street Tree Policy.***

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

CARRIED (13/0)

Reasons for Amendment

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

“To soften the visual appearance of the building when viewed from the residential area adjacent to the north of the proposed development.”

**P13/3412 - COMMERCIAL SELF-STORAGE FACILITY AT LOT 1 (NO. 22)
WEATHERBURN WAY, KARDINYA (SMREC) (ATTACHMENT)****COUNCIL RESOLUTION (3412)****SPECIAL MAJORITY APPROVAL**

At 6.58pm the Mayor submitted the substantive motion as amended –

That the application for a self-storage facility at Lot 1 (22) Weatherburn Way, Kardinya be approved subject to the following conditions:

- 1. All stormwater generated on site is to be retained on site.**
- 2. Prior to the initial occupation of the development, security or flood lighting is to be installed to illuminate the interior laneway and parking bays to the satisfaction of the Manager Statutory Planning.**
- 3. Illuminated signage shall not flash, chase or pulsate.**
- 4. *Prior to the occupation of the building, three trees shall be planted within the verge located to the north of the proposed building. The trees must be planted in accordance with the provisions of Council Policy CP-029 Street Tree Policy.***

Advice Note

- 1. The Applicant is advised to liaise with Western Power regarding the relocation (if necessary) of the existing power pole within the road reserve prior to works commencing on site.**

At 6.59pm the Mayor declared the motion

CARRIED BY SPECIAL MAJORITY (13/0)

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

Ward : Bicton/Attadale
 Category : Operational
 Application Number : DA-2013-185
 Property : Lot 30 (No. 50) Blackwall Reach Parade, Bicton
 Proposal : Three Storey (with Basement) Single House
 Applicant : Mr D Lomma
 Owner : D and J Canci
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Responsible Officer : Peter Prendergast
 Manager Statutory Planning

AUTHORITY / DISCRETION

DEFINITION

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

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

KEY ISSUES / SUMMARY

- Planning approval is sought for the construction of a three storey (with basement) single house at Lot 30 (No. 50) Blackwall Reach Parade.
- The proposal satisfies all of the relevant provisions of Community Planning Scheme No. 5 (CPS5), the Deemed-to-Comply provisions (previously known as Acceptable Development criteria) of the Residential Design Codes (the R-Codes) and applicable Council Policies, with the exception of variations in respect of boundary setbacks, overshadowing, visual privacy and building height.
- The application was advertised in accordance with Part 4 of the R-Codes. Six submissions were received opposing the proposal on the grounds of building height and building bulk, privacy, and overshadowing.
- In response to these submissions, amended plans have been submitted which have reduced the floor area of the dwelling, increased the boundary setbacks and reduced the height of the proposed dwelling. However, the development still requires assessment against the relevant Design Principles of the R Codes (formerly known as Performance Criteria)
- Whilst the objections are acknowledged, the amended proposal is considered to satisfy the amenity provisions of Clause 7.8 of CPS5, the relevant Design Elements of of the R-Codes and Council Policy.
- The approval of this application requires a Special Majority decision of Council because of the proposed building height.
- It is recommended that conditional approval is granted.



**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

BACKGROUND

The subject site contains an existing single storey dwelling which has access via a steep 1 in 3 driveway from Blackwall Beach Parade, and a second access via an existing right of carriageway from Barker Place.

The subject site is located on the downward side of a steep slope. It benefits from expansive views towards the Swan River overlooking Blackwall Reach. The natural topography of the lot presents a significant challenge to its development, there being a considerable fall across the site from east to west in the region of 11 metres, and a similar fall of 11m from north to south.

Scheme Provisions

MRS Zoning : Urban
CPS 5 Zoning : Living Area
R-Code : R17.5
Use Type : Residential
Use Class : Permitted

Site Details

Lot Area : 1257sqm
Retention of Existing Vegetation : Not applicable
Street Tree(s) : Not applicable
Street Furniture (drainage pits etc) : Not applicable
Site Details : Refer to aerial photo above

DETAIL

The proposal has been assessed against all of the relevant provisions of CPS5, the Deemed-to-Comply provisions of the R-Codes, and applicable Council Policies. The proposal satisfies all of these requirements with the exception of those matters listed below.

CPS5 and Policy Requirements

Development Requirement	Required/ Allowed	Proposed	Comments	Delegation to approve variation
Building Height	Maximum wall height - 9m (concealed roof)	12.4m	Requires assessment against amenity provisions of Clause 7.8 of CPS5	Special Majority decision of Council

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

R-Code Requirements

Development Requirement	Required/ Allowed	Proposed	Comments	Delegation to approve variation
Boundary walls	No Deemed-to-Comply boundary walls in areas coded R17.5	<i>Rear (east)</i> Ground floor Garage/Laundry Length - 11.5m Height - 1.5 - 2.9m	Requires assessment using Design Elements	Manager Statutory Planning (MSP)
		<i>Side (south)</i> Undercroft Office – 6.4m length and 0.93 – 3.96m height	Requires assessment using Design Elements	MSP
Boundary Setbacks	<i>Side (west)</i> Ground floor – Sunken Living – 5.3m First Floor – Master 5.5m	3.7m 3.7m	Requires assessment using Design Elements	MSP
Overshadowing	25%	11 Barker Place – 27%	Requires assessment using Design Elements	MSP
Visual Privacy	<i>Side (south)</i> Undercroft – Office – 4.5m	2.4m	Requires assessment using Design Elements	MSP
	<i>Side (west)</i> Undercroft – Activity – 6m	3.7m	Requires assessment using Design Elements	MSP
	Ground Floor – Sunken Living – 6m	3.7m		
	Ground Floor – Pool – 7.5m	2.5m		
	Ground Floor – Pool Deck – 7.5m	5.5m		
	First floor – Master suite 4.5m	3.7m		

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BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

PUBLIC CONSULTATION/COMMUNICATION

Advertising Required: Yes
 Neighbour's Comment Supplied: Yes
 Reason: In accordance with R-Codes and Council Policy
 Support/Object: Seven objections

Issue	Summary of Submission	Support/ Objection	Officer's Comment	Action (Condition/ Uphold/ Not Uphold)
Building Height	The variation to the permitted building height will have an adverse bulk impact upon the neighbouring lots and the streetscape. The variation is considered inappropriate and incompatible with its surroundings and will set a precedent.	Object	Despite the steeply sloping nature of the lot, the proposed dwelling has, in the main, been designed to be within the maximum height tolerance of Council Policy. Only a small portion of the building (the first floor Master Bedroom and Master Ensuite) extends above the maximum prescribed height of 9m to 12.4m. The remainder of the house is below 9m in height, with a large proportion being below ground level, particularly along the northern and eastern boundaries. The natural topography of the locality means that property located to the east is sited higher on the slope, above the position of the proposed dwelling. This means that the proposed dwelling will not be dominant or overbearing towards that property. A precedent will not be created, as all such development proposals are treated on their individual merit.	Not Uphold

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Views	The proposed dwelling will result in a loss of views.	Object	Given the topography of the locality, and the pattern of development within it, it is considered unlikely that views of any significance will be compromised. As such the visual amenity of existing residents is safeguarded. .	Not Uphold
Setbacks	The proposed setback variations will result in an unacceptable impact to privacy and bulk impact.	Object	The steeply sloping character of the area, and the position of existing residences within it combine to mitigate any potential adverse impacts that might otherwise result from the setback variations proposed. In addition, it is noted that there will be no loss of amenity caused by overlooking given the only areas overlooked from the subject property will be the roof of the adjoining dwelling to the west and an unused area of land of the lot to the south.	Not Uphold
Overshadowing	The overshadowing will have an adverse impact on the submitter's lot.	Object	The discretion sought in respect of overshadowing is minor. In addition, no active or habitable areas will be affected by overshadowing. Much of the area which will be overshadowed is unused land. As such, the proposed development meets the objectives of the Design Elements of the R Codes.	Not Uphold

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BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

Access	Use of the right of carriageway over 9 and 11 Barker Place, particularly during the construction phase, will result in a loss of amenity and safety for the other users of the driveway.	Object	The existence of a right of carriageway, and the subsequent use of that carriageway, is not a material planning consideration.	Not Uphold
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It is noted that since the advertising period the Applicant has submitted amended plans as a response to some of the points raised by submitters and the City. These changes include:

- The setback of the undercroft Activity Room, ground floor Sunken Living and first floor Master Bedroom has been increased by 1m
- The roof over the first floor level has been lowered by 0.2m
- The first floor curved feature wall is setback an additional 0.5m from the southern boundary
- The undercroft Cellar and Entertaining and ground floor scullery are setback an additional 0.3m from the southern boundary
- The overshadowing of 11 Barker Place has been reduced from 29% to 27%
- As a result of the increased setbacks, the floor area of the dwelling has reduced and the open space increased

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Swan River Trust

The Swan River Trust (SRT) have no objection in principle to the development as proposed, subject to the imposition of a number of conditions.

City of Melville Architectural and Urban Design Advisory Panel

The application was considered by the City's Architectural and Urban Design Advisory Panel on 30 April 2013 and the following comments made in relation to the design:

Architectural Panel comment	Architect's response	Officer comment
Privacy setback of office can be addressed through incorporating blade /screen wall.	Blade wall has been provided along the southern boundary to provide additional privacy screening.	Amended plans submitted incorporating a blade wall. It is noted however that the blade wall does not result in compliance with the Deemed-to-Comply provisions of the R-Codes, however the area of overlooking is adjacent to the boundary and the resultant overlooking does not compromise amenity does not include any areas sensitive to overlooking.

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Architectural Panel comment	Architect's response	Officer comment
Express concern regarding the maximum building. Recommend that given the topographical challenges associated with the site, it would be beneficial for a 3D model and a site section to be provided to enable full understanding of the proposed design, including ready identification of the areas of the structure that are over height.	A section and computer generated model of the proposal has been provided.	The additional information provided has assisted the City in its understanding of the proposed development, and the impacts that will result. It is clear from the information provided that the portion of the building that exceeds the 9m height tolerance is minor, and accepted in accordance with the relevant Design Elements of the R Codes.
Considered that the overshadowing variation should be reduced to 25% to meet the Deemed-to-Comply provisions of the R-Codes.	It is noted that the development marginally exceeds 25% (27%) however no sensitive spaces will be overshadowed, specifically, the main area overshadowed in unused land located under the house at 11 Barker Place.	Noted

STATUTORY AND LEGAL IMPLICATIONS

Should the City of Melville refuse the application for planning approval, the applicant will have the right to have the decision reviewed in accordance with part 14 of the *Planning and Development Act 2005*.

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

The proposal satisfies all of the relevant provisions of applicable Council Policies with the exception of the provisions outlined in CP – 066 – Height of Buildings.

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)****ALTERNATE OPTIONS & THEIR IMPLICATIONS**

The application is recommended for approval for the reasons outlined in the Comment section below. Should Council have an alternate view, the application could be refused, or alternatively, additional conditions may be imposed.

If Council refuses to grant approval, or if conditions of planning approval are imposed that are considered to be unreasonable on the part of the applicant, the option for a review of the decision to the State Administrative Tribunal, may be taken.

COMMENT

As stated, planning approval is sought to construct a three storey residential dwelling (with basement), at 50 Blackwall Reach Parade, Bicton.

The proposed development generally satisfies the relevant requirements contained within CPS5, the Deemed-to-Comply provisions of the R-Codes and Council policy with the exception of boundary walls, boundary setbacks, visual privacy, building height and overshadowing. These matters are addressed below:

Building Height

As outlined above, Council Policy 066: Height of Buildings prescribes a maximum wall height of 9m for a dwelling with a flat or concealed roof such as this. A small area of the dwelling (first floor Master Bedroom and Master Ensuite) exceeds the 9m wall height, it being up to 12.4m in height at that point. .

The height variation is supported for the following reasons:

- The subject site is significantly constrained by its topography as it slopes down from east to west by 11m and also down from north to south by 11m
- The proposed dwelling is designed in response to this topography, noting that a large portion of the proposed dwelling is sited below natural ground level due to the extent of excavation that is required
- The area which exceeds the 9m wall height relates to a small portion of the first floor Master Bedroom and Master Ensuite as shown in the two 3D diagrams provided by the Applicant below:

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

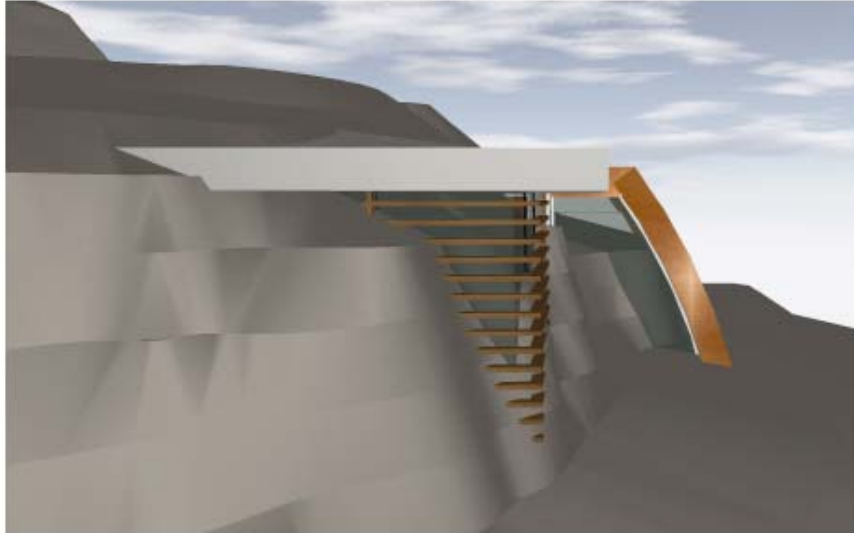


Image 3: The above image demonstrates the amount of the house above 9m above Natural Ground Level as viewed from the West.

- The area of the dwelling which exceeds the 9m wall height requirement is setback 4 – 6.5m from the southern boundary
- The house is setback in excess of 30m from the street and will remain under the maximum ridgeline of the slope that it sits on
- The majority of the house will be screened from the street by the dwelling under construction to the west (50A Blackwall Reach Parade).
- The predominant view from dwellings on the adjoining properties is in a south-west direction toward Bicton Baths and the surroundings. Due to the sharp increase in topography beyond the subject site to the north-east, where the ground level of the adjoining dwelling is approximately 4m higher than the subject site and due to the proposed subject dwelling being below ground level in the north-east corner, views from the adjacent property at 2 Lindsay Place will be unaffected
- The proposal will result in some compromise to the views of the River from 11 Barker Place, but as a significant view is maintained, this loss of view will not compromise the visual amenity levels enjoyed by residents of that property. In that context, it is noted that a fully compliant development proposal would also result in a degree of compromise to views from that property.
- The western and southern elevations of the proposed dwelling are well articulated through the use of staggered facades, varied materials, windows and a curved feature wall.

Overshadowing

The Deemed-to-Comply provisions of the R-Codes prescribe a maximum of 25% overshadowing to adjoining properties to the south, whereas the proposed development results in 27% overshadowing of 11 Barker Place.

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

The proposed overshadowing is considered to satisfy Design Element 5.4.2 of the R-Codes and is therefore supported for the following reasons:

- The scale of the variation is considered to be minor.
- The western portion of the existing dwelling constructed at 11 Barker Place is suspended above ground level by supporting columns. The area below the house is un-used and is not easily accessible by occupants of the dwelling. The majority of the overshadowing resulting from the proposed dwelling will fall upon this un-utilised space.
- The existing dwelling at 11 Barker Place has no major openings along its northern elevation which will be impacted by overshadowing from the proposed dwelling.
- The finished floor level of all of the habitable areas within 11 Barker Place is raised above natural ground level which safeguards the major openings in that building from the adverse impacts of overshadowing.

Boundary Walls

As outlined above, the R-Codes do not prescribe Deemed-to-Comply provisions relating to boundary walls on R17.5 coded properties. As such, applications for boundary walls on these properties require consideration against the relevant Design Element, and provided there is no adverse impact from the boundary wall(s), they can be successfully accommodated without prejudice to residential amenity.

In this case it is considered that the proposed boundary walls satisfy the relevant Design Element of the R Codes, and it is recommended they be supported for the following reasons:

- The two walls make effective use of the available space on the subject site which, if the walls were removed, would result in the creation of inaccessible, neglected and un-used areas on the site.
- The proposed wall along the southern boundary associated with the undercroft Office will abut an existing boundary wall on the neighbouring lot (11 Barker Place) on that basis; the provision of a boundary wall in this location is supported.
- The majority of the proposed wall along the eastern boundary associated with the ground floor Garage and Laundry is located below natural ground level. In addition, the land to the east slopes up steeply beyond the rear boundary, which mitigates any adverse impact that it might have had.

Boundary setbacks

The proposed boundary setbacks to the western boundary relating to the ground floor Sunken Living or the first floor Master Suite do not satisfy the Deemed-to-Comply provisions of the R-Codes. As such, the proposal has been assessed against, and found to be consistent with, Design Element 5.1.3 for the following reasons:

- The setback variations relate only to a small portion of the western boundary and result from the unique shape of lot at that point. The ground floor Sunken Living and the first floor Master Bedroom comply with the Deemed-to-Comply provisions in relation to the remainder of the western boundary and also the southern boundary.
- The subject lot is sited further up the slope than its neighbour to the west (50A Blackwall Reach Parade) and as such, any views from the proposed Master Bedroom and Sunken Lounge to the west are towards the roof of the neighbouring property. No major openings or outdoor habitable areas are visible from the proposed dwelling.

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

- Given the relationship that the proposed dwelling will have with its neighbour, coupled with the fact that the part of the dwelling that does not satisfy the setback requirement is modest there will be no significant impact upon the adjoining neighbouring lot in relation to access to sunlight or ventilation.

Privacy

As outlined above, the proposal does not satisfy the Deemed-to-Comply provisions of the R-Codes relating to visual privacy from a number of major openings and therefore requires assessment against Design Element 6.4.1.

The proposed development is considered to satisfy the above Design Element for the following reasons:

- The majority of the variations relate to overlooking of the adjoining property to the west (50A Blackwall Reach Parade), where views towards that property are restricted to the extensive roof area only, with no compromise to privacy
- The proposed Office along the southern boundary will allow limited overlooking of the adjoining property's (11 Barker Place) storage area and garage at an oblique angle. The subject window is however orientated west to gain views of the river, accordingly, it is considered unlikely that overlooking of that area will result. In any event, the area potentially overlooked is not considered to be of a sensitive nature.

Amenity

The proposed development has been assessed in accordance with the amenity provisions outlined in Clause 7.8 of CPS5 and Council Policy CP-067: Amenity. It is concluded that the details of the proposal are acceptable in this context, notwithstanding the variations sought.

CONCLUSION

Given its challenging topography, the development as proposed is considered to generally satisfy the objectives of the R Codes and Council planning policy. In essence the proposed dwelling will be viewed against the backdrop of a significant slope, the existence of which serves to mitigate its impact on the landscape. The development will complement other existing dwelling houses located on the slope overlooking the river. The variations sought to the development provisions of the R Codes and Council Policy are considered to be minor, with resultant impacts capable of being accommodated without detriment to residential or visual amenity. For these reasons, the proposal is recommended for conditional planning approval

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)****OFFICER RECOMMENDATION (3413)****SPECIAL MAJORITY APPROVAL**

That the Council:

- A) Approve the application for a three storey (with basement) single dwelling subject to the following conditions:
1. Prior to the initial occupation of the development, the surface finish of the boundary walls shall be to the satisfaction of the adjoining neighbour. In the event of a dispute, the surface finish shall be to the satisfaction of the Manager Statutory Planning.
 2. Roofing materials must not be highly reflective. The use of highly reflective materials (zinc or white coloured or coated metal roofing) may only be permitted through the grant of a separate planning approval.
 3. All stormwater generated on site is to be retained on site.
 4. The development shall be connected to the reticulated sewerage system prior to initial occupation of the development to the satisfaction of the Manager Statutory Planning.
 5. No wastewater/backwash from the swimming pool is to be discharged into the Swan River or the local government drainage system, as the treated water may contain chemicals that are detrimental to riverine ecology.
 6. Prior to the commencement of the development, a geotechnical report is to be submitted and approved in writing by the Manager Statutory Planning certifying that the proposed excavation works will not jeopardise the stability of the limestone ridge or neighbouring properties.
- B) Advise the residents who made submissions on the proposal in writing of A) above.

At 7.00pm Cr Macphail left the meeting.

REJECT AND REPLACE

At 7.01pm Cr Reidy moved, seconded Cr Taylor-Rees -

That the Officer Recommendation be rejected and replaced with:

That the Council defer consideration of the planning application for Lot 30 (No 50) Blackwall Reach Parade Bicton to the Ordinary Meeting of Council to be held on 17 September 2013 in response to the request of the landowner to enable further consultation to occur between the Applicant and the surrounding landowners.

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

CARRIED (12/0)

At 7.02pm Cr Macphail returned to the meeting.

**P13/3413 - THREE STOREY (WITH BASEMENT) SINGLE HOUSE AT LOT 30 (NO. 50)
BLACKWALL REACH PARADE, BICTON (SMREC) (CONFIDENTIAL ATTACHMENT)**

Reason for Reject and Replace

The Applicant has requested that the Council defer consideration of the application until the Ordinary Meeting of Council in September to allow further consultation to occur with the surrounding landowners with regard to the proposed height of the building and access during the construction phase of the development.

The Presiding Member advised Elected Members that the Meeting is now moving out of the Quasi-Judicial phase.

P13/3408 - AMENDMENT TO COUNCIL POLICY – CP-078: RESIDENTIAL DEVELOPMENT (REC) (ATTACHMENT)

Ward : All
 Category : Policy
 Application Number : Not applicable
 Proposal : Amendment to Council Policy – CP-078:
 Residential Development
 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 : P11/3248 – Ordinary Meeting of Council 20
 September 2011
 Responsible Officer : Peter Prendergast
 Manager Statutory Planning

AUTHORITY / DISCRETION

DEFINITION

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

P13/3408 - AMENDMENT TO COUNCIL POLICY – CP-078: RESIDENTIAL DEVELOPMENT (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- After a process of review, the Western Australian Planning Commission (WAPC) has recently released details of a number of amendments to State Planning Policy 3.1: Residential Design Codes (R-Codes). The changes were officially gazetted on 2 August 2013.
- Council Policy – CP-078: Residential Development includes reference to some R-Code terms and clauses which are themselves modified by the changes to the R Codes now introduced. It is important therefore that the Council Policy remains accurate in terms of its reference to the provisions of the R Codes, in which case modifications to the policy are proposed to ensure that consistency is achieved.
- In addition, it is proposed to amend the policy to provide additional Deemed-to-Comply (previously Acceptable Development) provisions for boundary walls, the setback of carports, secondary street fencing and gatehouses.
- It is recommended that Council adopt the modified policy for advertising in accordance with Clause 9.6 of Community Planning Scheme No. 5 (CPS5).

BACKGROUND

The current Council Policy – CP-078: Residential Development was adopted by Council on 20 September 2011.

The WAPC gazetted changes to the R-Codes on 2 August 2013. From that date on the updated R-Codes are to be applied in the determination of all residential development applications throughout Western Australia.

[3408 CP 078 Residential Development Policy](#)

DETAIL

The existing Council Policy – CP-078: Residential Development includes reference to some terms and clauses in the R-Codes which have been modified. The policy has subsequently been updated to reflect the new terminology and clause numbers. The most notable change in terminology is the replacement of 'Acceptable Development' and 'Performance Criteria' provisions with 'Deemed-to-Comply' and 'Design Principles' respectively.

In addition, for residential development proposals within the City of Melville, it is proposed to amend the policy to provide additional Deemed-to-Comply provisions for boundary walls, the setback of carports, secondary street fencing and gatehouses as follows:

Boundary Walls

The R-Codes have no Deemed-to-Comply provisions relating to boundary walls constructed on properties which have a density of less than R20. As such, all applications for boundary walls on these properties, notwithstanding their height and length, require assessment against the Design Principles (previously "Performance Criteria").

P13/3408 - AMENDMENT TO COUNCIL POLICY – CP-078: RESIDENTIAL DEVELOPMENT (REC) (ATTACHMENT)

Due to the large number of properties with a density of less than R20 within the City of Melville and the popularity of boundary walls, particularly associated with garages and carports, additional Deemed-to-Comply provisions have been included within the new policy to allow boundary walls not higher than 3m and not longer than 9m along side boundaries as of right. These wall height and length parameters are consistent with the Deemed to Comply provisions that already apply for boundary wall development in areas codes R20 and above, on the grounds that when built to such dimensions, boundary walls are deemed to have a negligible amenity impact.

In addition, for areas coded R20 and greater where there is an existing restriction to allow only one such wall per lot, it is proposed to remove that restriction and allow the construction of more than one boundary wall. This change in approach is considered to be a prudent one in planning terms given that the minimal impact envisaged by the “Deemed to Comply” provisions can be equally applied to more than one lot boundary, without compromise to the actual intent of those provisions, and without compromise to resultant amenity. In this context it is noted that irrespective of the number of boundary walls proposed, all development must satisfy the R-Codes in relation to open space and overshadowing.,

This change in Council policy will assist residents in readily achieving better design outcomes for their homes, as well as increased density, without compromise to amenity, and without the need to navigate the planning process.

The growing trend for single lot subdivision is a narrow lot subdivision outcome, where the need to utilise the whole lot width to create suitable homes becomes more important. The provision of boundary walls to more than one lot boundary is therefore an essential element of the design of such narrow lot developments, and the ease via which such development outcomes can be achieved is instrumental to this policy change.

Setback of Carports

The existing Residential Development policy requires carports to be setback a minimum of 4.5m from the primary street which is consistent with the setback requirement for garages. However, given the open sided nature of carports, it is considered that their impact upon the streetscape is less. As a result, to be consistent with the new Deemed-to-Comply provisions, it is proposed to amend the policy to allow the construction of carports up to 3m from the primary street boundary. In allowing a carport to be located up to 3m from the primary street boundary, criteria have been included within the policy which have to be satisfied, including the width of the carport not exceeding 50% of the frontage, an unobstructed view between the dwelling and street being maintained and the carport being constructed of compatible or suitably complimentary materials, style and roof pitch to the existing dwelling.

Secondary Street Fencing

The existing Residential Development policy requires fencing along all secondary street boundaries to be visually permeable for 50% of the length of the boundary. In applying this policy provision it has been noted that it at times does not provide adequate privacy to outdoor living areas. As such, the policy has been amended to allow solid fencing along the secondary street boundary where it abuts an outdoor living area. The remainder of the fencing is still required to be visually permeable however to increase the possibility for passive surveillance.

P13/3408 - AMENDMENT TO COUNCIL POLICY – CP-078: RESIDENTIAL DEVELOPMENT (REC) (ATTACHMENT)*Gatehouses*

The existing Residential Development policy prescribes a 1.5m maximum width for gatehouses within the front setback area. In application of this policy, it has been brought to the attention of officers that this width is insufficient to provide adequate circulation space within the gatehouse. As such, the policy has been amended to prescribe a 2m maximum width.

PUBLIC CONSULTATION/COMMUNICATION

Pursuant to Clause 9.6(b) of CPS5, should the Council resolve to adopt the proposed modified policy, it will be advertised via a notice in the local newspaper.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Clause 9.6(b) (ii) of CPS5 requires the Council to advise the WAPC of any policy proposal which affects the interests of the WAPC. The proposed modifications do not have regional significance; therefore the WAPC need not be consulted.

STATUTORY AND LEGAL IMPLICATIONS

The review of Council's policies improves their validity in review situations by the State Administrative Tribunal. Once finally adopted, the reviewed policy will carry a similar weight to CPS5.

FINANCIAL IMPLICATIONS

There are no financial implications which result from this report other than advertising costs for consultation and adoption purposes.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

The proposed modifications to the policy to reflect the changes to the R-Codes and will therefore ensure that the two documents are consistent with one another to reduce the possibility for errors to occur or for possible challenges.

The proposed changes to the Deemed-to-Comply provisions relating to boundary walls, secondary street fencing and width of gatehouses will increase the ability for residential property owners to undertake development as-of-right whilst not resulting in a significant adverse amenity impact upon adjoining properties.

P13/3408 - AMENDMENT TO COUNCIL POLICY – CP-078: RESIDENTIAL DEVELOPMENT (REC) (ATTACHMENT)**ALTERNATE OPTIONS & THEIR IMPLICATIONS**

The Council could decide not to adopt the proposed policy changes as recommended for advertising. This approach is not advocated in relation to the changes undertaken to bring the policy into conformity with the new terms and clauses within the R-Codes.

The Council could also resolve to amend the policy prior to advertising.

CONCLUSION

The proposed changes to the policy will allow consistency with State Planning Policy and will allow construction in accordance with current design practice and living standards. It is recommended that Council resolve to adopt the draft policy for advertising purposes.

OFFICER RECOMMENDATION (3408)**APPROVAL**

At 7.03pm Cr Kinnell moved, seconded Cr Reidy -

That the Council resolve pursuant to Clause 9.6(b) of Community Planning Scheme No. 5 to adopt the modified Residential Development Policy for public consultation via notice in a local newspaper for a period of 21 days.

3408 CP-078 Residential Development Policy**Amendment**

At 7.03pm Cr Reynolds moved, seconded Cr Foxtton -

That the Council Policy 3408 CP-078 Residential Development Policy be amended by deleting Clause C3.2(iii) and replacing the Clause with the amended text:

“iii in areas coded R20 and R25, walls not higher than 3.5m with an average of 3m up to a maximum length of the greater of 9m or one-third the length of the balance of the lot boundary behind the front setback.”

That the Officer Recommendation be amended by inserting the words “as amended” after the words “modified Residential Development Policy” and the link to the document.

At 7.08pm the Mayor submitted the amendment, which was declared

CARRIED (13/0)

P13/3408 - AMENDMENT TO COUNCIL POLICY – CP-078: RESIDENTIAL DEVELOPMENT (REC) (ATTACHMENT)Reasons for Amendment

The final gazetted version of the amended Residential Design Codes (R-Codes) dated 2 August 2013, incorporated an additional amendment to the R-Codes which up until that point, was not included. This amendment has a direct bearing on the City's proposed amended Residential Development policy.

At present, the proposed policy prescribes an as-of-right boundary wall on lots located within R20 and R25 codes areas as being where the length of the boundary wall does not exceed one third the length of the boundary behind the front setback line.

The newly gazetted R-Codes allow this as-of-right boundary wall to have a maximum length of the greater of 9m or one-third the length of the boundary behind the front setback. This change could have an implication on lots with short boundary lengths.

As such, and for the sake of consistency with the R-Codes Deemed to Comply provisions, it is proposed to amend the revised policy to allow the length of boundary walls proposed in R20 and R25 coded areas, to be the greater of 9m or one-third the length of the boundary behind the front setback.

COUNCIL RESOLUTION (3408)**APPROVAL**

At 7.08pm Cr Kinnell moved, seconded Cr Reidy -

That the Council Policy CP-078 Residential Development Policy be amended by deleting Clause C3.2(iii) and replacing the Clause with the amended text:

“iii in areas coded R20 and R25, walls not higher than 3.5m with an average of 3m up to a maximum length of the greater of 9m or one-third the length of the balance of the lot boundary behind the front setback.”

That the Council resolve pursuant to Clause 9.6(b) of Community Planning Scheme No. 5 to adopt the modified Residential Development Policy as amended for public consultation via notice in a local newspaper for a period of 21 days.

[3408 CP-078 Residential Development Policy as amended.](#)

At 7.17pm the Mayor submitted the substantive motion, which was declared

CARRIED (9/4)

Cr Nicholson requested that the votes be recorded –

For: Mayor Aubrey, Cr Foxtan, Cr Hill, Cr Kinnell, Cr Macphail, Cr Reidy, Cr Reynolds, Cr Robartson, Cr Willis.

Against: Cr Barton, Cr Nicholson, Cr Pazolli, Cr Taylor-Rees.

P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)

Ward : Palmyra/Melville/Willagee
 Category : Operational
 Application Number : DA-2013-346
 Property : Lot 55 on Diagram 91011, Willagee
 Proposal : Closure of the Pedestrian Access Way adjacent to 24 Webber Street and 2 Truslove Close, Willagee
 Applicant : Algeri Planning and Appeals
 Owner : State of Western Australia
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : None Applicable
 Responsible Officer : Peter Prendergast
 Manager Statutory Planning

AUTHORITY / DISCRETION

DEFINITION

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

P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)

KEY ISSUES / SUMMARY

- Council at its Ordinary Meeting on 18 June 2013 resolved to initiate the closure of the Pedestrian Access Way (PAW) to the rear of 24 Webber Street, Willagee for the purposes of advertising and consultation with the relevant infrastructure authorities.
- Formal advertising was subsequently undertaken for a period of 21 days, with two submissions received in response, one in support and the other in objection. The objection letter cites the impact on property value, reduced car parking, increased noise, light nuisance, and impact upon safety.
- No formal consultation was entered into with service authorities, on the grounds that it is proposed to amalgamate the PAW within the road reserve, which safeguards access to any service infrastructure, for those service authorities.
- It is considered that notwithstanding the representation received opposing the removal of the PAW, its closure should proceed as there are no apparent amenity or traffic safety implications that will result.
- It is recommended that Council resolve to recommend that the Western Australian Planning Commission (WAPC) close the subject PAW.



P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)**BACKGROUND**

Council at its Ordinary Meeting on 18 June 2013 resolved to initiate the closure of the Pedestrian Access Way (PAW) to the rear of 24 Webber Street, Willagee for the purposes of advertising and consultation with the relevant infrastructure authorities.

Scheme Provisions

MRS Zoning	: Urban
CPS 5 Zoning	: Living Area
R-Code	: R20/R25
Use Class	: Not applicable
Use Permissibility	: Not applicable

Site Details

Lot Area	: 2.857sqm
Street Tree(s)	: Yes, but not affected
Street Furniture (drainage pits etc)	: Not Applicable
Site Details	: Refer photo above

[3410 Site Plan 24 Webber Street Willagee](#)

DETAIL

The City is in receipt of an application to remove the PAW along the western boundary of 24 Webber Street, Willagee.

PUBLIC CONSULTATION/COMMUNICATION

Public consultation was undertaken for a period of 21 days to all landowners within Truslove Close in accordance with the WAPC's 'Procedure for the Closure of Pedestrian Access Ways' Planning Guidelines.

Two submissions were received as outlined below.

P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)

Submission Number	Summary of Submission	Support/Objection	Officer's Comment	Action (Uphold / Not Uphold)
1.	<p>Support for the removal of the PAW.</p> <p>The vegetation located within the Truslove Road reserve was planted and is maintained by the Body Corporate of 15 Truslove Close. Any damage to the reticulation and vegetation should be rectified at the Applicant's cost.</p>	Support	<p>Noted.</p> <p>The residents of any future dwelling accessed via Truslove Close will be responsible for the maintenance of the verge adjacent to their property in accordance with Council Policy – 086: Verge Treatment.</p>	<p>Uphold</p> <p>Uphold</p>
2	<p>The view from the submitter's dwelling will change and lower the value of their property.</p> <p>The cul-de-sac is frequently used for parking. The future construction of a crossover will affect this.</p> <p>There will be safety implications upon children who play within the cul-de-sac as a result of the increased traffic.</p> <p>The noise and light nuisance will increase as a result of the use of Truslove Close by an additional dwelling.</p>	<p>Objection</p> <p>Objection</p> <p>Objection</p> <p>Objection</p>	<p>Property value is not a material planning consideration.</p> <p>For safety reasons, Liveable Neighbourhoods does not support the parking of vehicles within the head of a cul-de-sac of this size.</p> <p>The addition of a single additional driveway is not considered to undermine the existing safety of the road. In addition, Webber Reserve is located less than 80m away for children to play.</p> <p>It is anticipated that the noise and light associated with one additional driveway will not result in any significant adverse noise and/or light impacts.</p>	<p>Not Uphold</p> <p>Not Uphold</p> <p>Not Uphold</p> <p>Not Uphold</p>

P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

Following Council's resolution to initiate the proposed PAW, a review was undertaken of the appropriate infrastructure providers and service authorities who may have an interest in the PAW. As the closure of the PAW results in the amalgamation of the land into the road reserve, it is noted that there will be no change to the accessibility of any underground infrastructure that may be located in the vicinity. Consequently, the City considered it unnecessary to consult any service authorities relating to the proposal. Furthermore, the applicant submitted a "Dial Before You Dig" report with the application which suggests that there is no infrastructure in the vicinity of the PAW.

STATUTORY AND LEGAL IMPLICATIONS

Should Council resolve to close the PAW, a copy of the Council minutes will be referred to the WAPC. The WAPC assesses the proposal and makes a decision to endorse or not endorse the PAW closure.

FINANCIAL IMPLICATIONS

There are no financial implications for Council to consider as part of this application. The relevant application fee paid to the City is intended to cover costs related to staff time in assessing the subject application.

It is proposed that the PAW be converted to road reserve rather than be purchased by the adjoining property owners, as such, there are no further financial implications for the adjoining property owners or the City as a result of the proposal should the PAW be closed.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

There are no Council policy implications in respect of the proposal.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

It is recommended that Council endorse the proposed PAW closure to the WAPC. There is no right of review of the final WAPC decision.

Council may resolve not to recommend approval of the closure of the PAW and on this basis the PAW will remain. This will however not prevent the future subdivision of 24 Webber

P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)

Street, as this property could instead be subdivided creating two narrow blocks both with frontage to Webber Street or a battleaxe subdivision accessed via Webber Street.

COMMENT

As stated, the Council, at its Ordinary Meeting of 18 June 2013, resolved to initiate the closure of the PAW along the western boundary of 24 Webber Street, Willagee.

The subject PAW is 28.52m in length and 0.1m in width. Due to its dimensions, the PAW does not in reality function as a PAW; rather, it serves to restrict access from the subject site to Truslove Close.

The Applicant seeks the removal of the PAW and conversion of the land into road reserve on the basis that the PAW prejudices the most appropriate form of subdivision of 24 Webber Street which would be to allow frontage to Truslove Close, as opposed to battleaxe configuration on to Webber Street.

The WAPC's Planning Bulletin No. 57: 'Planning Guidelines for Pedestrian Access Ways' (attached) and its accompanying guidelines (Planning Guidelines: Procedure for the Closure of Pedestrian Access Ways (October 2009) and Planning Guidelines: Reducing Crime and Anti-Social Behavior in Pedestrian Access Ways (October 2009)) specify the process for the closure of PAWs.

In accordance with the Council's previous consideration of this matter in June 2013, it is recommended that the WAPC be advised to formally close the PAW, on the basis of the following

- The PAW closure is effectively sought to allow a vehicular crossover to be provided on to Truslove Close from the western boundary of 24 Webber Street. In terms of potential impacts upon the functioning and safety of Truslove Close, it is noted that Element 2 of the WAPC's Liveable Neighbourhoods policy states that the desirable number of dwellings served by a single cul-de-sac such as Truslove Close is no more than 20. There are currently 18 dwellings (including nine aged care grouped dwellings) which access Truslove Close. Removal of the PAW would allow two further properties (24 Webber Street and 2 Truslove Close) to obtain access from the cul-de-sac of which, 2 Truslove Close has already been developed to have access on to Truslove Close via its southern boundary.
- The WAPC's Liveable Neighbourhoods policy also suggests no greater than 15% of neighbourhood lots should be served by cul-de-sacs. In Willagee, there are ten cul-de-sacs serving approximately 187 dwellings. The total number of dwellings in Willagee is approximately 1,984 (2011 ABS statistics). Therefore the percentage of housing stock serviced by cul-de-sacs in Willagee is below the suggested 15% (approximately 9.4%).

P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)

A key objective of the Residential Design Codes of WA (R-Codes) is to promote active frontages, the visual quality of streets and passive surveillance. In this regard, the potential future subdivision of 24 Webber Street to allow a dwelling with its frontage facing into Truslove Close would be more aesthetically appealing, provide better passive surveillance and create a more consistent streetscape than currently occurs (refer figure 1 below), or which would result if the lot were subdivided with access from Webber Street



Figure 1 – existing aspect of 24 Webber Street as viewed from cul-de-sac

- The ability to design a vehicular crossover on to the Truslove Close cul-de-sac is likely to allow for the retention of the existing Council street trees within the Webber Street road reserve one of which would potentially have to be removed should 24 Webber Street be subdivided in the future via narrow lot subdivision or battleaxe subdivision.
- One additional crossover on to Truslove Close is unlikely to result in any significant traffic safety, noise or light nuisance impacts upon the surrounding properties. The potential impacts of one additional dwelling accessing Truslove Close are considered to be negligible in this case.

Although the subject application seeks the removal of the PAW adjacent to 24 Webber Street, it is noted that the PAW also extends along the western boundary of 2 Truslove Close. Although this property is already developed and has access via Truslove Close along its southern boundary, for consistency, this additional portion of PAW will also be considered for closure.

CONCLUSION

It is concluded that the closure of the PAW in this case is supported. Consequently, it is proposed that Council resolve to recommend to the WAPC that the PAW is closed, and the land amalgamated within the existing road reserve.

P13/3410 - PROPOSED CLOSURE OF PEDESTRIAN ACCESS WAY ADJACENT TO 24 WEBBER STREET AND 2 TRUSLOVE CLOSE, WILLAGEE (REC) (ATTACHMENT)

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (3410)
RECOMMENDED FOR APPROVAL**

That the Council:

- 1. Advise the Western Australian Planning Commission that the City of Melville is supportive of the proposed closure of the existing Pedestrian Access Way along the western boundary of 24 Webber Street and 2 Truslove Close, Willagee, and the land being amalgamated within the existing road reserve.**
- 2. Request the Chief Executive Officer to advise the Applicant of 1) above, in writing.**

At 7.17pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (13/0)

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO THE SCHEME TEXT (REC)

Ward	:	University
Category	:	Strategic
Application Number	:	CPS5-67
Property	:	Portion of Lots 507, 510, 511, 512, 4083 and 52
Proposal	:	Final adoption of Amendment No. 67 to amend CPS5 to zone the mixed use precinct at the Murdoch Activity Centre and associated amendments to introduce structure plan provisions in to CPS5.
Applicant	:	Taylor Burrell Barnett Planning Consultants on behalf of Landcorp
Owner	:	State Government of Western Australia
Disclosure of any Interest	:	No officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	P09/3087 Murdoch Activity Centre Mixed Use Precinct And Main Street Design Guidelines – Ordinary Council Meeting 18 August 2009 T10/317-Infrastructure Management Implications Murdoch Activity Centre – Ordinary Council Meeting 21 December 2010 P11/3271 – Murdoch Activity Centre – Interim Access and Parking Policy – Ordinary Council Meeting 15 November 2011 P12/3314 – Confidential Item – Draft Murdoch Specialised Activity Centre Structure Plan 19 June 2012 P12/3344 – Murdoch Activity centre Draft Structure Plan – Consultation Phase P12/3355 – Initiation of Amendment No. 67 – Ordinary Meeting of Council 11 December 2012
Responsible Officer	:	Gavin Ponton Manager Strategic Planning

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO THE SCHEME TEXT (REC)

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

- Council at its Ordinary Meeting on 11 December 2012 resolved to initiate an amendment to Community Planning Scheme No. 5 (CPS5) to zone the Landcorp mixed use precinct within the Murdoch Activity Centre (MAC) as a Development Zone, in addition to incorporating associated structure plan provisions into CPS5 to support the operation of a Development Zone
- Following initiation, advertising was undertaken for a period of 42 days, commencing 30 April 2013. One submission was received during the consultation process in support of the amendment.
- Upon further assessment of the amendment following advertising, it was identified that further related amendments to CPS5 were required for the submission, assessment and approval of structure plans outside of Development Zones. These modifications have been undertaken as part of the subject Amendment 67.
- The modifications are considered minor as they do not alter the purpose and intent of the proposed Amendment, and as such, re-advertising is not considered necessary.
- It is recommended that the Council resolve to finally adopt the Amendment and that the Amendment documentation be forwarded to the Minister for Planning for finalisation and gazettal.

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BACKGROUND

Development Zone – Mixed Used Precinct, Murdoch Activity Centre

The MAC Part A Structure Plan, which focused on the south west quadrant of MAC, was approved in June 2007.

Advertising closed for the Murdoch Specialised Activity Centre Structure Plan on 8 February 2013. This Structure Plan is also known as the MAC Part B Structure Plan. The principles of the MAC Part A Structure Plan are in keeping with the contents of the wider Murdoch Specialised Activity Centre Structure Plan (MAC Part B).

Within this planning context, Landcorp have been progressing designs for the development of the Mixed Use Precinct (MUP), which comprises the land immediately to the south west of the Murdoch bus/rail station.

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO SCHEME TEXT (REC)

The site of the MUP, together with much of the south west quadrant at the MAC is currently reserved under the Metropolitan Regional Scheme (MRS) for Public Purposes. Development within the Public Purpose Reserve is controlled by the MRS and applications are determined by the Western Australian Planning Commission (WAPC). The reserve status of the land under the MRS effectively overrides the provisions of CPS5.

Maintaining the reserved status of land within the Murdoch Activity Centre, particularly in areas intended to be developed for non government activities, presents a constraint to control and implementation of future development. Accordingly, an amendment to the MRS has been initiated in relation to land the subject of the Landcorp Mixed Use Precinct. The amendment proposes zoning the land “Urban” under the MRS. Upon completion of the MAC Structure Plan, a wider amendment is expected to be progressed to further reduce the extent of “reserved” land and to consider designating portions of the MAC with a “Central City Area” zone under the MRS.

Zoning of land under the MRS (as opposed to reservation) enables the land to also be designated a zone and to be subject to planning controls under CPS5. Upon finalisation of the MRS amendment to the MUP, the land will effectively become unzoned land under CPS5. Identification of a suitable zone and planning controls under CPS5 is therefore required.

Current Amendment

To identify suitable zoning and planning controls under CPS5, Council at its Ordinary Meeting on 11 December 2012 resolved to initiate the subject amendment for the purposes of advertising and referral.

Scheme Provisions

Mixed Use Precinct - Murdoch Activity Centre

MRS Zoning	:	Public Purposes Reserve
CPS 5 Zoning	:	MRS Reserve for Public Purposes
R-Code	:	Not applicable
Use Type	:	Not applicable
Use Class	:	Not applicable

Site Details

Mixed Use Precinct - Murdoch Activity Centre

Lot Area	:	Approximately 9.5570 hectares
Retention of Existing Vegetation	:	Not applicable
Street Tree(s)	:	Not applicable
Street Furniture (drainage pits etc)	:	Not applicable
Site Details	:	Refer to aerial photo

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DETAIL

Current amendments to the MRS involving the removal of the Public Purposes reservation at the Murdoch MUP requires the land to be allocated a zoning under the CPS5. The approach being proposed by Landcorp is to provide for the creation of a Development Zone within CPS5 and to allocate this zoning over the MUP site.

Subsequently, Council at its Ordinary Meeting held 12 December 2012 resolved to initiate Amendment 67 to CPS5 to incorporate provisions relating to the Development Zones into CPS5 and to designate the MUP at Murdoch to be designated as a Development Zone.

Upon further review of the amendment during the advertising period, it was noted that under the Amendment as initiated, the application of a structure plan would only apply to areas designated 'Development Zone' and not to other areas within the City which may benefit from a structure plan such as Garden City or Canning Bridge. To allow the City to consider a structure plan for such areas would therefore necessitate that these areas be rezoned by scheme amendment to 'Development Zone' and then have a structure plan created. Accordingly, in order to streamline this process, modifications to the Amendment are now proposed to allow additional structure plan provisions to be incorporated within Part 10 of CPS5 to allow the City to consider structure plans within other areas of the City. The new proposed Part 10 to CPS5 details the administrative provisions for the submission, assessment and approval of a structure plan, including public consultation requirements.

PUBLIC CONSULTATION/COMMUNICATION

The amendment was advertised for a period of 42 days, commencing 30 April 2013, and concluding on 4 June 2013.

One submission was received during the advertising period in general support of the amendment. The submitter however does note that the scope of the proposed structure plan provisions need to be extended to other zones outside of the Development Zones to enable the preparation and adoption of structure plans within other activity centres. This request has been incorporated within the proposed modifications to the amendment.

The proposed changes to the amendment text relating to structure plans have been discussed with both the Applicant and the Department of Planning. The updated amendment is largely based on the standard model text required by the Department of Planning. It is considered that the proposed changes do not constitute material changes to the intent or effect of the amendment and therefore do not require further public advertising. This view was supported by officers at the Department of Planning. The amendment is largely administrative in nature.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

The amendment was referred to the Environmental Protection Authority (EPA) prior to advertising. The EPA did not raise any concerns in relation to the proposed amendment.

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO SCHEME TEXT (REC)

STATUTORY AND LEGAL IMPLICATIONS

Part 5 of the *Planning and Development Act 2005* allows Council to initiate amendments to planning schemes. Once initiated, Council must advertise the Amendment, consider submissions received and forward the proposal to the Minister for Planning for finalisation and gazettal.

FINANCIAL IMPLICATIONS

There are no financial implications of note with this Amendment.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Environment considerations

It is noted that any future structure plan received for the MUP Development Zone will be required to include a suitable land use designation and associated statutory provisions for the precinct including the retention and ongoing protection of the Conservation Area (as identified in the Scheme Amendment Report). This is consistent with Council's direction and resolution of 11 December 2012.

Strategic planning considerations

The proposed structure plan provisions are consistent with the City's draft LPS6 and the direction provided by the Department of Planning. The amendment would also facilitate the preparation of structure plans for Canning Bridge, Melville City Centre and Riseley Centre.

POLICY IMPLICATIONS

None applicable to the proposed Amendment.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

Council could choose to refuse to adopt the subject Amendment on the grounds that the proposal is not considered to be consistent with orderly and proper planning. This course of action is not recommended as upon gazettal of the current MRS amendment for the Murdoch MUP, the subject land will become unzoned land in CPS5. This situation is not desirable from a planning control viewpoint.

Council could also resolve to modify the Amendment to allocate an existing CPS5 zone to the subject land. This is also not recommended as the existing CPS5 zones are not well suited to the intended development of the MUP. Furthermore, this course of action would require further advertising of the amendment.

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In addition to the above, Council could choose not to endorse the further changes to Part 10 of CPS5 relating to structure plans. However this is not recommended as these provisions are considered to streamline and improve efficiency of planning processes relating to structure plans. If Council were to refuse the modifications regarding this process, land the subject of the requirement of a structure plan (i.e. Canning Bridge Precinct or Garden City) would first require a Scheme Amendment to rezone the land to Development Zone in order for the structure plan process to apply. This is undesirable and would have both cost implications and time delays for development within these areas.

Furthermore, Council could delay final consideration of the subject amendment to allow for further advertising of the amendment, however this course of action is not considered necessary as the proposed modifications are purely administrative. In addition, the Department of Planning have stated that the modifications need not be re-advertised.

CONCLUSION

The proposed Amendment zones the Murdoch MUP as a 'Development Zone' and also establishes the framework to control development within areas designated Development Zones. The proposed changes to the amendment also incorporate provisions relating to the submission, assessment and approval of structure plans throughout the City. The updated amendment is largely based on the standard model text required by the Department of Planning. It is recommended that Council resolve to support the proposed amendment and the modifications that have been undertaken to enable comprehensive future strategic planning for activity centres within the City.

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO SCHEME TEXT (REC)

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (3411) FINAL APPROVAL

A) That pursuant to Part 5 of the Planning and Development Act 2005, the Council adopt Amendment No. 67 to Community Planning Scheme No. 5 for final approval as follows:

- (i) Creation of a new “Development Zone” and associated provisions in Community Planning Scheme No. 5 by adding a new Section 12 to Clause 4.1 as follows:**

12. DEVELOPMENT ZONE

Statement of Intent

Development Zones as shown on the Scheme Map are those areas deemed to require comprehensive structure planning in order to:

- a) Co-ordinate subdivision and development in areas of urban growth; or
b) Facilitate redevelopment of existing urban areas.**

Schedule 6 describes the Development Zones in detail and sets out the specific purposes and requirements that apply to the Development Zones.

Subdivision and Development in Development Zones

The development of land within a Development Zone is to comply with Schedule 6.

The subdivision and development of land within a Development Zone is to generally be in accordance with any structure plan that applies to that land.

Structure Plan Required

The City is not to:

- (a) consider recommending approval for subdivision; or
(b) approve development**

of land within a Development Zone unless there is a structure plan for the Development Zone or for the relevant part of the Development Zone.

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Notwithstanding the above, the City may recommend approval for subdivision or approve the development of land within a Development Area prior to a structure plan coming into effect in relation to that land, if the City is satisfied that this will not prejudice the specific purposes and requirements of the Development Zone.

- (ii) Creation of a new “Part 10: Structure Plans” in Community Planning Scheme No. 5 as follows:

PART 10: STRUCTURE PLANS

10.1 REQUIREMENT FOR A STRUCTURE PLAN

10.1.1 The City may require a structure plan to be prepared in order to:

- a) Satisfy the requirements of ‘*State Planning Policy 4.2: Activity Centres for Perth and Peel*’ (as amended);
- b) Facilitate redevelopment in and around activity centres or urban areas;
- c) Co-ordinate subdivision, amalgamation and/or development of particular areas;
- d) Support a proposal to rezone or reclassify land; or
- e) Support a significant development proposal.

10.2 PREPARATION OF A STRUCTURE PLAN

10.2.1 A proposed structure plan may be prepared by:

- a) The City; or
- b) An owner or owners.

10.2.2 A proposed structure plan is to be prepared in accordance with:

- a) ‘*State Planning Policy 4.2: Activity Centres for Perth and Peel*’ (as amended) where the subject land is located within an activity centre;
- b) The Structure Plan Preparation Guidelines (as amended) or any other statute, planning policy or guideline endorsed by either by the Commission or the Council; and
- c) Part 10 of this Scheme.

10.3 SUBMISSION OF A STRUCTURE PLAN

10.3.1 A proposed structure plan prepared by an owner is to be submitted to the City.

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO SCHEME TEXT (REC)

10.3.2 Within 7 days of preparing or receiving a proposed structure plan which proposes the subdivision of land, or any activity centre structure plan for a Secondary Centre, Specialised Centre or District Centre where the shop-retail net lettable area exceeds 20,000m² in accordance with *State Planning Policy No.4.2 - Activity Centres for Perth and Peel* (as amended), the City is to forward a copy of the proposed structure plan to the Commission.

10.3.3 The Commission is to provide comments to the City as to whether it is prepared to endorse the proposed structure plan with or without modifications.

10.3.4 The Commission must provide its comments to the City within 30 days of receiving the proposed structure plan.

10.4 ADVERTISING OF A STRUCTURE PLAN

10.4.1 Within 60 days of preparing or receiving a proposed structure plan that conforms with the Scheme (or such longer time as may be agreed in writing between the owner who submitted the proposed structure plan and the City), the City is to:

- a) Advertise, or require the owner who submitted the proposed structure plan to advertise, the proposed structure plan for public inspection by one or more of the following ways:**
 - i. Notice of the proposed structure plan published in a newspaper circulating in the Scheme area;**
 - ii. A sign or signs displaying notice of the proposed structure plan to be erected in a conspicuous place or places on the land to which the proposed structure plan applies; and**
- b) Give notice or require the owner who submitted the proposed structure plan to give notice, in writing to:**
 - i. All owners whose land is included in the proposed structure plan;**
 - ii. All owners and occupiers who, in the opinion of the City, are likely to be affected by the adoption of the proposed structure plan;**
 - iii. Such public authorities and other persons as the City nominates.**

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO SCHEME TEXT (REC)

10.4.2 The advertisement and notice are to:

- a) Explain the scope and purpose of the proposed structure plan;**
- b) Specify when and where the proposed structure plan may be inspected; and**
- c) Invite submissions to the City by a specified date being not less than 21 days after the giving or erection of the notice or publication of the advertisement, as the case requires.**

10.5 ADOPTION OF A STRUCTURE PLAN

10.5.1 The City is to consider all submissions received and within 60 days of the latest date specified in the notice or advertisement for the making of submissions is to:

- a) Adopt the proposed structure plan, with or without modifications; or**
- b) Refuse to adopt the proposed structure plan and, where the proposed structure plan was submitted by an owner, give reasons for this to the owner.**

10.5.2 In making a determination under clause 10.5.1, the City is to have due regard to the comments and advice received from the Commission in relation to the proposed structure plan.

10.5.3 If the Commission requires modifications to the proposed structure plan, the City is to consult with the Commission prior to making a determination under clause 10.5.1.

10.5.4 If the City, after consultation with the Commission, is of the opinion that a modification to the proposed structure plan is substantial, the City may:

- a) Re advertise the proposed structure plan; or**
- b) Require the owner who submitted the proposed structure plan to re advertise the proposed structure plan;**

and thereafter, the procedures set out in clause 10.4 onwards are to apply.

10.5.5 If within the period referred to in clause 10.5.1, or such further time as may be agreed in writing between the owner who submitted the proposed structure plan and the City, the City has not made a determination under clause 10.5.1, the City is deemed to have refused to adopt the proposed structure plan.

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10.5.6 Where a proposed structure plan is submitted to the City before the gazettal of Part 10 provisions to this Scheme, and the procedures described under Part 10 are followed, it may be endorsed by the City as an operational structure plan upon gazettal of Part 10 to the Scheme without the requirement to further undertake the process described in Part 10.

10.6 ENDORSEMENT BY COMMISSION

10.6.1 If the structure plan proposes the subdivision of land, or any activity centre structure plan for a Secondary Centre, Specialised Centre or District Centre where the shop-retail net lettable area exceeds 20,000m² in accordance

with *State Planning Policy 4.2 - Activity Centres for Perth and Peel* (as amended), then within 7 days of making its determination under clause 10.5.1, the City is to forward the proposed structure plan to the Commission for its endorsement.

10.6.2 As soon as practicable after receiving the proposed structure plan, the Commission is to determine whether to endorse the proposed structure plan.

10.6.3 The Commission is to notify the City of its determination under clause 10.6.2.

10.7 NOTIFICATION OF STRUCTURE PLAN

10.7.1 As soon as practicable after adopting a structure plan under clause 10.5.1, and if clause 10.6 applies, as soon as practicable after being notified of the Commission’s decision under clause 10.6.3, the City is to forward a copy of the structure plan to:

- a) Any public authority or person that the City thinks fit; and
- b) Where the structure plan was submitted by an owner, to the owner.

10.8 OPERATION OF STRUCTURE PLAN

10.8.1 A structure plan comes into effect:

- a) Where the structure plan proposes the subdivision of land, or relates to an activity centre structure plan endorsed by the Commission, on the day on which it is endorsed by the Commission pursuant to clause 10.6.2; or
- b) On the day on which it is adopted by the City under clause 10.5.1 in all other cases.

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10.8.2 An adopted structure plan shall be given the same force and effect as if it was a provision, standard or requirement of this Scheme.

10.8.3 If a provision of a structure plan is inconsistent with a provision of the Scheme, then the provision of the Scheme prevails to the extent of the inconsistency, unless the structure plan has a clear statement of intent to vary the provision, land use and/or development requirement or the like specified in the Scheme.

10.9 INSPECTION OF STRUCTURE PLAN

10.9.1 The structure plan and the Commission’s notification under clause 10.6.3 is to be kept at the City’s administrative offices, and is to be made available for inspection by any member of the public during office hours.

10.10 VARIATION TO STRUCTURE PLAN

10.10.1 A structure plan may, subject to the approval of the Commission where required by Clause 10.6.1, be revoked by the City should it no longer serve

its stated purpose. The City shall notify any parties considered to be affected by this decision.

10.10.2 The City may vary a structure plan:

- a) By resolution if, in the opinion of the City, the variation does not materially alter the intent of the structure plan;**
- b) Otherwise, in accordance with the procedures set out in clause 10.4 onwards.**

10.10.3 If the City varies a structure plan by resolution, and the variation does not propose the subdivision of land, the City is to forward a copy of the variation to the Commission within 10 days of making the resolution.

10.10.4 If the City varies a structure plan by resolution, and the variation proposes the subdivision of land, the City is to forward a copy of the variation to the Commission within 10 days of making the resolution for its endorsement.

10.10.5 As soon as practicable after receiving the copy of the variation referred to in clause 10.10.4, the Commission is to determine whether to endorse the proposed variation.

10.10.6 The Commission is to notify the City of its determination under clause 10.10.5.

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO SCHEME TEXT (REC)

10.10.7 A variation to a structure plan comes into effect:

- a) Where the structure plan proposes the subdivision of land, or relates to an activity centre structure plan endorsed by the Commission, on the day on which it is endorsed by the Commission pursuant to clause 10.10.5; or
- b) On the day on which the City resolves to make the variation under clause 10.10.2 a).

10.11 LOCAL DEVELOPMENT PLAN

10.11.1 Where it is considered desirable to enhance, elaborate or expand the details or provisions contained in a structure plan or for a particular lot or lots, a local development plan may be prepared by:

- a) The City; or
- b) An owner or owners.

10.11.2 A local development plan may include details as to:

- a) Building envelopes;
- b) Distribution of land uses within a lot;
- c) Private open space;
- d) Services;
- e) Vehicular access, parking, loading and unloading areas, storage yards and rubbish collection closures;
- f) The location, orientation and design of buildings and the space between buildings;
- g) Advertising signs, lighting and fencing;
- h) Landscaping, finished site levels and drainage;
- i) Protection of sites of heritage, conservation or environmental significance;
- j) Special development controls and guidelines; and
- k) Such other information considered relevant by the City.

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10.11.3 When a proposed local development plan is prepared under clause 10.11.1, the City is to:

- a) Advertise, or require the owner who submitted the proposed local development plan to advertise, the proposed local development plan for public inspection by one or more of the following ways:
 - i. Notice of the proposed local development plan published in a newspaper circulating in the Scheme area;**
 - ii. A sign or signs displaying notice of the proposed local development plan to be erected in a conspicuous place or places in the on the land to which the proposed structure plan applies; and****
- b) Give notice or require the owner who submitted the proposed local development plan to give notice, in writing to:
 - i. All owners whose land is included in the proposed local development plan;**
 - ii. All owners and occupiers who, in the opinion of the City, are likely to be affected by the adoption of the proposed local development plan;**
 - iii. Such public authorities and other persons as the City nominates.****

10.11.4 The advertisement and notice are to:

- a) Explain the scope and purpose of the proposed local development plan;**
- b) Specify when and where the proposed local development plan may be inspected; and**
- c) Invite submissions to the City by a specified date being not less than 21 days after the giving or erection of the notice or publication of the advertisement, as the case requires.**

10.11.5 The City is to consider all submissions received and:

- a) Approve the local development plan with or without conditions; or**
- b) Refuse to approve the local development plan and, where the proposed local development plan was submitted by an owner, give reasons for this to the owner.**

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10.11.6 If within 60 days of receiving a local development plan prepared under clause 10.11.1 b) or such longer period as may be agreed in writing between the owner and the City, the City has not made one of the determinations referred to in clause 10.11.5, the City is deemed to have refused to approve the local development plan.

10.11.7 Once approved by the City, the local development plan constitutes a variation of a related structure plan.

10.11.8 The City may vary a local development plan provided such variations do not prejudice the intention of any related structure plan.

10.12 APPEAL

10.12.1 An owner who has submitted a proposed structure plan under clause 10.3.1 may appeal, under Part 14 of the Planning and Development Act:

- a) Any failure of the City to advertise, or require the owner to advertise, a proposed structure plan within the required time period under clause 10.4.1;
- b) Any determination of the City:
 - i. To refuse to adopt a proposed structure plan (including a deemed refusal); or
 - ii. To require modifications to a proposed structure plan that are unacceptable to that owner.

10.12.2 An owner who has submitted a local development plan in accordance with clause 10.11 may appeal, in accordance with Part 14 of the Planning and Development Act, any discretionary decision made by the Council under clause 10.11.

- (iii) Amending the Community Planning Scheme No. 5 Scheme Map by including reference to a “Development Zone” in the Scheme Map Legend and zoning of the Murdoch Mixed Use Precinct (portions of Lots 507, 510, 511, 512, 4083 and 52) as “Development Zone” as outlined in Attachment 2 to Report P12/3355.
- (iv) Introduction of a new “Schedule 6” in Community Planning Scheme No. 5 to apply to Development Zones and including specific provisions for the Murdoch Mixed Use Development Zone as follows:

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Schedule 6 – Development Zone

Development Zone	Description of Land Area	Special Provisions applicable to development and subdivision within the Development Zone
<p>DZ1 Murdoch Mixed Use Precinct</p>	<p>Part Lot 507, Part Lot 510, Part Lot 511, 512, Part Lot 4083, Part Lot 52 and Part of the Local Road Reserve (South Street) as depicted on the Scheme Maps.</p>	<p>Objectives The purpose and intent of the Murdoch Mixed Use Precinct is expressed in the following objectives to which the Council shall have regard when dealing with any proposed Structure Plan, subdivision or development within the Precinct:</p> <ul style="list-style-type: none"> a) The use of land within the development zone make provision for mixed use including (but not limited to), retail, commercial, office, entertainment, residential, short stay, medical, civic and community uses; b) The development of the Precinct is to be integrated with surrounding land uses and precincts; <p>Subdivision prior to the Adoption and Endorsement of a Structure Plan With respect to the requirement for the adoption and endorsement of a structure plan under Part 10, the Council may support subdivision within the Precinct prior to the adoption or endorsement of a Structure Plan provided that:</p> <ul style="list-style-type: none"> a) The proposed subdivision is not considered to prejudice the stated objectives of the Murdoch Mixed Use Precinct; and

P13/3411 - FINAL ADOPTION OF AMENDMENT NO. 67 TO COMMUNITY PLANNING SCHEME NO. 5 – ZONING OF THE MIXED USE PRECINCT AT MURDOCH ACTIVITY CENTRE AS “DEVELOPMENT ZONE” AND ASSOCIATED AMENDMENTS TO SCHEME TEXT (REC)

		<p>b) The proposed subdivision is not considered to prejudice the stated objectives of the Murdoch Mixed Use Precinct; and</p> <p>c) If a proposed Structure Plan for the Precinct has been lodged in accordance with clause 4.1 Section 12, the subdivision is generally in accordance with the provisions of that proposed Structure Plan.</p> <p>Protection of the Conservation Area Any proposed Structure Plan for the precinct shall be required to include a suitable land use designation and associated statutory provisions which require the retention and ongoing protection of the vegetation on the Conservation Area (as identified in the Scheme Amendment Report).</p>
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(v) Addition of new interpretations within Schedule 1 of Community Planning Scheme No. 5 as follows:

‘Activity Centre’ means an activity centre identified in the activity centres hierarchy of *State Planning Policy 4.2 - Activity Centre for Perth and Peel* (as amended);

“Activity Centre Structure Plan” means a structure plan for an activity centre prepared in accordance with *State Planning Policy 4.2 - Activity Centre for Perth and Peel* (as amended);

‘Major Development’ in relation to an activity centre, has the same meaning as given to it by *State Planning Policy 4.2 - Activity Centre for Perth and Peel* (as amended);

‘Proposed Structure Plan’ means a Structure Plan that has been proposed, but not yet approved by the City and/or the Commission in accordance with this Scheme.

‘Structure Plan’ means a Structure Plan that has been approved by the City and/or the Commission in accordance with this Scheme.

(vi) Amending the Use Class Table (Table 1) of Community Planning Scheme No.5 to incorporate a new column as follows:

Development Zone (DZ)
Land use permissibility subject to an adopted and endorsed Structure Plan, unless otherwise agreed by Council.

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- B) That His Worship the Mayor and the Chief Executive Officer be authorised to execute the Amendment document and have the Common Seal affixed.**
- C) That the Amendment document be forwarded to the Minister for Planning for final approval along with the advice that the Environmental Protection Authority raised no objection to the proposed Amendment.**

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

CARRIED EN BLOC (13/0)

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)**

Disclosure of Interest

Item No.	P13/3415
Member	Cr A Nicholson
Type of Interest	Interest Under the Code of Conduct
Nature of Interest	Member of Beeliar Regional Advisory Committee
Request	Stay, Discuss and Vote
Decision of Council	Not Required

Ward	: Various
Category	: Strategic
Application Number	: Not applicable
Proposal	: Endorsement of Murdoch Specialised Activity Centre Structure Plan
Applicant	: Not Applicable
Owner	: Various
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: Not applicable
Responsible Officer	: Gavin Ponton Manager, Strategic Urban Planning
Previous Items	T10/317 Infrastructure Management Implications Murdoch Activity Centre – Ordinary Council Meeting 21 December 2010 P11/3271 Murdoch Activity Centre – Interim Access and Parking Policy – Ordinary council Meeting 15 November 2011 P12/3314 Confidential item – Draft Murdoch Specialised Activity Centre Structure Plan – Ordinary Council Meeting 19 June 2012

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)**

AUTHORITY / DISCRETION

DEFINITION

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

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- Council at its meeting on 19 June 2012 resolved to provide an indication of conditional support to the Western Australian Planning Commission (WAPC) for the advertising of the draft Murdoch Activity Centre Structure Plan for public comment.
- In conditionally supporting the Structure Plan for advertising the Council advised the WAPC of a range of concerns regarding traffic and the need for additional infrastructure investment; additional detail with respect to project governance and implementation; status of the Murdoch centre in the metropolitan hierarchy; land tenure complications at Murdoch University and concerns regarding the location of a new road/transit corridor intersecting South Street opposite Prescott Drive.
- The draft Structure Plan was subsequently advertised for public comment, with the comment period closing on 8 February 2013.
- A total of 54 submissions were received in response to the advertising of the structure plan relating to a range of issues including traffic concerns, environmental considerations, enhanced public transport and improved urban environment.
- The structure plan has now been reviewed having regard to the submissions received. Key changes to the document include additional analysis of traffic and parking and pedestrian movement; updating of retail provisions in response to State Policy; and review of land use opportunities south of Farrington Road.
- In response to the City's earlier concerns the revised Structure Plan provides additional emphasis on the importance of key supporting infrastructure including a southern road link to an extended Roe Highway. Some additional response is provided in terms of project governance, implementation and leadership. The plan also acknowledges that the proposed link to South Street opposite Prescott Drive is problematic and requires further investigation.
- Overall the Murdoch Specialised Activity Centre Structure Plan is considered to provide an innovative and appropriate response to ensuring Murdoch develops to its optimal form. The structure plan has been prepared at a high level and will require further detailed planning to achieve implementation. The high level strategic approach of the plan is considered suitable given the scale of the study area and the long term timeframes associated with implementation.
- The Structure Plan includes additional content with respect to the importance of supporting road and public transport infrastructure and provides additional emphasis on the importance of establishing a sound governance framework to ensure that Murdoch achieves optimal development.
- It is recommended that the WAPC be advised of Council support for the final approval of the structure plan. In conjunction with this support it is recommended that the WAPC be advised of Council's ongoing concerns regarding the achievement of optimal development at Murdoch and the associated need for adoption of an appropriate governance structure, enhanced government leadership and commitment with respect to implementation and a particular commitment to provision of key supporting road and public transport infrastructure.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)****BACKGROUND****Scheme Provisions**

MRS Zoning	:	Various
CPS 5 Zoning	:	Various
R-Code	:	Not applicable

Site Details

Site Details	:	Not applicable
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Murdoch is identified as a Specialised centre under the State Government's planning framework *Directions 2031 and Beyond*. This high order classification is reflective of the locations strategic positioning on a major rail/bus route, the Kwinana Freeway, substantial amounts of developable land, major health infrastructure and major educational facilities.

The Department of Planning on behalf of the Western Australian Planning Commission in conjunction with the City of Melville and the Murdoch University commissioned consultants to commence the draft Murdoch Specialised Activity Centre Structure Plan in February 2011. The intent of the Structure Plan is to ensure that the Murdoch Activity Centre develops in accordance with its status as a Specialised Centre under Directions 2031 and beyond. Importantly the plan seeks to align the current strategic and development plans of all Murdoch institutions and landholders to ensure the most efficient and compatible use of land. Additionally structure planning is intended to consider a long term vision for the development of the Murdoch Activity Centre, promoting not just greater collaboration between parties but innovation in the master planning of the centre as a major knowledge based hub in conjunction with the existing regionally significant institutional activities.

In early 2012 a draft structure plan had been completed. Council at its meeting on 19 June 2012 considered the draft Structure Plan and resolved to provide an indication of conditional support to the Western Australian Planning Commission (WAPC) for the advertising of the draft Murdoch Activity Centre Structure Plan for public comment. This report provides an overview of the content of the Structure Plan and identifies a range of key issues of importance to the City and is included as an attachment to this item. (The report is no longer confidential as Council's resolution provided for release of the content of the report following commencement of public advertising.)

[3415 Report 12/3314 Confidential Item – Draft Murdoch Specialised Activity Centre Structure Plan](#)

Also attached is the City's response to the Department of Planning outlining the Council's conditional support for the progression of the Structure Plan to the public comment phase.

[3415 Letter to Department of Planning Outlining City's Conditional Support for Advertising](#)

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)****DETAIL**

Further to Council's resolution in June 2012, and following the Minister for Planning's approval, the draft Murdoch Specialised Activity Centre (MSAC) Structure Plan was advertised for public comment between November 2012 and February 2013.

A total of 54 submissions (17 from major stakeholders and 37 from the wider community) were received during the public comment period. Submissions raised a number of concerns including:

- traffic, safety and pedestrian impacts
- urban development adjacent to environmentally sensitive areas
- increased traffic on Farrington Road.

Submissions in support of the Plan included:

- landscape enhancements and resource conservation
- improved public transport
- mixed use, vibrant urban environment

A schedule of the submissions received, including a summary of content and response from the Project Working Group, are attached:

[3415 Community Submissions and Responses](#)
[3415 Stakeholder Submissions and Responses](#)

In response to the public comment period and following the initial feedback from the Council a further revision to the MSAC Structure Plan has been prepared. A copy of the modified version of the Structure Plan is attached.

[3415 Final Draft MSAC Structure Plan](#)

An overview of the outcomes of the public comment phase and subsequent modifications to the Structure Plan were presented to the Elected Member Information Session on 23 July 2013.

Key changes to the Structure Plan include:

- Additional clarification of infrastructure items required by 2021
- Acknowledgement of WAPC Access and Parking Policy provisions and travel demand assessments.
- Additional emphasis on pedestrian crossing priority across Murdoch Drive
- Adjustment to proposed shuttle bus routes connecting Precinct with Murdoch Station
- Lessened emphasis on Murdoch being allocated higher status in the metropolitan centres hierarchy
- Adjustment to retail provisions to remove reference to floorspace caps on Bull Creek and Kardinya shopping centres.
- Prioritising of 'local' retail activity within the Precinct Core.
- Increased acknowledgement of opportunity for residential uses south of Farrington Road
- Additional attention to suitability of residential land use adjacent wetlands and other environmentally sensitive areas.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)*****Comment***

The MSAC Structure Plan provides a high level guide to future development and planning of the Murdoch Specialised Activity Centre. Actual implementation of the initiatives contained within the structure plan will be largely reliant upon further studies, future decisions with respect to governance and investment and more detailed local structure planning. The structure plan however achieves its objective of formalising an agreed long term vision for Murdoch, establishing a framework for more detailed planning and highlighting that the optimal development of Murdoch is reliant upon ongoing commitment and investment from a range of stakeholders.

Key issues for the City of Melville arising from the structure plan and how they are responded to in the final draft of the plan are discussed below:

Additional investment in road and public transport infrastructure:

The structure plan recognises the likely need for additional substantial expenditure on infrastructure to ensure the optimal development of the centre. The importance of a southern connection to Murdoch via an extension of Roe Highway is included in the plan but references are non committal.

The Roe Highway extension is critical to the growth and function of Murdoch. Traffic and parking modelling for the development of the centre has proceeded on the basis of Murdoch having an alternative southern access. Whilst the value of this connection is recognised in the Structure Plan it is considered appropriate that State Government approval of the plan provide additional emphasis and commitment to the early implementation of a southern connection to Murdoch.

Murdoch in the Metropolitan Hierarchy of Centres:

The plan highlights the key advantages of Murdoch (a “specialised centre” under Directions 2031) over other centres such as Stirling or Fremantle which are identified as “strategic metropolitan centres”. The plan also identifies the greater growth opportunities at Murdoch in comparison to other “specialised centres” of Bentley/Curtin, Jandakot Airport and UWA/QEII. Initial drafts of the structure plan included an aspirational proposal to elevate Murdoch to a new higher order category of “Strategic Specialised Centre” in the Directions 2031 centres hierarchy. The final draft of the MSAC Structure Plan moves away from this option. Whilst it is recognised that a change in the Directions 2031 centres category for Murdoch may not be practical it is recommended that points of difference for Murdoch as a centre and potential second CBD for Perth continue to be highlighted as elements in support of further infrastructure investment and formulation of an appropriate governance model.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)***Land Tenure of Murdoch Square:*

A key feature of the structure plan is the intensive city centre scale development of “Murdoch Square” to the west of Murdoch Drive. The new centre would be located on land currently controlled by Murdoch University. Optimal development of Murdoch City under the proposed plan is dependent upon the commitment of the University to provide for Murdoch Square. Under this scenario there is a risk that Murdoch Square may not develop into an optimal mixed use CBD equivalent centre. Lack of diversity of land tenure opportunities may restrict diversity of activities and prove less attractive in attracting development and investment. Wider issues with respect to provision and maintenance of infrastructure and services are questioned. Responsibility for construction of roads, district drainage, rubbish collection, security, social services, community facilities, control of parking, connection of utility services and provision of public spaces etc are likely to be constrained under current tenure arrangements. The structure plan acknowledges the constraints presented by the current land tenure arrangements and incorporates specific recommendations in response to these issues. Land tenure is one example of a number of challenges that will necessitate strong leadership and governance to provide for the optimal development of Murdoch.

Retail uses within the Structure Plan:

The plan envisages development of a range of retail facilities to support and service developments within Murdoch itself. The structure plan has been modified to reflect current State government Policy for retail planning, which moves away from the use of statutory retail floorspace caps. The intent with respect to retail uses remains in that Murdoch will include retail uses to support the proposed additional development and that these uses will be directed into the two core areas. Changes are not proposed to the primary regional retail role of Booragoon and the car based district centre catchments of Bull Creek and Kardinya.

Residential Quadrants:

The plan identifies opportunity for long term intensification of the existing residential areas surrounding the Murdoch rail station and areas along the South Street transit corridor. The plan however does not propose immediate density increases in these surrounding residential areas based on the lifecycle of existing housing stock, economic demand and the merits of preserving opportunities for more intensive development in the long term. In coming years it is anticipated that the scale and intensity of Murdoch City will become more widely apparent. Opportunities will emerge for the surrounding residential areas to support and integrate with Murdoch City through the possibility of strategically planned medium to high density residential accommodation. An alternative approach involving short term introduction of zonings that would allow lower density infill development in these areas would preclude this longer term opportunity.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)***Dwelling Targets:*

The plan identifies the long term potential to accommodate 4,000 to 7,000 new dwellings throughout the Murdoch Activity Centre under the optimal development scenario. Movement toward this level of accommodation would emphasise the importance of Murdoch on a metropolitan scale. The approach of promoting intensive development within a key centre like Murdoch is in keeping with the principles followed by the City's draft Local Planning Strategy which aims at accommodating the majority of new dwellings in a network of strategically located centres. The strategy enables areas of lower density housing to be retained whilst achieving an overall intensification that supports improved levels of public transport enhanced levels of accessibility to jobs and services and more efficient use of resources.

Comprehensive Traffic Study:

The structure plan has been informed by a substantial number of traffic studies and modelling exercises. Whilst traffic analysis has been thorough, a comprehensive overarching study linking the extent of proposed development to specific recommendations with respect to road and public transport infrastructure is lacking. Commitments in relation to these matters is essential given analysis to date has largely alluded to the likelihood of congestion and concerns over the ability to achieve public transport mode share targets. Indications are that substantial investment in public transport and road infrastructure is required to support the development of Murdoch to an optimal level. Further investigation is essential to support the implementation of the initiatives contained in the structure plan, promote government commitment to the required infrastructure, enhance understanding of appropriate timing of infrastructure delivery and consideration of appropriate short term contingency measures.

Transit Corridor Intersection Adjacent Prescott Drive

A feature of the Structure Plan is the deviation of the South Street public transit corridor through the Murdoch University campus and connecting with the Murdoch rail station interchange. The plan indicatively shows this deviation of the transit corridor intersecting with South Street opposite Prescott Drive. An alternative route is also explored, providing the link to South Street at the current alignment of Discovery Way. The Council has previously expressed concerns regarding the Prescott Drive alignment, due to potential traffic conflict and congestion. The structure plan acknowledges these concerns and recognises that the alignment, in particular the connection to South Street will require further detailed investigations.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)***Governance and Additional Studies:*

The structure plan has been produced as a high level strategic document. Much of the detail to control specific developments or to establish an implementation model has been directed to further studies. On review it is recognised that the structure plan is suited to a high level approach, in the first instance, given the size of the project area and the range of planning challenges requiring a response. Implementation of the structure plan is now however dependent upon completion of these further studies. It is noted that the modified structure plan provides additional emphasis on the importance of leadership and governance in ensuring the plan is implemented. Specific plan recommendations identify the need to establish a unique and strong governance model. Leadership, commitment to supporting infrastructure and governance, however are recognised as the major risks to the optimal development of Murdoch. Additional assurance that these elements will be responded to is required. Similarly, clarification of the commitment of various agencies to undertake the identified additional studies is required.

PUBLIC CONSULTATION/COMMUNICATION

Preparation of the draft Murdoch Specialised Activity Centre Structure Plan was informed by a stakeholder and community engagement. In March 2011 a scoping workshop was held with primary stakeholders to identify aspirations for the area. This was followed by five themed workshops held between May and September 2011. An initial community briefing with the local community took place in May 2011. This was followed by a community workshop in July 2011 at which the public were invited to provide feedback on a number of conceptual options and ideas.

The public advertising phase for the draft structure plan, November 2012 to February 2013, included a further Community information Workshop. Feedback received during the public comment period has been used to guide the preparation of the final structure plan.

REFERRALS TO GOVERNMENT AGENCIES

Required:	Not applicable
Reason:	The draft Murdoch Specialised Activity Centre Structure Plan has been prepared following extensive consultation with government agencies. The Project Working group itself includes representation from Department of Planning, Public Transport Authority, Department of Transport, Department of Education and Training.

STATUTORY AND LEGAL IMPLICATIONS

Upon approval the Murdoch Specialised Activity Centre Structure Plan will provide the strategic framework to guide future development within the plan area. Determining authorities such as the WAPC and the City of Melville would be required to have regard to the plan when making decisions. Statutory implementation of the plan will necessitate additional approval of amendments to the Metropolitan Region Scheme and amendments to the City's Local Planning Scheme. Development control at a local level under a structure planning approach will also require preparation and approval of more detailed precinct plans for the individual precincts identified within the structure plan.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)**

FINANCIAL IMPLICATIONS

The draft Murdoch Specialised Activity Centre Structure Plan identifies the need for further studies to achieve effective implementation of the plan. Funds are proposed on the 2013/14 draft budget to commence the anticipated additional studies.

From a wider perspective the intensive development of Murdoch envisaged by the structure plan has the potential to provide additional rate revenue to eventually offset (and possibly exceed) the additional operational expenditure resulting from development (as outlined in Report T10/317-Infrastructure Management Implications Murdoch Activity Centre – Ordinary Council Meeting 21 December 2010).

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The City's Draft Local Planning Strategy outlines the general policy position with respect to future urban planning in the City. The Strategy aims to promote appropriate mixed use transit orientated development around rail stations and public transit corridors. The general principles contained within the draft Murdoch Specialised Activity Centre Structure Plan, are in keeping with this intention of the City's Local Planning Strategy. The levels and type of commercial/retail floor space proposed within structure plan is also compatible with centres hierarchy established under the City's existing commercial strategy. The approach of the plan to provide development control through a structure plan and associated precinct plans is also in keeping with that envisaged for the Murdoch Activity centre under the City's draft Local Planning Scheme No. 6.

Risk Statement	Level of Risk	Risk Mitigation Strategy
Infrastructure requirements and/or lack of a strong governance model may result in sub optimal development of Murdoch.	High	Continue to pursue strategy to demonstrate benefits of the optimal development of Murdoch far outweigh costs of required enabling infrastructure. Pursue need for strong independent governance model to ensure aspirations for optimal development of Murdoch are achieved.

POLICY IMPLICATIONS

There are no Policy Implications at this time.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)****ALTERNATE OPTIONS & THEIR IMPLICATIONS**

The City has been asked to consider the endorsement of the Murdoch Specialised Activity Centre Structure Plan.

There are two alternative options that Council could consider;

- (a) Advice to the Western Australian Planning Commission that it endorses the structure plan with or without comments or conditions.

- (b) Advice to the Western Australian Planning Commission that it does not endorse the structure plan.

The WAPC will consider any response by the City, however in determining the Structure Plan may not necessarily concur with any decision, conditions or requirements identified by the Council.

It is recommended that the Council endorses the structure plan, subject to various identified requirements and comments.

CONCLUSION

It is recommended that the draft Murdoch Specialised Activity Centre Structure Plan be endorsed. It is recommended however that the Western Australian Planning Commission in considering any approval of the MSAC Structure Plan have regard to the City's ongoing concerns relating to commitment to necessary supporting infrastructure to and the need for strong leadership and governance to deliver the project.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)****OFFICER RECOMMENDATION (3415)****APPROVAL**

At 7.19pm Cr Reynolds moved, seconded Cr Robartson -

That the Council advises the Western Australian Planning Commission that it supports the final draft of the Murdoch Specialised Activity Centre Structure Plan subject to the following requirements:

1. In approving the Structure Plan the Western Australian Planning Commission facilitates the implementation of recommendation 1 of the Structure Plan relating to Governance Models through the urgent determination and formulation of an appropriate governance body and the facilitation of that objective through the re-formation of leadership group including membership of the Director's General of the Departments of Planning and Transport and the Chief Executive Officer of Landcorp.
2. The Western Australian Planning Commission is requested to acknowledge that the proposed optimal levels of development envisaged by the Murdoch Specialised Activity Centre Structure Plan and the associated benefits to the State are reliant upon the implementation and delivery of key supporting infrastructure, in particular the provision of a southern road connection via Roe Highway. In these circumstances the Western Australian Planning Commission is requested to elevate the importance of commitment to and early delivery, by 2021, of such enabling infrastructure to that of a key recommendation of the Murdoch Specialised Activity Centre Structure plan. The Western Australian Planning Commission is also requested to acknowledge the need for further ongoing traffic investigations to fine tune the required timing for major infrastructure provision and the implementation of appropriate contingency actions to promote growth at the centre.
3. The Western Australian Planning Commission acknowledge that Murdoch has strategic points of difference over other Specialised and Strategic Metropolitan centres in the region and that the aspirational opportunity for Murdoch to develop into the second CBD for the Perth metropolitan area be maintained to support decisions with respect to planning, infrastructure investment, leadership and governance of the centre.

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)**Amendment

At 7.20pm Cr Nicholson moved, seconded Cr Pazolli -

That the following condition/requirement be added after point 3 as point 4;

- 4. That the maps and all references to the Murdoch South Precincts areas both the Murdoch South (University)", (which is north of Farrington Road) and "Murdoch South" (which is south of Farrington Road, within the City of Cockburn) as shown in the final draft structure plan be amended to align with the correct zoning of "parks & recreation".***

At 7.27pm Mr Ponton entered the meeting.

At 7.45pm the Mayor submitted the amendment, which was declared

LOST (3/10)

Cr Nicholson requested that the votes be recorded –

For: Cr Nicholson, Cr Pazolli, Cr Taylor-Rees.

Against: Mayor Aubrey, Cr Barton, Cr Foxtan, Cr Hill, Cr Kinnell, Cr Macphail, Cr Reidy, Cr Reynolds, Cr Robartson, Cr Willis.

COUNCIL RESOLUTION (3415)

APPROVAL

At 7.45pm the Mayor submitted the Officer Recommendation –

That the Council advises the Western Australian Planning Commission that it supports the final draft of the Murdoch Specialised Activity Centre Structure Plan subject to the following requirements:

- 1. In approving the Structure Plan the Western Australian Planning Commission facilitates the implementation of recommendation 1 of the Structure Plan relating to Governance Models through the urgent determination and formulation of an appropriate governance body and the facilitation of that objective through the re-formation of leadership group including membership of the Director's General of the Departments of Planning and Transport and the Chief Executive Officer of Landcorp.**

**P13/3415 – MURDOCH SPECIALISED ACTIVITY CENTRE STRUCTURE PLAN (REC)
(ATTACHMENT)**

2. The Western Australian Planning Commission is requested to acknowledge that the proposed optimal levels of development envisaged by the Murdoch Specialised Activity Centre Structure Plan and the associated benefits to the State are reliant upon the implementation and delivery of key supporting infrastructure, in particular the provision of a southern road connection via Roe Highway. In these circumstances the Western Australian Planning Commission is requested to elevate the importance of commitment to and early delivery, by 2021, of such enabling infrastructure to that of a key recommendation of the Murdoch Specialised Activity Centre Structure plan. The Western Australian Planning Commission is also requested to acknowledge the need for further ongoing traffic investigations to fine tune the required timing for major infrastructure provision and the implementation of appropriate contingency actions to promote growth at the centre.
3. The Western Australian Planning Commission acknowledge that Murdoch has strategic points of difference over other Specialised and Strategic Metropolitan centres in the region and that the aspirational opportunity for Murdoch to develop into the second CBD for the Perth metropolitan area be maintained to support decisions with respect to planning, infrastructure investment, leadership and governance of the centre.

At 7.57pm the Mayor submitted the motion, which was declared

CARRIED (11/2)

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)

Disclosure of Interest

Item No. P13/3405
 Member Cr R Hill
 Type of Interest Interest Under the Code of Conduct
 Nature of Interest Chairperson of Melville Cares – Melville Cares use facilities at Reserve 24478, Arthur Kay Reserve, 1 Archibald Street, Willagee as part of their services to community.
 Request Stay, Discuss and Vote
 Decision of Council Not Required

Ward : Not applicable
 Category : Strategic
 Application Number : Not applicable
 Proposal : Initiation of an Expression of Interest Process for Strategic Properties owned by the City of Melville
 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 : Not applicable
 Responsible Officer : Gavin Ponton
 Manager, Strategic Urban Planning

AUTHORITY / DISCRETION

DEFINITION

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

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)**KEY ISSUES / SUMMARY**

- The City has been considering opportunities for the use of its strategic land holdings to create alternative revenue stream and reduce reliance on rates
- The City's Corporate Plan 2012 – 2016, in particular supports as an action the strategic purchase of income producing property so as to reduce reliance on rates.
- A review of Council Policy CP-005 Land and Property Retention, Disposal and Acquisition has provided initial clarity in respect to the City's intent and its desire to seek strategic outcomes from within its property portfolio, and the Council has indicated a preference for low risk strategies including ground leasing of strategic assets and other similar methods of creating recurrent income generation
- The City has been exploring various approaches to progress the above actions with respect to strategic properties.
- The City's property at Lot 30, 13 The Esplanade (Canning Bridge Senior Citizens site) is an example of a strategic property with potential to generate revenue. An example of a potential development of this site in conjunction with adjoining sites has previously been the subject of a presentation to Elected Members.
- In exploring opportunities for strategic properties it became apparent that initial discussions with other parties are constrained due to the fact that ultimately the City could only progress dealings on the property following a public process such as a tender of Expressions of Interest process. Intellectual property or business in confidence details disclosed during initial negotiations would ultimately need to be shared with others during the tender or EOI process.
- Accordingly it is recommended that with respect to exploring development opportunities for strategic property landholdings that the Council formalise the approach for initiating discussions with developers and landowners via an Expression of Interest process.
- The Expression of Interest process proposed will enable the City to seek an indication from the private sector in respect to the interest in developing, acquiring or joint venturing City. By articulating the City's expectations and desires through these Expression of Interest documents, the City can advise the private sector as to what it is intending to achieve, thereby seeking feedback from the sector as to whether these achievements are possible.
- This process will enable the City to seek out, appoint and negotiate terms with a suitably qualified and experienced company in respect to its strategic properties. The formalised process avoids potential concerns from the private sector regarding loss of commercial confidentiality, provides opportunities for the private sector to demonstrate creativity and innovation with respect to unique sites and provides a foundation in which full and frank negotiations can be advanced

BACKGROUND

The City of Melville currently owns and controls a significant and diverse property portfolio.

This portfolio, whilst primarily used to provide services, facilities and benefits to its community, also includes a number of properties that are considered to be highly strategic land holdings capable of providing alternate income streams to the City in future years. For some time the City has been considering these strategic land holdings and the best options available for the development, disposal, acquisition of adjacent property, or joint venture agreement over these properties to realise the maximum benefit to the City and the community.

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)

Several of these sites accommodate existing community groups who generally operate as a stand alone facility. This proposal also provides an opportunity to work with these groups within the community hub model that Council has adopted. This model promotes shared use and multi-occupancy of Council facilities to deliver improved outcomes for the whole community.

For the most part, these considerations have resulted in strategies, master plans and other planning processes being initiated to provide greater clarity with respect to the most appropriate form of land use for these properties and the function that these properties will have in the broader regeneration or redevelopment of the area in which they are located. These planning strategies and master plans will provide clarity in respect to the most appropriate forms of land uses proposed for these properties. The means by which the City will use these properties to achieve these outcomes, the role of the City in such developments and the methodology by which the City will retain interests in these properties (where appropriate) to create the recurrent income stream sought, is, however, as yet unknown.

The recent adoption of Council Policy CP-005 Land and Property Retention, Disposal and Acquisition, has provided initial clarity in respect to the City's intent and its desire to seek strategic outcomes from within its property portfolio, and the Council has indicated a preference for low risk strategies including ground leasing of strategic assets and other similar methods of creating recurrent income generation.

The City recognises that there are several methodologies by which the City can retain equity within a property after it is identified for development including;

- Ground leasing,
- Public Private partnership
- Transfer of property equity to equity share in final product
- Strata ownership of final product
- Development and lease by the City.

Each of these methodologies may only apply to certain properties and to certain scenarios, often related to the strategic value of the property in question, the type and scale of land use proposed, and the joint venture partner (if any) with whom the City is considering an agreement.

As outlined above, approaches for the City's strategic properties may include a wide range of development, land use and tenure options and could include consideration of development in conjunction with adjoining privately owned sites. In order to fully explore development options, both the City and interested private entities would be required to make available information that may be commercial in confidence in nature.

In considering development options for its properties, the City would also be required by legislation to progress discussions with a high level of public disclosure. It is expected that this situation may deter interested parties in progressing negotiations given that any commercial details provided to the City may become publically available in any future Expression of Interest or Tender process in respect to the property, effectively benefitting potential direct competitors in the process.

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)

With respect to exploring development options for the future of the City's strategic properties it is recognised that if development partners and/or disposal are to be considered then a formal process such as a Tender or Expression of Interest would need to be followed. There is benefit in commencing these processes early in the examination of options for strategic properties given that the process is likely to identify potential development partners capable of delivering projects in a manner envisaged by the City and to identify options to enable the City to achieve its broader property strategy of recurrent income generation from its property assets.

This Expression of Interest process would enable the City to seek formal Expressions of Interest from the private sector and from suitable qualified and experienced companies in respect to the potential development, joint venture arrangement, ground leasing or acquisition of selected strategic properties.

By using this process, the City would be able to clearly articulate what it was intending to achieve, what methods it preferred and how it desired to retain an interest in these strategic properties over the longer term. The private sector would then be able to consider the City's position and make a formal Expression of Interest responding directly to the City's expectations.

If any Expressions of Interest received were deemed to be suitable, then the City would then be able to enter into more detailed discussions and negotiations with the preferred company, with the express intent of reaching a formal agreement for the development of the property in question. These negotiations, due to the Expression of Interest process having been used, would enable both parties to speak openly in respect to intellectual property without any concern that this would be used in any future public process.

Assuming that such negotiations resulted in the City reaching a suitable outcome with respect to the property concerned, then the City would simply be required to either advertise its intent to dispose of the property (by way of purchase, lease or other form of disposal) in accordance with Section 3.58 of the Local Government Act 1995 or it would be required to develop a Major Land Transaction Business Plan seeking public submissions on the proposal in accordance with Section 3.59 of the Local Government Act 1995.

Restrictions as to the Properties Suitable for this Process

Whilst the City owns and has identified a number of potentially strategic properties that would benefit from future arrangements such as ground leasing, development, joint venture or other forms of agreement with a third party, due to the status of planning processes across the City, not all such properties are appropriate for the City to advertise for Expressions of Interest.

Given that the Expression of Interest document, as advertised, will need to clearly outline the City's preferred methods of development, joint venture, disposal or property retention, the document will also need to clearly identify the long term vision for the area in which the property is located as well as the scale, density and land uses permissible within this vision.

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)**Format of any Expression of Interest Document**

The Expression of Interest document developed for this purpose and for public advertising is intended to be developed specific to each property, or groupings of properties, on a case by case basis. Whilst a format and some of the content may be transferrable from document to document, it is intended that each document will be written specific to the properties concerned and the specific intentions and aspirations of the City with respect to those properties..

Council Approval for any Outcome

Whilst the Expression of Interest process is designed to highlight the types of arrangements that might be able to be entered into between the City of Melville and a third party with respect to its strategic properties, it is intended that the Expression of Interest process will remain subject to Council approval once any expressions have been received.

Upon completion of an Expressions of Interest process, preliminary discussions would be undertaken with any preferred developers/partners in order to establish the principles of any possible agreement. Details of any proposed draft agreement and the terms of any negotiations conducted would then be presented to the Council for formal consideration, progression of negotiations and initiation of statutory advertising if deemed applicable.

Details of the Expression of Interest process for strategic properties were presented at the Elected Members Information Session held 11 June 2013.

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)**Scheme Provisions**

MRS Zoning	:	Varied across precinct area and location of the City of Melville
CPS 5 Zoning	:	Varied across precinct area and location of the City of Melville
R-Code	:	Not applicable

Site Details

Site Details	:	There are a number of properties owned or controlled by the City which present strategic characteristics. The properties present opportunities for development and/or disposal and are largely located in precincts currently or recently undergoing detailed structure planning or visioning. Such properties that may warrant further investigation include, but are not be limited to;
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Canning Bridge Senior Citizens/Former Meals on Wheels facility Site

- Lot 30 (13) The Esplanade, Mt Pleasant
- Lot 24 Kishorn Road, Mt Pleasant

Canning Bridge Car Park, Library site

- Lots 791-792 Canning Highway, Applecross

Melville Bridge Club , and former Applecross Pre-Primary School site

- Lots 24-27 (788-794) Canning Highway, Applecross

Baden Powell Reserve

- McCallum Crescent, Applecross

Stock Road/Canning Highway

- Lots 830-832 (36-38A) Waddell Road, Palmyra
- Lot 55 (391) Canning Highway (south west corner of Stock Road), Palmyra
- Lot 2 (410) Canning Highway, Attadale

Former Carrawatha Primary and Surrounds

- 10 Archibald Street, Willagee
- Reserve 24478, Arthur Kay Reserve, 1 Archibald Street, Willagee

Deep Water Point Reserve (Café)

- The Esplanade, Mount Pleasant

Melville City Centre

- Land in the vicinity of the Civic Centre

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)**PUBLIC CONSULTATION/COMMUNICATION**

Advertising Required:	Yes
Neighbour's Comment Supplied:	Not applicable
Reason:	Expressions of Interests called for any property are anticipated to be full public documents. In addition, any proposal to dispose, dispose by way of lease, develop, sell, joint venture or in any way undertake a Major Land Transaction is subject to statutory advertising and the seeking of public comments in accordance with the Local Government Act 1995.

Several sites currently accommodate single use facilities operated by community groups. The City recognises these groups are valuable community assets and that this proposal presents an opportunity to work within the Council's Neighbourhood Development Policy that promotes the community hub model. The community hub model promotes shared use, ensures sustainability of groups, better utilises Council facilities, ensures accessibility, and delivers an improved outcome for the whole of community. A communication plan will be implemented to ensure any affected groups are aware of relevant Expressions of Interests processes that may apply to the property they accommodate. In some instances groups have already been advised that their facilities are located on strategic sites for the City and engagement has commenced.

STATUTORY AND LEGAL IMPLICATIONS

Whilst there are no statutory implications as result of any Expression of Interest process being initiated, the disposal, disposal by way of lease, development, joint venture, development or in any way carrying on of a Major Land Transaction, requires such proposals to be carried out in accordance with Section 3.58 and Section 3.59 of the Local Government Act 1995.

FINANCIAL IMPLICATIONS

The cost associated with the Expressions of Interest (EOI) process would relate to staff and/or consultants time to develop EOI specifications, subsequent advertising costs and review/determination of submissions.

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
The Council does not support the commissioning of Expression of Interest for strategic properties	Medium Risk	Further discussion with the Council to determine the most appropriate alternate method for achieving Policy objectives.
Expressions of Interest do not result in any Expressions being received	Low Risk	Initiate discussions with property sector to determine if the City is unrealistic in its expectations for these properties
Expressions of Interest received do not meet the expectations of the Council or meet its long term Policy objectives.	Low Risk	Provide sufficient options within the Expression of Interest document to enable broader private sector consideration to be received.
Lack of communication with relevant community groups results in disengaged groups	Medium Risk	Implement communication plan with identified groups

POLICY IMPLICATIONS

Council Policy CP-005 titled Land and Property Retention, Disposal and Acquisition, relates to the acquisition and disposal of property. Whilst no property has been identified for acquisition or disposal as a result of this report, the commissioning of any Expression of Interest process may result in further recommendations to Council for the acquisition or disposal of property, which would then be subject to policy provisions.

Council Policy CP-037 Neighbourhood Development Policy relates to the development and support of the community hub model to facilitate the delivery of services to our community. The Policy supports community facilities that are co-located with other groups, accessible, multi-functional, and well utilized.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

In preference to commissioning an Expression of Interest process, the Council may resolve to list certain strategic properties for sale, or wait until a formal approach is received with respect to any of its properties from the private sector.

In both instances, the Council would not be able to consider alternate options for the development, retention, acquisition or joint venture of these properties, being limited to only the direct sale or any form of offer proposed by a third party.

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)**CONCLUSION**

The City has for some time identified the existence of highly strategic land assets within its portfolio, capable of creating alternate income streams or acting as development activators in areas of the City. For some time, the Council has discussed the means by which the City could retain ownership or interest in these properties after development so as to maintain capital gain benefits upon these assets as well as delivering the income stream sought.

Whilst the City's assets are indeed highly strategic in nature, there is no way to ascertain what form of arrangement can be accommodated with respect to these properties and how the City can best negotiate to achieve highest and best returns or retain interest in these properties post development.

The City is familiar with options such as ground leasing, however equally it is understood that ground leasing is not a common practice in Western Australia and may in fact not be appropriate for many of the assets held by the Council.

The Expression of Interest process proposed will enable the Council to seek an indication from the private sector in respect to the interest in developing, acquiring or joint venturing these properties with the City of Melville. By articulating the City's expectations and desires through these Expression of Interest documents, the City can advise the private sector as to what it is intending to achieve, thereby seeking feedback from the sector as to whether these achievements are possible.

This Expression of Interest process will enable the City to seek out, appoint and negotiate terms with a suitably qualified and experienced company in respect to its strategic properties. The formalised process avoids potential concerns from the private sector regarding loss of commercial confidentiality, provides opportunities for the private sector to demonstrate creativity and innovation with respect to unique sites and provides a foundation in which full and frank negotiations can be advanced.

It is recognised that a proportion of strategic properties identified are occupied by community groups. In these circumstances, it is recommended that a community engagement and communications plan be implemented to ensure the community understands the purpose of the process and to outline measures to provide continuation of services in more appropriate locations.

Support for the commencement of an Expressions of Interest process to explore development and/or disposal options for strategic sites within the City is recommended. Noting of the importance of stakeholder management associated with the proposed roll out of the Expression of Interest process and noting of the role of the Council in determining next steps arising out of the process, are further recommended.

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)**OFFICER RECOMMENDATION (3405)****APPROVAL**

At 7.58pm Cr Robartson moved, seconded Cr Willis -

That the Council;

1. **Authorise the following strategic properties to be market place tested, via an Expression of Interest Process, with a view to delivering better outcomes to the community where possible, cost reductions, revenue increases and better use of strategic resources:**
 - Canning Bridge Senior Citizens Site**
 - Lot 30 (13) The Esplanade, Mt Pleasant
 - Lot 24 Kishorn Road, Mt Pleasant
 - Canning Bridge Car Park, Library site**
 - Lots 791-792 Canning Highway, Applecross
 - Melville Bridge Club , and former Applecross Pre-Primary School site**
 - Lots 24-27 (788-794) Canning Highway, Applecross
 - Baden Powell Reserve**
 - McCallum Crescent, Applecross
 - Stock Road/Canning Highway**
 - Lots 830-832 (36-38A) Waddell Road, Palmyra
 - Lot 55 (391) Canning Highway (south west corner of Stock Road), Palmyra
 - Lot 2 (410) Canning Highway, Palmyra
 - Former Carrawatha Primary and Surrounds**
 - 10 Archibald Street, Willagee
 - Reserve 24478, Arthur Kay Reserve, 1 Archibald Street, Willagee
 - Deep Water Point Reserve (Café)**
 - The Esplanade, Mount Pleasant
 - Melville City Centre**
 - Land in the vicinity of the Civic Centre
2. **Note that the Chief Executive Officer will progressively advertise Expressions of Interest to dispose of or develop the strategic properties as identified in Point 1 above,**
- 3 **Note that a community engagement and communication plan will be developed and implemented prior to advertising of an Expression of Interest involving strategic sites occupied by community groups.**
- 4 **Note that the Chief Executive Officer will present to Council any proposed major land transaction or trading undertaking arising out of the Expressions of Interest process for Council consideration.**

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)Amendment

At 7.58pm Cr Robartson with agreement from the seconder, Cr Willis, agreed to incorporate the following amendment into the recommendation -

Amend Item 1 of the Officers Recommendation as follows:***Under Stock Road/Canning Highway – point 3 – Lot 2 (410) Canning Highway, Palmyra – Delete the word Palmyra and insert Attadale.***

At 7.58pm the Mayor submitted the amendment, which was declared

CARRIED (13/0)Reason for Amendment

The amendment is proposed as Lot 2 (410) Canning Highway, is situated in Attadale and not in Palmyra

COUNCIL RESOLUTION (3405)**APPROVAL**

At 7.58 the Mayor submitted the substantive motion as amended -

That the Council;

- 1. Authorise the following strategic properties to be market place tested, via an Expression of Interest Process, with a view to delivering better outcomes to the community where possible, cost reductions, revenue increases and better use of strategic resources:**

Canning Bridge Senior Citizens Site

- Lot 30 (13) The Esplanade, Mt Pleasant
- Lot 24 Kishorn Road, Mt Pleasant

Canning Bridge Car Park, Library site

- Lots 791-792 Canning Highway, Applecross

Melville Bridge Club , and former Applecross Pre-Primary School site

- Lots 24-27 (788-794) Canning Highway, Applecross

Baden Powell Reserve

- McCallum Crescent, Applecross

Stock Road/Canning Highway

- Lots 830-832 (36-38A) Waddell Road, Palmyra
- Lot 55 (391) Canning Highway (south west corner of Stock Road), Palmyra
- Lot 2 (410) Canning Highway, Attadale

Former Carrawatha Primary and Surrounds

- 10 Archibald Street, Willagee
- Reserve 24478, Arthur Kay Reserve, 1 Archibald Street, Willagee

Deep Water Point Reserve (Café)

- The Esplanade, Mount Pleasant

Melville City Centre

- Land in the vicinity of the Civic Centre

P13/3405 - EXPRESSION OF INTEREST PROCESS FOR STRATEGIC PROPERTIES OWNED BY THE CITY OF MELVILLE (REC)

- 2. Note that the Chief Executive Officer will progressively advertise Expressions of Interest to dispose of or develop the strategic properties as identified in Point 1 above,**
- 3 Note that a community engagement and communication plan will be developed and implemented prior to advertising of an Expression of Interest involving strategic sites occupied by community groups.**
- 4 Note that the Chief Executive Officer will present to Council any proposed major land transaction or trading undertaking arising out of the Expressions of Interest process for Council consideration.**

At 8.04pm the Mayor declared the motion:

CARRIED (13/0)

At 8.04 His Worship the Mayor adjourned the meeting for a comfort break.

At 8.04pm Mr Ponton and Mr Prendergast left the meeting and did not return.

At 8.11pm the meeting resumed.

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)**

Ward : Applecross/Mt Pleasant
 Category : Operational
 Subject Index : Mt Pleasant Bowling Club.
 Customer Index : Mt Pleasant Bowling Club
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter
 Previous Items : C05/8004 - Mt Pleasant Bowling Club Self Supporting Loan Request. April 2005
 C07/8017 - Mt Pleasant Bowling Club request for Self Supporting Loan. December 2007
 C11/8037 - Mt Pleasant Bowling Club Self Supporting Loan Request July 2011
 CD12/8045 - Mt Pleasant Bowling Club Self Supporting Loan Request April 2012
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Michael Doyle
 Community Recreation Coordinator

AUTHORITY / DISCRETION

DEFINITION

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

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)****KEY ISSUES / SUMMARY**

The purpose of this report is to amend, in part, a previously adopted recommendation in regards to the conditions placed on Mt Pleasant Bowling Club (Inc) for its self supporting loan of \$300,000.

BACKGROUND

At the July 2011 Ordinary Meeting of Council, the Mt Pleasant Bowling Club received support from the City of Melville for a self supporting loan to the value of \$350,000.

At the April 2012 Ordinary Meeting of Council, the City of Melville adopted a substitute resolution of the July 2011 meeting granting the Mt Pleasant Bowling Club a self supporting loan of \$300,000. Following is a copy of that resolution:

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (8045)

That by Absolute Majority Decision of the Council, in substitution of the resolution of the Council from the Ordinary Meeting of Council on 19 July 2011, the Mt Pleasant Bowling Club (Inc) is granted approval for a Self Supporting Loan of \$300,000 repayable over ten years subject to:

- a. The Mt Pleasant Bowling Club (Inc) providing an acceptable ten year cash flow analysis reviewed and supported by an independent certified practicing, chartered or similarly qualified and experienced accountant.***
- b. The Mt Pleasant Bowling Club (Inc) noting that the City of Melville will not support any further Self Supporting Loans for any purpose until such time that 60% of all loans are repaid.***
- c. The Mt Pleasant Bowling Club (Inc) using the new loan to pay out Loan 404 and 407 in full.***
- d. The penalty costs associated with the early payout of loans 404 and 407 to be met by the Mt Pleasant Bowling Club (Inc).***
- e. The Mt Pleasant Bowling Club (Inc) confirms in writing that it will contribute \$30,000 per annum representing synthetic playing surface replacement funds, into a separate interest bearing deposit with an Authorised Deposit Taking Institution having a credit rating equivalent to Standard and Poor's BBB+ with such deposit being in the joint names of the Club and the City of Melville of which the City's Director Corporate Services shall be a co-signatory and agrees that release of these funds shall only be permitted for the replacement of the synthetic playing surfaces.***
- f. The Mt Pleasant Bowling Club (Inc) agreeing to an annual meeting with the Director Corporate Services of the City of Melville to discuss the Club's audited annual reports and overall financial position.***

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)**

g. The Mt Pleasant Bowling Club (Inc), as part of the agenda at each of the Club's Executive Committee meetings, list and discuss the Club's progress in regards to meeting their loan commitments as well as progress in relation to the synthetic playing surface replacement fund and take any action necessary to ensure compliance with Council's requirements.

h. The Mt Pleasant Bowling Club (Inc) to minute the discussions of the Executive Committee meetings and forward a copy to the Director Community Development of the City of Melville.

i. The Mt Pleasant Bowling Club (Inc) meeting the requirements and associated costs of the Council's Self Supporting Loan Policy CP-010.

j. The Mt Pleasant Bowling Club (Inc) entering into a loan agreement with the City of Melville at its own costs.

k. The Mt Pleasant Bowling Club (Inc) maintains the decommissioned green at an acceptable standard.

DETAIL

At the April 2012 meeting, the Mt Pleasant Bowling Club (Inc) arranged its greens as follows:

- Decommission of grass green A,
- Replace synthetic green B to a grass surface, at the clubs own cost, and
- Keep Synthetic Green's C and D.

As was mentioned in the April 2012 report, the Mt Pleasant Bowling Club (Inc) has demonstrated its ability to plan for the future. The Club recognises that for its size and membership numbers it would be unsustainable to operate and replace three synthetic greens. Since the installation of green D, replacement costs have increased significantly.

The Mt Pleasant Bowling Club (Inc) also recognises that player numbers state wide are on the decline and have taken this decision to ensure Club sustainability and be in a position to self fund future synthetic playing surfaces when due for replacement.

Council Officers are currently investigating strategic planning for the sport of bowls that will see the review and future rationalisation of current facilities in the City of Melville. This is driven by the decline in numbers and usage of these predominantly stand alone, single sport facilities. With the recent announcement of local government reform this also presents further opportunities to consider the current situation in Fremantle, East Fremantle, and Canning.

The Club aims to be proactive in maintaining a high level of clubroom and playing facilities and at the time was satisfied that it would be in a position to exist without the use of the decommissioned green.

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)**



Since April 2012, the Mt Pleasant Bowling Club (Inc) has continued to assess its future sustainability in order to be responsive to changing trends and needs.

The Mt Pleasant Bowling Club (Inc) is finding itself in an increasingly more constrained financial situation which has required the Club to further plan a future change of direction with its playing greens. The Club reports that a drop in bar turnover has resulted in a corresponding lower net profit, where in the past bar turnover has represented the Clubs greatest source of income earned each year.

To assist it in responding to it's changing financial position before it becomes serious, the Club is now seeking Council approval to alter one of the conditions of the current loan.

PUBLIC CONSULTATION/COMMUNICATION

Nil

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Nil

STATUTORY AND LEGAL IMPLICATIONS

Nil

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)****FINANCIAL IMPLICATIONS**

At the present time, the Club has a self supporting loan of \$300,000 repayable over 10 years at a twice annually fixed payment of \$18,300 (average). This annual payment does not create any problems and the Club advises that it will not have any difficulty in meeting the obligations of this loan.

A further condition of the loan (point “e” as above) requires the Club to put aside \$30,000 annually into a Green’s replacement fund throughout the ten year term and this is the clause which is causing the Club some concerns.

Current green configurations at the Mt Pleasant Bowling Club are:

- Decommissioned (2012) Grass Green A;
- Grass Green B;
- Synthetic Green C (Synthetic playing surface replacement due in 2021); and
- Synthetic Green D (To be decommissioned in 2017)

The Club advises that it is highly likely that Synthetic Green D will last no more than a further four years and planning at this point of time is that it will not be replaced. The cost of replacement for Synthetic Green D is estimated at \$200,000 as both the synthetic surface and the supporting base would need to be replaced.

Synthetic Green C is likely to be operational for a further eight years and will only require the synthetic surface to be replaced at an estimated cost of \$120,000. The Club advises that the base to this green is in better condition than that of Green D and will not require replacing in eight years.

Given that the Club will not be replacing Synthetic Green D in four years’ time, the level of sinking fund requirements is lessened considerably as there will only be one synthetic green that will require a new synthetic surface and not two. It is therefore recommended that the Council delete condition “E” of the Council resolution passed in respect to item CD12/8045 contained in the minutes of the Ordinary Council Meeting held in April 2012 and replace it with the following:

1. That the sinking fund be adjusted to be \$12,000 per annum for the 2013/2014 financial year and thereafter the amount reviewed at the annual meeting between the Club and the Director Corporate Services to confirm if that level of funding is adequate to fund the future replacement of the synthetic bowling green and adjust it to a more suitable level if necessary.

The City acknowledges its role in providing support for the establishment of synthetic playing surfaces to applicant clubs. However, as part of the approval process, each application is assessed on its merit and it is considered that the principle of funding for the replacement of the synthetic surfaces should be planned via the Club’s general operations.

The condition placed on the Club (and all synthetic playing surfaces that involve self supporting loans) to contribute to a sinking fund was put in place to lessen the reliance on future self supporting loans to fund the replacement of synthetic playing surfaces. This principle is also practiced by the Department of Sport and Recreation when assessing Community Sporting and Recreation Facilities Funding (CSRFF) applications.

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)**

An additional condition set by the City of Melville on all self supporting loans (point “f” in the April 2012 Council resolution shown above) is that the Mt Pleasant Bowling Club (Inc) agrees to an annual meeting with the Director Corporate Services of the City of Melville to discuss the Club’s audited annual reports and overall financial position.

It is at this meeting where any issues regarding the conditions of any loan (such as this one from Mt Pleasant Bowling Club (Inc)) can be discussed in greater detail and a plan of action developed and agreed to between the City of Melville and the individual club. It is suggested that this meeting would represent an opportune time to review the level of funding required for synthetic surface replacement and adjust for future years if need be.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
A significant financial exposure should the Mt Pleasant Bowling Club (Inc) not be in a position to honor its financial commitment to the City of Melville.	Moderate consequences which are likely, resulting in a High level of risk	Establish an agenda item for the Club’s executive meetings reporting back to the City of Melville on an annual basis. That the meeting be included in the City’s Compliance Calendar for bring forward annually.
The Mt Pleasant Bowling Club (Inc) providing excessive sinking funds contributions at the detriment of the Clubs operations.	Moderate consequences which are likely, resulting in a High level of risk	Establish an appropriate sinking fund for the future replacement of Synthetic Surface of which the amount is to be approved by the City of Melville’s Director of Corporate Services. Review the sinking fund at the annual meeting between the Club and Director Corporate Services to confirm if the level of funding is adequate and adjust where necessary.

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)****POLICY IMPLICATIONS**

Nil

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

An alternative is for the Council to not approve the revised position; however the Club's request demonstrates a more proactive and sustainable approach. It considers the Club's current requirements and provides flexibility for the future.

CONCLUSION

Pennant membership numbers in the sport of bowls is steadily in decline. The main revenue source for the Club has reduced significantly placing the Club in a potentially difficult financial position. The number of greens required for the Club's operations has reduced removing the need to replace Green D in four years' time.

The current sinking fund requirement in the amount of \$30,000 per annum will be in excess of what is needed for the replacement of Green C placing an unnecessary financial burden on the Club. The sinking fund requirement should be flexible to allow for changing trends of the Club and the Sport in general.

The situation faced by the Mt Pleasant Bowling Club presents evidence of a decline in the numbers of participants in the sport of bowls, and usage trends in stand alone single sporting facilities. Such situations are also apparent at other clubs throughout the metropolitan area. The City will continue to review the current provision of bowls facilities in Melville, and also seek to understand the impact of additional bowling clubs from future Council amalgamation with the view to rationalisation of such facilities.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (8053)**APPROVAL**

That the Council delete condition 'e' from Council item CD12/8045 and replace with the following:

- 1. That the sinking fund be adjusted to be \$12,000 per annum for the 2013/2014 financial year and thereafter the amount reviewed at the annual meeting between the Club and the Director Corporate Services to confirm if that level of funding is adequate to fund the future replacement of the synthetic bowling green and adjust it to a more suitable level if necessary.**
- 2. That the funds are deposited in a separate interest bearing account with an Authorised Deposit Taking Institution having a credit rating equivalent to Standard and Poor's BBB with such deposit being in the joint names of the Club and the City of Melville of which the City's Director Corporate Services shall be a co-signatory and the release of these funds shall only be permitted for the replacement of the synthetic playing surfaces.**

**CD13/8053 - MT PLEASANT BOWLING CLUB (INC) SELF SUPPORTING LOAN
CONDITION AMENDMENT (REC)**

- 3. That the Chief Executive Officer write to all of the City's Bowling Clubs to inform them of the City's intention to work collaboratively with them in terms of future rationalisation of bowls within the City of Melville to ensure long term sustainability of Clubs.**

At 8.12pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (13/0)

CD13/8054 - CHANGES TO COMMUNITY SAFETY CRIME PREVENTION PUBLICATION – WRITINGS ON THE WALL EDUCATIONAL RESOURCE FEES AND CHARGES (AMREC)

Ward : All
 Category : Operational
 Subject Index : Community Safety; Crime Prevention
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : C13/6060 – Special Meeting of Council 26 June 2013
 Works Programme : Not Applicable
 Funding : \$15 000 from the WA Police State Graffiti Fund
 Responsible Officer : Tanya van Sittert
 Coordinator Community Safety Crime Prevention

AUTHORITY / DISCRETION

DEFINITION

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

CD13/8054 - CHANGES TO COMMUNITY SAFETY CRIME PREVENTION PUBLICATION – WRITINGS ON THE WALL EDUCATIONAL RESOURCE FEES AND CHARGES (AMREC)**KEY ISSUES / SUMMARY**

- Council at its Special Meeting held 26 June 2013 resolved to adopt the annual budget for 2013/14, and in doing so the 2013/2014 fees and charges schedule.
- The fee/charge for the Community Safety Crime Prevention publication – Writings on the Wall educational resource was set using cost estimates from suppliers to produce the resource when it was in draft form.
- Since finalisation of the resource the suppliers have had to amend the cost estimates which has resulted in a higher unit cost.
- In order to recover the costs of producing the resource and implementing the project the fee/charge for the resource needs to be increased.
- The 2013/14 fees and charges schedule should therefore be amended to reflect this.
- In order for the City to sell the resource without further delay, it is recommended that Council resolve, by Absolute Majority to amend the 2013/14 fees and charges schedule, for the Writing's on the Wall educational resource from \$75.00 to \$85.00.

BACKGROUND

The Council at its Special Meeting held 26 June 2013 resolved to adopt the 2013/14 fees and charges as part of the budget. The Writing's on the Wall educational resource fee adopted (\$75.00) was based on cost estimates from suppliers to produce the resource when it was in draft form. Since finalisation of the resource it became apparent that the cost estimates would need to be increased because the resource in it's final form was more pages than in draft form, and that a customised box would need to be manufactured to house the resources.

DETAIL

The Writing's on the Wall is a script based education resource for young people about unhealthy risk taking behaviour and poor decision making. It is targeted at Year 9 and 10 students and has a set of accompanying teaching resources linked to the Australian Curriculum: Health and Physical Education, and the Australian Curriculum English. The Writing's on the Wall project has been partly funded by the WA Police through the State Graffiti Fund.

The resource is being launched on Tuesday 3 September 2013 and will be provided to all high schools within the City of Melville at no cost. The resource will be available for sale to all other high schools within WA and nationally. The fees obtained from sale of the resource will recover the cost of producing the resource, as well as developing and implementing the entire project.

An initial print run of 300 resources was quoted and the unit cost to produce one of these resources was used to calculate the appropriate fee to charge for purchase of the resource. The resource is packaged as a class set and includes 25 copies of the script, 1 set of teaching resources, and a CD with all the resources in electronic format and is housed in a durable box.

CD13/8054 - CHANGES TO COMMUNITY SAFETY CRIME PREVENTION PUBLICATION – WRITINGS ON THE WALL EDUCATIONAL RESOURCE FEES AND CHARGES (AMREC)

The fee adopted by Council to sell the resource was \$75.00 and was based on cost estimates from suppliers to produce the resource when it was in draft form and with the understanding that it would be housed in a standard size box. Since finalisation of the resource it became apparent that the number of pages in the final resource had increased resulting in increased printing costs. As a result of the increased number of pages it also became apparent that due to the dimensions and weight of the resource a customised box would need to be produced to house the resources which also resulted in an increased unit cost.

In order to allow for the increased cost to produce the resource and recover the costs it is recommended that Council amend the 2013/14 fees and charges schedule for the Writing's on the Wall educational resource to \$85.00.

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

There was consultation with three suppliers to obtain cost estimates for production of the resource. There was also consultation with School Drug Education and Road Aware (SDERA) who also produce resources for schools as a guide to an appropriate fee.

STATUTORY AND LEGAL IMPLICATIONS

Not applicable.

FINANCIAL IMPLICATIONS

The City is producing 300 resources as part of an initial print run for this project. If the City sells all 300 resources at \$85.00 then 90% of the total cost of implementing the project will have been recovered – this includes production of the 300 resources. Subsequent print runs will be cheaper to produce so the income generated from the sale of these resources will be able to contribute to implementation of other projects and initiatives.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
Fees remain at current level and fail to cover production costs	Moderate consequences which are likely, resulting in a medium level of risk	Implement proposed increased fee

POLICY IMPLICATIONS

Not applicable.

CD13/8054 - CHANGES TO COMMUNITY SAFETY CRIME PREVENTION PUBLICATION – WRITINGS ON THE WALL EDUCATIONAL RESOURCE FEES AND CHARGES (AMREC)**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The alternate option would be to keep the current fee of \$75.00. The implication of this option would be that more resources will need to be sold to recover the full cost of the project and production of the resource.

CONCLUSION

It is recommended that Council resolve, by Absolute Majority to amend the 2013/14 fees and charges schedule, for the Writing's on the Wall educational resource from \$75.00 to \$85.00.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (8054)**ABSOLUTE MAJORITY**

At 8.12pm Cr Robartson moved, seconded Cr Kinnell -

That the Council by Absolute Majority Decision, in accordance with Section 6.16 of the Local Government Act 1995, adopt the 2013/2014 Schedule of Fees and Charges for the Community Safety Crime Prevention publication – Writing's on the Wall educational resource as \$85.00.

At 8.12pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (13/0)

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)

Ward : All
 Category : Policy
 Subject Index : Fees and Allowances
 Customer Index : Salaries and Allowances Tribunal
 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 : 2013/2014 Budget
 Responsible Officer : Louis Hitchcock
 Executive Manager Legal Services

AUTHORITY / DISCRETION

DEFINITION

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

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- Following the proclamation of relevant sections of the Local Government Amendment Bill 2011 on 5 February 2013, the Salaries and Allowances Tribunal ("Tribunal") was empowered to determine certain payments made or reimbursed to elected council members.
- Their determination was issued on 19 June 2013 and is effective from 1 July 2013.
- Allowances vary in accordance with the banding level (in the range 1-4) allocated to a specific local government with the City of Melville be ranked in Band 1 – the highest band.
- Annual meeting attendance fees have increased from \$7,000 for a Councillor to between \$24,000 and \$30,000 and \$14,000 for a Mayor to between \$24,000 and \$45,000.
- The annual Mayoral Allowance has increased from a minimum of \$600 with a maximum of \$60,000 to a minimum of between \$50,000 and a maximum of \$85,000 and the Deputy Mayoral Allowances between \$15,000 to \$21,250 being 25% of the Mayoral Allowance amounts in accordance with section 5.98A(1) of the Local Government Act 1995.
- The formerly separate annualised Information, Telecommunications and Technology (ICT) Allowances have now been combined to be an ICT allowance and the total annualised amount increased from \$3,400 to \$3,500.
- Proposed increases to the annual meeting attendance fees for Councillors and the Mayor as well as the annual Mayor and Deputy Mayor allowance will result in the budgetary provisions set aside in the 2013/14 budget being exceeded, however this shortfall will be partly addressed by the other recommended savings measures contained in this report and the remainder at the mid-year budget review.
- In lieu of the substantial increases it is proposed that the Policy CP-013 be amended to remove the discretionary reimbursement of clothing, apparel, personal presentation and incidental costs from the Policy and to limit the reimbursement of Special Capital Office Equipment to newly elected members only.
- It is recommended that the Council approve the proposed increases to the Meeting Fees and Mayoral/Deputy Mayoral and ICT Allowances and that Policy CP-013 *Elected Members Allowances, Claim for Expenses and Conference Attendance* be amended to reflect the changes recommended by this report.
- It is also to be noted that the Chief Executive Officer will be undertaking a further comprehensive review of Policy CP-013.

BACKGROUND

In February 2013, the Salaries and Allowances Act 1975 and Local Government Act 1995 (the Act) were amended in order to empower the Salaries and Allowances Tribunal to determine the fees, allowances and reimbursements payable to local government elected members.

The determination of the Salaries and Allowances Tribunal (Tribunal) was issued on 19 June 2013 and is effective from 1 July 2013.

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)

DETAIL

The Tribunal has made its determination based upon the assignment of individual local governments to 1 of 4 “Bands”. The assignment is based upon the size, complexity and unique features of local governments and ranges from level 4, (small typically rural organisations, through to level 1, (large complex metropolitan or regional city organisations).

The City of Melville has been assigned as a level 1 local government and as such must determine fee structures within the following ranges:

Councillors	Minimum \$	Maximum \$
Meeting Attendance Fees (per meeting)	600	750
Committee Meeting and Attendance Fees	300	375
Annual Meeting Allowance (in lieu of attendance fees)	24,000	30,000
Mayor		
Meeting Attendance Fees	600	1,125
Annual Meeting Allowance (in lieu of attendance fees)	24,000	45,000
Annual Allowance	50,000	85,000 (or 0.2% of the City's 2012/2013 Operating Revenue whichever is the lesser.
Deputy Mayor Annual Allowances is 25% of the Mayoral Amount as per section 5.98A(1) of The Act.	12,500	21,250

The City currently provides the maximum allowable \$2,400 for Telecommunications Allowance and \$1,000 for the Information Technology Allowance, to elected members, which is intended to reimburse the cost associated with the acquisition and running expenses of electronic communications and information technology devices including printers and telephone, facsimile, internet service provision and all other associated electronic communication costs. As part of this determination process, the Tribunal has combined the two formerly separate allowances to be an ICT Allowance and increased the combined maximum ICT allowance to \$3,500.

Child care cost reimbursements have also been increased from a maximum of \$20 to a maximum of \$25 per hour. In order to ensure that equity is maintained for all types of “carer” support that may be required by Elected Members to enable them to fulfil their functions, the City of Melville has decided to reimburse all carer expenses at this same amount.

In undertaking their determination, the Tribunal was mindful of the magnitude and complexity of the local government sector. It comes at a time when constitutional recognition of local governments and their roles are being considered and where state government has an agenda to create fewer local governments to build a local government sector with the capacity to be strategically focused and plan accordingly.

At the forefront of the Tribunals deliberations, was the importance of a local government sector that attracts capable and committed elected members to provide leadership and good government at the community level. Additionally the Minister has stated “We’re entering a new era of local government in Western Australia, with higher expectations on elected members to be more strategic, more board-like and less operational. It’s becoming less of a part-time job and for some a hefty commitment.” commitment to high level strategic and policy thinking in larger local governments and a more complex environment.

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)

Therefore it is evident that the remuneration is in recognition of elected members becoming more board-like with the commitment to high level strategic and policy thinking in larger local governments and a more complex environment.

When formulating their determination the Tribunal took the following factors into consideration:-

Mayors and Presidents

The legislative role of the Mayor or President is in addition to their role as a councillor and their civic and ceremonial duties require a significant time commitment, as does liaising with the Chief Executive Officer in relation to the affairs of the Local Government. An increasing number of Mayors and Presidents undertake this role full time or very close to full time and this is a direct result of the increasing workload and expanding responsibilities of Council.

Elected Members

The role of a local government elected member is unique. They are the governing body of the Local Government and therefore undertake 'board-like' roles such as employing the Chief Executive Officer and governing the organisation. Elected members also fulfil a political role that is quite distinct from their 'board-like' role. At a practical level, members are required to read a plethora of documents to support their decision making role and at the same time meet their representational obligations towards the community. They are legislators in terms of local laws and fulfil an important statutory function in regard to town planning. Financial management responsibilities include strategic level budget planning and approvals of significant infrastructure projects. The requirement for many members to participate in a range of community groups and activities as representatives and leaders in their community was also considered by the Tribunal.

Barriers to Entry

The present fees and allowance structure generally tends to attract candidates who are financially independent and who have sufficient time to undertake a complex strategic and policy role of elected members. Comments received by the Tribunal indicated that there was a sense that the role of councillors was out of reach for most young people and could be considered elitist. There was a common view that if the fees and allowances were higher, a broader demographic might be attracted to stand for election.

Training

As the responsibilities and complexities of the role of elected members have grown over time, so has the need for effective training. There are currently significant variances in the professionalism and capacity of elected members with some unwilling or unable to fully shoulder their responsibilities. Whilst the vast majority of elected members are dedicated and competent, there are examples of elected members who rarely contribute to the required level.

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)

The tribunal was asked to examine the issue of providing incentives for elected members to be trained, the aim being to increase the capacity of elected members both collectively and individually to acquit their responsibilities with a high degree of professionalism and acumen, however as there are currently gaps in the availability, scope and recognition of training packages, the Tribunal considered that it would not be possible to provide incentives or rewards for the completion of training in the absence of widely accessible and nationally recognised training packages. The Tribunal has stated that it will monitor the situation with a

view to developing a means of rewarding training as part of the framework of fees, expenses and allowances in the next determination or sooner if the opportunity arises.

Variable Rates for Fees and Allowances

The vast majority of submitters expressed the view that the fees and allowances payable to elected council members should vary according to the magnitude of their responsibilities which each council was required to manage i.e. councils with very large populations, budgets and infrastructure projects to manage at the strategic level should be able to pay their members more than smaller councils managing smaller populations and budgets.

Banding Model

In establishing a new framework the Tribunal adopted a banding model with local governments allocated to four bands like those used in determining the remuneration of local government CEO's.

While adjustments to fees and allowances generally aligned to CPI and WPI were considered to be appropriate for elected members in local governments allocated to bands 3 and 4, the Tribunal concluded that they were inadequate for elected members in local governments allocated to bands 1 and 2 (the City of Melville has been allocated a band level of 1).

The Tribunal decided that increases in the amount of fees and allowances payable to elected members who shouldered higher levels of responsibility should be aligned more closely with the fees and allowances paid to Western Australian Government board and committee members and elected members in other Australian states.

The Tribunal also concluded that there should be sufficient breadth in the range of amounts determined for local governments in each band to enable councils to exercise discretion to their own satisfaction. It was the Tribunal's intent that councils should be able to take into account all factors which were particular and relevant to their local government areas and community.

As the City of Melville is one of the largest local governments in Western Australia this report recommends that the fees and allowances paid to its elected members be at the maximum amounts determined by the Tribunal. The fees and allowance paid to elected members are reflective of the considerable amount of time spent by elected members in attending to the needs of their constituents and the governance of the corporation of the City of Melville. The total fees paid to the 13 elected members represents less than 0.5% of the City's budget and the increases albeit higher than anticipated when preparing the 2013/2014 Budget should be capable of being accommodated during the course of the financial year.

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)

In light of the above and in accordance with the provisions of Council Policy CP-013 this report recommends that the fees and allowances to be paid to City of Melville elected members be set at the maximum levels as determined by the Tribunal.

In addition to a review of Policy CP-013 being required to reflect the changes to fees, allowances and expense reimbursements as determined by the Tribunal and the City's biennial review process, the Chief Executive Officer has also noted that some elected members are having difficulty in determining what type of expense reimbursements are permissible in terms of the Policy and as a result will be undertaking a further comprehensive review of the Policy in order to ensure that the Policy more clearly defines allowance reimbursements.

PUBLIC CONSULTATION/COMMUNICATION

No public consultation was undertaken in respect to this item.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

The Salaries and Allowances Tribunal have provided their determination in respect to the minimum and maximum fees and allowances to be paid to elected members.

STATUTORY AND LEGAL IMPLICATIONS

Section 7B(2) of the Salaries and Allowances Act 1975 requires the Tribunal to determine the fees, allowances payable and expenses reimbursable to Local Government elected members.

Sections 5.98 to 5.99A of the Local Government Act 1995 (the Act) authorises the payment of fees and allowances and the reimbursement of expenses to elected members.

Section 5.63 of the Act stipulates that elected members need not make a declaration in respect to an interest relating to a fee, reimbursement of an expense or an allowance specified under sections 5.98, 5.98A, 5.99 and 5.99A of the Act.

FINANCIAL IMPLICATIONS

Should Council resolve to adopt the recommendation contained in this report, the financial implications are as follows:

Councillors	Current	Proposed
Meeting Attendance Fees	7,000	30,000
Mayor		
Meeting Attendance Allowance	14,000	45,000
Annual Allowance	60,000	85,000
Deputy Mayor		
Annual Allowance	15,000	21,250
All Elected Members ICT Allowance	3,400	3,500
Annual Overall Cost	\$217,200	\$556,750

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)

The adopted 2013/2014 Budget provided \$469,200 for the above classes of expenses resulting in a shortfall of \$87,550 should the above increases be applied at the amounts recommended.

Savings achieved through the removal of the clothing and apparel reimbursements will be an estimated \$20,150 and savings achieved through limiting the reimbursement of office equipment to newly elected members only, will be an estimated \$8,720.

The remaining budgetary shortfall after the application of the above savings would be \$58,680. This shortfall would be addressed by seeking additional funds in the 2013/2014 Mid Year Budget Review.

The estimated costs associated with the increase from \$20.00 to \$25.00 for carer expenses cannot be accurately determined at this time.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

Existing Council Policy [CP-013 Elected Members Allowances Claim for Expenses and Conference Attendance](#) is attached for the Councils information.

Should Council resolve to approve the officer recommendations contained within this report then Council Policy CP-013 - Elected Members Allowances, Claim for Expenses and Conference Attendance will be revised and reported to a future meeting of Council for approval.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council could determine to pay the minimum, rather than the maximum, increased fees and allowances resulting in annualised savings of up to \$124,250 made up of the following amounts:

- Meeting Fees - Councillors \$72,000
- Meeting Fees - Mayor \$21,000
- Mayoral Allowance \$25,000 (assuming the current level of \$60,000 is maintained rather than the minimum of \$50,000)
- Deputy Mayoral Allowance \$6,250 (being 25% of the Mayoral Allowance).

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)**CONCLUSION**

The meeting fees and allowances to be paid to local government elected members have been determined by the Salaries and Allowances Tribunal for the first time this year. In arriving at its determination the Tribunal has recognised the complexity of the roles undertaken by elected members and the additional complexity of the role of the mayors and set the remuneration levels accordingly.

As the City of Melville is one of the largest local governments in Western Australia it is recommended that the fees and allowance paid to Elected Members be at the maximum amounts determined by the Salaries and Allowances Tribunal.

Policy CP-013 will also be further reviewed by the Chief Executive Officer to ensure that more clarity is provided by the Policy in respect to allowance expense claim reimbursements and other relevant matters.

OFFICER RECOMMENDATION (5306)**ABSOLUTE MAJORITY APPROVAL**

At 8.13pm Cr Kinnell moved, seconded Cr Robartson -

That by absolute majority decision the Council:

- 1. Approve the following fees and allowances and expense reimbursements effective from 1 July 2013:**

Annual Meeting Attendance Fees

Mayor	\$ 45,000
Councillors	\$ 30,000

Annual Allowances

Mayor	\$ 85,000
Deputy Mayor	\$ 21,250
ICT Allowance	\$ 3,500

Child and Other Carers Expenses \$ 25
or the actual expense amount whatever is the lesser in accordance with the Tribunals determination.

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)

2. In light of the substantial increases to the level of fees and allowances being paid to Elected Members Policy [CP 013 Elected Members Allowances Claim for Expenses and Conference Attendance](#) be amended by
 - a deleting the dot point appearing on page 3 commencing “*clothing, apparel, personal presentation...*” and reducing the “Other discretionary expense reimbursements” for all elected members to \$1,500 per annum and
 - b by removing the figures and words “*and \$1,160 per annum thereafter*” appearing under the heading Special Capital Office Equipment Allocation on page 5 of the Policy
3. That Council note the Chief Executive Officer will be undertaking a comprehensive review of Council Policy CP-013 *Elected Members Allowances, Claims For Expenses And Conference Attendance* in order to ensure that the basis for payment of Fees, Allowances and Expense Reimbursements is more clearly stated than at present and that the reviewed Policy will be submitted it to a future meeting of Council for consideration and adoption.

Amendment 1

At 8.14pm Cr Kinnell, with agreement from the seconder, Cr Robartson agreed to incorporate the amendment into the recommendation -

That point 2 of the Officers recommendation be deleted and replaced with a new point 2 that reads as follows:

2. **Amend Council Policy [CP 013 Elected Members Allowances Claim for Expenses and Conference Attendance](#) by:**
 - a. deleting the dot point appearing on page 3 commencing “*clothing, apparel, personal presentation...*” and reducing the “Other discretionary expense reimbursements” for all elected members to \$1,500 per annum and
 - b. removing the figures and words “*and \$1,160 per annum thereafter*” appearing under the heading Special Capital Office Equipment Allocation on page 5 of the Policy.

That point 4 be renumbered to read point 3.

At 8.15pm the Mayor submitted the amendment, which was declared

CARRIED (13/0)

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)Reasons for Amendment 1

The amendments do not change the intent of the original recommendation as only the following has been deleted:

“In light of the substantial increases to the level of fees and allowances being paid to Elected Members”

and this information is contained in the body of the report.

The numbering has also been amended accordingly.

Amendment 2

At 8.16pm Cr Taylor-Rees moved, seconded Cr Nicholson -

That point 1 be deleted and replaced with the following text:

- 1. Approve the following fee and allowance and expense reimbursements effective from 1 July 2013 to 30 June 2014:***

Annual Meeting Attendance Fees

<i>Mayor</i>	<i>\$24,000</i>
<i>Councillors</i>	<i>\$24,000</i>

Annual Allowances

<i>Mayor</i>	<i>\$60,000</i>
<i>Deputy Mayor</i>	<i>\$15,000</i>
<i>ICT Allowance</i>	<i>\$3,500</i>

***Child and Other Carers Expenses \$25
or the actual expense amount whatever is the lesser in accordance with the
Tribunal's determination.***

At 8.31pm Cr Pazolli left the meeting and returned at 8.33pm.

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

LOST (5/8)

Cr Nicholson requested that the votes be recorded –

For: Mayor Aubrey, Cr Barton, Cr Nicholson, Cr Pazolli, Cr Taylor-Rees.

Against: Cr Foxtan, Cr Hill, Cr Kinnell, Cr Macphail, Cr Reidy, Cr Reynolds, Cr Robartson, Cr Willis.

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)Amendment 3

At 8.54pm Cr Kinnell moved, seconded Robartson -

That the Chief Executive Officer write to the Minister highlighting the need to express that Carers allowance be included as a separate allowance for Elected Members as a legislative requirement under the Regulations.

Amendment 3 was withdrawn prior to being put to the vote.

Amendment 4

At 9.00pm Cr Reynolds moved, seconded Cr Macphail -

That in Part 1 of the Officer Recommendation the effective date for reimbursement be amended to read “20 August 2013” to read as follows –

- 1. Approve the following fees and allowances and expense reimbursements effective from 20 August 2013:***

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

LOST (3/10)

Cr Pazolli requested that the votes be recorded –

For: Mayor Aubrey, Cr Macphail, Cr Reynolds.

Against: Cr Barton, Cr Foxtton, Cr Hill, Cr Kinnell, Cr Nicholson, Cr Pazolli, Cr Reidy, Cr Robartson, Cr Taylor-Rees, Cr Willis.

M13/5306 – SALARIES AND WAGES TRIBUNAL – ELECTED MEMBERS FEES AND ALLOWANCES (AMREC) (ATTACHMENT)**COUNCIL RESOLUTION (5306)****ABSOLUTE MAJORITY APPROVAL**

At 9.16pm the Mayor submitted the substantive motion as amended –

That by absolute majority decision the Council:

- 1. Approve the following fees and allowances and expense reimbursements effective from 1 July 2013:**

Annual Meeting Attendance Fees

Mayor	\$ 45,000
Councillors	\$ 30,000

Annual Allowances

Mayor	\$ 85,000
Deputy Mayor	\$ 21,250
ICT Allowance	\$ 3,500

Child and Other Carers Expenses \$ 25
or the actual expense amount whatever is the lesser in accordance with the Tribunals determination.

- 2. Amend Council Policy CP 013 Elected Members Allowances Claim for Expenses and Conference Attendance by:**

- a. deleting the dot point appearing on page 3 commencing “*clothing, apparel, personal presentation...*” and reducing the “Other discretionary expense reimbursements” for all elected members to \$1,500 per annum and**
- b. removing the figures and words “*and \$1,160 per annum thereafter*” appearing under the heading Special Capital Office Equipment Allocation on page 5 of the Policy.**

- 3. That Council note the Chief Executive Officer will be undertaking a comprehensive review of Council Policy CP-013 *Elected Members Allowances, Claims For Expenses And Conference Attendance* in order to ensure that the basis for payment of Fees, Allowances and Expense Reimbursements is more clearly stated than at present and that the reviewed Policy will be submitted it to a future meeting of Council for consideration and adoption.**

At 9.17pm the Mayor declared the motion **CARRIED BY ABSOLUTE MAJORITY (10/3)**

Cr Nicholson requested that the votes be recorded –

For: Mayor Aubrey, Cr Barton, Cr Foxtton, Cr Hill, Cr Kinnell, Cr Macphail, Cr Reidy, Cr Reynolds, Cr Robartson, Cr Willis.

Against: Cr Nicholson, Cr Pazolli, Cr Taylor-Rees.

C13/5000 – COMMON SEAL REGISTER (REC)

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

This report details the documents to which the City of Melville Common Seal has been applied for the period from 18 June 2013 up to and including 22 July 2013 and recommends that the information be noted.

C13/5000 – COMMON SEAL REGISTER (REC)

BACKGROUND

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

DETAIL

Register Reference	Party	Description	File Reference
806	Moonwalker Holdings Pty Ltd	Deed of Assignment - Reserve Number 40178 - Leeming Childcare & Early Education Centre, Moonwalker Holdings Pty Ltd to HUB Connections Pty Ltd	3020615
813	(67A) Warragoon Crescent, Attadale	Withdrawal of Caveat & Replacement Agreement and Caveat Lot 2 (67A) Warragoon Crescent, Attadale	3043866
Personal File	City of Melville CEO Contract	City of Melville CEO Contract of Employment Variation to Schedule 2 in line with Council's determination.	n/a

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

C13/5000 – COMMON SEAL REGISTER (REC)**STATUTORY AND LEGAL IMPLICATIONS**

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

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

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

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

(a) *the mayor or president; and*

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

FINANCIAL IMPLICATIONS

Not applicable.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Not applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

This is a standard report for Elected Members information.

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

That the 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 June 2013 up to and including 22 July 2013, be noted.

At 9.18pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (13/0)

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

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

- This report presents the preliminary investment statements for the year ending 30 June 2013 and recommends that the information detailed in the report be noted.
- The continued cuts in the 'Cash' rate and legislative restrictions, continues to have a major impact on the City's investment earnings.
- Monthly valuations for Collateralised Debt Obligations (CDOs) shown for June 2013 are based on valuations obtained from CPG Research and Advisory as at 30 June 2013. When compared to the valuations used as at 30 June 2012, CDOs have increased in value by \$1,089,127.

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

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

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

DETAIL

Summary details of investments held as at 30 June 2013 are shown in the tables below.

CITY OF MELVILLE STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 30 JUNE 2013					
SUMMARY BY FUND	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2012 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL RESERVE TRUST CRF	\$ 33,115,817 \$ 52,174,167 \$ 472,723 \$ 197,066	\$ 33,115,817 \$ 49,256,405 \$ 472,723 \$ 197,066	\$ 33,115,817 \$ 50,345,532 \$ 472,723 \$ 197,066	\$ - \$ 1,089,127 \$ - \$ -	0.00% 2.09% 0.00% 0.00%
	\$ 85,959,773	\$ 83,042,012	\$ 84,131,138	\$ 1,089,127	1.27%
SUMMARY BY INVESTMENT TYPE	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2012 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
CDO BOND FRN FRTD TERM DEPOSIT 11AM UNITS (Local Govt Hse)	\$ 3,000,000 \$ 2,000,000 \$ - \$ 3,500,000 \$ 73,325,506 \$ 3,903,622 \$ 230,645	\$ 82,238 \$ 2,000,000 \$ - \$ 3,500,000 \$ 73,325,506 \$ 3,903,622 \$ 230,645	\$ 1,171,365 \$ 2,000,000 \$ - \$ 3,500,000 \$ 73,325,506 \$ 3,903,622 \$ 230,645	\$ 1,089,127 \$ - \$ - \$ - \$ - \$ - \$ -	36.30% 0.00% 0.00% 0.00% 0.00% 0.00% 0.00%
	\$ 85,959,773	\$ 83,042,012	\$ 84,131,138	\$ 1,089,127	1.27%
SUMMARY BY CREDIT RATING	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2012 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA AA- A+ A A- BBB+ NR UNITS (Local Govt Hse)	\$ 8,500,000 \$ 40,807,917 \$ 12,000,000 \$ 13,921,212 \$ 3,700,000 \$ 3,800,000 \$ 3,000,000 \$ 230,645	\$ 8,500,000 \$ 40,807,917 \$ 12,000,000 \$ 13,921,212 \$ 3,700,000 \$ 3,800,000 \$ 82,238 \$ 230,645	\$ 8,500,000 \$ 40,807,917 \$ 12,000,000 \$ 13,921,212 \$ 3,700,000 \$ 3,800,000 \$ 1,171,365 \$ 230,645	\$ - \$ - \$ - \$ - \$ - \$ - \$ 1,089,127 \$ -	0.00% 0.00% 0.00% 0.00% 0.00% 0.00% 36.30% 0.00%
	\$ 85,959,773	\$ 83,042,012	\$ 84,131,138	\$ 1,089,127	1.27%

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

The following statements detail the investments held by the City for the period ending 30 June 2013. Marketable investments are shown at their current estimated market value.

STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 30 JUNE 2013									
INSTITUTION / INVESTMENT	RISK of IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	FACE VALUE \$	BOOK VALUE AT 30/6/2012 \$	CURRENT EST MARKET VALUE \$	INVESTMENT GAIN / (LOSS) SINCE 30/06/12 \$	MATURITY DATE
BANKWEST (11AM)	Very Low	11AM	2.75%	AA-	\$589	\$589	\$589	\$0	On call
WESTPAC (MAXI DIRECT)	Very Low	11AM	3.75%	AA-	\$1,500,000	\$1,500,000	\$1,500,000	\$0	On call
WESTPAC (MAXI BONUS 1)	Very Low	11AM	4.10%	AA-	\$1,002,503	\$1,002,503	\$1,002,503	\$0	On call
WESTPAC (MAXI BONUS 2)	Very Low	11AM	4.10%	AA-	\$1,400,530	\$1,400,530	\$1,400,530	\$0	On call
					\$3,903,622	\$3,903,622	\$3,903,622	\$0	
BANKWEST (TERM)	Very Low	TERM	Various	AA-	\$0	\$0	\$0	\$0	Various
BANK OF QUEENSLAND (TERM)	Very Low	TERM	4.50%	BBB+	\$1,800,000	\$1,800,000	\$1,800,000	\$0	23-Jul-13
BENDIGO AND ADELAIDE BANK (TERM)	Very Low	TERM	Various	A-	\$3,700,000	\$3,700,000	\$3,700,000	\$0	Various
CITIBANK (TERM)	Very Low	TERM	Various	AA-	\$9,900,000	\$9,900,000	\$9,900,000	\$0	Various
ING BANK (TERM)	Very Low	TERM	Various	A	\$11,500,000	\$11,500,000	\$11,500,000	\$0	Various
MACQUARIE BANK (TERM)	Very Low	TERM	4.35%	A	\$921,212	\$921,212	\$921,212	\$0	Various
NAB (TERM)	Very Low	TERM	Various	AA-	\$15,182,941	\$15,182,941	\$15,182,941	\$0	Various
RABODIRECT (TERM)	Very Low	TERM	Various	AA	\$6,500,000	\$6,500,000	\$6,500,000	\$0	#REF!
ST GEORGE BANK (TERM)	Very Low	TERM	Various	AA-	\$2,000,000	\$2,000,000	\$2,000,000	\$0	Various
SUNCORP METWAY LTD (TERM)	Very Low	TERM	Various	A+	\$12,000,000	\$12,000,000	\$12,000,000	\$0	Various
WESTPAC (TERM)	Very Low	TERM	Various	AA-	\$9,821,353	\$9,821,353	\$9,821,353	\$0	Various
					\$73,325,506	\$73,325,506	\$73,325,506	\$0	
BANK OF QUEENSLAND (FLOAT RATE TD)	Very Low	FRTD	4.32%	BBB+	\$2,000,000	\$2,000,000	\$2,000,000	\$0	30-Sep-13
ING BANK (FLOAT RATE TD)	Very Low	FRTD	4.32%	A	\$1,500,000	\$1,500,000	\$1,500,000	\$0	10-Sep-13
					\$3,500,000	\$3,500,000	\$3,500,000	\$0	
COMMONWEALTH BANK (RETAIL BOND)	Very Low	BOND	4.11%	AA	\$2,000,000	\$2,000,000	\$2,000,000	\$0	20-Dec-15
					\$2,000,000	\$2,000,000	\$2,000,000	\$0	
CORSAIR (CAYMAN) KAKADU MANAGED ACES CLASS 1A PARKES	Very High	CDO	4.20%	NR	\$1,500,000	\$72,363	\$306,900	\$234,537	20-Mar-14
BERYL FINANCE GLOBAL BANK NOTE 2	Very High Early Term.	CDO	4.43%	NR	\$1,050,000	\$9,874	\$549,465	\$539,591	20-Jun-15
			0.00%	NR	\$450,000	\$1	\$315,000	\$314,999	20-Sep-14
					\$3,000,000	\$82,238	\$1,171,365	\$1,089,127	
UNITS IN LOCAL GOVT HOUSE	NA	NA	NA	NA	\$230,645	\$230,645	\$230,645	\$0	NA
TOTAL FUNDS INVESTED					\$85,959,773	\$83,042,012	\$84,131,138	\$1,089,127	

CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AA	\$8,500,000	\$8,500,000	10%	80%	
AA-	\$40,807,917	\$40,807,917	49%	80%	
A+	\$12,000,000	\$12,000,000	14%	50%	
A	\$13,921,212	\$13,921,212	17%	50%	
A-	\$3,700,000	\$3,700,000	4%	50%	
BBB+	\$3,800,000	\$3,800,000	5%	20%	
NR	\$3,000,000	\$1,171,365	1%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	\$85,959,773	\$84,131,138	100%		

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

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
ANZ BANK (TERM)	TERM	AA-	-	0.00%	0.00%	20%	
BANKWEST (11AM)	11AM	AA-	589	0.00%		20%	
BANKWEST (TERM)	TERM	AA-	-	0.00%	0.00%	20%	
BANK OF QUEENSLAND (TERM)	TERM	BBB+	1,800,000	2.14%		10%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	2,000,000	2.38%	4.52%	10%	
BENDIGO AND ADELAIDE BANK (TERM)	TERM	A-	3,700,000	4.40%	4.40%	15%	
CITIBANK (TERM)	TERM	AA-	9,900,000	11.77%	11.77%	20%	
COMMONWEALTH BANK (TERM)	TERM	AA-	-	0.00%		20%	
COMMONWEALTH BANK (COVERED BOND)	BOND	AAA	-	0.00%		20%	
COMMONWEALTH BANK (RETAIL BOND)	BOND	AA	2,000,000	2.38%		20%	
COMMONWEALTH BANK (FRN)	FRN	AA	-	0.00%	2.38%	20%	
ING BANK (TERM)	TERM	A	11,500,000	13.67%		15%	
ING BANK (FLOAT RATE TD)	FRTD	A	1,500,000	1.78%	15.45%	15%	
MACQUARIE BANK (TERM)	TERM	A	921,212	1.09%	1.09%	15%	
NAB (TERM)	TERM	AA-	15,182,941	18.05%		20%	
NAB (FRN)	FRN	AA-	-	0.00%	18.05%	20%	
RABODIRECT (TERM)	TERM	AA	6,500,000	7.73%	7.73%	15%	
ST GEORGE BANK (TERM)	TERM	AA-	2,000,000	2.38%	2.38%	20%	
SUNCORP METWAY LTD (TERM)	TERM	A+	12,000,000	14.26%	14.26%	15%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	1,002,503	1.19%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	1,400,530	1.66%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	1,500,000	1.78%		20%	
WESTPAC (TERM)	TERM	AA-	9,821,353	11.67%	16.31%	20%	
CDO - Various	CDO		1,171,365	1.39%	1.39%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	NA	NA	230,645	0.27%	0.27%		
			84,131,138	100%	100%		

MATURITY COMPARISON

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	33,357,895	100%	100%	
RESERVE FUNDS				
< 1 year	47,481,067	94%	100%	
< 2 years	864,465	2%	80%	
< 3 years	2,000,000	4%	80%	
< 4 years	-	0%	40%	
< 5 years	-	0%	40%	
> 5 years	-	0%	20%	
	50,345,532	100%		

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

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

Monthly valuations for CDOs shown are based on valuations obtained from CPG Research and Advisory (CPG) as at 30 June 2013 who in turn have obtained them from the arranging banks. When compared to the valuations used as at 30 June 2012, valuations obtained from CPG as at 30 June 2013 show that CDOs have increased in value by \$1,089,127.

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

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

The remaining values of non Lehman Brothers arranged CDOs held as at 30 June 2013 were:

- Face Value	\$ 2,550,000
- Written Down (Book) Value (30 June 2012)	\$ 82,237
- Estimated Market Value (30 June 2013)	\$ 856,365

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

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

Credit Ratings and Credit Events

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

The City's Remaining CDO Investments:

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

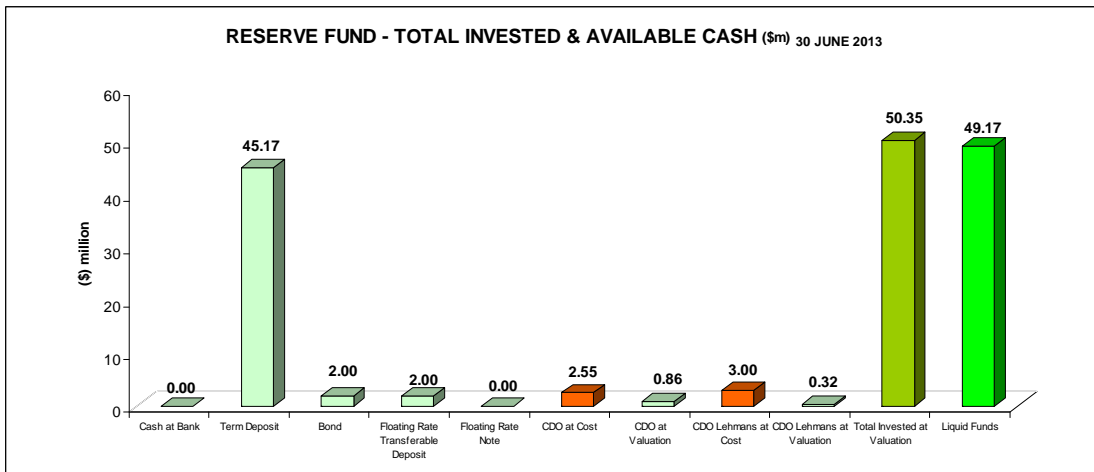
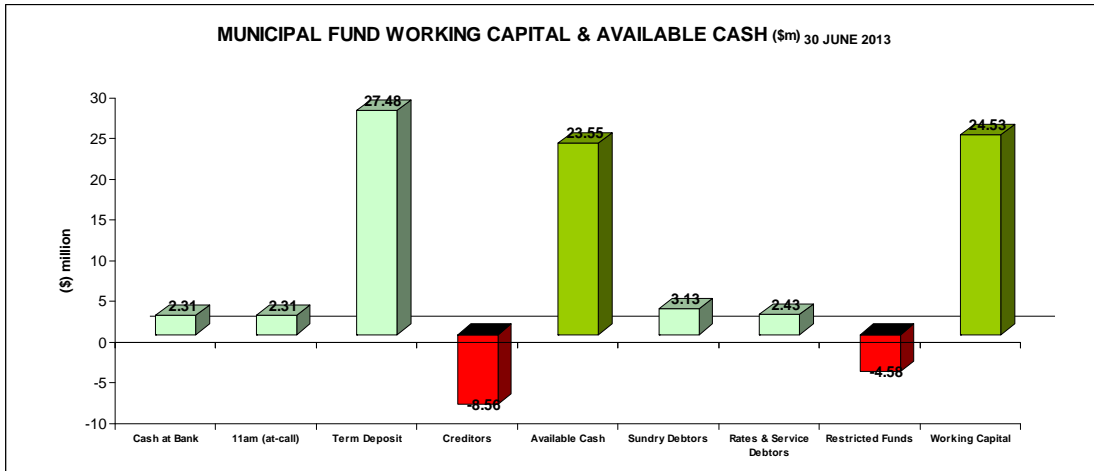
Terminated Lehman Brothers Arranged CDO Investments:

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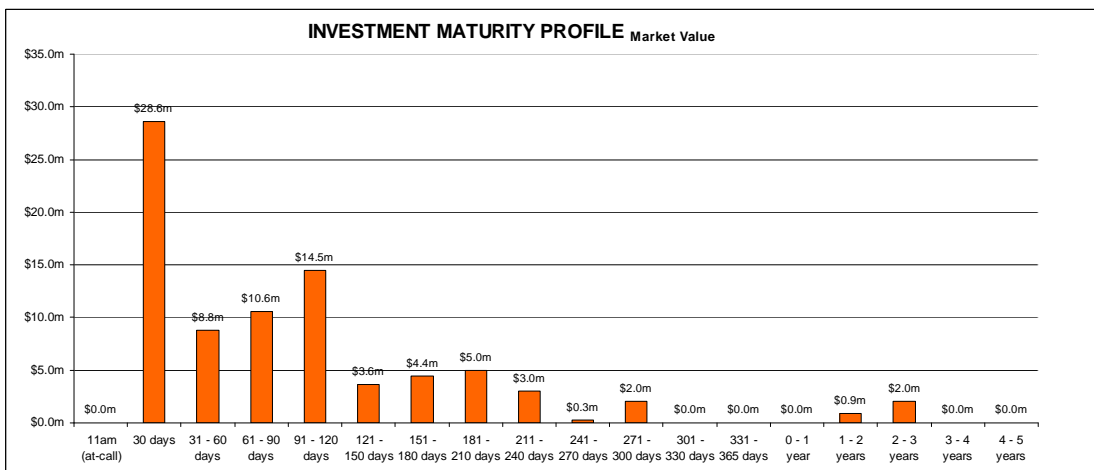
C13/6000 - INVESTMENT STATEMENTS FOR JUNE 2013 (REC)

Net Funds Held

The graphs below summarise the Municipal Fund working capital and available cash and the funds held in the Reserve Fund at purchase price and last valuation at 30 June 2013.



The graph below summarise the maturity profile of the City's investments at market value as at 30 June 2013.



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

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

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

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

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

STATUTORY AND LEGAL IMPLICATIONS

The following legislation is relevant to this report:

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

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

In conjunction with approximately 71 other corporations and local government authorities the City of Melville has engaged litigation funder IMF Australia to seek recovery of losses from Lehman Brothers Australia. Whilst the decisions taken by the various courts have been positive for the litigants the legal process is lengthy. The latest development is that the Scheme of Arrangement of Lehman Bros Australia, which documents the distribution that the City would receive in partial recompense of the losses the City incurred as a result of its investment in CDOs, is now being challenged by Lehman Brothers USA who through purchase of Lehman Brothers Asia have established themselves as a creditor with sufficient voting rights to thwart the Scheme of Arrangement. It therefore appears that the matter will go back through the courts for resolution which is understood to be a lengthy process.

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

For the year ending 30 June 2013:

- Investment earnings on Municipal and Trust Funds were \$1,741,690 against a revised budget of \$1,725,000 representing a \$16,690 positive variance. When compared however to the originally adopted 2012/2013 budget of \$2,325,000, it represents a \$583,310 negative variance. This significant variance was addressed during the 2012/2013 Mid-Year Budget Review. Positive variances in Municipal and Trust Fund investment earnings adds to the year end closing balance available to offset against the need to raise rates in future whilst negative variances has the opposite effect.
- Investment earnings on Reserve accounts were \$3,081,349 against a revised budget of \$2,600,000. This represents a \$481,349 positive variance. When compared however to the originally adopted budget of \$2,100,000 it represents a \$981,349 positive variance. The additional investment earnings are transferred to the specific purpose Reserve Accounts as it represents the investment earnings on those accounts and is to be used for the purposes for which the accounts were established and are not available to offset against the need to raise rates in future.

The City's revenue from investment earnings is expected to continue to decrease in the foreseeable future, as the Reserve Bank of Australia (RBA) continues to cut the 'Cash' rate and the new legislative restrictions that have been placed by State Government regulation which limits the type of investments, and more importantly the maximum term to maturity, in which the City is permitted to invest.

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Council's Investment of Funds policy CP-009 is 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.

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

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

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

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

Council Policy CP-009 – Investment of Funds.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

The investment report highlights that, except for the remaining three legacy CDO investments of 2007, the City's investment portfolio is invested in highly secure investments and is returning market competitive investment returns commensurate with the level of risk of the portfolio.

Municipal and Trust Fund Investment earnings ended the year slightly above the mid year budget reviews revised budget of \$1,725,000 at \$1,741,690 however this amount was \$583,310 below the original 2012/2013 adopted budget of \$2,325,000.

Future expected investment earnings are expected to continue to decrease due to continuing interest rates cuts and legislative restrictive investment options.

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

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

At 9.18pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (13/0)

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

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

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

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

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

DETAIL

The Schedule of Accounts for the month ending 30 June 2013 ([6001 June 2013](#)), including Payment Registers numbers, Cheques **353** to **360** and Electronic Funds Transfers batches **300** to **304** were distributed to the Members of Council on 2 August 2013.

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

Supplier Name	Remittance Number	Remittance Details	Amount
Action Asbestos Removals	E034817	Replacement of roof at Beasley Reserve	\$54,835.00
Alinta Gas	Chq's 054161, 054435 & 053975	Gas supply	\$51,127.72
Anchor Plumbing & Gas Pty Ltd	Chq's 054015 & 054477	Upgrade of fire hydrants at Leeming Recreation Centre	\$138,078.99
Asphaltech Pty Ltd	E035077, E034857 & E034907	Road resurfacing	\$543,856.33
Australia Post Perth	E034903, E034979, E034572 & E03496	Postage charges	\$44,280.57
AVP Valuers	Chq 054448	Property & Insurance Valuation services	\$46,728.00
Belgravia Leisure	E034984 & E034577	Point Walter green fees	\$36,070.00
Bibliotheca RFID Library Systems Pty Ltd	E035091	RFID library systems	\$75,328.00
Carringtons Traffic Services WA	E034717 & E035122	Traffic management services	\$37,186.42
City of Cockburn	E034738	Tip fees for May	\$73,481.39
Complete Tyre Solutions	E034597, E034813 & E035009	Tyres	\$34,522.40
Contraflow Pty Ltd	E035064, E034844 & E034662	Traffic management services	\$31,846.65
Crabclaw Holdings Pty Ltd	E034569, E034792 & E034976	Building maintenance	\$33,676.11
Data#3 Limited	E034997	Window Software licensing	\$112,396.90
Datacom Systems WA	Chq 054468	Server Hardware	\$70,997.80
Dickies Tree Service	E034482, E034741 & E034913	Tree lopping services	\$157,090.71
Downer EDI Works Pty Ltd	E035040, E034641, E034730 & E034832	Road resurfacing	\$1,195,423.89
Dowsing Concrete	E035125, E034720 & E034893	Concrete works	159,294.69
Fire & Emergency Services Authority WA	E034668	ESL Remittance for May 2013	136,266.04
Fleet Commercial Gymsnasiums Pty Ltd	E035085	Gym Equipment	39,514.20
Flexi Staff	E034522, E034762 & E034942	Temporary employment	52,741.48
GHD Pty Ltd	E034635 & E035035	Canning Bridge Activity structure, Point Walter erosion & Master plan for Willagee Community	82,990.05

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

Supplier Name	Remittance Number	Remittance Details	Amount
Glad Commercial Cleaning	E34638 & E035037 & E34830	Cleaning services	36,466.32
Gymcare	E034536, E034771 & E034951	Purchase & Service of gym equipment	\$68,382.62
Hays Specialised Recruitment	E035076, E034677 & E034856	Temporary employment	\$40,907.95
Hydroquip Pumps	E034532 & E034768	Repairs & relocation of pumps to various reserves	100,819.40
Jani King Pty Ltd	E035013	Cleaning	28,550.12
JMG Air Conditioning & Electrical Services	E035067, E034846 & E034666	Maintenance to air conditioners	\$70,427.29
Maxwell Robinson & Phelps	E034816, E035016 & E034602	Chemical spraying	\$37,782.33
Melville Subaru	E034952	Subaru Liberty Sedan	\$51,348.00
MMM WA Pty Ltd	E034608 & E034818	Drainage upgrade at various reserves	\$128,453.43
Mountway Melville Hyundai	E034759, E034934 & E034512	5 x Hyundai i30's	\$137,756.41
Natural Area Management & Services	E035117, E034887 & E034711	Environment weed control	\$64,983.34
Northlake Electrical Pty Ltd	E034637, E035036 & E034829	Electrical maintenance	\$105,651.91
Perfekt Pty Ltd	E035050 & E034650	San storage arrays equipment	\$124,723.62
Programmed Maintenance Service	E034941 & E034521	Building maintenance	\$33,129.92
Quayclean Australia Pty Ltd	E034629, E034822 & E035028	Cleaning services	\$80,463.27
Rhyso Electrical Services	E034634, E034729, E034824 & E035034	Electrical services	\$151,371.28
Roads 2000 Pty Ltd	E034905, E034732 & E034678	Road resurfacing	\$1,610,808.15
Robinson Buildtech	E034500, E034750 & E034923	Building maintenance	\$126,801.35
Southern Metropolitan Regional Council	E034590, E034999 & E034807	MSW gate fees for June 2013, Recyclable gate fees for May 2013, MSW gate fees for May 2013, Green waste gate fees for May 2013 & RRRRC loan repayment June 2013 quarter	\$1,442,059.10
Spectrum Servicing Pty Ltd T/A Spectrum Fire	E034645, E034836 & E035046	Fire services	\$56,315.90
Stormbox	E034542 & E034957	Graphic designing	\$35,896.21
Synergy	E034761, E034940 & E034520	Electricity billing	\$437,395.74
Technology One Pty Ltd	E034721, E034906 & E034895	Annual software license, support & maintenance fee	\$78,490.30
Titan Ford	E034550, E034782 & E034962	3 Ford PX Rangers	\$96,909.69
TPG Town Planning, Urban Design & Heritage	E035079 & E034858	Consultancy for Riseley Street Centre Structure plan	\$30,394.10
Tree Amigos Tree Surgeons	E035027 & E034628	Tree pruning	\$183,940.23
Water Corporation	Chq's 054076, 054162 & 054437	Water usage	\$44,734.35
Western Australia Local Government Association	E034592, E034809 & E035003	Advertising	\$46,233.05
Western Power	E034938, E034516 & Chq 054153	Electricity maintenance	\$27,849.00

C13/6001 – SCHEDULE OF ACCOUNTS FOR JUNE 2013 (REC) (ATTACHMENT)**PUBLIC CONSULTATION/COMMUNICATION**

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

Not applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

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

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

That the Schedule of Accounts for the month ending 30 June 2013 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 June 2013](#) be noted.

At 9.18pm the Mayor submitted the motion, which was declared

CARRIED EN BLOC (13/0)

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

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

This report presents:

- The preliminary Financial Statements for the financial year ending 30 June 2013 and recommends that they be noted by the Council.
- Budget amendments for the period ending 30 June 2013 and recommends that they be adopted by Absolute Majority decision of the Council.
- The preliminary variances for the month of June 2013 and recommends that they be noted by the Council.

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

The preliminary Financial Statements for the financial year ending 30 June 2013 have been prepared and tabled in accordance with the Local Government (Financial Management) Regulations 1996.

DETAIL

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

For the 2012/13 financial year, a preliminary net operating positive variance of \$12,124,751 and a net capital positive variance of \$8,777,650 were recorded.

Variations

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

	June Actual \$	YTD Rev. Budget \$	YTD Actual \$	Variance \$	Variance %	Annual Budget \$	Annual Rev. Budget \$
Revenues							
Governance	367,508	2,104,504	2,578,170	473,666	23%	1,309,100	2,104,504
General Purpose Funding	1,997,187	14,258,781	21,521,730	7,262,949	51%	13,844,420	14,258,781
Law, Order, Public Safety	4,661	2,485,251	2,488,179	2,928	0%	2,511,781	2,485,251
Health	63,561	227,280	303,115	75,835	33%	215,106	227,280
Education & Welfare	37,369	239,430	299,230	59,800	25%	213,780	239,430
Housing	5,693	59,565	71,049	11,484	19%	66,865	59,565
Community Amenities	42,979	16,546,875	16,484,597	(62,278)	0%	16,669,400	16,546,875
Recreation and Culture	862,978	9,182,429	9,400,889	218,460	2%	8,840,659	9,182,429
Transport	160,180	5,537,235	4,885,665	(651,570)	-12%	4,897,541	5,537,235
Other Property and Services	147,253	1,606,951	679,321	(927,630)	-58%	387,618	1,606,951
	3,689,368	52,248,300	58,711,946	6,463,645	12%	48,956,270	52,248,300
Expenses							
Governance	(800,302)	(10,286,627)	(9,483,554)	803,073	-8%	(10,698,225)	(10,286,627)
General Purpose Funding	(29,584)	(6,840,195)	(6,520,686)	319,509	-5%	(6,575,980)	(6,840,195)
Law, Order, Public Safety	(398,392)	(3,770,645)	(3,599,272)	171,374	-5%	(3,723,487)	(3,770,645)
Health	(104,162)	(1,010,815)	(929,936)	80,879	-8%	(1,035,558)	(1,010,815)
Education & Welfare	(528,339)	(5,378,361)	(5,067,443)	310,918	-6%	(5,463,762)	(5,378,361)
Housing	(2,335)	(44,025)	(49,228)	(5,203)	12%	(50,173)	(44,025)
Community Amenities	(2,136,235)	(20,211,586)	(18,912,751)	1,298,834	-6%	(19,172,687)	(20,211,586)
Recreation and Culture	(3,147,825)	(27,864,308)	(27,880,228)	(15,921)	0%	(26,815,555)	(27,864,308)
Transport	(1,105,150)	(10,058,623)	(9,352,207)	706,416	-7%	(10,028,523)	(10,058,623)
Other Property and Services	(1,204,200)	(9,953,318)	(11,120,409)	(1,167,091)	12%	(8,557,716)	(9,953,318)
	(9,456,525)	(95,418,503)	(92,915,715)	2,502,789	-3%	(92,121,667)	(95,418,504)

Revenue

\$52.527m in Rates was raised to 30 June 2013. This is compared with a year to date budget of \$52.53m, resulting in a small negative variance of \$3K.

Money Expended in an Emergency and Unbudgeted Expenditure

Not applicable for June 2013.

Budget Amendments

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

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

Rates Collections and Debtors

Details of Rates and Sundry Debtors are shown in attachments 6002L, 6002M and 6002N. Rates, Refuse, Fire and Emergency Service Authority & Underground Power payments totalling \$1,077,272 were collected over the course of the month. Rates collection progress for the month of June was 0.9% below target. As at 30 June 2013, 97.1% of 2012/13 rates had been collected.

Total sundry debtor balances decreased by \$55,499 over the course of the month. The 90+ day's debtor balance decreased by \$7,816.49.

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 Monies were written off under delegated authority in the month of June 2013.

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

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

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

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

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

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

34. Financial activity statement report — s. 6.4

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

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

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

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

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

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

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

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

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

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

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

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

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

FINANCIAL IMPLICATIONS

Variances are dealt with in attachment [6002H June 2013](#) (Notes on Rate Setting Statement reporting on variances of 10% or greater).

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

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

CONCLUSION

The attached financial reports reflect a positive financial position of the City of Melville as at 30 June 2013.

OFFICER RECOMMENDATION (6002)

ABSOLUTE MAJORITY APPROVAL

At 9.18pm Cr Willis moved, seconded Cr Robartson -

That the Council:

- Note the Rate Setting Statement and Statements of Financial Activity for the Financial Year period ending 30 June 2013 as detailed in the following attachments:**

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

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

2. **By Absolute Majority Decision adopt the budget amendments, as listed in the Budget Amendment Reports for June 2013, as detailed in attachment [6002J June 2013](#).**

At 9.18pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (13/0)

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)

Ward : All
 Category : Strategic
 Subject Index : Local Government Reform - Submission to the Local Government Advisory Board
 Customer Index : Local Government Reform
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Not Applicable
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Louis Hitchcock
 Executive Manager Legal Services

AUTHORITY / DISCRETION

DEFINITION

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

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- On the 30 July 2013 the Premier of WA announced proposals to amalgamate several Councils across Metropolitan Perth.
- The proposed model announced included the proposal that 30 metropolitan local governments were to be reduced to 14 by July 2015.
- The model includes the proposal that the City of Melville amalgamates with the City of Fremantle, Town of East Fremantle and a portion of the City of Canning (the Reform Partners).
- Reform submissions with the announced Merger proposals in mind are required to be submitted to the Local Government Advisory Board by 4 October 2013.
- If the City of Melville, together with its announced Reform Partners, or alone, has not by 4 October 2013 lodged a merger proposal, or has lodged a proposal that is inconsistent with the Government model, the Minister may lodge a proposal on behalf of the Local Government.
- The new Local Governments will come into being on 1 July 2015.
- Commissioners will be put in place from this date.
- Elections for the new Councils will be held in October 2015.
- The purpose of this report is to recommend to Council that a submission supporting the Minister's suggested proposal for amalgamation between the City of Melville, the City of Fremantle, Town of East Fremantle and a portion of the City of Canning be lodged with the Local Government Advisory Board by 4 October 2013; that the Council resolve that the Mayor and the Chief Executive Officer (CEO) be nominated to represent the City on the initial Working Group that will initiate discussions with the Reform Partners and that the Council agrees to the signing of the Memorandum of Understanding attached to this report.

BACKGROUND

The State Government on the 30 July 2013, announced its plans to amalgamate several Local Governments across metropolitan Perth. The plans include expanding the City of Perth boundaries and reducing the number of metropolitan Local Governments from 30 to 14.

It is proposed that the City of Melville be amalgamated with the City of Fremantle (without the residential area of North Fremantle), the Town of East Fremantle and a portion of the City of Canning.

The Premier said that as Perth grew, it was essential that local governments merged and strengthened to meet development challenges and provide quality and affordable services for residents now and into the future.

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)

The Premier said that the changes were about creating stronger local governments and putting downward pressure on rates. The Minister directed that reform proposals by all affected Local Governments were to be submitted to the Local Government Advisory Board (LGAB) by 4 October 2013.

A copy of the powerpoint presentation made by the Hon. Tony Simpson, Minister for Local Government and Communities as well as a copy of a map depicting the proposed area of jurisdiction for the amalgamated area of Melville, Fremantle, East Fremantle and portions of Canning and Cockburn are attached to this report.

There are potential anomalies with the proposed reform relating to Canning and Cockburn.

1. [5313 Presentation by the Minister for Local Government](#)
2. [5313 Map Depicting Areas of Amalgamation](#)

DETAIL

Following the Premier's announcement, the Department of Local Government and Communities (the Department) has contacted the local governments involved to arrange times to discuss the process for making proposals to the Local Government Advisory Board. The Department has met with the City of Melville individually to discuss the implementation process and a high level metropolitan implementation committee has also been established to provide advice and oversight for metropolitan reform.

Lodgement of Submissions

Local Governments have until 4 October 2013 to lodge merger proposals with the LGAB.

During this time Local Governments may contact the Department for advice at any time, including minor boundary changes. Department officers will visit the relevant Councils during August 2013.

After 4 October 2013, if Local Governments have not lodged a merger proposal, the Minister may do so on their behalf.

If Local Governments merger proposals do not fit in with the Government's preferred model, the Minister may put forward a counter proposal to the LGAB.

Whilst it is preferable for the Reform Partners to submit their reform proposals jointly, this may be done on an individual basis in the absence of agreement.

At this stage, there is no firm agreement or mandate for a joint submission by the Cities of Melville, Fremantle and Town of East Fremantle, provided that reform proposals are in close alignment with the maps released by the State Government.

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)**Funding**

The State Government will provide \$200,000 to each proposed merging group in order that they can:

1. Collect data
2. Develop proposal/s to the LGAB
3. Form a governance and management structure

Further funding will be announced at some later time by the State Government.

Implementation Committees

A committee has been set up to drive the implementation and monitor progress. The committee will be chaired by Ms Jennifer Mathews from the Department of Local Government and Communities.

The Minister will invite one Mayor or Councillor from each of the amalgamating groups of Local Governments to attend meetings of the aforementioned committee and Western Australian Local Government Association (WALGA) and Local Government Managers Association (LGMA) representatives will also be invited to have a representative on the committee.

It is suggested that local governments set up their own Local Implementation Committees to oversee the detail of amalgamation planning and implementation required. It is recommended that the Council nominate the Mayor and the CEO to the initial Work Group that will initiate discussions with the Reform Partners.

Employees

There are implications for all contracted staff which are still to be clarified, specifically in relation to the existing provisions relating to redundancy payout and the two year guarantee period from the date of the order that would establish the new Local Government.

It is therefore prudent to enter into a Memorandum of Understanding with the Reform Partners that would address issues such as employment and other contractual and financial matters that could be affected by the creation of a new Local Government with new boundaries, areas of jurisdiction, functions and the like.

Some staff may be eligible for a payout and this will be capped to 12 months.

Memorandum of Understanding

A Memorandum of Understanding (MOU) has been drafted for signing by the Reform Partners. The purpose of this MOU is to outline the general approach, lines of communication and commitments for the "Reform Partners" in the process of reform leading up to the stage of the submission of the reform proposal, on 4 October 2013, by the "Reform Partners", whether jointly or individually, and in the period thereafter.

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)**PUBLIC CONSULTATION/COMMUNICATION**

Not Applicable

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

The Chief Executive officer has met with the other CEOs to explore some of the opportunities and understand the challenges that lie ahead for the four Local Governments.

Meetings have also been held with the Department of Local Government and Communities.

STATUTORY AND LEGAL IMPLICATIONS

The State Government plans to seek a number of amendments to the *Local Government Act 1995* as part of the reform program. This includes changes that would remove the poll provisions in relation to metropolitan local governments.

There are no other Statutory or Legislative provisions which govern or prescribe the actions proposed by the report.

The MOU is non binding on the Reform Partners.

FINANCIAL IMPLICATIONS

The total cost of the amalgamation process is not known, however, the State Government will provide \$200,000 upfront to each merging group in order that Councils can:

1. Collect data
2. Develop proposal to LGAB
3. Form a governance and management structure

Further funding will be announced later by the Government On-going financial implications for the City are not known at this time. It is envisaged that most of the work relating to meetings and structure and the submission itself, will be done using existing available resources of the City.

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Strategic Implications

The following strategic implications may apply:

- Council must be proactive or the State Government will impose it's position on the amalgamation proposal
- There is an opportunity to identify the most logical and effective boundaries and put this position to the Local Government Advisory Board in a comprehensive report.
- The requirement to amalgamate and steer the process will be lost if the Council does not fully engage in the process that may result in a Commissioner being appointed

Risk Implications

The following risk implications may apply:

- The effect on the communities of each Local Government is yet to be determined and will require a sound engagement plan to keep the whole community informed to reduce any misinformation.
- Strong and comprehensive leadership will be required to give confidence to the whole community that the outcome will provide benefits.

Risk Statement	Level of Risk	Risk Mitigation Strategy
As a result of the proposed amalgamation, the effect on the communities of each Local Government is yet to be determined and this may cause some concern in the future.	Moderate consequences which are likely, resulting in a High level of risk.	Establish a strong and comprehensive leadership to give confidence to the whole community that the outcome will provide benefits. Adopt a sensible approach to such matters but not limited to Contract, Employment and Financial Management in order to attain the best value and least loss for the community.

POLICY IMPLICATIONS

There is no Council Policy that relates to this item

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Council may resolve not to lodge a submission, however, after 4 October 2013, if Council has not lodged a merger proposal, the Minister will do so on Council's behalf.

CONCLUSION

There will be a strong focus on achieving a seamless service delivery during the changeover to the planned new local governments in 2015.

During the transition phase, local governments will continue to operate with their Chief Executive Officers in place to run the existing administrations until the new entities are created.

Commissioners will be appointed from the first day of the new entities and will continue in the role until the next elections in October 2015, a period of about three-and-a-half months.

The Minister for Local Government can also appoint commissioners at an earlier stage if the reform progress is unsatisfactory or the local government requests that commissioners be appointed.

The amalgamation process requires excellence in due diligence processes as it will be an extremely complex process similar to corporate mergers and restructures in the private sector.

Due diligence will require an examination by the composite local governments of the operations of the local governments with which we are being amalgamating (in whole or, particularly, in part), to identify critical issues problems and minimise exposure to risks.

It is recommended that a submission supporting the proposed amalgamation between the City of Melville, the City of Fremantle, Town of East Fremantle and portions of the Cities of Canning and Cockburn be lodged with the Local Government Advisory Board.

It is also recommended that the Council nominate the Mayor and Chief Executive Officer to the initial Working Group that will initiate discussions with the Reform Partners and that the Mayor and Chief Executive Officer be authorised to execute the non binding MOU as a sign of good faith and good governance by the City in its approach to reform, irrespective of whether the MOU is signed by the Reform Partners.

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)**OFFICER RECOMMENDATION (5313)****APPROVAL**

At 9.19pm Cr Robartson moved, seconded Cr Macphail -

That the Council

1. Lodge a submission with the Local Government Advisory Board supporting the Minister's suggested proposal with the City's identified anomalies for amalgamation between the City of Melville, the City of Fremantle, Town of East Fremantle and portions of the Cities of Canning and Cockburn.
2. Resolve that the Mayor and the CEO be nominated to the initial Work Group that will initiate discussions with the Reform Partners.
3. Agree to sign the Memorandum of Understanding detailed in attachment [5313 Memorandum of Understanding](#).

Amendment

At 9.19pm Cr Robartson with agreement from the seconder Cr Macphail agreed to incorporate the following amendment into the recommendation -

Add a new point 4 to the recommendation that reads as follows:

4. ***Authorise the Mayor and Chief Executive Officer to negotiate minor amendments from other parties to the Memorandum of Understanding should requests for amendments be received.***

At 9.37 pm the Mayor submitted the amendment, which was declared

CARRIED (13/0)Reasons for Amendment

In discussions with the other Local Governments, some minor changes have been highlighted and other minor changes may also be requested in future discussions.

LATE ITEM M13/5313 – LOCAL GOVERNMENT REFORM – SUBMISSION TO THE LOCAL GOVERNMENT ADVISORY BOARD (REC) (ATTACHMENT)**COUNCIL RESOLUTION (5313)****APPROVAL**

At 9.37pm the Mayor submitted the substantive motion as amended –

That the Council

1. Lodge a submission with the Local Government Advisory Board supporting the Minister's suggested proposal with the City's identified anomalies for amalgamation between the City of Melville, the City of Fremantle, Town of East Fremantle and portions of the Cities of Canning and Cockburn.
2. Resolve that the Mayor and the CEO be nominated to the initial Work Group that will initiate discussions with the Reform Partners.
3. Agree to sign the Memorandum of Understanding detailed in attachment [5313 Memorandum of Understanding](#).
4. *Authorise the Mayor and Chief Executive Officer to negotiate minor amendments from other parties to the Memorandum of Understanding should requests for amendments be received.*

At 9.37pm the Mayor declared the motion

CARRIED (13/0)

14. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**14.1 Replacement Tree Plantings - Open Space Corner Disney Street and Rountree Road Brentwood**

Cr Nicholson presented her motion that had been provided to Elected Members consistent with Standing Orders Local Law 2003 clause 3.10

At 9.38pm Cr Nicholson moved, seconded Cr Barton -

That the Council:

1. **Support the planting of eight indigenous trees (the species to be determined by the City) in the open space adjacent to Blue Gum Lake Reserve and near the corner of Disney Street and Rountree Road Brentwood. These trees are to replace dead/dying trees that have been removed by the City.**
2. **Allocate funding for the planting and maintenance of the trees for two years from the Elected Members' Special Projects account.**
3. **That the trees be planted in the 2013/14 winter planting season.**

At 9.56pm the Mayor submitted the motion, which was declared

LOST (6/7)

Cr Nicholson requested that the votes be recorded –

For: Cr Barton, Cr Foxton, Cr Macphail, Cr Nicholson, Cr Pazolli, Cr Taylor-Rees.

Against: Mayor Aubrey, Cr Hill, Cr Kinnell, Cr Reidy, Cr Reynolds, Cr Robartson, Cr Willis.

15. EN BLOC ITEMS

At 9.56pm Cr Robartson moved, seconded Cr Reidy -

That the recommendations for items P13/3410, P13/3411, CD13/8053, C13/5000, C13/6000 and C13/6001, be carried En Bloc.

At 9.56pm the Mayor submitted the motion, which was declared

CARRIED (13/0)

16. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

Nil.

17. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil.

18. CLOSURE

There being no further business to discuss the Mayor declared the meeting closed at 9.59pm.