

MINUTES

OF THE

ORDINARY MEETING OF THE COUNCIL 6.30PM TUESDAY, 8 DECEMBER 2020, and 6.00PM WEDNESDAY, 9 DECEMBER 2020

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

Due to the State of Emergency declared in Western Australia, effective 16 March 2020 and the subsequent government directives with regard to public gatherings and physical distancing only a limited number of the public were able to physically attend this meeting.

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1. OFFICIAL OPENING

The Presiding Member welcomed those in attendance to the meeting and officially declared the meeting open at 6:32pm. Mr L Hitchcock, Executive Manager Governance and Legal Services, read aloud the Disclaimer that is on the front page of these Minutes and then Presiding Member, June Barton, read aloud the following Affirmation of Civic Duty and Responsibility.

Affirmation of Civic Duty and Responsibility

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

2. PRESENT

COUNCILLORS

WARD

Cr J Barton (Deputy Mayor,
Presiding Member)
Cr G Barber
Cr D Macphail, Cr N Robins
Cr C Robartson, Cr M Woodall
Cr S Kepert, Cr N Pazolli
Cr K Mair, Cr M Sandford
Cr T Fitzgerald, Cr K Wheatland

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

3. IN ATTENDANCE

Mr M Tieleman
Mr M McCarthy
Mr A Ferris
Ms C Young
Mr S Cope
Mr L Hitchcock
Mr P Prendergast (*until 7:45pm*)
Ms C Newman
Mr M Tye
Ms T Wright

Chief Executive Officer
Director Technical Services
Director Corporate Services
Director Community Development
Director Urban Planning
Executive Manager Governance and Legal Services
Manager Statutory Planning
A/Manager Governance and Property
Technical Business Analyst
Governance Officer

At the commencement of the meeting there were 31 members of the public in the Public Gallery, 6 members of the public and 1 representative from the Press in attendance electronically.

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

Mayor Honourable G Gear

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.**

Cr Fitzgerald advised he had not read all the information regarding Motions Without Notice circulated late today.

6. QUESTION TIME

6.1 Questions Received with Notice

6.1.1 Mr Fitzgibbon, Melville

I have noted more than 100 metre high pvc pipes in the verge of Kitchener Road. These obviously denote the location of electric cable joints to the high and low voltage underground infrastructure. I assume that there is a threat to the electric and other infrastructure due to the acid sulphate soils having been disturbed and the possible presence of resultant sulphuric acid. Can the City please advise the following;

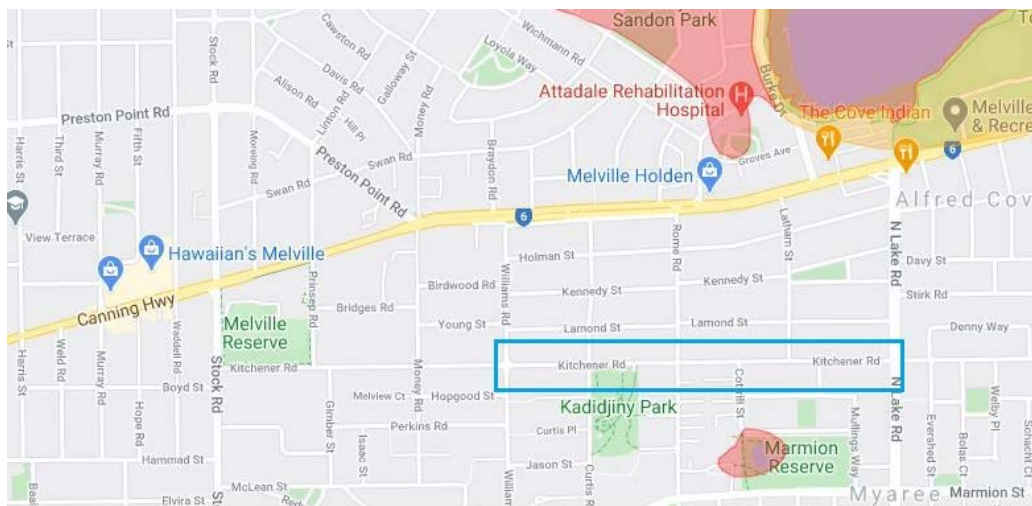
Question 1

1.1 *The nature and severity of the threat to underground infrastructure?*

Response

The work noted is service locating by the Water Corporation in preparation for the renewal of the water mains in that section of Kitchener Road. The various pipes denote the location of all utility services including water, gas, electricity, drainage and phone/internet cabling. The questions were therefore forwarded to Water Corporation for their response.

There is zero threat or risk of damage to any existing underground services as a result of exposure to possible Acid Sulphate Soils (ASS). Please refer to the ASS risk map attached from the Department of Water and Environmental Regulation (DWER) denoting where no/moderate/high risk areas are. This is based on the fact that Kitchener Road, as marked up on the attached picture, is well outside any risk zones.



Question 2

1.2 *What is the program to address the threat?*

Response

To ascertain whether there are any potentials for Acid Sulphate Soils, the Department of Water and Environmental Regulation has an ASS risk mapping system. Assessment and research conducted proves there is no threat or risk identified.

6. *Question Time Continued, Mr Fitzgibbon*

Question 3

1.3. *What is the anticipated outcome of any proposed remedial action?*

Response

As per risk modelling from the Department of Water and Environmental Regulation, there are no risks of any ASS in the direct vicinity of Kitchener Road.

6.2 Questions Received without Notice

6.2.2 Mr Fitzgibbon, Melville

Proposed Melville City Centre Land Exchange.

Question 1

With the proposed Melville City Centre Land Exchange, the 3755 square metres to transfer to the City of Melville creates a very odd shaped lot boundary for the Scentre Group, and for the City. What is the rationale behind the creation of such a seemingly odd boundary?

Response

The proposed land exchange parcels provide the necessary alignment of the boundary between to the City's land and Westfield Booragoon's land so the proposed new High Street can be constructed. The High Street will eventually be ceded free of charge back to the City of Melville by Westfield after it has been Gazetted as a public road.

Question 2

Has a simple sale of 3755 square metres to Scentre Group been considered to conserve car parking space which would be lost if the City developed an exchanged odd shaped lot which is currently car parking space. Such development by the City could force car parking onto surrounding streets?

Response

Scentre Group's expansion plans for the redevelopment of Westfield Booragoon provides for a significant increase in public parking capacity. In addition, the existing car parking on the City's side of the proposed High Street will remain in its current capacity and will continue to be available for the public to access.

7. AWARDS AND PRESENTATIONS

Nil.

8. CONFIRMATION OF MINUTES**8.1 ORDINARY MEETING OF THE COUNCIL – 17 NOVEMBER 2020**
Minutes 17 November 2020**COUNCIL RESOLUTION**

At 6:41pm Cr Macphail moved, seconded Cr Wheatland –

That the Minutes of the Ordinary Meeting of the Council held on Tuesday, 17 November 2020 be confirmed as a true and accurate record.

At 6:41pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

8.2 NOTES OF AGENDA BRIEFING FORUM – 24 NOVEMBER 2020**COUNCIL RESOLUTION**

At 6:41pm Cr Pazolli moved, seconded Cr Barber –

That the Notes of Agenda Briefing Forum held on Tuesday, 24 November 2020, be received.

At 6:42pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

8.3 GOVERNANCE COMMITTEE – 23 NOVEMBER 2020**COUNCIL RESOLUTION**

At 6:42pm Cr Pazolli moved, seconded Cr Kepert –

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

At 6:42pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

**8.4 FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE
COMMITTEE – 23 NOVEMBER 2020****COUNCIL RESOLUTION**

At 6:43pm Cr Wheatland moved, seconded Cr Barber –

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

At 6:43pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

NB:

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

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

- Cr Kepert – Item M20/5795 – Reimbursement of Expenses – Cr Kepert. Financial Interest.
- Mr Marten Tieleman CEO – Item M20/5898 – Late Item Planning for the CEO Performance Appraisal. Financial Interest

9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

- Cr Barton – Item CD20/8140 – Mount Pleasant Bowling Club Review. Interest under the Code of Conduct.
- Cr Barber – Item CD20/8140 – Mount Pleasant Bowling Club Review. Interest under the Code of Conduct.
- Cr Kepert – Item CD20/8140 – Mount Pleasant Bowling Club Review. Interest under the Code of Conduct.
- Cr Pazolli – Item CD20/5797 Late Item Governance Committee Representation and Presiding Member. Interest under the Code of Conduct.
- Cr Wheatland – Item CD20/6186 – Insurance Renewal Report. Interest under the Code of Conduct.
- Cr Kepert – Item T20/3889 – Waste to Energy. Interest under the Code of Conduct.
- Cr Pazolli – 17.2 Motion Without Notice – Alchera Living – Community Engagement. Interest under the Code of Conduct.

10. DEPUTATIONS

10.1 Mr J O'Brien representing Mount Pleasant Bowling Club
Item CD20/8140 – Mount Pleasant Bowling Club Review

10.2 Mr D Maynier of Attadale
Item M20/5797 – Late Item Governance Committee Representation and Presiding Member and Item M20/5898 – Late Item Planning for the CEO Performance Appraisal

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

At 6:50pm Cr Kepert moved, seconded Cr Sandford –

That the application for new leaves of absence submitted by Cr Mair on 8 December 2020 be granted

At 6:51pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

COUNCIL RESOLUTION

At 6:50pm Cr Kepert moved, seconded Cr Sandford –

That the application for new leaves of absence submitted by Cr Wheatland on 8 December 2020 be granted

At 6:51pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

12. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil.

13. PETITIONS**13.1 Petition – Sid Easton Reserve - Appreciation for City’s Natural Areas and Parks Team**

A petition signed by 54 residents of the City of Melville was received on 3 December 2020 and reads as follows:

“We the undersigned, all being electors of the City of Melville respectfully request that the Council acknowledge the outstanding and innovative renovation of the Sid Easton Reserve in Alfred Cove by the City’s Natural Areas & Parks Team and advise the team of the appreciation and thanks from surrounding residents who are already enjoying this enhanced facility.”

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION

At 6:53pm Cr Sandford moved, seconded Cr Mair –

That the petition bearing 54 signatures of residents be acknowledged.

At 6:53pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

14 REPORTS OF THE CHIEF EXECUTIVE OFFICER

At 6:53pm the Presiding Member brought forward Item CD20/8140 – Mount Pleasant Bowling Club Review, for the convenience of the public gallery.

At 6:54pm Mr O'Brien and Mr Johnson entered the Chambers for the purpose of making a deputation in relation to Item CD20/8140 – Mount Pleasant Bowling Club Review. The presentation concluded at 7:01pm.

At 7:06pm Mr O'Brien and Mr Johnson departed the Council Chambers.

Disclosures of Interest

Member	Cr Barton
Type of Interest	Interest under the code
Nature of Interest	Patron of Melville Cares Inc.
Request	Stay, discuss and vote
Decision	Stay, discuss and vote

Member	Cr Barber
Type of Interest	Interest under the code
Nature of Interest	As a Councillor I am on the board of Melville Cares
Request	Stay, discuss and vote
Decision	Stay, discuss and vote

Member	Cr Kepert
Type of Interest	Interest under the code
Nature of Interest	Mother is a board member of Melville Cares
Request	Stay, discuss and vote
Decision	Stay, discuss and vote

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

Ward	:	Central
Category	:	Strategic
Subject Index	:	Mt Pleasant Bowling Club, Recreation
Customer Index	:	Mt Pleasant Bowling Club (MPBC)
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	<ol style="list-style-type: none">1. CD20/8137 - Mount Pleasant Bowling Club Review and Petition – Lease Mt Pleasant Bowling Club – 20 October 20202. Item 13.4 Petition – Lease Mount Pleasant Bowling Club 15 and 22 September 2020;3. Item 16.5 Motion with Notice – Mount Pleasant Bowling Club Review – 10 December 2019;4. CD20/8125 Tompkins Park Redevelopment Review - March 2020;5. CD19/8114 Tompkins Park Review – 18 June 2019;6. Item 16.2 Motion with Notice, Review of Redevelopment of Tompkins Park Facility – 21 May 2019;7. P17/3764 Mount Pleasant Bowling Club Site Future Redevelopment – 22 August 2017;8. CD17/8098 Tompkins Park Concept Plan – 20 June 2017;9. P16/3724 Future Use of Mt Pleasant Bowling Club Site – 28 November 2016;10. CD16/8088 Community Sport and Recreation Facilities Fund Annual Forward Planning Grants Round – 18 October 2016;11. CD16/8089 City of Melville Lawn Bowls Strategy – 16 October 2016;12. CD16/8081_City_of_Melville_Lawn_Bowls Strategy June 2016;13. Item 17.2 Motion Without Notice Relocation of Mount Pleasant Bowls Club Other Options – 19 April 2016;14. Item 17.1 Motion Without Notice The Future of Shirley Strickland Reserve – 13 October 2015;15. Item 16.2 Motion Without Notice – Proposal to Commence Discussions re the Future of Shirley Strickland Reserve, Ardross, and Redevelopment of the Facilities There – 21 April 2015;16. CD13/8053 Mt Pleasant Bowling Club Self Supporting Loan Condition Amendment – 20 August 2013;17. CD12/8045 Mt Pleasant Bowling Club Self Supporting Loan Request – 17 April 2012;18. D11/8037 Mt Pleasant Bowling Club Self Supporting Loan Request – 19 July 2011;19. C07/8017 Mount Pleasant Bowling Club Self Supporting Loan – 18 December 2007;
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Todd Cahoon Manager Healthy Melville

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

AUTHORITY / DISCRETION

DEFINITION

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

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

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

That the Council

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

BACKGROUND

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

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

“That the Council

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

CARRIED UNANIMOUSLY (13/0)”

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MPBC Requests

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

MPBC's Self Supporting Loan

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

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

Club Financials

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

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

Cash in Bank

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

Support payments since July 2019

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

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

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

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

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

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

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

II. OTHER AGENCIES / CONSULTANTS

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

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

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

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

FINANCIAL IMPLICATIONSSelf Supporting Loan

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

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

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

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

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

Potential capital requests to upgrade current MPBC and site

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

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

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

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

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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

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

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

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

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

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

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

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

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

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

CONCLUSION

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

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

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

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

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

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

At 7:07pm Cr Fitzgerald moved, seconded Cr Kepert–

That the Council:

- 1 Note the Officer Report, in responding to the Council resolution CD20/8137 from the 20 October 2020 Council Meeting;**
- 2 Notes to progress Option 4 given the Councils desire to retain the Mt Pleasant Bowling Club on the site with the following Recommendations required;**
 - a) Rescinds all previous resolutions regarding the acquisition and redevelopment of the Mt Pleasant Bowling Club site (items P16/3724 and P17/3764).**
 - b) Directs the Chief Executive Officer to notify all relevant stakeholders and agencies of the rescission of previous resolutions.**
 - c) Directs the Chief Executive Officer to commence lease discussions with the Mount Pleasant Bowling Club with the view to enter into a 3 year plus 9 year plus 9 year (21 years in total) 'premises lease' with 'D' green and the southern portion of the reserve ceded from the leased area to accommodate a new publically accessible park.**
 - d) Directs the Chief Executive Officer to annually monitor the performance, operations and sustainability of the Mount Pleasant Bowling Club with a report presented to the Council at the 30 month mark of the initial lease term where Council will decide to enter into the secondary 9 year lease term or otherwise depending upon the sustainability of the Club at the time.**
 - e) Directs the Chief Executive Officer to expedite investigations, including cost estimates that will form a business case, of developing approximately 30% of the Mt Pleasant Bowling Club site (including 'D' Green and the southern portion of the reserve) as parkland / public open space and report back to Council through an Elected Members Information Session in early 2021.**
 - f) Rescind the requirement for the Mt Pleasant Bowling Club to enter into a loan repayment plan for the outstanding self supporting loan balance and extinguish the loan in full in lieu of the reduced leased area for the Club to facilitate a public park.**
 - g) Grant the Mount Pleasant Bowling Club up to \$50,000 ex GST towards accessibility improvements in the facility.**

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

- h) Supports the Mount Pleasant Bowling Club to remain on its existing site understanding that;
- i. The Club operates without any further financial support from the City including self-supporting loans.
 - ii. The Club fully fund its operations in regards to the ongoing management and maintenance of the leased facility including the playing greens.

Amendment**COUNCIL RESOLUTION**

At 7:07pm Cr Mair moved, seconded Cr Sandford–

That Point 2 be amended by deleting the words “Notes to” at the beginning.

At 7:15pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

At 7:13pm Mr Prendergast left the meeting and returned at 7:22pm.

Amendment**COUNCIL RESOLUTION**

At 7:16pm Cr Mair moved, seconded Cr Sandford–

That Point 2 c) amended to read:

“Directs the Chief Executive Officer to enter into a 10 year lease with an option to renew for a further 11 years with the Mount Pleasant Bowling Club.”

At 7:53pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

At 7:24pm Cr Wheatland left the meeting and returned at 7:26pm.

At 7:45pm Mr Prendergast left the meeting and did not return.

At 7:59pm Cr Woodall left the meeting and returned at 8:02pm.

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

At 8:00pm Cr Mair moved, seconded Cr –

With the same terms as the current lease dated 1 October 2014 except for:

- (i) the deletion of Schedule 1 Item 8 of their current lease dated 1 October 2014 (which states “Either party can terminate this Lease for any reason upon (3) months’ notice in writing to the other party.”); and**
- (ii) the broadening of the “Purpose for Which Leased Premises to be Used” at Schedule 1 Item 6 to add: “and to increase participation in other compatible sports and recreational activities for the wider community, including ancillary commercial activities to contribute to the funding of such activities.”**

At 8:08pm, during discussion, Cr Pazolli foreshadowed his intention to move further amendments to the proposed amendment above.

At 8:15pm Cr Robartson left the meeting and returned at 8:17pm.

COUNCIL RESOLUTION

At 8:19pm Cr Robins moved, seconded Cr Kepert –

That the meeting be adjourned for 5 minutes to allow officers to assist with wording of the proposed amendment.

At 8:19pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

At 8:28pm the Presiding Member resumed the meeting.

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

Amendment

COUNCIL RESOLUTION

At 8:29pm Cr Mair moved, seconded Cr Sandford–

That the following be included at the end of the new point 2 c):

“That the lease with the Mount Pleasant Bowling Club be on the same terms and conditions as the current lease dated 1 October 2014, except for the following amendments:”

At 8:36pm the Presiding Member declared the motion

CARRIED (8/4)

Yes	8	Cr Barber, Cr Wheatland, Cr Mair, Cr Sandford, Cr Pazolli, Cr Kepert, Cr Fitzgerald, Presiding Member Cr Barton
No	4	Cr Robartson, Cr Woodall, Cr Robins, Cr Macphail

Amendment

COUNCIL RESOLUTION

At 8:36pm Cr Mair moved, seconded Cr Sandford

That the new point 2 c) include the following subsection:

“(i) the deletion of Schedule 1 Item 8 of their current lease dated 1 October 2014 (which states “Either party can terminate this Lease for any reason upon (3) months’ notice in writing to the other party.); and”

At 8:37pm the Presiding Member declared the motion

CARRIED (7/5)

Yes	7	Cr Barber, Cr Mair, Cr Sandford, Cr Kepert, Cr Fitzgerald, Cr Wheatland, Presiding Member Cr Barton
No	5	Cr Robartson, Cr Macphail, Cr Woodall, Cr Robins, Cr Pazolli

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

Amendment

At 8:40pm Cr Mair moved, seconded Cr Sandford –

- (ii) the broadening of the “Purpose for Which Leased Premises to be Used” at Schedule 1 Item 6 to add: “and to increase participation in other compatible sports and recreational activities for the wider community, including ancillary commercial activities, to contribute to the funding of such activities.**

At 8:48pm Mr Ferris left the meeting and returned at 8:51pm.

At 8:56pm, during discussion and debate, Cr Pazolli foreshadowed an amendment to the above amendment.

At 9:03pm, during discussion and debate, Cr Woodall foreshadowed amendment to the above amendment.

Amendment

At 8:40pm Cr Mair moved, seconded Cr Sandford –

- (ii) the broadening of the “Purpose for Which Leased Premises to be Used” at Schedule 1 Item 6 to add: “and to increase participation in other compatible sports and recreational activities for the wider community, including ancillary commercial activities, to contribute to the funding of such activities.**

At 9:07pm the Presiding Member declared the motion

LOST (5/7)

Yes	5	Cr Barber, Cr Mair, Cr Sandford, Cr Fitzgerald, Presiding Member Cr Barton
No	7	Cr Robartson, Cr Macphail, Cr Wheatland, Cr Woodall, Cr Robins, Cr Kepert, Cr Pazolli

Foreshadowed Amendment

COUNCIL RESOLUTION

At 9:07pm Cr Pazolli moved, seconded Cr Kepert –

That the new point 2 c) include the following subsection:

- “(ii) the broadening of the “Purpose for Which Leased Premises to be Used” at Schedule 1 Item 6 to add: “and to increase participation in other compatible not-for-profit, community, sports and recreational activities for the wider community and including such ancillary commercial activities as pre-approved by the Council, to contribute to the funding of such activities.”**

At 9:12pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

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

Foreshadowed Amendment

COUNCIL RESOLUTION

At 9:13pm Cr Pazolli moved, seconded Cr Kepert –

That the new point 2 c) include the following subsection:

“(iii) With ‘D’ Green and the southern portion of the reserve ceded from the leased areas to accommodate a new publically accessible park.”

At 9:46pm the Presiding Member declared the motion

CARRIED (8/4)

Yes	8	Cr Robartson, Cr Macphail, Cr Wheatland, Cr Woodall, Cr Robins, Cr Kepert, Cr Fitzgerald, Cr Pazolli
No	4	Cr Barber, Cr Mair, Cr Sandford, Presiding Member Cr Barton

Amendment

COUNCIL RESOLUTION

At 9:46pm Cr Mair moved, seconded Cr Sandford–

That Point 2 d) be deleted and replaced with a new point 2 d) as follows:

“2 d) Directs the Chief Executive Officer to continue to annually monitor the performance, operations and sustainability of the Mt Pleasant Bowling Club in accordance with the provisions of Schedule 1 Items 9 and 10 of the current lease.”

At 9:48pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

At 9:47pm Cr Barber left the meeting and returned at 9:48pm.

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

Amendment

COUNCIL RESOLUTION

At 9:50pm Cr Mair moved, seconded Cr Sandford –

That Point 2 g) be deleted and replaced with a new point 2 g) as follows:

“Directs the CEO to provide a report to the February 2021 Ordinary Meeting of Council on the arrangements for such works required to be implemented by the City to ensure that the accessibility improvements to the Clubhouse occur, and erect a moveable partition in the Clubrooms including the removal of all asbestos as is rendered necessary by such works, to be practically completed by no later than 30 December 2021.”

At 10:01pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

Amendment

COUNCIL RESOLUTION

At 10:02pm Cr Mair moved, seconded Cr Sandford –

That point 2 h) i. of the Officer Recommendation be deleted;

At 10:15pm the Presiding Member declared the motion

CARRIED (7/5)

Yes	7	Cr Barber, Cr Wheatland, Cr Mair, Cr Sandford, Cr Kepert, Cr Fitzgerald, Presiding Member Cr Barton
No	5	Cr Robartson, Cr Macphail, Cr Woodall, Cr Robins, Cr Pazolli

Amendment

COUNCIL RESOLUTION

At 10:15pm Cr Mair moved, seconded Cr Sandford –

That point 2 h) ii. of the Officer Recommendation be amended to read;

“Supports the Mount Pleasant Bowling Club to remain on its existing site understanding that it includes in Appendix A the Lessees obligations to maintain the playing greens in the Lessee’s Column.”

At 10:23pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)**Reasons for the Amendments as proposed by Cr Mair**

- 2 This has been amended because Council is making a decision to go forward and noting implies no action is required! By deleting “Notes to” and starting item 2 with “Progress Option 4 . . .” means the decision of Council will be implemented.
- 2 c) The reason for requesting a 21year lease is for the purposes of enabling Melville Cares and other community organizations to fully utilize the Mt Pleasant Bowling Club facilities. Melville Cares has made it clear that, to attract any funding, it needs a long lease. MPBC already been on the site for 55 years and needs time to position itself as an intergenerational, multi-use, community hub, consolidate its finances and operations, and attract State and Federal funding grants to implement staged improvements to its aging facilities over a 10 + 11 year term. A 3 year lease is incompatible with the Club’s goals of sustainability via maximum usability by other community organisations.
- 2 c)(i) The reason for deleting Schedule 1 Item 8 of the Lease is that it causes undue stress and uncertainty for the MPBC. They have been through a number of very difficult years where the Council of the day put development notices on their fences and refused to grant the 5 year option period they had left on their lease, changing it to a monthly tenancy. This further reduced their ability to function as a viable club for members and users alike, to take function hire bookings, and caused a loss of membership and users groups who moved elsewhere.
- 2 c)(ii) The lease purpose needs to be widened to add uses other than only lawn bowls, to enable the club to source other revenue from co-users, such as Australia Post, Churches, and Melville Cares, as well as other sports and recreational groups.
- 2 d) As stated, the current lease agreement already includes the right of the City to financially monitor the Club on an ongoing regular basis, which the Club has been fully compliant with. Therefore, this provision is unnecessary.
- 2 e) The reason for deletion is because the officers do not have a current survey clearly stating that residents want a park in that area. The survey referred to by officers was in the context of residents being asked whether they wanted to retain 30% of the site of MPBC for a park when the City had plans to develop the site for high density housing. There has been no current survey of residents asking whether they would like to retain 30% of the site as a park if the remaining 70% is retained as a bowling club and community centre. On the contrary MPBC has obtained over 1000 signatures from local residents confirming they wish to retain 100% of the site as MPBC. Also, Mt Pleasant Primary School is a fenced safe exercise location one block away from Mt Pleasant Bowling Club which is available for public use.
- 2 f) The Mt Pleasant Bowling Club has been compliant through the whole process of relocation to Tompkins Park. They were promised that the self-supporting loan would be extinguished as a result and this was confirmed at the ABF of 4 June 2020 by a senior officer. Through no fault of its own, the Tompkins Park concept was abandoned and MPBC understood that the loan was forgiven as indicated.
- 2 g) The reason for removing the cap of \$50,000 towards accessibility improvements is that there is the issue of asbestos in the building. When the works are carried out, there is the possibility that other issues may appear and if a cap is put on the works, the works may not be carried out as a result of that cap. So this amendment is for the purposes of making sure that this necessary and urgent work is carried out for the disabled members and users.
- 2 h) This item is deleted because the Mt Pleasant Bowling Club is keen to continue with its current Community Club Lease where the Club is responsible for the grounds and the Council is responsible for the building, as has been done for the past 55 years.

CD20/8140 – MOUNT PLEASANT BOWLING CLUB REVIEW (REC) (ATTACHMENT)**Substantive Motion as Amended****COUNCIL RESOLUTION**

At 7:07pm Cr Fitzgerald moved, seconded Cr Kepert–

That the Council

1. **Note the Officer Report, in responding to the Council resolution CD20/8137 from the 20 October 2020 Council Meeting;**
2. **Progress Option 4 given the Councils desire to retain the Mt Pleasant Bowling Club on the site with the following Recommendations required;**
 - a) **Rescinds all previous resolutions regarding the acquisition and redevelopment of the Mt Pleasant Bowling Club site (items P16/3724 and P17/3764).**
 - b) **Directs the Chief Executive Officer to notify all relevant stakeholders and agencies of the rescission of previous resolutions.**
 - c) **Directs the Chief Executive Officer to enter into a 10 year lease with an option to renew for a further 11 years with the Mount Pleasant Bowling Club. That the lease with the Mount Pleasant Bowling Club be on the same terms and conditions as the current lease dated 1 October 2014, except for the following amendments:**
 - (i) **the deletion of Schedule 1 Item 8 of their current lease dated 1 October 2014 (which states “Either party can terminate this Lease for any reason upon (3) months’ notice in writing to the other party.); and**
 - (ii) **the broadening of the “Purpose for Which Leased Premises to be Used” at Schedule 1 Item 6 to add: “and to increase participation in other compatible not-for-profit, community, sports and recreational activities for the wider community and including such ancillary commercial activities as pre-approved by the Council, to contribute to the funding of such activities.**
 - (iii) **With ‘D’ Green and the southern portion of the reserve ceded from the leased areas to accommodate a new publically accessible park.**
 - d) **Directs the Chief Executive Officer to continue to annually monitor the performance, operations and sustainability of the Mt Pleasant Bowling Club in accordance with the provisions of Schedule 1 Items 9 and 10 of the current lease.**
 - e) **Directs the Chief Executive Officer to expedite investigations, including cost estimates that will form a business case, of developing approximately 30% of the Mt Pleasant Bowling Club site (including ‘D’ Green and the southern portion of the reserve) as parkland / public open space and report back to Council through an Elected Members Information Session in early 2021.**

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

- f) Rescind the requirement for the Mt Pleasant Bowling Club to enter into a loan repayment plan for the outstanding self supporting loan balance and extinguish the loan in full in lieu of the reduced leased area for the Club to facilitate a public park.**
- g) Directs the CEO to provide a report to the February 2021 Ordinary Meeting of Council on the arrangements for such works required to be implemented by the City to ensure that the accessibility improvements to the Clubhouse occur, and erect a moveable partition in the Clubrooms including the removal of all asbestos as is rendered necessary by such works, to be practically completed by no later than 30 December 2021.**
- h) Supports the Mount Pleasant Bowling Club to remain on its existing site understanding that it includes in Appendix A the Lessees obligations to maintain the playing greens in the Lessee's Column.**

At 10:29pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (12/0)

At 10:30 Cr Woodall left the meeting and returned at 10:32pm.

Procedural Motion

COUNCIL RESOLUTION

At 10:30pm Cr Mair moved, seconded Cr Kepert –

That the meeting be adjourned to 6.00pm Wednesday 9 December 2020, in the Council Chambers.

At 10:34pm the Presiding Member declared the motion

CARRIED (9/3)

Yes	9	Cr Fitzgerald, Cr Kepert, Cr Macphail, Cr Mair, Cr Pazolli, Cr Robartson, Cr Wheatland, Cr Woodall, Presiding Member Cr Barton
No	3	Cr Glynis Barber, Cr Nicole Robins, Cr Margaret Sandford

At 10:34pm the Presiding Member declared the meeting adjourned.

MEETING RECOMMENCEMENT

The Presiding Member, Deputy Mayor, Cr June Barton advised that the Meeting that was adjourned at 10:34pm on Tuesday 8 December 2020 is recommenced at 6.05pm on Wednesday 9 December 2020 and welcomed everyone back to the meeting.

COUNCILLORS

Cr J Barton (Deputy Mayor,
Presiding Member)
Cr N Pazolli
Cr S Kepert
Cr D Macphail
Cr C Robartson
Cr M Woodall
Cr K Mair
Cr M Sandford
Cr T Fitzgerald

WARD

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

IN ATTENDANCE

Mr M Tieleman	Chief Executive Officer
Mr A Ferris	Director Corporate Services
Mr M McCarthy	Director Technical Services
Mr S Cope	Director Strategic Urban Planning
Mr L Hitchcock	Executive Manager Governance and Legal Services
Mr P Prendergast (until 8:03pm)	Manager Statutory Planning
Ms C Newman	A/Manager Governance and Property
Ms T Wright	Governance Officer

At the recommencement of the meeting, there were two members of the public and no representatives from the press in the Council Chambers, and 5 members of the public and one representative from the Press in attendance electronically.

APOLOGIES AND APPROVED LEAVE OF ABSENCE

Apologies

Mayor Honourable G Gear	
Cr G Barber	Bicton – Attadale – Alfred Cove
Cr K Wheatland	Palmyra – Melville – Willagee
Ms C Young	Director Community Services

Approved Leave Of Absence

Nil.

At 6:05pm the Presiding Member brought forward Item M20/5798 – Planning For CEO Performance Appraisal and M20/5797 – Late Item Governance Committee Representation and Presiding Member, in order to enable the requested deputations to me made.

At 6:05pm Mr Maynier and Mr Ross entered the Chambers for the purpose of making a deputation in relation to Item M20/5798 – Planning For CEO Performance Appraisal and M20/5797 – Late Item Governance Committee Representation and Presiding Member.

COUNCIL RESOLUTION

At 6:13pm Cr Sandford moved, seconded Cr Mair –

That Mr Maynier be granted a further 5 minutes to speak on this matter.

At 6:13pm the Presiding Member declared the motion

CARRIED (7/2)

Yes	7	Cr Fitzgerald, Cr Kepert, Cr Pazolli, Cr Mair, Cr Robartson Cr Sandford, Presiding Member Cr Barton
No	2	Cr Woodall, Cr Macphail

The presentation concluded at 6:22pm. At 6:32pm Mr Maynier and Mr Ross departed the Council Chambers.

Disclosures of Interest

Officer	Mr M Tieleman, Chief Executive Officer
Type of Interest	Financial Interest
Nature of Interest	As CEO I am the subject of the Performance Appraisal
Request	Leave
Decision	Leave

At 6:38pm having declared an interest in the matter, Mr Tieleman left the meeting.

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)

Ward	:	All
Category	:	Operational
Subject Index	:	Personnel File
Customer Index	:	Personnel File
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Item C18/5655 - Chief Executive Officer Recruitment - Special Meeting of Council 12 November 2018. Item M19/5711 - Chief Executive Officer Performance Review - Special Meeting of Council held 4 November 2019. Item M19/5711 Chief Executive Officer Performance Review - Governance Committee held 18 November 2020 Late Item M19/5721 – Governance Committee Meeting – Chief Executive Officer Performance Review Process Ordinary Council Meeting held 19 November 2019. Item M19/5726 – Chief Executive Officer Performance Review Process – Governance Committee – 2 December 2019 Item M20/5728 – Chief Executive Officer Performance Review – Governance Committee – 5 February 2020 Item M20/5729 – Chief Executive Officer Performance Review – Special Meeting of Council held 11 February 2020 M20/5781 – Planning For CEO Performance Appraisal – Governance Committee – 19 October 2020 M20/5789 – Planning for CEO Performance Appraisal – 17 November 2020 Ordinary Meeting of Council
Works Program	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Dean McAuliffe Manager People Services

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)

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 (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input checked="" type="checkbox"/>	Information	<i>For the Committee to note.</i>

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)**KEY ISSUES / SUMMARY**

- In accordance with Council resolution (Item C18/5655 – Chief Executive Officer Recruitment – Special meeting of Council 12 November 2018 a five year contract with the Chief Executive Officer (CEO) was entered into which became effective from 20 November 2018.
- In keeping with the requirements of the Local Government Act 1995 the CEO's contract contains a requirement for an annual review, and there are elements of the employment contract which must occur.
- The annual CEO performance review process is ultimately the determination of the Council. The operational management of the process is through the direction of the Mayor, on behalf of Council and the Governance Committee. The Governance Committee has been determined by the Council to be the reviewers of the CEO performance.
- It has been for the Governance Committee to discuss the CEO's performance, future expectations, performance criteria, performance development plan and review the salary package, for recommendation to the Council.
- Each year a defined process, which has been developed by the Administration, is reviewed by the Committee and adopted by the Council, incorporates a proposed performance survey to be completed by Elected Members.
- This year a consultant has been requested to review the CEO performance metrics and to review the performance review process and the consultant has sought comment from Committee Members.
- The 2019 review was concluded in February 2020 and the next 12 monthly review needs to be concluded by 11 February 2021, at the latest, but ideally by the end of December 2020.
- The then Presiding Member of the Governance Committee requested that an item be prepared for presentation to the Committee of "Planning the CEO Performance Appraisal".
- This matter was considered at the Governance Committee Meeting held 19 October 2020, where the Committee resolved to recommend to the Council that:
 - Mr Hutchison of Peopleistic Pty Ltd be engaged to review the existing CEO Performance Review process with the Governance Committee; and
 - following the process review the procurement process for a suitably qualified consultant to assist with the CEO Performance Review be commenced.
- The Governance Committee recommendations were presented to the 17 November 2020 Council Meeting where the Council deferred making a decision and referred the item back to the Governance Committee for further consideration.
- This matter was further considered by the Governance Committee at a meeting held 23 November 2020 and the Committee recommendation is dealt with in this report.

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)**BACKGROUND**

The CEO was appointed on 20 November 2018. The *Local Government Act 1995* requires that the Council review the CEO's performance at least once a year in relation to every year of employment. In November 2019 the Council confirmed the process for the 2019 review, which was concluded in February 2020. Clause 7 of the CEO contract details that there needs to be a review of remuneration on an annual basis at a time that is no later than three months after the anniversary of the commencement date.

At the 18 November 2019 the Governance Committee recommended an amended performance review process which was then approved by the Council at the Ordinary Council meeting held 19 November 2019.

That the Council approves the process for the Chief Executive Officer Performance Review as provided by the Mayor and amended by the Governance Committee – CEO Performance Review Process.

The review was concluded in February 2020 and at the Special meeting of the Council held 11 February 2020 it was resolved:

That the Council commence the process for the review of the Chief Executive Officer Performance, Performance Criteria and Remuneration Review for the period up to 30 June 2020 and then annually on that date thereafter. Any remuneration amendments are to take effect from 20 November of that same year.

This resolution gave effect that the current review will cover the eight month period from November 2019 to 30 June 2020. This was to align with the end of the financial year and annual reporting period, and to ensure that future reviews will be completed by the outgoing Council and not be undertaken by newly Elected Members after biennial October elections.

The Local Government Act requires that a review be conducted "at least once a year in relation to every year of employment" so the current review will need to be concluded by 11 February 2021 at the latest, however, there is a preference to conclude the current review by the end of December 2020.

The next review period will be for the period 1 July 2020 to 30 June 2021.

The then Presiding Member of the Governance Committee requested that an item be prepared for presentation to the Committee on the "Planning the CEO Performance Appraisal". A report was prepared which was considered by the Governance Committee at its meeting held 19 October 2020.

The Governance Committee recommendation was presented to the 17 November 2020 Council Meeting and the Council resolved to defer the item and refer the report back to the Governance Committee for discussion and recommendation back to the Council at the December 2020 meeting or to a Special Meeting of Council.

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)**DETAIL**

The Council had appointed Mr Todd Hutchison, Peopleistic Ply Ltd, to undertake work with the City on a process for the development of the Corporate Business Plan, now completed, and cultural change initiatives.

Following the completion of the Corporate Business Plan Mr Hutchison was also appointed to develop the CEO performance metrics for possible inclusion in the next CEO annual review and contract (1 July 2020 to 30 June 2021). The proposed metrics focus on five requirements areas: legislative / regulatory compliance; execution of approved plans; execution of Council meeting directives; operational effectiveness (internal); and customer relations effectiveness (external). It should be noted that the application of any amended metric would require agreement between the parties as per the CEO contract of employment as per clause 4 Performance Criteria and review and schedule 1 as per the process. **CEO Contract 2018.pdf**

Mr Hutchison had also been requested by an Elected Member(s) to provide facilitated advice on the CEO performance review process (flowchart). Mr Hutchison sought formal comment from Elected Members on the process and was looking at forming an Elected Members working group. It was intended that this group would provide recommendations on the performance review process, that would then be referred to the Administration for final review to ensure compliance against the CEO's contract, the *Local Government Act 1995* and to ensure procedural fairness and natural justice. Once assessed, the process was to be referred to the Governance Committee for consideration and referral to the Council for adoption.

For clarity Mr Hutchison and/or the working group were not being appointed to conduct the performance review as it still remains for the Council to appoint the Reviewer of the CEO performance in accordance with 4.3 - Selection of Reviewer – of the CEO's performance.

The future performance metrics have been developed and the review of the process flowchart was being undertaken and facilitated by Mr Hutchison. At the Governance Committee meeting held 19 October 2020 the Committee recommended that Mr Hutchison be formally engaged to undertake the process review and that he works through the existing process with the Governance Committee. The Committee also recommended that once the process had been reviewed that the CEO commence advertising for a consultant to assist with the review.

Mr Hutchison worked with the then Presiding Member of the Governance Committee and on 5 November 2020 the then Presiding Member presented an updated process map to the Manager People Services. The process map has subsequently been updated to align dates to scheduled meetings and reflect current position titles, responsibilities etc. and distributed to Elected Members in an Advice Note on 16 November 2020.

To progress the performance review the Committee needed to:

1. review the process,
2. review the survey tool, and
3. either reappoint the previous consultant or resolve to commence the advertising for a consultant and then undertake the selection and appointment process.

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)

The survey **CEO Appraisal Survey** was reviewed and amended by the Council at a Special Meeting of the Council held 4 November 2019 and the Council may wish to proceed with the same survey for this review.

There is also the opportunity for the Council to progress the review by reappointing, Mr John Phillips of JCP Consulting who assisted last year's review process. Should the Council resolve with his appointment this would result the removal of four steps of stage one of the process.

The Committee and the Council will also need to review and approve the new performance metrics. Clarification will be required to determine what period these metrics can be applied to as we are almost half way through the next review period i.e 1 July 2020 to 30 June 2021).

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

No community consultation occurred during the period in question.

II. OTHER AGENCIES / CONSULTANTS

There has been no liaison with any other agencies or Consultants beyond Mr Hutchison.

STATUTORY AND LEGAL IMPLICATIONS

Section 5.16(1) of the *Local Government Act 1995*, states that "*Under and subject to section 5.17, a local government may delegate to a committee any of its powers and duties other than this power of delegation*"

Absolute Majority required.

Section 5.23 (2)(a) of the *Local Government Act 1995* states that a meeting by a Council or Committee, or part of a meeting, may be closed to members of the public if a matter affecting an employee is being dealt with.

Section 5.38 of the *Local Government Act 1995* states the requirement to review a CEO's performance at least once a year in relation to every year of employment.

Section 5.39 (7) of the *Local Government Act 1995* states that a CEO is to be paid or provided with such remuneration as is determined by the Salaries and Allowances Tribunal.

FINANCIAL IMPLICATIONS

Costs will be incurred for the consultant to under the additional work described in this report.

The fee for the Performance Review Consultant, when appointed has been included in the 2020-21 operational budget. Any change to the salary package of the CEO as a result of the review, when conducted, will be reflected in the operational budget for 2020-2021.

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

Risk Statement & Consequence	Level of Risk	Risk Treatment
That milestone dates to complete the CEO Performance Review are critical dates not met.	Low	Develop and endorse a process, survey tool and appoint consultant to assist with the conduct of the CEO Performance Review.
That the performance Criteria/metrics for the next twelve months are not determined	Low	Defined process that includes this stage, adopt the reviewed performance metrics.

POLICY IMPLICATIONS

Not applicable

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The requirement for a performance review within a twelve month period is mandatory.

The alternative option to the Officer Recommendation is for the Committee/Council to advertise the appointment of a consultant, consider applications and for the Committee to recommend a consultant to the Council. Should this be preferred further delays to the process will occur. The Committee could also review and approve a new or amended survey tool. If this is desired but cannot be undertaken at this Committee Meeting then further delays to the process will occur.

CONCLUSION

This report provides an update to the Council on the current status of the planning for the CEO performance review. The report recommends that the process be reviewed and approved and in order to comply with the review date that the previous consultant appointment be reappointed and the survey tool from the last review be used.

It was intended that the current review was to be completed by the end of December 2020 however; with the deferral of this matter at the November Meeting this is now unlikely. To comply with the legislative requirement that a review be undertaken within a 12 month period, the current review must be concluded by 11 February 2021.

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)**COMMITTEE RECOMMENDATION**

At 6:38pm Cr Pazolli moved, seconded Cr Robartson –

That the Council:

1. **appoint Mr John Phillips of JCP Consulting to assist with the November 2019 – June 2020 CEO performance review.**
2. **approves the process for the Chief Executive Officer Performance Review as presented, subject to the deletion of the processes involved in advertising and selecting the consultant and the addition of a CEO Question and Answer session and presentation to and discussion with the Governance Committee being added to the first box in stage 4.**
3. **approves a modified survey tool using the 2019-2020 CEO Performance Criteria to be used for the 2020 Chief Executive Officer Performance Review.**

Amendment

At 6:45pm Cr Kepert moved,

That point 3 of the Committee Recommendation be deleted.

LAPSED FOR WANT OF A SECONDER

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION

At 6:38pm Cr Pazolli moved, seconded Cr Robartson –

That the Council:

- 1. Appoint Mr John Phillips of JCP Consulting to assist with the November 2019 – June 2020 CEO performance review.**
- 2. Approves the process for the Chief Executive Officer Performance Review as presented, subject to the deletion of the processes involved in advertising and selecting the consultant and the addition of a CEO Question and Answer session and presentation to and discussion with the Governance Committee being added to the first box in stage 4.**
- 3. Approves a modified survey tool using the 2019-2020 CEO Performance Criteria to be used for the 2020 Chief Executive Officer Performance Review.**

At 6:58pm the Presiding Member declared the motion

CARRIED (7/2)

Yes	7	Cr Fitzgerald, Cr Macphail Cr Mair, Cr Pazolli, Cr Robartson, Cr Woodall, Presiding Member Cr Barton
No	2	Cr Kepert, Cr Sandford

At 7:00pm Mr Tieleman returned to the meeting.

Disclosures of Interest

Member Cr Pazolli
 Type of Interest Interest under the Code of Conduct
 Nature of Interest Current Presiding Member of the Governance Committee
 Request Stay, discuss and vote
 Decision Stay, discuss and vote

M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND PRESIDING MEMBER (REC)

Ward : All
 Category : Policy
 Subject Index : Elected Members Profile
 Customer Index : Elected Members
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : M19/5708 – Election of Representatives to Committees 2019-2021 21 October 2019 Council Meeting,
 Item 3 Election of Presiding Member – Governance Committee Meeting held 18 November 2018.
 Item 4 Election of Deputy Mayor 2020-2021 – 20 and 21 October 2020 Council Meeting.
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Corrine Newman
 Governance Coordinator

AUTHORITY / DISCRETION

DEFINITION

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

M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND PRESIDING MEMBER (REC)

KEY ISSUES / SUMMARY

- At the October 2019 Council Meeting Cr Pazolli was appointed to the Governance Committee in an ex-officio capacity having been elected to the position of Deputy Mayor.
- At the Governance Committee meeting held 18 November 2019 Cr Pazolli was elected as Chairperson of the Governance Committee.
- At the October 2020 Council Meeting Cr Pazolli resigned (Council Policy CP-018 Terms of Office) as the Deputy Mayor and Cr Barton was elected as the Deputy Mayor.
- Being an ex-officio appointment Cr Pazolli is no longer a member of the Governance Committee or the Presiding Member of the Committee.
- At the Governance Committee Meeting held 23 November 2020, the Mayor appointed Cr Pazolli to remain as Presiding Member for that meeting and requested that an Officer Report be presented to the December 2020 Ordinary Meeting of Council on how Cr Pazolli can remain as a Member and Presiding Member of the Committee.

BACKGROUND

After each Election the Council appoints members to the two committees being the Financial Management, Audit, Risk and Compliance Committee (FMARCC) and the Governance Committee. As the City has six wards, membership to Committees is evenly distributed across the wards so that each ward receives equal representation on the Committees.

At the 21 October 2019 Council Meeting, for the Applecross – Mt Pleasant Ward Cr Kepert was appointed to the Governance Committee and Cr Pazolli to the FMARCC for a two year period. Cr Pazolli is recorded in the minutes as being a member in the ex-officio capacity being the Deputy Mayor.

Member	Deputy	Ward
Mayor Gear		Section 5.10(4) Mayoral Position
Cr Pazolli		Deputy Mayor
Cr Kepert	Cr Pazolli	Applecross – Mount Pleasant
Cr Barton	Cr Barber	Bicton – Attadale – Alfred Cove
Cr Robartson	Cr Woodall	Bull Creek – Leeming
Cr Sandford	Cr Mair	Central
Cr Fitzgerald	Cr Wheatland	Palmyra-Melville-Willagee
Cr Robins	Cr Macphail	Bateman- Kardinya- Murdoch

At the Governance Committee meeting held 18 November 2019 Cr Pazolli was elected as Chairperson of the Governance Committee “from October 2019 to October 2021”, with Cr Robins being elected as the Deputy Presiding Member.

In accordance with Council Policy – CP-018 Terms of Office, the position of Deputy Mayor is held only twelve (12) months to give as many Councillors as possible exposure to the experience that this role provides. Past protocol has established that Candidates after 12 months stand down from the position and allow another election to be conducted in October each year.

**M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND
PRESIDING MEMBER (REC)**

As such Cr Pazolli resigned from the position of Deputy Mayor and Cr Barton was elected as the current Deputy Mayor. Cr Barton is the Bicton – Attadale – Alfred Cove Ward member on the Governance Committee, in her own right.

However, for interpretation purposes, it is considered that as Cr Pazolli is no longer a member of the Governance Committee as he no longer holds the ex-officio position of Deputy Mayor.

Tenure on a Committee is covered by Section 5.11 of the *Local Government Act 1995*

“5.11. Committee membership, tenure of

(1) Where a person is appointed as a member of a committee under section 5.10(4) or (5), the person’s membership of the committee continues until —

(a) the person no longer holds the office by virtue of which the person became a member,...”

While this applies to the appointment of the Mayor or employee to a committee it would equally apply in the situation that the Deputy Mayor appointed in an ex officio capacity would cease to be a member of the Governance Committee if they no longer hold the position of Deputy Mayor.

DETAIL

A Notice advising of the situation of Cr Pazolli no longer being a member or the presiding member of the Governance Committee was placed in the Elected Members Bulletin on Friday 20 November 2020 and the election of a presiding member was placed as an item of business on the Governance Committee Meeting agenda for the meeting that was held on Monday 23 November 2020.

At that meeting the Mayor requested that Cr Pazolli chair the meeting and requested that an officer report be prepared for consideration by the Council at the December 2020 Council Meeting, for Cr Pazolli to remain as a member of the Committee and to remain as the presiding member.

This report has been prepared as requested and is presented for the consideration of the Council.

The following sections of the Act apply in relation to this matter and are listed in the Statutory and Legal Implications section of this report. The sections are:

- 5.8 Establishment of committees
- 5.10. Committee members, appointment of
- 5.11. Committee membership, tenure of
- 5.12. Presiding members and deputies, election of
- 5.13. Deputy presiding members, functions of
- 5.14. Who acts if no presiding member.

**M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND
PRESIDING MEMBER (REC)****STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

The Local Government Act describes the following in relation to committees.

Subdivision 2 — Committees and their meetings**5.8 Establishment of committees**

A local government may establish committees of 3 or more persons to assist the council and to exercise the powers and discharge the duties of the local government that can be delegated to committees.*

** Absolute majority required.*

5.10 Committee members, appointment of

- (1) *A committee is to have as its members —*
- (a) *persons appointed* by the local government to be members of the committee (other than those referred to in paragraph (b)); and*
 - (b) *persons who are appointed to be members of the committee under subsection (4) or (5).*

** Absolute majority required.*

- (2) *At any given time each council member is entitled to be a member of at least one committee referred to in section 5.9(2)(a) or (b) and if a council member nominates himself or herself to be a member of such a committee or committees, the local government is to include that council member in the persons appointed under subsection (1)(a) to at least one of those committees as the local government decides.*
- (3) *Section 52 of the Interpretation Act 1984 applies to appointments of committee members other than those appointed under subsection (4) or (5) but any power exercised under section 52(1) of that Act can only be exercised on the decision of an absolute majority of the council.*
- (4) *If at a meeting of the council a local government is to make an appointment to a committee that has or could have a council member as a member and the mayor or president informs the local government of his or her wish to be a member of the committee, the local government is to appoint the mayor or president to be a member of the committee.*

**M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND
PRESIDING MEMBER (REC)**

- (5) *If at a meeting of the council a local government is to make an appointment to a committee that has or will have an employee as a member and the CEO informs the local government of his or her wish —*
- (a) *to be a member of the committee; or*
 - (b) *that a representative of the CEO be a member of the committee, the local government is to appoint the CEO or the CEO's representative, as the case may be, to be a member of the committee.*

5.11. Committee membership, tenure of

- (1) *Where a person is appointed as a member of a committee under section 5.10(4) or (5), the person's membership of the committee continues until —*
- (a) *the person no longer holds the office by virtue of which the person became a member, or is no longer the CEO, or the CEO's representative, as the case may be; or*
 - (b) *the person resigns from membership of the committee; or*
 - (c) *the committee is disbanded; or*
 - (d) *the next ordinary elections day, whichever happens first.*
- (2) *Where a person is appointed as a member of a committee other than under section 5.10(4) or (5), the person's membership of the committee continues until —*
- (a) *the term of the person's appointment as a committee member expires; or*
 - (b) *the local government removes the person from the office of committee member or the office of committee member otherwise becomes vacant; or*
 - (c) *the committee is disbanded; or*
 - (d) *the next ordinary elections day, whichever happens first.*

5.12. Presiding members and deputies, election of

- (1) *The members of a committee are to elect a presiding member from amongst themselves in accordance with Schedule 2.3, Division 1 as if the references in that Schedule —*
- (a) *to "office" were references to "office of presiding member"; and*
 - (b) *to "council" were references to "committee"; and*
 - (c) *to "councillors" were references to "committee members".*
- (2) *The members of a committee may elect a deputy presiding member from amongst themselves but any such election is to be in accordance with Schedule 2.3, Division 2 as if the references in that Schedule —*
- (a) *to "office" were references to "office of deputy presiding member"; and*
 - (b) *to "council" were references to "committee"; and*
 - (c) *to "councillors" were references to "committee members"; and*
 - (d) *to "mayor or president" were references to "presiding member".*

5.13. Deputy presiding members, functions of

If, in relation to the presiding member of a committee —

- (a) *the office of presiding member is vacant; or*
- (b) *the presiding member is not available or is unable or unwilling to perform the functions of presiding member, then the deputy presiding member, if any, may perform the functions of presiding member.*

**M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND
PRESIDING MEMBER (REC)****5.14. Who acts if no presiding member**

If, in relation to the presiding member of a committee —

- (a) the office of presiding member and the office of deputy presiding member are vacant; or*
- (b) the presiding member and the deputy presiding member, if any, are not available or are unable or unwilling to perform the functions of presiding member, then the committee members present at the meeting are to choose one of themselves to preside at the meeting.*

FINANCIAL IMPLICATIONS

There are no financial implications that relate to this matter.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The only risk related to this matter is that at the 23 November 2020 Governance Committee meeting, Cr Pazolli sat as a member of the committee, acted as the Presiding Member and voted, is if it was assessed that he had no capacity to do so in an ex officio capacity.

POLICY IMPLICATIONS

Council Policy CP-018 Terms of Office applies to the practice of Elected Members resigning from the office of Deputy Mayor after 12 months. This policy is due for review in February 2021. It is appropriate for the Council to give consideration as to whether or not this practice should continue at that time for implementation following the October 2021 elections.

In relation to membership the Governance Committee Charter states:

Membership

- In accordance with Section 5.8 of the Local Government Act 1995, members of the Committee will be appointed by absolute majority decision of the Council;*
- The Committee will comprise at least the Mayor, Deputy Mayor and four Councillors of the City of Melville;*
- In accordance with section 5.11 of the Local Government Act 1995 membership of the Committee will be reviewed following each Ordinary Election day i.e. once every two years, or upon the cessation of office by any member or the resignation from the Committee by a member.*

**M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND
PRESIDING MEMBER (REC)****ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Should Cr Pazolli remain on the Governance Committee there will be two representatives from the same ward on the committee, which is no different to what has occurred for the last 12 months. The Council would also need to resolve in relation to the appointment of the presiding member for the next 12 months.

Should Cr Pazolli not be on the committee, a Presiding Member will need to be appointed at the next meeting of the Committee and that member would undertake the functions that have been allocated to the committee presiding member that relate to the review of the building related customer service complaints. Cr Pazolli would then remain as the ward's Deputy (proxy) member on the Committee.

CONCLUSION

It is for the Council to decide by absolute majority decision if Cr Pazolli is to be appointed to the Governance Committee as a second representative of the Applecross – Mount Pleasant ward and if appointed, to confirm his position as Presiding Member.

OFFICER RECOMMENDATION (5797)**ABSOLUTE MAJORITY DECISION**

At 7:01pm Cr Pazolli moved, seconded Cr Sandford –

That the Council:

- 1. Resolve by absolute majority decision on the matter of Cr Pazolli remaining as a member on the Governance Committee and as the Presiding Member of the Committee until October 2021.**
- 2. Notes that the practice of the Deputy Mayor holding the position for a period of 12 month period only in accordance with Council Policy CP-018 “Terms of Office” will be reviewed in February 2021 with any changes to be implemented following the October 2021 councillor elections.**

At 7:04pm Cr Mair foreshadowed an amendment to the officer recommendation.

At 7:27pm, during discussion and debate, the mover and the seconder consented to the removal of the words “and as the Presiding Member of the Committee until October 2021” from point 1”.

M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND PRESIDING MEMBER (REC)

At 7:01pm Cr Pazolli moved, seconded Cr Sandford –

That the Council:

- 1. Resolve by absolute majority decision on the matter of Cr Pazolli remaining as a member on the Governance Committee.**
- 2. Notes that the practice of the Deputy Mayor holding the position for a period of 12 month period only in accordance with Council Policy CP-018 “Terms of Office” will be reviewed in February 2021 with any changes to be implemented following the October 2021 councillor elections.**

Amendment

At 7:33pm Cr Mair moved, seconded Cr Woodall

That point one of the Officer Recommendation be amended to read:

“Resolve by absolute majority decision that Cr Pazolli remaining a non voting member on the Governance Committee.”

At 7:39pm, following discussion, Cr Mair, with the consent of the seconder withdrew her amendment.

COUNCIL RESOLUTION

At 7:01pm Cr Pazolli moved, seconded Cr Sandford –

That the Council:

- 1 Resolve by absolute majority decision that Cr Pazolli remain as a member on the Governance Committee;**
- 2 Notes that the practice of the Deputy Mayor holding the position for a period of 12 month period only in accordance with Council Policy CP-018 “Terms of Office” will be reviewed in February 2021 with any changes to be implemented following the October 2021 councillor elections.**

At 7:40pm the Presiding Member declared the motion

CARRIED BY ABSOLUTE MAJORITY (7/2)

Yes	7	Cr Fitzgerald, Cr Macphail, Cr Mair, Cr Pazolli, Cr Kepert, Cr Sandford Presiding Member Cr Barton
No	2	Cr Robartson, Cr Woodall,

At 7:41pm the Presiding Member adjourned the meeting.
At 7:46pm the Presiding Member resumed the meeting.

At 7:47pm the Presiding member brought forward Item P20/3890 – Melville City Centre Land Exchange for the convenience of the public gallery.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)

Ward : Central
 Category : Strategic
 Application Number : N/A
 Property : 10 Almondbury Road and 125-133 Riseley Street, Booragoon
 Proposal : Melville City Centre Land Exchange with Westfield Booragoon (Scentre Group/AMP Capital Funds Management)
 Applicant : City of Melville and Westfield Booragoon
 Owner : City of Melville and Westfield Booragoon
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : P14/3582 Melville City Centre Redevelopment – Special Meeting of the Council 18 December 2014
 P15/3627 Melville City Centre Land Exchange – Ordinary Meeting of Council 12 May 2015
 Responsible Officer : Steve Cope
 Director Urban Planning
 Jeremy Rae
 Strategic Property Executive

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>

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- The Melville City Centre Structure Plan envisaged the creation of a vibrant, pedestrian-friendly, double-sided “high street” between the City’s Civic Centre and the Garden City Shopping Centre.
- The previously approved land exchange agreement between the City and the then owner AMP Capital Funds Management, sought to realign the land boundaries in order to facilitate the construction of the new High Street and surrounding buildings including the Civic Library & Cultural Centre. This agreement expired on 21 July 2020.
- Scentre Group purchased 50% of the Garden City Shopping Centre in late 2019 from AMP Capital Funds Management and now controls the management and development rights over the Centre. The shopping centre has been renamed “Westfield Booragoon.”
- Scentre Group staff briefed Elected Members and the Executive Leadership Team on the proposed modified plans to redevelop the shopping centre including the revised land boundary re-alignment with the City and the new modified High Street on 11 August 2020 and provided draft terms to the City on 18 September 2020 and 10 November 2020.
- The expansion of the shopping centre provides a unique opportunity to progress the objectives of the Melville City Centre Structure Plan, in particular the creation of the High Street precinct.
- The redevelopment is expected to generate significant uplift in Council rates for the 2024/25 FY in the order of \$5M taking rates that Westfield pay to a range of \$8M-\$9M. In addition, the redevelopment of the surrounding area within the Activity Centre is expected to further grow Council rates revenue from the precinct as it develops. The redevelopment of the Westfield Booragoon will stimulate this growth. Without the redevelopment project proceeding, rates revenue in the precinct will decline.
- Facilitating this opportunity requires a straightening of the common boundary between the shopping centre site and the City’s land. The land realignment is proposed to be achieved via a land exchange between the City and Scentre Group/AMP Capital Funds Management on a “like for like” basis of equal value.
- The process to initiate this land exchange requires Council to approve the Public Notice under section 3.58 of the *Local Government Act 1995* and call for submissions from the public over a two week period. Submissions will be presented to Council in a report for a final decision on whether or not to approve the land exchange.
- Achievement of the land exchange and ultimately the development of the High Street precinct are linked to the development approval for the shopping centre expansion. Commencement of the assessment of the development application requires the City to endorse the application forms as, prior to completion of the land exchange, portion of the development proposal would be on the City’s land.
- Consent for the CEO to sign the development application forms is sought. It is noted that the endorsement of the forms has no bearing on the decision making process for the development application or the land exchange.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)



Aerial view of Site

BACKGROUND

The City owns Lot 52, 10 Almondbury Road, Booragoon in freehold title which includes the Civic Centre and Civic Square Library. The lots has an area of 31,864 m² and is zoned “Centre C1” in Local Planning Scheme No. 6 with a density of RAC-0 within the Melville City Centre Structure Plan. The Structure Plan provides for a new High Street and high quality public spaces to be created between the existing Shopping Centre and the Civic Centre. The High Street is expected to be a vibrant, pleasant and commercially successful place.

Scentre Group purchased a 50percent share of Garden City Shopping Centre from AMP Capital Funds Management and renamed it “Westfield Booragoon” in December 2019. The shopping centre is adjacent to the City Civic Centre and Library and Scentre Group has been in discussions with the City to plan a significant expansion of the Shopping Centre and submit a new development application with the State Development Assessment Panel.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)

The Melville City Centre Structure Plan provides the vision for the redevelopment of the City Centre and the relevant development requirements. The Structure Plan provides for a new High Street precinct featuring high quality public spaces to be created between the existing Westfield Booragoon and the City Civic Centre. The creation of the High Street precinct, as required by the Structure Plan, supports the transformation of the precinct to a City Centre by:

- Enhancing linkages through the centre
- Facilitation of the required public square
- Facilitation of the location for the library cultural centre development
- Ensuring that the space between the civic centre and the shopping centre is inviting and accessible to the public
- Providing opportunity for development, activity and vibrancy in a public setting outside of an internalised shopping centre environment.

The expansion plans for the shopping centre provide an opportunity to progress the High Street precinct. Importantly the expansion of the shopping centre presents an opportunity for much of the works associated with the creation of the High Street precinct to be provided as part of the development application process. The alignment of the current boundary between the City's land and the Scentre Group/AMP Capital Funds Management land is not conducive to the construction of the new High Street. The previous proposal to expand the shopping centre included a land exchange to straighten the boundary between the landholdings to allow a workable alignment for the creation of the High Street. The current plan seeks a similar straightening of the boundary to allow the High Street precinct to be realised.

Scheme Provisions

MRS Zoning	: Urban
LPS Zoning	: Centre C1
R-Code	: RAC-0
Use Type	: N/A
Use Class	: N/A

Site Details**City Site**

Address	: Lot 52 (10) Almondbury Road, Booragoon
Registered Owner	: City of Melville
Legal Description	: Lot 52 D064936
Certificate of Title	: Volume 1923 Folio 796
Land Area	: 31,864m ²

Westfield Booragoon

Address	: Lot 501 (125-133) Riseley Street, Booragoon
Registered Owner	: AMP Capital Funds Management Ltd
Legal Description	: Lot 501 DP412579
Certificate of Title	: Volume 1923 Folio 796
Land Area	: 169,355m ²

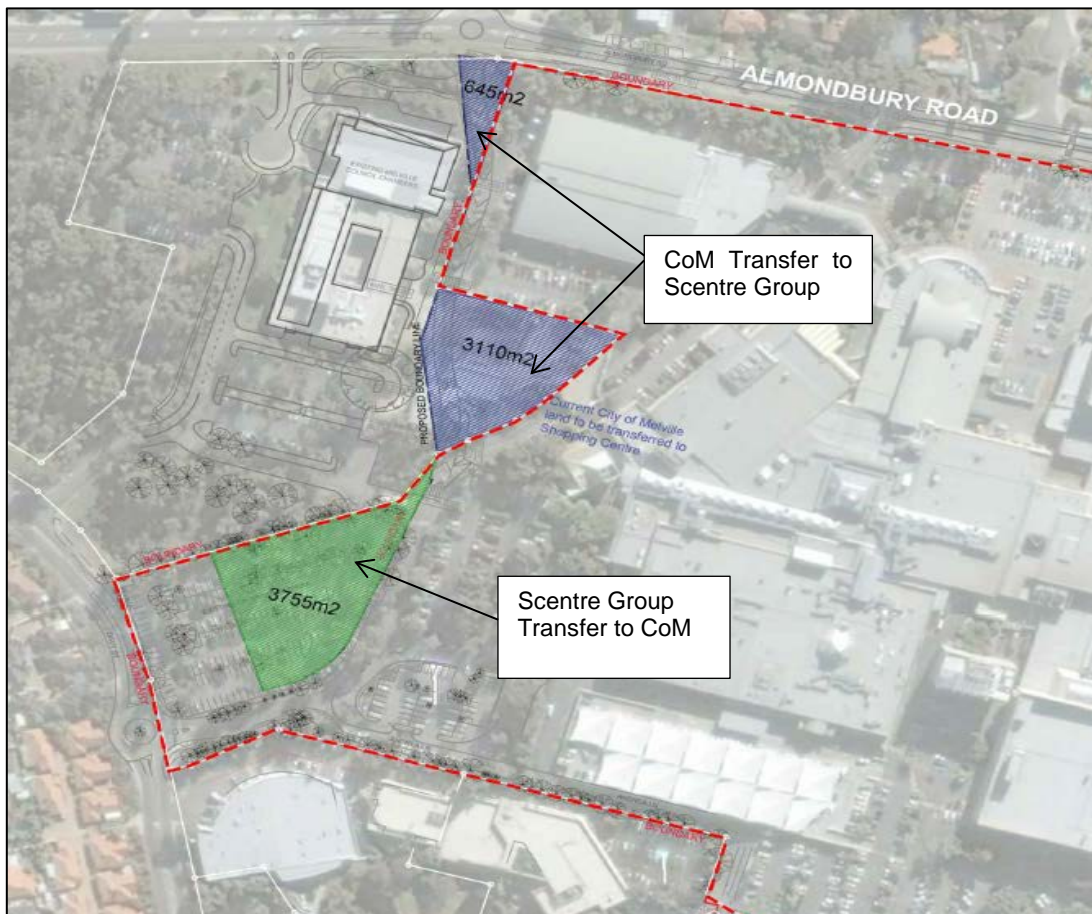
P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)

DETAIL

The preliminary plans prepared by Scentre Group for the expansion of the Westfield Shopping Centre have reflected the Structure Plan requirements in including the creation of the High Street and associated precinct. The High Street Precinct will be an integral part of the new shopping centre, creating a vibrant commercial, retail and cultural precinct. As highlighted above a low speed, pedestrian focused street in this location reinforces that the precinct is an emerging town centre as opposed to a shopping centre adjoining the civic/administration centre. The street provides a high level of public access and reinforces that the spaces being created, including a new town square, are part of the public realm.

Achievement of the High Street requires a straightening of the boundary between the City and shopping centre sites. A “like for like” land swap is proposed to achieve the boundary straightening. Specifically, Scentre Group/AMP Capital Funds Management has proposed to acquire from the City approximately 3,755m² of existing Lot 52 which includes the part of the existing Civic Square and Library. In return Scentre Group/AMP Capital Funds Management will offer the same size land parcel of approximately 3,755m² within “Westfield Booragoon’s” shopping centre holding which is currently used as a car park.

An aerial view of the proposed land exchange is shown below.



Proposed Land Exchange Map

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)Proposed Land Transaction

Under the *Local Government Act 1995* the proposed transfer of land to achieve the straightening of the common boundary is considered to be a disposition of land and accordingly Section 3.58 of the Act would apply. The City has three options under Section 3.58 of the *Local Government Act 1995* for the disposition of land and property, which are:-

1. To the highest bidder at public auction (Section 3.58 (2)(a));
2. Via a public tender process (Section 3.58(2)(b)); or
3. Via Local Public Notice (Section 3.58(3 & 4)).

In this situation the boundary realignment can only occur through a transaction with Scentre Group/AMP Capital Funds Management and accordingly options 1 and 2 above would not apply. It is recommended that the Council considers the land disposal and purchase (exchange) via Public Notice under Section 3.58(3). This process requires the following:-

- City and Scentre Group/AMP Capital Funds Management enter a “like for like” land swap of equal value.
- City obtains an independent valuation for both parcels of land on an “As-Is” unimproved basis by way of direct market comparative sales evidence.
- The proposed land exchange value does not require a Business Plan to be prepared and advertised under Section 3.59 as the value of the land exchanged is below the threshold of \$8M, being 10% of the City’s current revenue base.
- The Public Notice will reference the land exchange parcels, the consideration (being the valuation amount) and the buyer and sellers names. The Public Notice will be advertised state wide for a period of 2 weeks and will call for submissions from the public.
- Upon closing of the Public Notice advertising period, the City will collate submissions received and prepare a submissions report to Council for consideration and decision on the land exchange.
- If approved the City will engage its solicitors to prepare the land exchange contract/agreement and facilitate settlement of the exchanged parcels of land.

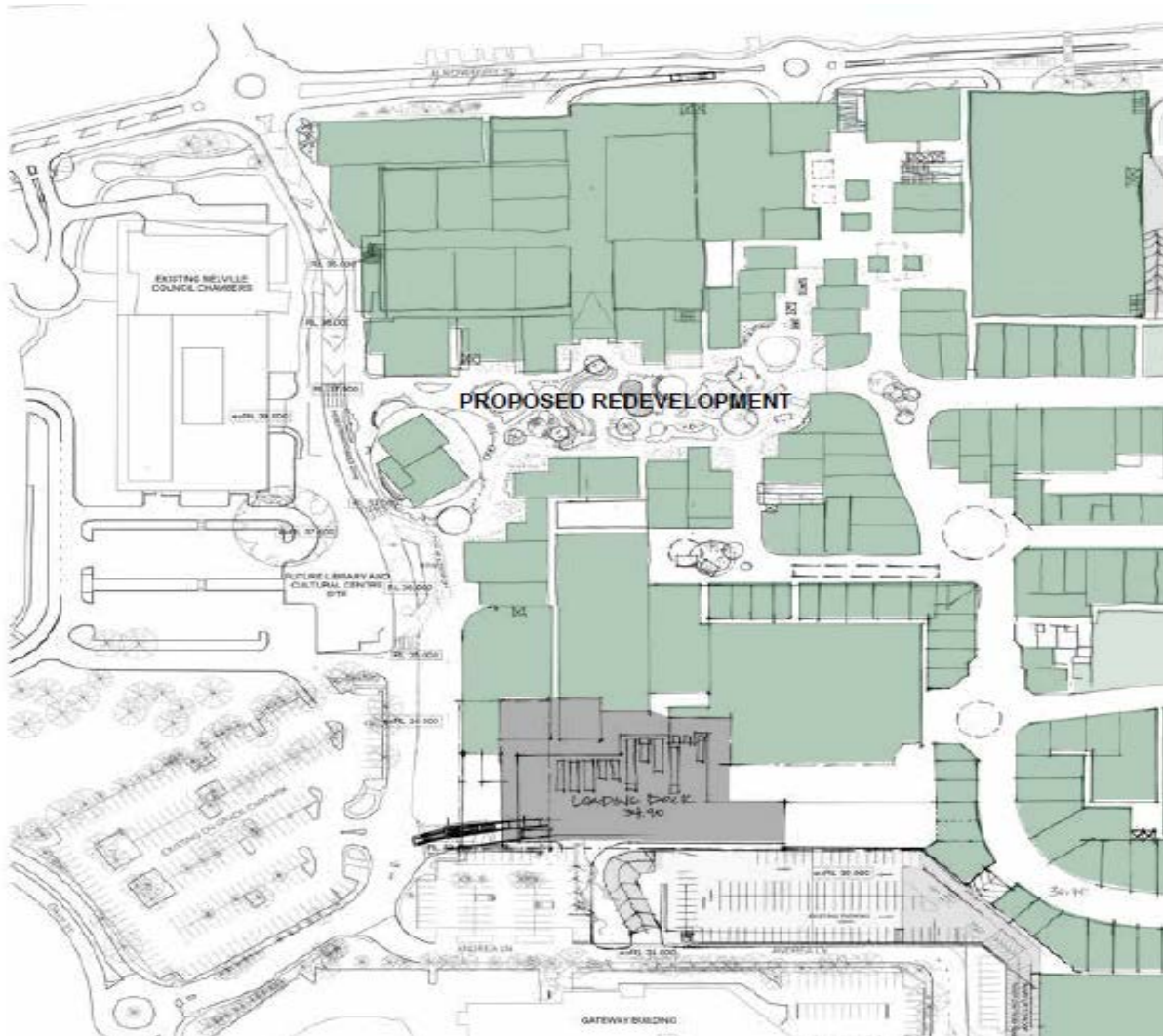
Planning & Community Benefits

The proposed land exchange presents the opportunity to allow the Melville City Centre to develop towards the vision in the Structure Plan. The creation of the High Street precinct between the shopping centre and the City’s land is one of the key objectives of the Structure Plan. Its achievement requires cooperation between the City and the shopping centre owner and it is recognised the current opportunity to create the High Street precinct may be the last for several decades. Importantly the expansion of the shopping centre presents an opportunity for much of the works associated with the creation of the High Street precinct to be provided as part of the development application process. In summary, the land exchange and associated construction of the High Street precinct will provide the following benefits to the City:-

1. Facilitate the redevelopment and creation of a new public High Street Precinct, including shops, cafes, restaurants, entertainment, civic and cultural precinct.
2. Providing the Melville City Centre with a unique town centre identity and opportunity to grow into a vibrant mixed use place
3. Provide certainty regarding the site for the new library cultural facility building.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)

4. Facilitate the development of publicly accessible town square and public spaces within the precinct.
5. Provide the City (via the land-swap) with a strategically located and useable parcel of land (shown green in the diagram above) with long term potential community or commercial development potential.
6. The new high street will be constructed by the proponent at its cost and is to be ceded to the City as a public road, securing public access and becoming an important amenity asset for the precinct.



Proposed High Street Concept Plan

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)**PROCESS**

The shopping centre redevelopment involves the following process.

- Phase 1 – Initiate Process (Completed Oct 2020)
- Phase 2 – Negotiation Phase (Completed Nov 2020)
- Phase 3 – CEO signs Form 1 Consent Westfield to lodge DA State DAP (4 months)
- Phase 4 – Advertising Public Notice Process (Section 3.58 LGA) (2 weeks statutory requirement, 4 weeks proposed)
- Phase 5 – Public Submissions Report Approved by Council (1 month)
- Phase 6 – Land Exchange Agreement (1 month)
- Phase 7 – Land Exchange Subdivision Approval (WAPC) (3 months)
- Phase 8 – New Titles and Settlement (2 months)
- Phase 9 – DD & Tender and Construction (3 years)

Phases 1 & 2 have been completed and Stage 3 is underway subject to Council approving the CEO to sign the Form 1 so Westfield can lodge its DA with the State Development Assessment Unit (SDAU).

This report seeks Council approval to initiate Phase 3, noting that Phase 5 will require a Council report to approve the land exchange and transfer. Based on the above and subject to securing approvals and agreements within timeframes indicated, it is estimated that construction could be initiated by Westfield in the first quarter of 2022 and completed by the latter part of 2024.

STAKEHOLDER ENGAGEMENT

Advertising Required: Yes – proposed as per Section 3.58 (3) of the Act for a two week period.

I. COMMUNITY

The City's Stakeholder Engagement Policy CP-002 outlines the different levels of public consultation and communication required depending on complexity, risk, political sensitivity and the impact on the community. In this case, public advertising would be required as per the Local Public Notice requirements of the Act (Section 3.58) for no less than fourteen days. The advertising would be regarding the potential land transaction, not the concept plan. Detailed development ideas/issues would be considered in future through the development application process.

II. OTHER AGENCIES / CONSULTANTS

No engagement is required with external agencies or consultants as part of the Local Public Notice process.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)**STATUTORY AND LEGAL IMPLICATIONS**

The City has legislative requirements to meet in addition to standard property practices. As mentioned above, the preferred option is for the Council to consider the disposition of the land via a land swap in accordance with a Local Public Notice process.

Section 3.58 (3) of the Act states that:

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

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

The key points to note are that:

- The Council cannot agree to dispose of the property until the legislative advertising requirements are fulfilled.
- The Council has formally considered all submissions made during the public advertising period prior to any decision being made in relation to the disposal.

The Process Chart provided for the Council’s information in Attachment 2.

FINANCIAL IMPLICATIONS

There are no financial implications as a result of this process. Whilst the value of the potential land swap may be in the order of \$6 million, the “like for like” land swap would result in a \$Nil balance payment adjustment at settlement. Scentre Group/AMP Capital Funds Management will be liable for stamp duty on the exchange value whilst the City is exempt from stamp duty and will not incur a transfer costs.

The City has made provision for the preparation of the land exchange agreement by its solicitors and has budgeted up to \$10,000 for this cost. This cost will be shared with Scentre Group/AMP Capital Funds Management paying 50percent of this cost by way of reimbursement to the City.

Valuation and Compensation Summary for Replacement of Civic Assets

1. Civic Library
 - a. Replacement Value (Fair Value Insurance) \$3.8M
 - b. Westfield Offer \$2.5M.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)

2. Air-conditioning Plant
 - a. Replacement Value (QS) \$750K-\$1M
 - b. Westfield Offer \$Nil
3. Demolition of Civic Library and Amphitheatre \$250K at Westfield's cost
4. Future Rates Revenue from Westfield Garden City expansion
 - o Current Rates (2020/21) \$4.78M
 - o Future Rates (2024/25) Range \$8M to- \$9M

Land Exchange Acquisition:

- Future Community/Commercial Development Site on High Street
- Land Size 3755sqm = Market Valuation - \$5.92M Excluding GST

In addition, the proposed new High Street which Westfield will construct will become a gazetted road and ceded to the City of Melville after construction is completed and the contractor's defects liability period has expired (i.e. 6 months). The City's Technical Services department has determined that cost of constructing the proposed High Street would be approximately \$3M and this represents a significant community benefit paid by Westfield. Upon the High Street being ceded to the City, the City would become responsible for upkeep and maintenance of the High Street and importantly have control over the High Street.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

There are no strategic risks or environmental management implications with this application apart from the following identified:-

1. Should Council decide not to approve the proposed land exchange with Scentre Group/AMP Capital Funds Management, Westfield is likely to proceed with lodging its development application based on design without a High Street. This option will entail:-
 - a. No High Street
 - b. Existing Civic Library will stay where it is
 - c. Road to Almondbury Rd will be undergrounded on the existing alignment
 - d. Planned Restaurant precinct will open onto the existing amphitheatre space
 - e. Possible hard cul-de-sac edge to the cinema complex
 - f. Very minor changes to their planned retail layout
2. Should the City decide to progress the proposed new civic library and cultural centre project, the City will forego the \$2.5M in financial compensation from Westfield plus the estimated \$250K cost for demolishing the existing library which Westfield is proposing to pay. The saving is that the City would not have to pay the relocation of the air-conditioning plant which has been estimated to cost up to \$1M.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)**POLICY IMPLICATION**

There are no policy implications as a result of this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council may decide not to approve the advertising of the proposed land exchange under Section 3.58 of the LGA 1995.

Under this option it is expected that the shopping centre owners would explore alternative expansion plans that did not involve the creation of the High Street Precinct. Not achieving the High Street precinct would result in a lesser planning outcome for the Activity Centre and a likely sub optimal level of activation and public space between Westfield Booragoon Shopping Centre and the City's land holding. The potential to create a publicly accessible space and unique town centre identity in this location would be diminished. Long term this would compromise the functionality and development opportunities for the centre, and result in significantly reduced rate revenue to the City. The current opportunity for the shopping centre redevelopment to substantially contribute to the desired outcomes for the Melville City Centre would be lost.

Certainty in relation to the proposed redevelopment of a new Library and Cultural Centre is also diminished if the High Street precinct works are not progressed. The current proposal secures a strategic site (on the High Street) for the proposed new facility as well as a financial contribution to the new building. Should the boundary re-alignment proposal not proceed, the existing Civic Library is retained. Should the City choose to proceed with a new facility then the offer of compensation towards a new building is not available and the location of the building (in the absence of a High Street) is likely to be less optimal.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)**CONCLUSION**

The straightening of the common boundary between the City's land and Westfield Booragoon provides the opportunity to create a public High Street Precinct in this location. As outlined above, the creation of the High Street responds to the requirements of the Melville City Centre Structure Plan and is significant to transforming the precinct into a true town centre. The current development application for the expansion of Westfield Booragoon provides the opportunity to achieve the High Street precinct. The outcome will ultimately require the finalisation of the land swap described in this report. Approval of a development application for the expansion of the shopping centre and the construction of the High Street precinct will also be required.

This item to Council seeks to:

- i. commence the process to consider the land-swap; and
- ii. to authorise the Chief Executive Officer to endorse the development application forms to enable the Scentre Group to lodge their application, including the proposals for the land to be acquired from the City in the land-swap arrangement.

It is recognised that the proposed land swap will involve a number of associated costs to the City as outlined in this report. These costs are considered more than offset by the overall benefit to the community through the realisation of the objectives of the Melville City Centre Structure Plan, in particular the creation of the High Street precinct. The report also demonstrates that specific dollar value short term costs associated with the current offer are recovered through additional rate revenue associated with the expansion of the shopping centre and uplift in the surrounding area. The land swap itself whilst cost neutral is also noted to provide the City with a parcel of land suitable for development for community and/or commercial purposes in the future, as opposed to current piece of land which is constrained.

No decisions on the potential land transaction should be made at this point of the process in accordance with the requirements of the *Local Government Act 1995*. However, it is requested that the Council consider support for the principle of a "like for like" land swap of equal monetary value in order to realign the existing lot boundary and facilitate the development of the new high street precinct.

It is recommended that the Council authorise the Chief Executive Officer to proceed with the next steps in the process which is to publicly advertise a Local Public Notice in accordance with Section 3.58 (3) and (4) of the Act. A further report would then be submitted to Council at the conclusion of the advertising period to consider submissions and to make a final decision on the proposed land swap. Further, it is recommended that the Chief Executive Officer be authorised to endorse the Scentre Group development application forms to enable the development application for the expansion of the shopping centre to be lodged, inclusive of the proposed development on the land which is subject to the proposed land-swap. It is noted that endorsement of the application forms is an administrative action to enable the assessment of the development application to proceed. The endorsement would not have any bearing on the content of the development application and does not imply support or otherwise for the development proposal or the associated land swap proposal.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3890) APPROVAL

At 7:47pm Cr Macphail moved, seconded Cr Mair –

That the Council:

1. Authorise the Chief Executive Officer to endorse the Scentre Group development application forms, as current land owner of the land proposed to be included in the land swap, to enable the development application for the expansion of the shopping centre to be lodged.
2. Note the Potential Land Disposition Process Map as provided in Attachment 1;
3. Note the draft Design Concept Plan submitted by Scentre Group for the Melville City Centre High Street Precinct;
4. Support the “like for like” land swap of equal monetary value in order to Re-align the existing lot boundary and facilitate the development of the new Melville City Centre High Street Precinct approximately along the lines of the Plan provided in Attachment 1 marked “Proposed Land Exchange Plan”, with Zero monetary balance upon settlement;
5. Authorise the Chief Executive Officer to prepare and publicly advertise a Local Public Notice in accordance with Section 3.58(3) & (4) of the *Local Government Act 1995* for the proposed land swap;
6. Note that a submissions report will be presented to the Council following conclusion of the public notice advertising period. This report will request Council to consider approving the land exchange transaction, subject to submissions received and will authorise the CEO to finalise and execute the land exchange agreement between Scentre Group and the City of Melville as shown in Attachment 1 – Proposed Land Exchange Plan.

At 8:02pm the Presiding Member declared the motion

CARRIED (8/1)

Yes	8	Cr Fitzgerald, Cr Kepert, Cr Macphail, Cr Mair, Cr Robartson, Cr Sandford, Cr Woodall, Presiding Member Cr Barton
No	1	Cr Pazolli

ATTACHMENTS

1. [3890 PROPOSED LAND EXCHANGE PLAN](#)
2. [3890 FAIR REPLACEMENT VALUE ASSESSMENT CIVIC LIBRARY](#)
3. [3890 QUANTITY SURVEYOR ASSESSMENT AIRCONDITIONING PLANT](#)
4. [3890 DRAFT SECTION 3.58 LGA PUBLIC NOTICE](#)

At 7:54pm Cr Robartson left the meeting and returned at 7:59pm.

At 8:03pm Mr Prendergast left the meeting and did not return.

Disclosures of Interest

Member	Cr Kepert
Type of Interest	Financial Interest
Nature of Interest	Financial Interest
Request	Leave
Decision	Leave

At 8:03pm having declared and interest in the matter, Cr Kepert left the meeting.

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

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

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes & policies.</i>
<input checked="" 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 to note.</i>

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

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

BACKGROUND

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

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

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

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

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

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

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

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

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

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

“Dear Councillor

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

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

2. Applications for Financial Assistance

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

Alternatively, the Allowances Policy provides:

2.5 Other Expenses

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

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

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

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

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

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

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

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

2.10. Role of councillors

A councillor —

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

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

Council Policy CP-091 states:

2.6 Payment of Reimbursements

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

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

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

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

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

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

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

Nil.

II. OTHER AGENCIES / CONSULTANTS

Nil.

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

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

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

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

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

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

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

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

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

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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

POLICY IMPLICATIONS

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

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

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

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

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

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

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

2.10. Role of councillors

A councillor —

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

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

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

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

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

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

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

COMMITTEE RECOMMENDATION**APPROVAL**

At 8:04pm Cr Sandford moved, seconded Cr Pazolli –

That the Council

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

At 8:06pm Cr Fitzgerald foreshadowed a Reject and Replace motion.

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

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION

APPROVAL

At 8:04pm Cr Sandford moved, seconded Cr Pazolli –

That the Council:

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

At 8:23pm the Presiding Member declared the motion

CARRIED (5/4)

Yes	4	Cr Macphail, Cr Robartson, Cr Woodall, Presiding Member Cr Barton
No	4	Cr Mair, Cr Pazolli, Cr Sandford, Cr Fitzgerald,

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

At 8:25pm Ms Newman left the meeting and returned at 8:25pm.

At 8:25pm Cr Kepert returned to the meeting.

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

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

AUTHORITY / DISCRETION

DEFINITION

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

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

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

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



Figure 1: Aerial image of the site

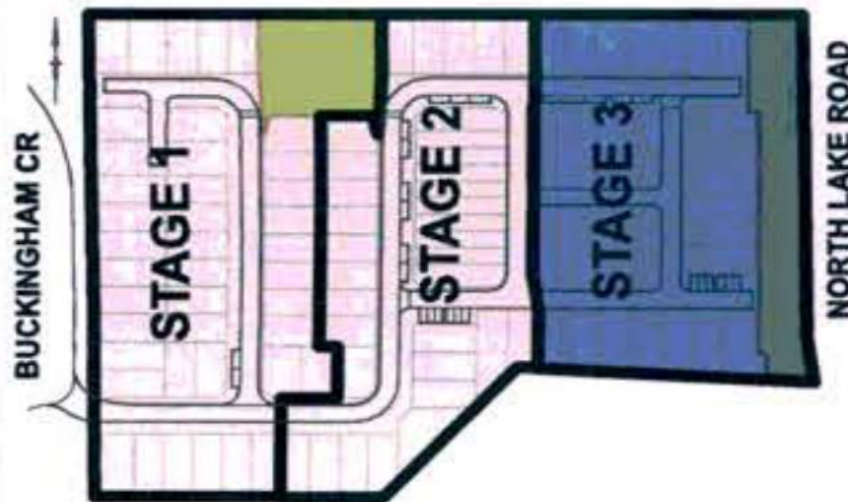


Figure 2: Staging Plan

BACKGROUND

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

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

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

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

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

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

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

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

Scheme Provisions

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

Site Details

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

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

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

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

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

Site Context

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

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

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

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

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

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

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

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

All other development standards continue to apply.

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

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

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

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

II. OTHER AGENCIES / CONSULTANTS

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

STATUTORY AND LEGAL IMPLICATIONS

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

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

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

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

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

COMMENT

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

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

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

Primary & Secondary Street Setbacks

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

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

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

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

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

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

Garage Setbacks

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

Uniform Fencing & Interface with Public Open Space

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

Vehicle Access & Garages

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

Incidental Development

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

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

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

Quiet House Design Principles

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

CONCLUSION

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

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3887) APPROVAL

At 8:26pm Cr Macphail moved, seconded Cr Mair –

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

At 8:27pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

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

Ward : All
 Category : Operational
 Subject Index : Tender
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Not Applicable
 Works Programme : Not Applicable
 Funding : Approximately \$950,000 a year from various internal accounts
 Responsible Officer : Mario Murphy – Manager City Buildings

AUTHORITY / DISCRETION

DEFINITION

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

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

KEY ISSUES / SUMMARY

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

BACKGROUND

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

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

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

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

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

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

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

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

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

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

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

DETAIL

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

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

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

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

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

II. OTHER AGENCIES / CONSULTANTS

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

STATUTORY AND LEGAL IMPLICATIONS

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

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

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

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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

POLICY IMPLICATIONS

CP-023 Procurement of Products or Services.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

No alternate options have been identified.

CONCLUSION

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

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

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

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

At 8:27pm Cr Fitzgerald moved, seconded Cr Pazolli –

That the Council:

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

Category 1

- Northlake Electrical Pty Ltd – ABN 96 009 251 174**

Category 2

- Northlake Electrical Pty Ltd – ABN 96 009 251 174**
- Tri Tech Group Pty Ltd T/AS Janissen Electrics – ABN 20 600 977 320**
- Hilton Electrical Maintenance Pty Ltd – ABN 66 620 166 458**

At 8:28pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

Disclosures of Interest

Member	Cr Kepert
Type of Interest	Interest under the Code of Conduct
Nature of Interest	Elected Member of SMRC
Request	Stay, discuss and vote
Decision	Stay, discuss and vote

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

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

AUTHORITY / DISCRETION

DEFINITION

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

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

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

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

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

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

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

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

DETAIL

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

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

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

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

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

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

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

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

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

Key facts

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

Project Overview

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

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

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

II. OTHER AGENCIES / CONSULTANTS

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

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

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

STATUTORY AND LEGAL IMPLICATIONS

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

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

FINANCIAL IMPLICATIONS

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

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

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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

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

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

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

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

CONCLUSION

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

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

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

T20/3889 - WASTE TO ENERGY (REC) (CONFIDENTIAL ATTACHMENT)**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (3889) APPROVAL**

At 8:28pm Cr Robartson moved, seconded Cr Macphail –

That the Council:

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

At 8:30pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

CD20/8139 – FENCED DOG PLAY PARK (REC)

Ward	:	All
Category	:	Strategic
Subject Index	:	Not Applicable
Customer Index	:	Not Applicable
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Ordinary Meeting of Council 17 July 2018 – Consideration of a Fenced Dog area. CD/19/8118 Ordinary Meeting of Council 20 August 2019
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Brodie Dawkins Manager Neighbourhood Amenity

AUTHORITY / DISCRETION

DEFINITION

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

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

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

BACKGROUND

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

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

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

CD20/8139 – FENCED DOG PLAY PARK (REC)

DETAIL

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

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

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

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



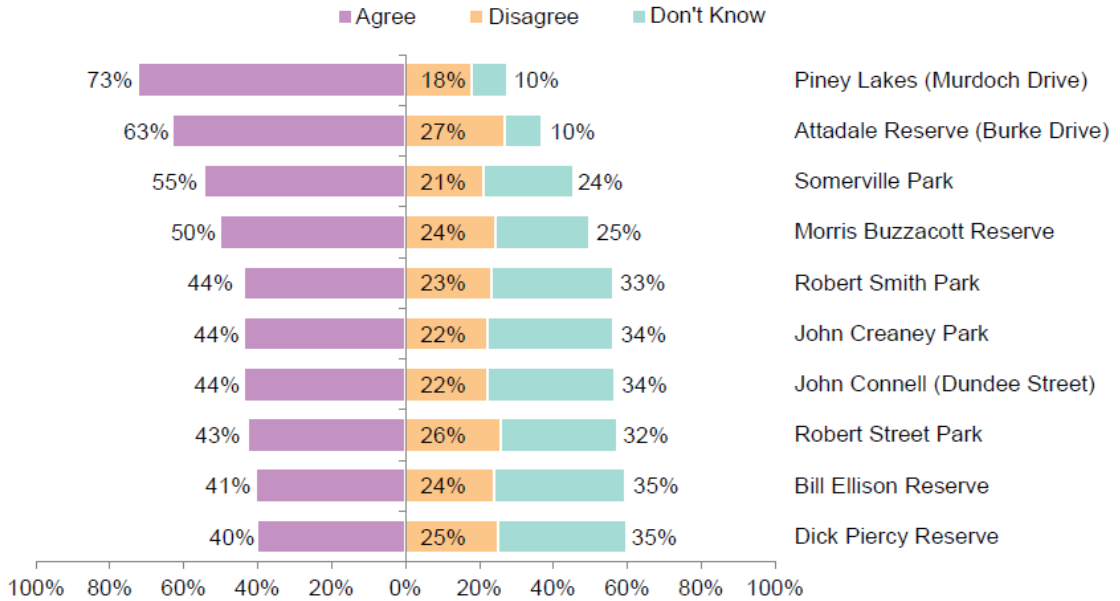
564 community members responded with Piney Lakes (Murdoch Drive) being the most (73%) supported location for fenced dog play park (highest percentage of respondents agreed and least people disagreed / unsure about this location).

CD20/8139 – FENCED DOG PLAY PARK (REC)

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

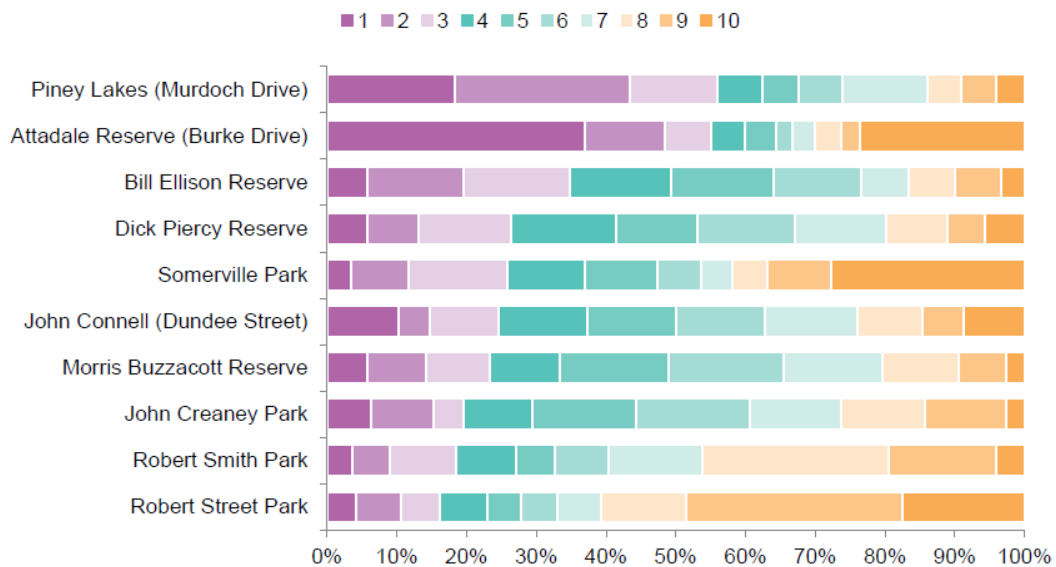
Survey Questions

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



Rank each location in order of preference

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



CD20/8139 – FENCED DOG PLAY PARK (REC)

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

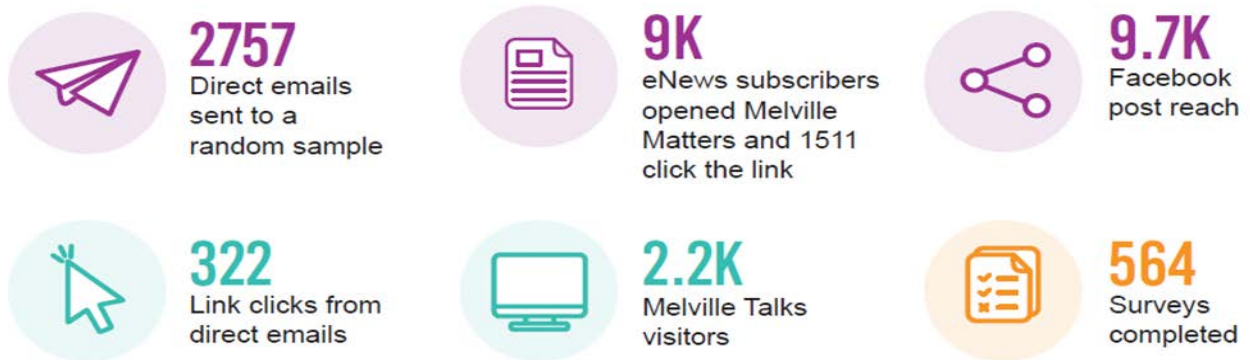
Stage 1 of the Community Engagement occurred from 10 August to 24 August 2020.

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

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

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

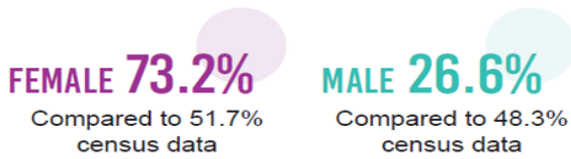
In total, 564 people responded to the survey and the majority of respondents were reached through digital media including over 90% with 31% from direct invitation and 30% from social media.



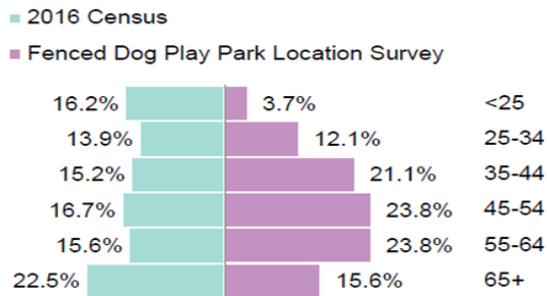
Survey - Profile of participants - Based on an estimated population of 102, 307 in the City of Melville, the sample size collected has provided a 99% level of statistical validity.

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

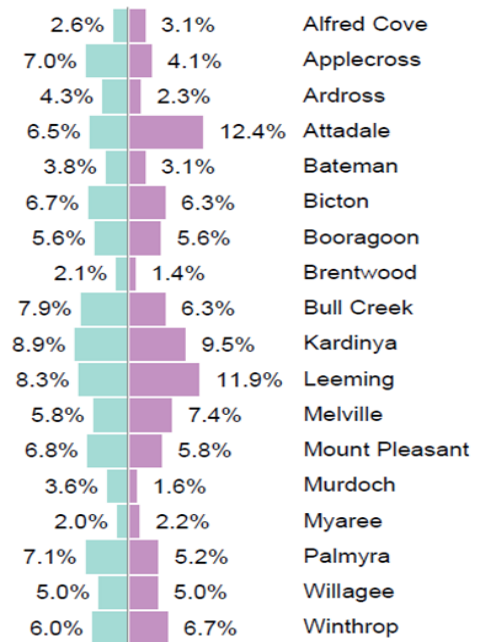
CD20/8139 – FENCED DOG PLAY PARK (REC)



AGE



SUBURB



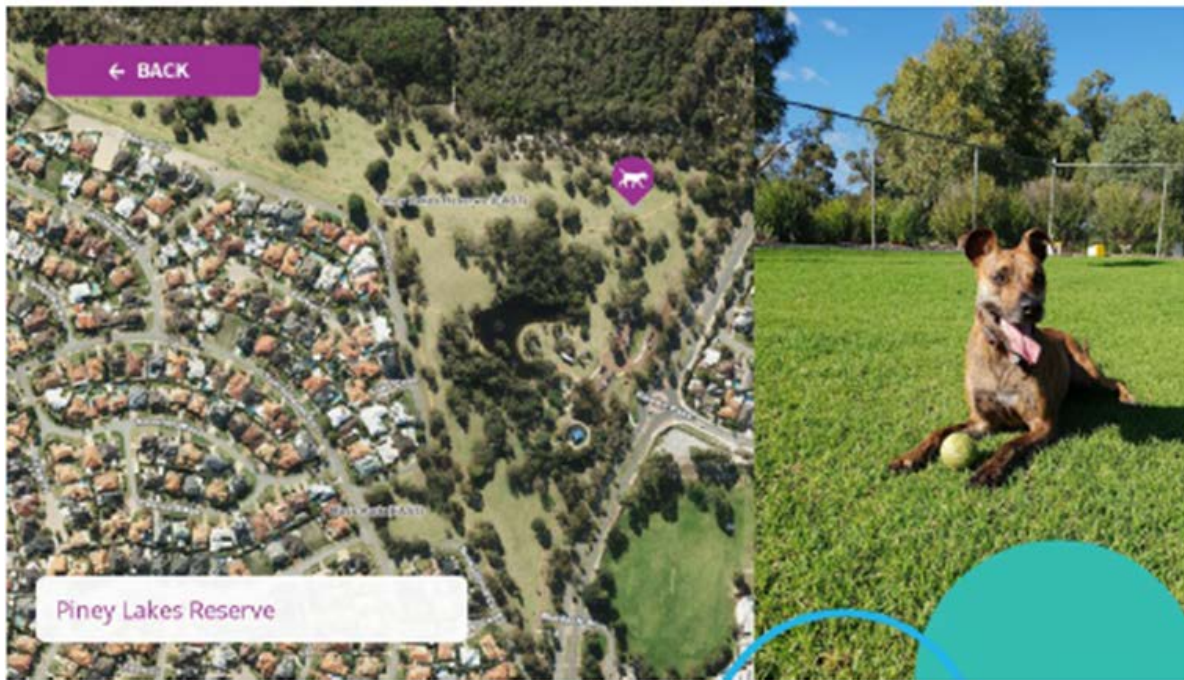
II. OTHER AGENCIES / CONSULTANTS

No engagement with other agencies/consultants has been undertaken.

STATUTORY AND LEGAL IMPLICATIONS

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

CD20/8139 – FENCED DOG PLAY PARK (REC)



FINANCIAL IMPLICATIONS

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

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

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

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

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

CD20/8139 – FENCED DOG PLAY PARK (REC)

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

There is no Council Policy that relates to this item.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

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

CONCLUSION

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

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

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

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (8139)

APPROVAL

At 8:30pm Cr Macphail moved, seconded Cr Fitzgerald –

That the Council:

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

At 8:31pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

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

Item brought forward.
See page 12.

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

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

**AUTHORITY / DISCRETION
DEFINITION**

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

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

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

BACKGROUND

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

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

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

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

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

1.1 Purpose and effect

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

1.2 Objection and review rights

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

1.3 Places where dogs are prohibited (clause 5.1)

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

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

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

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

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

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

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

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

1.6 Other issues

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

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

1.7 Proposed action

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

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

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

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

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

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

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

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

2. Review of dog access to parks and reserves

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

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

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

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

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

II. OTHER AGENCIES / CONSULTANTS

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

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

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

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

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

FINANCIAL IMPLICATIONS

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

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

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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

POLICY IMPLICATIONS

There are no strategic policy implications associated with this item.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

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

CONCLUSION

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

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

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

M20/5793 – DOG LOCAL LAW AND DOG EXERCISE AREAS – PUBLIC CONSULTATION (AMREC) (ATTACHMENTS)**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5793) ABSOLUTE MAJORITY**

At 8:31pm Cr Sandford moved, seconded Cr Mair –

That the Council:

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

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

The effect of the proposed local law is to:

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

At 8:32pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

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

Ward	:	All
Category	:	Operational
Subject Index	:	Schedule of Meetings
Customer Index	:	City of Melville
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	M18/5656 Council Meeting Schedule 2019 – December 2018 Ordinary Meeting of Council M19/571 – Council Meeting Schedule 2020 – November 2019 Ordinary Meeting of Council
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Corrine Newman Governance Coordinator

AUTHORITY / DISCRETION

DEFINITION

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	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 reviews decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

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

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

BACKGROUND

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

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

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

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

DETAIL

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

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

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

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

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

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

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

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

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

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

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

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

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

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

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

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

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

FINANCIAL IMPLICATIONS

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

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

POLICY IMPLICATIONS

There are no policy implications in this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

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

CONCLUSION

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

M20/5794 - COUNCIL MEETING SCHEDULE 2021 (REC) (ATTACHMENT)**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5794)****APPROVAL**

At 8:33pm Cr Pazolli moved, seconded Cr Robartson –

That the Council:

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

At 8:35pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

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

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

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

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

BACKGROUND

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

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

DETAIL

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

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

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

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

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

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

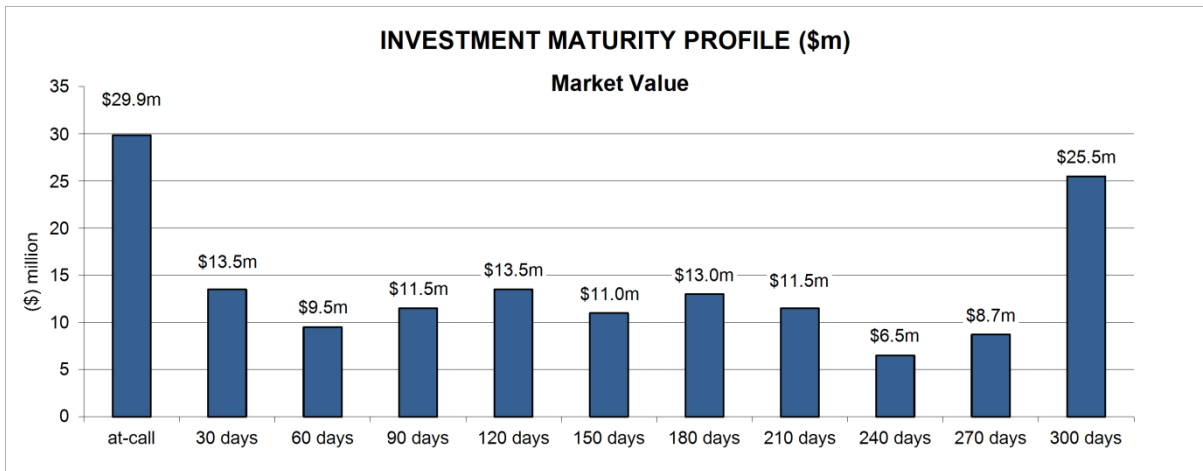
The City's investments were invested within the limits allowed within each category rating for October 2020.

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

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

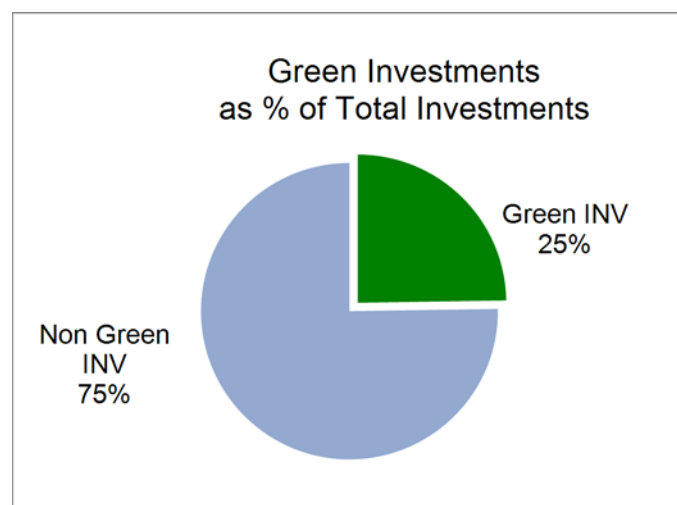
C20/6000 - INVESTMENT STATEMENTS FOR 31 OCTOBER 2020 (REC)

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



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

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



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

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

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

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

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

II. OTHER AGENCIES / CONSULTANTS

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

STATUTORY AND LEGAL IMPLICATIONS

The following legislation is relevant to this report:

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

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

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

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

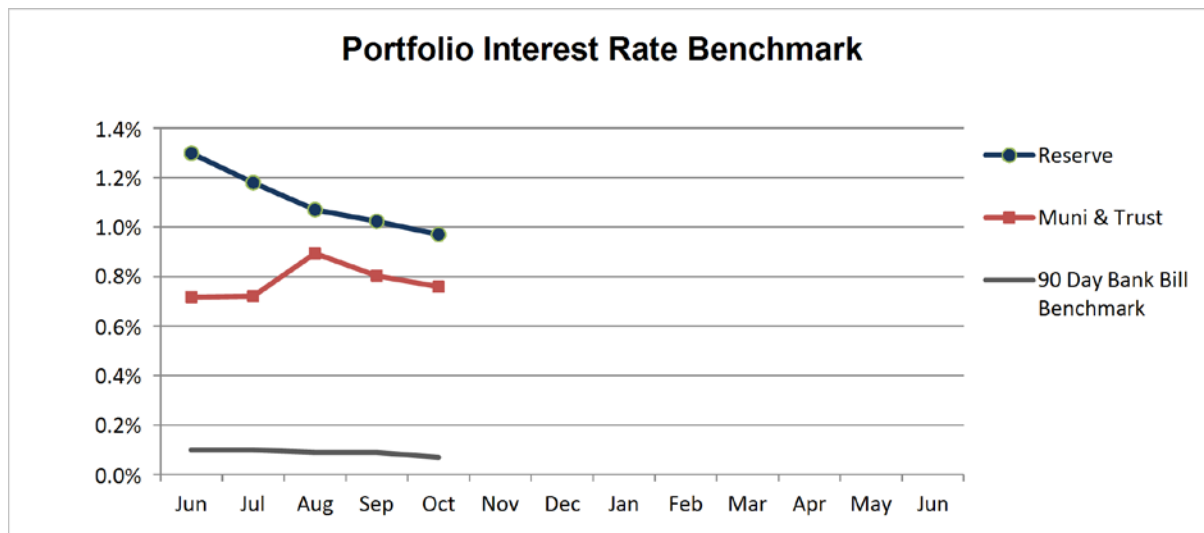
FINANCIAL IMPLICATIONS

For the period ending 31 October 2020:

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

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

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



STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Strategic

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

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

Risk

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

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

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

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable as this report only presents information for noting.

CONCLUSION

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

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

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

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

At 8:35pm Cr Woodall moved, seconded Cr Fitzgerald –

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

At 8:36pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

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

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

AUTHORITY / DISCRETION

DEFINITION

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

KEY ISSUES / SUMMARY

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

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

BACKGROUND

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

The list is to show each payment, payee name, amount and date of payment and sufficient information to identify the transaction.

DETAIL

The Schedule of Accounts Paid for October including Payment Register numbers, Cheques: 780-782, Electronic Funds Transfers batches: 672-676, Trust Payments, Card Payments and Payroll was distributed to the Elected Members of the Council on 30 October 2020.

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

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

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

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

Schedule of Payments Made continued.

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

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

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

STATUTORY AND LEGAL IMPLICATIONS

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

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

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable as this report presents information for noting only.

CONCLUSION

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

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

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

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

At 8:42pm the Presiding Member declared the motion

CARRIED EN BLOC (9/0)

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

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

AUTHORITY / DISCRETION

DEFINITION

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

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

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

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

OVERALL SUMMARY OF THE CITY'S FINANCIAL POSITION

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

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

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

DETAIL

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

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

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

Variations

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

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

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

Revenue

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

Rates Collection

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

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

Sundry Debtor Movement

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

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

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

Money Expended in an Emergency and Unbudgeted Expenditure

Not applicable for October 2020.

Budget Amendments

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

Granting of concession or writing off debts owed to the City

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

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

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

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

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

Summary of Rates Debtors	6002L Summary Rate Debtors October 2020
Graph Showing Rates Collections	6002M Rates Collections Graph October 2020
Summary of General Debtors aged 90 Days Old or Greater	6002N General Debtors Aged 90days October 2020

STAKEHOLDER ENGAGEMENT

I. COMMUNITY

Not applicable.

II. OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

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

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

34. Financial activity statement report — s. 6.4

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

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

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

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

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

(3) *The information in a statement of financial activity may be shown —*
(a) according to nature and type classification; or
(b) by program; or
(c) by business unit.

(4) *A statement of financial activity, and the accompanying documents referred to in sub-regulation (2), are to be —*
(a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
(b) recorded in the minutes of the meeting at which it is presented.

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

The variance adopted by the Council is 10% or \$50,000 whichever is greater.

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

FINANCIAL IMPLICATIONS**Variances**

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

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

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

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

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

CONCLUSION

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

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

At 8:37pm Cr Pazolli moved, seconded Cr Keper –

That the Council:

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

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

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

At 8:37pm the Presiding Member declared the motion

CARRIED BY ABSOLUTE MAJORITY (9/0)

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)

Ward : All
 Category : Operational
 Subject Index : Financial Reporting – Annual Financial Reports
 Customer Index : Deloitte Touche Tohmatsu under the supervision of the Office of the Auditor General (OAG)
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Item C19/6171 City of Melville Annual Financial Report for 2018-2019 – 10 December 2019 Ordinary Meeting of Council
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Alan Ferris
 Director Corporate Services

AUTHORITY / DISCRETION

DEFINITION

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

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)**KEY ISSUES / SUMMARY**

- All Local Government Financial statement audits are conducted by the Office of the Auditor General (OAG). For the City of Melville the OAG appointed Deloitte Touche Tohmatsu (Deloitte) to conduct the audit work, with the OAG being responsible for issuing the audit opinion.
- This report presents the 2019-2020 Annual Financial Report, the Audit Findings Report and a summary of variances. These were presented to the Financial Management Audit, Risk and Compliance Committee on 23 November 2020.
- The FMARCC noted the Annual Financial Report and the Office of the Auditor General's Audit Finding Report and resolved to recommend that Council accept the Community Annual Report 2019-2020, including Parts A and B (Annual Financial Report) at the 8 December Council Meeting.
- The overall closing funds/unrestricted cash amount available to be carried forward to 2020-2021 is \$1.99m. The 2020-2021 Annual Budget assumed that no funds would be carried forward.
- In accordance with Council resolution (Special Meeting of Council held 29 June 2020 Item C20/6177– Consideration and Adoption of the 2020-2021 Budget), the surplus funds will be transferred to the Rates Equalisation Reserve account.

BACKGROUND

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

- Section 5.53(1) requires a local government to prepare an Annual Report for each financial year.
- Section 5.53(2)(f) states that the Annual Report must contain the financial report for the financial year.
- Section 5.54 requires the Annual Report for a financial year is to be accepted by the local government no later than 31 December after that financial year.
- Section 5.27 of the Act specifies that a General Meeting of the Electors is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.

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

- Part A – contains the full-text summary and an extract of the Annual Financial Report
- Part B – contains the full Annual Financial Report and a copy of the letter from the Office of the Auditor General.

The Community Annual Report Parts A and B for 2019-2020 requires acceptance by the Council by 31 December. This report is the vehicle whereby the Council will adopt the full Annual Financial Report for 2019-2020 after consideration by the Financial Management, Audit, Risk and Compliance Committee (FMARCC).

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)**DETAIL**

This item presents the City of Melville's Annual Financial Report for 2019-2020 and supporting analysis in the following attachments:

1. Variances Report on Rate Setting Statement [6187A Variances Report](#)
2. Office of the Auditor General's Audit Findings Report 6187B (Confidential Attachment)
3. Audited Annual Financial Report (including):
[6187 Annual Financial Report 2019-2020](#)
 - a. Statement by the Chief Executive Officer
 - b. Management Representation Letter
 - c. Statements of Comprehensive Income by Nature or Type
 - d. Statements of Comprehensive Income by Program
 - e. Statement of Financial Position
 - f. Statement of Changes in Equity
 - g. Statement of Cash Flows
 - h. Rate Setting Statement by Program
 - i. Notes to and Forming Part of the Annual Financial Report.

The 2019-2020 Annual Financial Report shows a positive result for the 2019-2020 financial year for the City, with an overall cash surplus of \$1.99m. In accordance with previous Council resolutions, the surplus is transferred to the Rates Equalisation Reserve to be used to minimise the need to raise rates in future years or to meet any budget shortfalls identified during budget reviews. A brief analysis of the significant variances which contributed to this positive position is included in the Financial Implications section of this report and in the Variance Report on Rate Setting Statement Attachment [6187A Variances Report](#).

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

The City will receive an unqualified audit opinion in respect to the 2019-2020 Annual Financial Report. There are nine findings and recommendations identified during the Audit, with one finding being rated significant and eight moderate. The City has provided management comments and timelines in response to the recommendations.

The findings, recommendations and management responses are attachment 6187B were distributed to Elected Members on Friday 27 November 2020 under confidential cover.

The Annual Financial Report and Audit were impacted by late changes to The *Local Government (Financial Management) Regulations 1996* (the Regulations). Amendments to the Regulations were gazetted on 6 November 2020 and this resulted in considerable adjustments to the financial statements and required subsequent review by the auditors. The Annual Financial Report complies with the amended Regulations.

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)**STAKEHOLDER ENGAGEMENT****I. COMMUNITY**

No external public consultation has been carried out.

II. OTHER AGENCIES / CONSULTANTS

Amendments to the *Local Government Act 1995* were passed by State Parliament that enabled the Auditor General to audit Local Government. The 2019-2020 financial year is the City's second audit under the OAG with Deloitte undertaking the work, on behalf of the OAG.

The OAG and Deloitte reported to the 23 November FMARCC meeting to discuss the Audit Completion Report including the Audit Findings. The OAG will issue the final Auditor's opinion on the financial statements for 2019-2020 to the Mayor, the CEO, and the Minister for Local Government and a copy is included in the Annual Financial Report.

STATUTORY AND LEGAL IMPLICATIONS

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

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

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

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

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

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

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)

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

- “(1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) The financial report is to —*
- (a) be prepared and presented in the manner and form prescribed; and*
 - (b) contain the prescribed information.*
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —*
- (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and*
 - (b) the annual financial report of the local government for the preceding financial year.”*

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

FINANCIAL IMPLICATIONS**Operating Surplus**

The net result for the 2019- 2020 financial year was a net result of \$9.58m as calculated in the Statement of Comprehensive Income.

The operating surplus is the result of:

- Operating revenue of \$123.9m
- Operating expenditure of \$115.4m
- Non-operating revenue of \$2.405m
- The City’s share of the net result of the joint venture with the Southern Metropolitan Regional Council (SMRC) of \$0.057m profit.
- The City’s share of the net loss of Carawatha Redevelopment of \$0.14m
- Loss on asset disposals of \$1.208m

The operating surplus measures the ability of the City to cover its operational costs and have revenues available for capital funding. The cash surplus is then calculated following the inclusion of the capital outlays and reserve transfers.

The Department of Local Government and Communities (DLGC) set an advanced target for the Operating Surplus Ratio of greater than 0.15 (the higher the better). The City achieved a ratio of 0.06, which has declined from 0.09, due to minimal rate increases and increases in employee related expenditure.

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)

Cash Surplus

The cash surplus for the 2019-2020 financial year was \$1.99m as calculated in the Rate Setting Statement.

This is determined by the inclusion of the following items:

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

This surplus was carefully analysed to fully understand the drivers behind this variance. There are a number of variances that are offset by a corresponding value such as income, expenditure or a transfer to or from reserve. In these cases, the variance does not contribute to the overall surplus and therefore these not been reflected in the summary below. The key areas contributing to the \$1.99m surplus were:

	Variance
General Purpose Funding positive variance	\$1,152,346
Operating Income negative variance	(\$1,375,433)
Operating Expenditure positive variance	\$2,433,251
Capital Income negative variance	(\$32,861)
Capital Expenditure positive variance	\$27,224
Net Reserve transfers negative variance	(\$204,574)
Other negative variances	(\$5,298)
Total Surplus	\$1,994,655

Local Government (Financial Management) Regulations 1996

The *Local Government (Financial Management) Regulations 1996* (the Regulations) were recently amended (6th November 2020) and require plant and equipment assets to be measured under the cost model, rather than at fair value. Other assets such as land, buildings, infrastructure and investment property must be carried at fair value and revalued on a five year cycle (rather than three yearly), unless the fair value is materially different from the carrying amount. The City has already undertaken the valuation exercise in previous years and new changes will have an impact in future years.

The City has also removed \$6.25m of vested land values, such as those associated with golf courses. The changes have been appropriately disclosed in the notes to the financial statements in 2019-2020 in accordance with the amended regulations.

Provision for remediation of the John Connell Reserve

The City has a former landfill site, John Connell Reserve, which is classified as a contaminated site requiring remediation. As a result, the City is required to recognise the required remediation as a liability in the financial statements.

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)

An independent consultant provided indicative costs of the scope of works to satisfy the Department of Water and Environmental Regulation requirements for rehabilitation and remediation costs to the John Connell Reserve Landfill site.

The indicative costs provided of \$4.213m have been recognised as a prior year adjustment in the financial statements. This is the estimate of the present value of the expenditure required to settle the obligation at the reporting date. These remediation costs will be reviewed annually and any changes in the estimate will be reflected in the present value of the remediation provision at each reporting date in future.

Period year adjustments

The City made the following prior period adjustments during the year in order to comply with the requirement of Accounting Standards, the *Local Government Act 1995* and the City's accounting policies.

1. Recognition of a provision in relation to rehabilitation and remediation costs of \$4.213m for the John Connell Reserve, former landfill site.
2. Recognition of site improvements amounting \$4.55m and associated depreciation of \$0.437m for certain vested Crown reserve sites. These improvements had not previously been recognised in the City's financial statements.
3. Reclassification of site improvement assets amounting to \$2.275m previously recognised as vested land rather than site improvements. Associated depreciation of \$0.091m for the 2018-2019 year was also accounted as a prior year adjustment.

The changes have been appropriately disclosed in the notes to the financial statements in 2019-2020.

Recognition of joint venture in Carawatha Redevelopment Project

The City has recognised the joint venture agreement for the Carawatha redevelopment project 'The Gallery' between Satterley Group and City of Melville and accounted for this using the equity method in the 2019-2020 financial statements. The City's equity share is 50% and the City's interest in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

Reserves

The City's cash-backed reserves total \$169m as at 30 June 2020, which is an increase of \$10.72m from the previous financial year. The City uses a number of reserves to streamline funding needs and quarantine funds for specific purposes.

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)

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

Reserve	Increase / (Decrease) \$	Comment
Commercial Refuse Reserve	358k	\$284k transfer to reserve for surplus generated from commercial waste operations. \$11k transfer from reserve for purchase of commercial refuse bins.
Community Facilities Reserve	(512k)	\$3.27m transfer to reserve (as per asset management plans) compared with a higher transfer from reserve of \$4.28m to fund actual spend on community facilities.
Community Surveillance and Security Reserve	113k	\$109k over recovery of operating expenses transferred to the reserve.
Fleet Services Vehicles, Plant and Equipment Replacement Reserve	1.27m	\$2m transfer to reserve (as per asset management plan) compared with a lower transfer from reserve of \$953k. Funds are required in future years to ensure optimal life cycle replacement of assets.
Future Works Reserve	8.24m	\$10.85m (as per asset management plans) and \$1m from rates growth transferred to reserve compared with a lower transfer from reserve of \$4m. Funds are required for identified projects in future years.
Infrastructure Asset Management Reserve	5.52m	\$12.66m (as per asset management plans) and \$1.14m (Federal Assistance Grant funds for roads) transferred to reserve compared with a lower transfer from reserve of \$9m. Funds are required for identified projects in future years.
Land and Property Reserve	3.40m	\$2.15m (Federal Assistance Grants-General) transferred to reserve and \$807k interest earned compared with a lower transfer from reserve of \$333k. Funds are required for identified projects in future years and to fund strategic property and land services.
Libraries, Museums and Arts Equipment and Specialised Fitout Reserve	77k	\$101k transferred to reserves (as per asset management plans) compared with a lower transfer from reserves of \$27k.
Melville North UGP & Streetscape Enhancement Reserve	(1.72m)	\$1.74m transferred from reserves to fund Western Power cash calls.
Organisational Environment Sustainability Initiative Reserve	(242k)	\$250k transfer to reserve (as per budget) compared to \$518k transfer from reserve to fund environment sustainability projects. Funds are required for identified projects in future years.
Parking Facilities Reserve	74k	\$65k transfer to reserve (as per asset management plans).
Private Swimming Pool Inspection Fee Reserve	90k	\$86k over recovery of operating expenditure transferred to reserve.
Public Open Space and Urban Forest Reserve	806k	1% of rates is transferred to this reserve annually. This amount was \$887k and higher than the transfer from reserve to fund projects. Funds are required for identified projects in future years.

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)

Reserve	Increase /(Decrease) \$	Comment
Rates Equalisation Reserve	(6.16m)	The adjusted unallocated surplus of \$1.91m from the 2018-2019 annual accounts, \$1.415m relating to Cash Calls for Alfred Cove East underground power project being returned to this reserve and \$734k identified as surplus at the Mid Year Review of 2019-2020 are significant items that make up the transfer to reserve. Transfers from the reserve relate to \$7.98m transferred to Future Works and Infrastructure Asset Management Reserves for change room upgrades and river walls and \$2.23m in relation to higher waste disposal costs.
Recreation Centres Specialised Plant, Equipment and Structures Reserve	87k	\$435k transfer to reserve (as per budget) compared with a lower transfer from reserve of \$385k. Funds are required for identified projects in future years, including pool repairs.
Refuse Bins Reserve	(576k)	\$384k transfer to reserve (as per budget) compared with a higher transfer from reserve of \$920k in relation to FOGO bin contract costs.
Risk Management and Insurance Equalisation Reserve	589k	Funds transferred to reserve consist of \$361k refunds from the Local Government Insurance Scheme and \$100k as funds set aside for risk management. Funds required for insurance related contingencies in the future.
Special Projects Reserve	(299k)	Annual funds transfer to the reserve of \$700k (as per budget) compared against higher transfer from reserve for strategic urban planning project costs.
Various Reserves	(395k)	
	\$10.72m	

Financial Ratios

Financial ratios are designed to provide users of annual financial reports with a clearer interpretation of the performance and financial results of the City.

The overall financial performance for the City as reported in the Annual Financial Report and the accompanying notes are positive. While the City has maintained a healthy Financial Health indicator (FHI) since 2014-2015 of 98 or above, the current score dropped to 85 for 2019-2020. The decrease is due to the operating surplus ratio that is performing slightly below as a result of minimal rate increases and higher material and contracts costs during the year. The DLGSC consider an overall FHI result of 70 or higher indicates sound financial health.

The table below outlines the seven financial ratios for 2019-2020, with comparisons to 2018-2019. All of the City's financial ratios, except for the Asset Consumption and Operating Surplus ratios, continue to perform above the recommended benchmarks set by the Department of Local Government and Communities (DLGC).

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)

Ratio (higher the better)		DLGC Target	2019-2020	2018-2019	Comments
Liquidity Ratio					
Current Ratio	Ability to meet short-term financial obligations out of unrestricted current assets	> 1	1.10	1.30	Indicates good short-term financial strength but slightly dropped due to an increase of sundry creditors in current liabilities.
Debt Ratio					
Debt Service Cover Ratio	Ability to produce enough cash to cover debt payments	> 5	65.61	66.96	Indicates a strong ability to produce enough cash to cover its debt payments.
Coverage Ratio					
Own Source Revenue Coverage Ratio	Ability to cover costs through own taxing and revenue	> 0.90	1.02	1.05	The ratio has declined due to minimal rate increases and a significant increase in depreciation cost
Financial Performance Ratio					
Operating Surplus Ratio	Ability to cover operational costs and have revenues available for capital funding or other purposes	> 0.15	0.06	0.09	The ratio has declined due to minimal rate increases and a significant increase in depreciation cost
Asset Ratios					
Asset Sustainability Ratio	The extent to which assets are being replaced as they reach the end of their useful lives	between 0.90 and 1.10	1.00	1.26	The ratio has declined due to higher Depreciation cost and a delay in capital work projects.
Asset Consumption Ratio	The extent to which depreciable assets have been consumed	between 0.60 and 0.75	0.51	0.52	The ratio is slightly below the recommended range due to the condition of the asset.
Asset Renewal Funding Ratio	Ability to fund projected asset renewals /replacements in the future	between 0.95 and 1.05	1.00	1.00	The ratio has remained the same.

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

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

AMENDMENT TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

The recent amendment to the *Local Government (Financial Management) Regulation 16* on 6th November 2020 requires the City to account for the removal of the vested land values, such as those associated with golf courses, etc. Prior to the amendment, the Regulation had permitted the inclusion of land under control or management including land associated with golf courses, showgrounds, racecourses or any other sporting or recreational facility of State, or of regional, significance.

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

CONCLUSION

The 2019-2020 Annual Financial Report has been completed and an unaudited extract will be included in the Community Annual Report for 2019-2020 (Part A), with the full audited Annual Financial Report (Part B) will be available on the City's website, at its five libraries, the Civic Centre and in printed form to individuals upon request.

C20/6187 – LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - CITY OF MELVILLE ANNUAL FINANCIAL REPORT FOR 2019-2020 (REC) (CONFIDENTIAL ATTACHMENT)**COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION**

At 8:38pm Cr Pazolli moved, seconded Cr Fitzgerald –

That the Council:

- 1 Notes the Office of the Auditor General's Audit Findings Report (confidential); and**
- 2 Notes the City of Melville 2019-2020 Annual Financial Report.**

At 8:38pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

Footnote:

- 1 When the Council accepts the Annual Community Report and the Auditor's Unqualified Audit Report as attached to this report, an extract of the Annual Financial Report will be included in the Community Annual Report Part A. Part B of the Community Annual Report will contain the full Annual Financial Report and Audit Letter.

Cr Karen Wheatland submitted a Declaration of Interest for this Item at the commencement of the meeting, but was an apology for the adjourned meeting.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - C20/6186 - INSURANCE RENEWAL REPORT (REC) (CONFIDENTIAL ATTACHMENT)

Ward : All
 Category : Operational
 Subject Index : Insurance – City of Melville – Insurance & Certificates of Currency
 Customer Index : LGIS WA
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter
 Previous Items : Nil
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Alan Ferris
 Director Corporate Services

AUTHORITY / DISCRETION

DEFINITION

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

**LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE
COMMITTEE - C20/6186 - INSURANCE RENEWAL REPORT (REC) (CONFIDENTIAL
ATTACHMENT)****KEY ISSUES / SUMMARY**

- At the Annual General Meeting held on 3 February 2020 a motion was passed directing the CEO to competitively market test the City's current insurance services supplier. This matter went to FMARC on 23 November 2020 for consideration. The committee recommends that the Council does not undertake a public tender for insurance services for 2021/2022 year and remains with LGISWA.
- It is noted that 16 local governments have tendered for their insurance over the past few years and three made the decision to leave the LGIS Scheme.
- All three LGA's who left the scheme have now re-joined meaning that 100% of WA local governments are part of the LGISWA.
- This includes the City of Nedlands who has recently carried a recommendation to re-join the Scheme.
- The City would need to give 60 days' notice of any intent to leave the Scheme.
- Insurance quotes would normally be requested closer to the renewal date, three months prior, to remove any risk which might be factored in by reinsurers.
- The insurance premiums for the City have reduced over the past six financial years receiving almost \$1.4m in rebates at an average of \$233,000 per year.

BACKGROUND

A motion was passed at the Annual General Meeting of Electors held on Monday, 3 February 2020 to competitively market test the City's current insurance services supplier, LGISWA who is WALGA's appointed insurance scheme manager.

This motion was referred to the March meeting 2020 Financial Management, Audit, Risk and Compliance Committee (FMARC) for consideration. The FMARC requested a report to be prepared for the November 2020 meeting for consideration.

This motion was then referred to the 23 November 2020 FMARC meeting for consideration. The Committee recommends that the Council does not undertake a public tender for insurance services for 2021/2022 year and remains with LGISWA.

DETAIL

Insurance is a significant annual cost to the City and the LGISWA scheme assists the City in managing key risks. There are three insurance policies with significant contributions being workers' compensation, property and combined liability that could be market tested by the City. The market testing could be considered for the 2021-2022 year.

Insurance Market

Overall insurance pricing in the second quarter of 2020 in the Pacific region increased 31%, continuing an upward trend that began in 2015.

Further detail on the workers' compensation, property and combined liability is provided below.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - C20/6186 - INSURANCE RENEWAL REPORT (REC) (CONFIDENTIAL ATTACHMENT)

Workers' Compensation:

Premiums are calculated by taking your industry classification rate and multiplying it with how much your business pays in wages. This is called average performance premium. The Work Cover Gazetted rate is currently 1.6% and in the LGIS Scheme the City pays 1.1%.

The workers' compensation premium contribution for 2020-2021 is \$377,356 based on the rate of 1.1% and a blended performance rating providing an upfront 20% discount on the minimum contribution requirement.

The LGIS WorkCare blended performance rating methodology:

- The member pays an upfront contribution of 80% of the minimum contribution.
- An incurred claims threshold is allocated on the upfront contribution divided by 70/50 + IBNR of 5% (1.47).
- A maximum contribution threshold is allocated on wages estimate
- If incurred claims do not exceed the claims threshold the balance of the 20% will not be called upon.
- If 12 months after commencement of the fund year, the incurred claims have exceeded the incurred claims threshold, the remaining 20% will be called. If the incurred claims are greater than the upfront contribution the additional claims will be charged at 100/75. This will be reviewed every 6 months and contributions adjusted accordingly.
- After 30 months from commencement of the fund year, if paid claims exceed the 100/75 ratio, further adjustments will be called at 100/75.
- Contribution adjustments will cease when the maximum contribution amount has been reached or the fund year is closed.

Details	2019/2020	2020/2021
Estimated Wages	\$41,620,000	\$42,870,000
Minimum Rate	1.10%	1.10%
Minimum Contributions	\$457,820	\$471,570
Blended Deposit Rate with 20% discount	0.85%	0.88%
Blended Deposit Contribution	\$354,811	\$377,256
Incurred Claims Threshold	\$241,368	\$256,637
Maximum Rate	2.75%	2.50%
Maximum Contributions	\$1,144,550	\$1,071,750

The premium at 1.6% is estimated to be \$603,769, an increase of \$226,413 over the current premium paid by the City.

Property Insurance:

The Global Insurance Market Index report states that Property insurance pricing increased 28% in the quarter, for the eleventh consecutive quarter compared to a 6.4% increase in the LGIS scheme.

[Global Insurance Market Index 2020](#)

The property insurance premium contribution for 2020-2021 is \$263,054 and increased by \$15,426 or 6.4% on the premium for 2019-2020. Given the increases in this type of insurance this increase is considered modest and represents good value for the City.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - C20/6186 - INSURANCE RENEWAL REPORT (REC) (CONFIDENTIAL ATTACHMENT)**Combined Liability Insurance:**

Combined Liability includes Public, Products Liability and Professional Indemnity. According to the AON Industrial Special Risk and General Liability Insurance Market Insights Australia Q2 2020 Report, the Australian General Liability (GL) net underwriting combined ratio has deteriorated to 125% in the March 2020 quarter. This has been exacerbated by the rising costs of insurance claims, resulting from factors such as increasing litigation, broader definitions of liability, more plaintiff-friendly legal decisions and larger compensatory jury awards.

[AON Industrial Special Risk and General Liability Insurance Market Insights](#)

Insurances have typically increased, driven by the volatile state of the insurance market following an unprecedented run of natural disasters and high claims.

The combined liability insurance premium contribution for 2020-2021 is \$565,884 and increased by \$8,735 or \$1.6% on the premium for 2019-2020.

Testing the Market

As the insurance market alters every quarter, if the City tenders our Insurance in Feb/March/April 2021 it will be an indicative price only with a zero commitment. The City is required to give LGIS 60 days' notice if it is not intending to renew.

Since 2017, 16 local governments had tendered their protection and risk services. Only three of the 16 made the decision to leave the LGIS Scheme, but all three returned within 18-24 months citing significant premium increases within 12 months and complaining about the quality of the service.

How LGIS Works

LGIS is a WA Local Government group self-insurance scheme, supplemented by a niche broking service for the WA local government sector, which all WALGA member councils have chosen to be part of. The Scheme exists to provide affordable and sustainable protection of the WA local government sector and is resistant to the currently changing market conditions.

Drawing from the depth of knowledge of WA local government, and the relationships forged with the people involved, LGIS develops an integrated service plan with each member council that is tailored to the City's needs. The Plan sets out key services and how they respond to the City's key risk priorities, including risk management and risk financing.

In the 2020/2021 fund year Membership of the Scheme now includes cyber liability; management liability; motor vehicle; personal accident; and travel protection under the existing portfolios of Combined Liability, Property and WorkCare. The addition of new classes of civic risk broadens the protection available to members.

LGISWA state that they provide:

- Covers specifically designed for WA local government that accurately and adequately reflects risks exposures that cannot be replicated.
- Mitigating price volatility driven by cyclical hard or soft insurance market conditions across the globe.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - C20/6186 - INSURANCE RENEWAL REPORT (REC) (CONFIDENTIAL ATTACHMENT)

- Quick claim resolution. Delegated local authority on Scheme claims to provide timely outcomes with claims assessed, adjusted and determined within LGIS, by specialist local government staff
- Complimentary specialist risk management services which align with the priorities of modern, sophisticated local governments, assisting the City in mitigating and preventing the impact of claims for the long term benefit for the member and broader sector.
- Working together with the sector to make sure that emerging risks are considered for coverage and risk management, for example risk surrounding cladding, environmental change and the National Redress Scheme for child abuse.
- Funding covers that are too cost prohibitive or complex for your local government to acquire independently, for example pollution exposures; community based risks; and employee benefits.
- Surplus Funds are returned to participating members.

[LGIS Elected Members Brochure](#)

[LGISWA Annual Report 2019](#)

Further Information

[City of Nedlands 2019 Council Meeting Minutes](#)

[Select Committee Into Local Government Report](#)

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

No community engagement has been carried out.

II. OTHER AGENCIES / CONSULTANTS

Consultation was undertaken with LGIS and a number of Local Governments who had undertaken an Insurance Tender in 2019 and 2020.

STATUTORY AND LEGAL IMPLICATIONS

There are no statutory or legal implications arising from this item.

FINANCIAL IMPLICATIONS

The gross insurance premium contributions for 2020-2021 are \$1,428,669. The City has also received a rebate of \$147,353 based on the Scheme performance and the City's performance. The net cost of the insurance is \$1,281,316.

Annually the City can receive credits from LGISWA which reduce the overall premium cost. Over the six year period from 2015-2016 the City has received almost \$1.4m in credits at an average of \$233,000 per year. These credits are based on the premium contribution made each year, adjusted for the Scheme performance and the City's insurance performance.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - C20/6186 - INSURANCE RENEWAL REPORT (REC) (CONFIDENTIAL ATTACHMENT)

This is a significant benefit from being part of a Scheme and is unlikely that credits of this type would be available through non scheme or commercial insurance options.

The City's insurance premiums and rebates over the last six years are provided in the as a confidential attachment distributed to Elected Members on 27 November 2020 under confidential cover.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement & Consequence	Level of Risk	Risk Treatment
The City awards the tender to another provider and is underinsured. This could incur financial loss and reduction in levels of service provided to the City.	High	Continue insurance coverage with LGIS

POLICY IMPLICATIONS

There are no direct policy implications associated with this report.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The options available are:

1. The City could consider going to the market for the three main insurances outlined in the report.
2. The City continues with the current insurance arrangement through the LGISWA Scheme.

Option 1

From a financial perspective it is expected that the City would pay more for its insurance. Whilst it is possible that other insurance providers could offer significant discounts in the short term, the experience from those that left the Scheme is that these discounts were not sustainable and resulted in increased premiums in the following years.

The poor quality of service and knowledge of the local government sector by other insurance providers has also been raised by other LGA's. This contrasts to the LGIS Scheme which is specifically tailored to the sector and which provides a high level of service.

**LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE
COMMITTEE - C20/6186 - INSURANCE RENEWAL REPORT (REC) (CONFIDENTIAL
ATTACHMENT)****Option 2**

The LGISWA Scheme offers both financial and service benefits to the City. The rebates of \$1.4m received by the City are unlikely to be replicated in another commercial insurance arrangement.

Option 2 is the preferred option for the City.

CONCLUSION

LGISWA provides significant benefits to the City and the sector including significant savings, level of service, and the fact that services and insurance schemes are tailored to local government. LGISWA have also included additional services within the Scheme to ensure that it is focused on the current and emerging local government requirements.

With all West Australian local governments now part of the Scheme there is opportunity for further premium savings and tailoring. It is therefore recommended that the City continues to renew premiums with LGISWA and does not undertake a public tender for insurance for the 2021/2022 financial year.

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION (6186) APPROVAL

At 8:39pm Cr Macphail moved, seconded Cr Woodall –

That the Council:

- 1. Notes the information in this report, and**
- 2. Does not undertake a public tender for insurance services for the 2021/2022 year and remains with LGISWA.**

At 8:39pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)

Ward	:	All
Category	:	Operational
Subject Index	:	City of Melville Community Annual Report 2019-2020
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	:	M19/5712 City of Melville Community Annual Report 2018-2019 – Ordinary Meeting of the Council 19 November 2019
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officers	:	Alan Ferris Director Corporate Services

AUTHORITY / DISCRETION

DEFINITION

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

**LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE
COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-
2020 (AMREC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- This report presents the finalised City of Melville Community Annual Report 2019-2020, including Parts A and B (Annual Financial Report) for the Council's acceptance by absolute majority.
- The text and design component of the Community Annual Report 2019-2020 Part A, excluding the financial data and updates to the enabling legislation and regulatory reporting requirements, was provided to the Council through the Elected Member Bulletin (EMB) in October 2020.
- Part B has been externally audited by the Office of the Auditor General (OAG) and was considered by the Financial Management Audit, Risk and Compliance Committee (FMARCC), at its meeting held on 23 November 2020, along with the OAG's Audit Findings Report and Part of the Report.
- The FMARCC noted Part B and the Office of the Auditor General's Audit Finding Report and resolved to recommend that Council accept the Community Annual Report 2019-2020, including Parts A and B, at the 8 December Council Meeting.
- The Community Annual Report 2019-2020 including Part A and Part B includes all the information required by the *Local Government Act 1995* (WA) and other relevant legislation.
- In accordance with the *Local Government Act 1995* (WA) section 5.54, the annual report is to be accepted by absolute majority decision no later than 31 December after the close of the financial year.

BACKGROUND

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

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

Consistent with previous years, the format of this year's report consists of two parts which together comprise the City's community annual report:

- Part A: a full text summary and unaudited extracts from the annual financial report;
- Part B: the audited annual financial report

DETAIL

The Community Annual Report 2019-2020 has been prepared and meets the requirements of the Act. It is designed to report against the *City of Melville Corporate Business Plan 2016-2020*. It also references and reinforces the importance of the *Strategic Community Plan 2016-2026*, which aligns with the Department of Local Government, Sport and Cultural Industries integrated planning framework.

**LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE
COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-
2020 (AMREC) (ATTACHMENT)**

Section 5.53 of the Act requires the annual report to contain the following:

- a report from the Mayor;
- a report from the CEO;
- an overview of the plan for the future including major initiatives that are proposed to commence or to continue in the next financial year;
- the financial report for the financial year;
- such information as may be prescribed in relation to the payments made to employees;
- the auditor's report for the financial year;
- a matter on which a report must be made under section 29(2) of the *Disability Services Act 1993 (WA)*;
- details of entries made under section 5.121 regarding complaints against Council Members;
 - the number of complaints recorded in the register of complaints; and
 - how the recorded complaints were dealt with; and
 - any other details that the regulations may require.

The Local Government (Administration) Regulations 1996 (WA) also requires the following information to be included in the Annual Report:

- the number of employees of the local government entitled to an annual salary of \$100,000 or more;
- the number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000
- if a modification is made during a financial year to a local government's strategic community plan;
- if a significant modification is made during a financial year to a local government's corporate business plan.

The text of this annual report was developed from information gathered from all areas of the organisation and various corporate documents. This text was reviewed by the Chief Executive Officer and Executive Leadership Team.

The text and design component of the Community Annual Report 2019-2020 Part A, excluding the financial data and updates to the enabling legislation and regulatory reporting requirements, was provided to the Council through the Elected Member Bulletin (EMB) in October 2020.

Electors will be made aware that the full version of the annual report consists of two parts and they can access them in the following ways:

- Part A: online on the City's website and limited numbers in hard-copy, available at the AGM and on request.
- Part B: online on the City's website and available in hard copy on request.

As per last year, Part A and Part B will not be professionally printed.

**LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE
COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-
2020 (AMREC) (ATTACHMENT)**

Part B (Annual Financial Report) was audited by Office of the Auditor General and reviewed by the Financial Management, Audit, Risk and Compliance Committee on 23 November 2020. The financial extract included in Part A is taken from the audited Annual Financial Report and used to present a summary of what are considered to be the key aspects of the audited financial information. In order to save on costs the financial report extract in Part A is not separately audited and this is stated clearly in the report.

The Council is required to, by Absolute Majority Decision, accept the complete version of Community Annual Report 2019-2020 which includes Parts A and B [5785 Annual Report 2019-2020](#). This is to be done by 31 December and prior to the Annual General Meeting of Electors, which must be held within 56 days after the local government accepts the annual report for the previous financial year.

STAKEHOLDER ENGAGEMENT

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

I. COMMUNITY

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

II. OTHER AGENCIES / CONSULTANTS

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

STATUTORY AND LEGAL IMPLICATIONS

Section 5.27 of the Act specifies that a General Meeting of the Electors is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.

Section 5.53 of the Act specifies requirements for information to be included in the annual report as noted within the detail of this report.

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

Section 5.54 of the Act specifies that the annual report for the financial year is to be accepted by the local government no later than 31 December after that financial year.

Section 5.55 of the Act specifies that the Chief Executive Officer is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-2020 (AMREC) (ATTACHMENT)

FINANCIAL IMPLICATIONS

Funds have been provided in the 2019-2020 budget for graphic design, internal printing, promotion and distribution of Part A of the annual report. As per last year, minimal hard copy will be published and they will not be printed professionally. More sustainable methods such as access via the City's website will be used.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement & Consequence	Level of Risk	Risk Treatment
Not publishing an annual report in accordance with all relevant legal requirements and accounting standards would result in non-compliance with required legislative and regulatory requirements.	Moderate consequences which are likely, resulting in a High level of risk	Ensure the annual report conforms to all requirements through review of report by Executive Leadership Team, managers and Governance.

POLICY IMPLICATIONS

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

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

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

CONCLUSION

The text of this annual report is a succinct and accurate reflection of the activities undertaken by the City of Melville in the 2019-2020 financial year, and has been prepared in accordance with legislative and regulatory requirements.

The Annual Financial Report (Part B) has externally audited by the Office of the Auditor General and considered by the Financial Management, Audit, Risk and Compliance Committee at its meeting held on 23 November 2020, along with the Office of the Auditor General's Findings Report and Part A of the Community Annual Report. The FMARCC noted Part B and the Office of the Auditor General's Audit Finding Report and resolved to recommend that Council accept the Community Annual Report 2019-2020, including Parts A and B, at the 8 December Council Meeting.

**LATE ITEM FROM FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE
COMMITTEE - M20/5785 - CITY OF MELVILLE COMMUNITY ANNUAL REPORT 2019-
2020 (AMREC) (ATTACHMENT)**

An abridged financial extract has been integrated into Part A, along with further explanatory comment to enhance the financial information presented to the community. The full annual report is presented in this report for the Council's acceptance by Absolute Majority Decision.

Following the Council's acceptance, this document will be edited appropriately and made available for all stakeholders on the City's website and in limited numbers in hard copy.

**COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION (5785)
ABSOLUTE MAJORITY**

At 8:41pm Cr Robartson moved, seconded Cr Pazolli –

That the Council, by Absolute Majority Decision, accepts the City of Melville Annual Report 2019-2020 which includes Parts A and B.

[5785 Community Annual Report 2019-2020 Parts A & B](#)

At 8:42pm the Presiding Member declared the motion

CARRIED BY ABSOLUTE MAJORITY (9/0)

M20/5798 – PLANNING FOR CEO PERFORMANCE APPRAISAL (REC) (CONFIDENTIAL ATTACHMENTS)

Item brought forward.
See page 36.

M20/5797 – LATE ITEM GOVERNANCE COMMITTEE REPRESENTATION AND PRESIDING MEMBER (REC)

Item brought forward.
See page 46.

P20/3890 - MELVILLE CITY CENTRE LAND EXCHANGE (REC) (ATTACHMENT)

Item brought forward.
See page 54.

15. EN BLOC ITEMS

At 8:42pm Cr Pazolli moved, seconded Cr Sandford –

That the recommendation for item C20/6001 be carried En Bloc.

At 8:42pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**16.1 COCKATOO VEGETATION IN THE MURDOCH PRECINCT**

At 8:43pm Cr Fitzgerald moved, seconded Cr Mair –

That Council:

- 1. Notes the significance of the Murdoch Precinct as a ‘super-roost’ for the Carnaby’s Black Cockatoo and Forest Red-tailed Black Cockatoo, due to the abundance of nesting and foraging habitat.**
- 2. Notes the proposed development for the area, with the Murdoch Specialist Activity Centre and Murdoch University undergoing significant expansion.**
- 3. Requests the Chief Executive Officer to investigate further opportunities to increase native vegetation in the suburbs surrounding the Murdoch Specialised Activity Centre, specifically vegetation identified as foraging habitat for Carnaby’s Black Cockatoo and Forest Red-Tailed Black Cockatoos.**

Procedural Motion**COUNCIL RESOLUTION**

At 8:46pm Cr Woodall moved, seconded Cr Kepert -

That the motion lay on the table.

At 8:46pm the Presiding Member declared the motion

CARRIED UNANIMOUSLY (9/0)

Reasons for the Motion as provided by Cr Robins

The Murdoch Precinct is one of several ‘super-roosts’ for the Carnaby’s Black Cockatoo due the abundance of foraging habitat, including pine trees, providing ample sustenance for local populations.

It is therefore a strategic location for the survival of the Carnaby’s Black Cockatoo, which is classified as an endangered species under Commonwealth legislation and is specifically protected fauna in Western Australia.

Whilst the planning for the precinct, including the Murdoch Activity Structure Plan, has generally considered the conservation aspects and proposed impact to the Carnaby’s Black-Cockatoo, it should be recognised that it takes many years for vegetation to mature and provide adequate support to local cockatoo populations.

I believe the City of Melville should investigate opportunities as a matter of a priority to plant ample native vegetation in the precinct to compliment any plantings at the Murdoch Specialised Activity Centre and Murdoch University to ensure local populations have sufficient vegetation.

The City is already undertaking valuable work to help these birds, including through our Urban Forest Strategy and the Piney Lakes Carnaby’s Cockatoo Restoration Project. We should however look now to identify further opportunities to provide more habitat in our public open spaces, City reserves and on our verges, to allow time for the vegetation to mature.

17. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

17.1 Motion Without Notice - Complaints Management - CEO

Motion

At 8:46pm Cr Kepert moved, seconded Cr Sandford–

That Cr Kepert be permitted to present to the Council a Motion Without Notice relating to Complaints Management CEO

At 8:50pm the Presiding Member submitted the motion, which was declared
ABSOLUTE MAJORITY NOT ACHIEVED (6/3)

Yes	6	Cr Fitzgerald, Cr Kepert, Cr Mair, Cr Pazolli, Cr Sandford, Presiding Member Cr Barton
No	3	Cr Macphail, Cr Robartson, Cr Woodall,

At 8:51pm Cr Macphail left the meeting and returned at 8:54pm

Officers provided an Advice Note in relation to this motion ([17.1 Motion Without Notice – Complaints Management CEO](#))

Motion

The Council moves that all Elected Members receive a copy of any complaint made against the CEO once received by any party.

Reasons for the Motion without Notice as provided by Cr Kepert

At present the City of Melville has no clear process for dealing with complaints made against the CEO. The only reference is made under section 8.3 of the Code of Conduct (Employees):

“Where an employee or Elected Member believes that the Chief Executive Officer has failed to comply with the Code of Conduct, they should report the matter to the Mayor who will report the matter to the Governance Committee. The Council’s Governance Committee will be responsible for the investigation of allegations of breaches of the Code of Conduct by the Chief Executive Officer and must either:

- *investigate the alleged breach; or*
- *engage an independent person to investigate the allegation.”*

A number of complaints have recently been made against the CEO but Councillors have not been informed of their content. It is vital that all Councillors receive this information promptly so that they can carry out their duties in accordance with section 2.7(1) of the *Local Government Act 1995*:

2.7. Role of council

(1) The council —

- (a) governs the local government’s affairs; and
- (b) is responsible for the performance of the local government’s functions.

Disclosures of Interest

Member	Cr Pazolli
Type of Interest	Interest under the Code of Conduct
Nature of Interest	Previous Association with Alchera Living
Request	Stay, discuss and vote
Decision	Stay, discuss and vote

17.2 Motion Without Notice – Alchera Living – Community Engagement

At 8:53pm Cr Fitzgerald moved, seconded Cr Pazolli–

That in the absence of Cr Wheatland, Cr Fitzgerald be permitted to present to the Council a Motion Without Notice relating to Alchera Living – Community Engagement over Easement Request.

At 8:57pm the Presiding Member submitted the motion, which was declared

ABSOLUTE MAJORITY NOT ACHIEVED (6/3)

Yes	6	Cr Fitzgerald, Cr Mair, Cr Macphail, Cr Pazolli, Cr Sandford, Presiding Member Cr Barton
No	3	Cr Kepert, Cr Robartson, Cr Woodall

Motion

That Council:-

- 1. Notes that the City of Melville administration does not support the relinquishment of its Management Order over the portion of Winnacott Reserve 24683 being approximately 494 sqm in size which is currently subject to a temporary access easement granted to Alchera Living Inc. by the City of Melville which expires on 30 September 2022. Further noting that the subject portion of land forms part of the Winnacott Recreation Reserve and is zoned “Public Open Space” under LPS 6 ;**
- 2. Requests the Chief Executive Officer to instruct officers to commence a community engagement process detailing the request by Alchera Living Inc. for the City to relinquish its Management Order over the portion of the Reserve (currently subject to the temporary access easement) to facilitate Alchera’s proposed acquisition of the land parcel in freehold from the State Government;**
- 3. Requests that the Chief Executive Officer Report back to Council on the community engagement feedback and submissions with a final recommendation to Council on whether or not the City should relinquish its Management Order over the portion of the Reserve and the Chief Executive Officer to advise Alchera Living Inc. of Council’s decision; and**
- 4. If Council does not approve the relinquishment of the Management Order, the Chief Executive Office is to extend the term of the temporary access easement to Alchera Living Inc. for a period of time not exceeding the life of the existing “Weeronga Village” residential accommodation situated at 40-44 Worley Street, Willagee, subject to Alchera Living Inc. at its own cost constructing a living wall (along the northern boundary of the access easement adjoining Winnacott Reserve) including substantial community artwork which reflects the cultural and historical significance of the area.**

17.2 *Motion Without Notice – Alchera Living – Community Engagement, continued*

Reasons for the Motion Without Notice as provided by Cr Wheatland

Alchera Living (Alchera) is a long-term Public Benevolent Willagee landowner and is in the process of revitalising its aging Weeronga village through a comprehensive staged redevelopment. Securing the subject land in Alchera's ownership will facilitate the remaining stages of redevelopment and allow for:

- Safe and convenient vehicular access to basements of future development fronting Winnacott Reserve, as opposed to multiple additional crossovers to Worley Street.
- Investment to be made into upgrading the safety and amenity of the accessway including works for drainage and controlled access gates.
- Additional access for emergency vehicles, which is of paramount importance for the functionality of a retirement village.
- Improved traffic circulation through the site. Additional dwellings through future redevelopments means additional residents and visitors and their vehicles, as well as the increased presence of delivery/service vehicles. By securing the accessway, it provides an additional entry/exit point and alleviates the pressure on the existing main access point.

While Alchera acknowledge the land subject to the acquisition request is reserved for the purpose of recreation, it represents approximately 1% of Winnacott Reserve's area. The granting of the easement acknowledged that the subject land could be used for the purpose of access without causing negative impact on the ongoing functionality and viability of Winnacott Reserve for active and passive recreation. The section of land that is the subject of the easement is located on a narrow embankment and there is a considerable height difference between it and the main area of Winnacott Reserve.

The narrow and steep nature of the embankment close to the boundary of the retirement village did not render it as suitable or practicable to use for any active or passive recreation. The land has also been operating as formalised access (retaining, bitumen, fencing etc.) for the past three years without any known complaints.

Alchera would be pleased to participate in a community consultation process which explores amongst other matters, the opportunity to incorporate a public community art component to the transition area between Alchera and Winnacott Reserve that celebrates the cultural and social values of the local community.

On the basis of the above, Alchera are respectfully requesting the City to provide its in-principle support for the acquisition of the land concerned (held by the State of Western Australia) and its amalgamation into Alchera's adjoining freehold lot.

At 8:55pm Mr Ferris left the meeting and returned at 8:57pm.

17.3 Motion Without Notice – Officer Practice Regarding Written Correspondence

At 8:58pm Cr Kepert withdrew his Motion Without Notice – Officer Practice Regarding Written Correspondence.

Motion

The Council directs the CEO to ensure that all City of Melville officers use their names in all written correspondence and prohibit the practice of officers not using their names.

Reasons for the Motion Without Notice as provided by Cr Kepert

There has been a growing number of complaints from the community regarding anonymously-written correspondence, specifically under the title of “Governance Team”. The practice is unbecoming of the public service and the City of Melville as it is disrespectful and contradicts accountability.

18. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil.

19. CLOSURE

There being no further business to discuss, the Presiding Member, Cr June Barton on behalf of the Mayor and Elected Members thanked the CEO and the Staff for their efforts through 2020 and wished Staff, Elected Members and their families a Merry Christmas, and declared the meeting closed at 9:01pm.