

**MINUTES
OF THE
SPECIAL MEETING OF THE COUNCIL**

6.30PM MONDAY, 29 JUNE 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 are able to physically attend this meeting.

This meeting was publically broadcast to the community and the minutes and the audio recording of the meeting available on the City's website as soon as practicable after the meeting to meet the requirements of Regulation 14E(3)(b)(i) and (ii) of the *Local Government (Administration) Regulations 1996*

The City of Melville acknowledges the Bibbulmun people as the Traditional Owners of the land on which the City stands today and pays its respect to the Whadjuk people, and Elders both past and present.

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MINUTES OF THE SPECIAL MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBERS, MELVILLE CIVIC CENTRE, 10 ALMONDBURY ROAD, BOORAGOON, COMMENCING AT 6:30PM ON MONDAY 29 JUNE 2020.

1. OFFICIAL OPENING

The Presiding Member welcomed those in attendance to the meeting and officially declared the meeting open at 6:30pm and invited Cr Karen Wheatland to read the Acknowledgment of Council

“The City of Melville acknowledges the Bibbulmun people as the Traditional Owners of the land on which the City stands today and pays its respect to the Whadjuk people, and Elders both past and present.”

Purpose of the Meeting:

- C20/6177 Annual Budget 2020-2021
- C20/57536 Financial Hardship Policy CP-115
- Outcome of the Governance Committee Meeting held 24 June 2020

The Presiding Member requested Mr B Taylor, Manager Governance Property read aloud the Disclaimer and then Mayor, Honourable George Gear, advised that the meeting was being recorded for minute taking purposes and 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.

Mayor Honourable George Gear advised that Cr J Barton and Cr Wheatland were in attendance electronically with his approval, in accordance with Clause 14C of the *Local Government (Administration) Regulations 1996*.

2. PRESENT

Mayor Honourable G Gear

COUNCILLORS

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

WARD

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

3. IN ATTENDANCE

Mr M Tieleman	Chief Executive Officer
Ms C Young	Director Community Development
Mr S Cope	Director Urban Planning
Mr M McCarthy	Director Technical Services
Mr A Ferris	Director Corporate Services
Mr L Hitchcock	Executive Manager Governance and Legal Services
Ms D Whyte	Manager Financial Services
Mr B Taylor	Manager Governance and Property
Ms C Newman	Governance Coordinator
Ms T Wright	Governance Officer

At the commencement of the meeting, there were no members of the public in the Council Chambers and 3 members of the public and one representative from the Press in attendance electronically.

4. APOLOGIES AND APPROVED LEAVE OF ABSENCE

4.1 APOLOGIES

Nil.

4.2 APPROVED LEAVE OF ABSENCE

Cr G Barber – Bicton – Attadale – Alfred Cove Ward
Cr N Robins – Bateman – Kardinya – Murdoch Ward

5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION) AND DECLARATIONS BY MEMBERS

5.1 DECLARATIONS BY MEMBERS WHO HAVE NOT READ AND GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPERS PRESENTED BEFORE THE MEETING.

Nil.

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

Nil.

6. QUESTION TIME

6.1 Questions Received with Notice

6.1.1 Mr M FitzGibbon, Melville

Question 1

Does the 2020/21 budget provide funds to bring all on-road cycle lane marking/signalling at bus stops into standardised compliance with the current Australian Standard (a yellow broken continuity line) to help prevent a recurrence of the 2017 cyclist fatality at a bus stop in Marmion Street?

Response

There is no specific budget allocated by the City for adjusting the cycle lane marking. As the City implements our resurfacing program and other road projects (such as traffic calming installations), sign and line marking plans are created according to the latest standards and submitted to Main Roads WA (MRWA) for approval and implementation. This includes bus stop lane marking.

Question 2

If not, why not?

Response

MRWA is the approval and installation authority for regulatory signage and pavement marking in Western Australia.

The City cannot install regulatory signage or pavement marking itself (apart from parking restriction signage and parking bay markings).

Maintenance of existing line marking is carried out by MRWA contractors and as standards are updated they renew line marking to meet the latest standard when it is due to be maintained. Due to the vast amount of line marking in Western Australia, MRWA do not upgrade all line marking to the latest standard when the standard changes unless there is an identified high risk safety issue.

The tragic cyclist crash referred to in Question 1 was thoroughly investigated by road safety professionals who found that the road and road side was not a factor in the crash. There was no suggestion that having the latest standard in bus stop line marking in place would have made any difference to the outcome of the crash.

The safety of all vulnerable road users is a high priority to the City and therefore over \$3 million has been allocated towards the renewal, upgrade and installation of pedestrian and cyclist facilities in the 2020-2021 Capital Works Program. The City is also undertaking a review of the City of Melville Bike plan. As part of the work planned to be undertaken for the City's Bike Plan, consideration will be given to safety issues and recommendations to improve safety outcomes.

7. DECLARATIONS OF INTEREST

9.1 FINANCIAL INTERESTS

Nil.

9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

Nil.

It was noted that Elected Members have an interest in common in accordance with Section 5.63(1)(b) of the *Local Government Act 1995* with respect to Item C20/6177 Adoption of the 2020-2021 Budget.

COUNCIL RESOLUTION

At 6:37pm Cr Pazolli moved, seconded Cr Kepert –

That the Council suspend the definition of “deputation” in clause 1.6 and clause 7.10 of the City of Melville Meeting Procedures Local Law 2017 for the purpose of accepting deputations by written electronic submission.

At 6:38pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

8. DEPUTATIONS

- 8.1 **City of Melville Residents and Ratepayers Association**
Item C20/6177 – Adoption of 2020-2021 Budget

9. APPLICATIONS FOR NEW LEAVES OF ABSENCE

At 6:40pm Cr Wheatland moved, seconded Cr Kepert –

That the application for a new leave of absence submitted by Cr Sandford on 29 June 2020 be granted.

At 6:41pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

10. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

- M20/5755 – Late Item – Confidential Item Independent Review

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

11 REPORTS OF THE CHIEF EXECUTIVE OFFICER

City of Melville Residents and Ratepayers Association submitted a written deputation with respect to C20/6177 - Consideration and Adoption of the 2020-2021 Budget. The electronic deputation was circulated to Elected Members and staff prior to the meeting. [Deputation - City of Melville Residents and Ratepayers Association](#)

C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC) (ATTACHMENT)

Ward	:	All
Category	:	Operational
Subject Index	:	Budget Estimates Operational and Forward Works Programme
Customer Index	:	Impacts on all Ratepayers of the City of Melville
Disclosure of any Interest	:	Elected Members and officers are property owners / ratepayers in the City of Melville however; this is an exempt interest in accordance with Section 5.63 (1) (a) & (b) of the <i>Local Government Act 1995</i> .
Previous Items	:	C20/6176 Melville Community Stimulus Package
Works Programme	:	As per 2020-2021 budget document
Funding	:	As per 2020-2021 budget document
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>

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- The 2020-2021 Budget document (including the Schedule of Fees and Charges for 2020-2021) is presented for consideration and adoption by the Council.
- The Melville Community Stimulus Package approved by council on 9th April 2020 underlies many aspects of the 2020-2021 Budget.
- When compared to the 2019-2020 adopted budget, the 2020-2021 budget results in a decrease in total operating revenue including general rates revenue of \$19,551,710, a decrease in operating expenditure exclusive of non cash amounts of \$4,935,931 and a decrease in net investing and financing activities of \$14,615,779.
- The general rates yield in 2020-2021 has decreased by \$8,545,432 or 9.6% when compared to the 2019-2020 adopted budget. The 2020-2021 Budget presents changes to the rate in the dollar for each rating category required to maintain parity with the 2019-2020 rate outcomes, taking into account changes in Gross Rental Valuations arising from the triennial revaluation undertaken by the Valuer General's Office. There have been no changes to the minimum rates from those applied in the 2019-2020 budget. Rates concessions including those offered through the Melville Community Stimulus Package total \$10,104,292.

BACKGROUND

The City of Melville is required to prepare an Annual Budget in accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*. The purpose of an Annual Budget, in simplistic terms, is to outline the various revenue and expenditure streams and the required rating levels to achieve a balanced and sustainable financial position.

The 2020-2021 Annual Budget (Budget) has been prepared based on direction provided by the Melville Community Stimulus Package approved by Council on 9th April 2020, the Financial Sustainability Policy and a recent revision of the Long Term Financial Model.

DETAIL

The City of Melville commenced its formal Budget preparation in February 2020. Inputs into the budget formulation process included:

- Budget responsible officers and the Operational and Executive Management Teams;
- Feedback and direction received from the Council arising out of Elected Member Information Sessions and Corporate and Long Term Financial Planning processes, or any specific requests arising from resolutions of the Council during the 2019-2020 financial year.

The Budget presented to the Council has been balanced to ensure that operating (excluding non-cash expenditure such as depreciation) and capital expenditure and funds set aside in specific purpose reserve accounts (Reserves) is matched by operating and capital income and funds used from Reserves, with the resulting amount being the "Amount Required to be Raised from Rates".

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)**

The balanced position has been achieved whilst maintaining service and asset maintenance levels to the extent possible in view of the practical and financial limitations posed on the City's operations by the COVID19 pandemic.

Key aspects of the Budget are as follows:-

- The 2020-2021 Annual Budget does not include opening funds.
- The Total Rates income is lower by \$8.5m when compared to the 2019-2020 adopted budget. This is due to changes to the rate in the dollar for each rating category required to maintain parity with the 2019-2020 rate outcomes, taking into account changes in Gross Rental Valuations arising from the triennial revaluation undertaken by the Valuer General's Office, no increase being applied to minimum rates and total concessions amounting to \$ 10,104,292. The composition of the rate yield remains consistent to previous years with approximately 80% relating to Residential properties and 20% relating to Commercial and Industrial properties.
- Operating revenue excluding rates, reduced by \$11m or 34% from that of 2019-2020. The key drivers of this drop are the City's response to COVID19 which has resulted in a significant reduction in budgeted Fees and Charges Income, the lower interest rates that is expected to be applicable to investments over the 2020-2021 financial year and the non existence of service charges income from underground power projects.
- Operating expenditure, including non cash amounts have decreased by \$ 4.9m when compared to that of 2019-2020 mainly due to the non existence of cash calls to Western Power for underground power projects. Key items within operating expenditure are waste disposal costs of \$10.8m (increase of \$2.5m when compared to 2019-2020 due to higher costs of processing and disposal costs resulting from the FOGO Bin system and the significantly increased costs of recyclables processing due to the Chinese withdrawal from that market) and funds allocated for Financial Assistance Grants amounting to \$750,000 in response to COVID19.
- Net capital expenditure from investing activities has decreased by \$34.3m when compared to 2019-2020. The 2019-2020 land and buildings capital expenditure was significantly higher than 2020-2021 due to budgeted costs associated with the New Library and Cultural Centre, which did not materialise. The 2020-2021 net capital works program amounts to \$32.9m and includes "Stimulus Projects" and projects that have been brought forward or fast tracked as part of the City's response to the recovery phase of COVID-19. The net cost of Stimulus Projects total to \$8.5m.
- Net income from financing activities has reduced by \$19.7m when compared to that of 2019-2020 and is due to lower funds being drawn from reserves for land and buildings projects and less funds being set aside to reserves to assist in funding the deficit arising from reduced income from rates and fees and charges in 2020-2021.

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)**

The Budget Book [6177A June 2020](#) outlines key information including:

- The Budget Certification
- A Budget Overview
- The Budget set out in the “Statutory” format as per legislation and regulations including:-
 - Rate Setting Statement by Program and Sub-program
 - Statements of Comprehensive Income by Nature & Type and by Program
 - Statement of Cash Flows
 - Statement of Financial Position
 - Statement of Changes in Equity
- Extensive notes to and forming part of the Budget including details of cash backed specific purpose reserve accounts, detailed rating information and information on other charges such as the Property Surveillance and Security Service levy, Underground Power etc.
- The Schedule of Fees and Charges for 2020-2021.

Attachment [6177B June 2020](#) provides a Ratepayer Profile for the City. There are no major changes to the Ratepayer Profile compared to last year.

STAKEHOLDER ENGAGEMENT**I. COMMUNITY**

A notice of intention to impose differential rates was advertised in the Melville Gazette newspaper on Thursday, 4 June 2020 and in the West Australian newspaper on Saturday, 6 June 2020. The public comment period (minimum of 21 days) ends on Friday 26 June 2020. At the time of writing this report, two responses had been received on the differential rate community engagement page on the City of Melville website. These responses were from the City of Melville Residents and Ratepayers Association and one other individual ratepayer. All public comments/submissions received will be reported to the Council at or prior to the meeting to be held on 29 June 2020. The Council is required to consider these submissions received before imposing the proposed rate or minimum payment.

Whilst no other specific public consultation has taken place in regards to the 2020-2021 Budget, community consultation has occurred for a number of the major projects identified within the budget document. The City has also received positive feedback in regard to the Melville Community Stimulus response.

II. OTHER AGENCIES / CONSULTANTS

- Department of Fire and Emergency Services with respect to the Emergency Services Levy;
- Landgate (The Valuer General) in relation to the Gross Rental Valuations used as a basis for calculation of Municipal General Rates;
- Southern Metropolitan Regional Council (SMRC) in relation to the recycling, composting, green waste and residual waste disposal operations run by them on behalf of the City and three other local authorities.

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****STATUTORY AND LEGAL IMPLICATIONS**

Local Government Act 1995

1.3. Content and intent

Section 1.3 (3) In carrying out its functions a local government is to use its best endeavours to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity.

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.

(2) Without limiting subsection (1), the council is to —

(a) oversee the allocation of the local government's finances and resources; and

(b) determine the local government's policies.

3.1. General function

(1) The general function of a local government is to provide for the good government of persons in its district.

6.36 Local Government to give notice of certain rates.

(1) Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.

(4) The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.

Divisions 5 and 6 of the *Local Government Act 1995* refer to the setting of budgets and the raising of rates and charges and fees and charges.

The 2020-2021 Budget as presented meets these statutory obligations.

FINANCIAL IMPLICATIONS

Specific financial implications are as detailed in the attached 2020-2021 budget document. The Budget has been achieved without resorting to external loan borrowings to fund any operating or capital programs.

Implications for City of Melville ratepayers will include the following and are mainly driven by the council resolution C20/6176 – Melville Community Stimulus Package of 9th April 2020.

- No increases in the levels of existing user fees and charges and amendments to parking fees to offer the first hour free in all areas and reductions to food premises annual fees, as detailed in the 2020-2021 Fees and Charges Schedule;

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****Financial Implications (cont.)**

- An increase of 12.90% in the residential general improved rate in the dollar from 6.507805 cents in 2019-2020 to 7.347628 cents in the dollar of gross rental value in 2020-2021. No increase in the minimum rate which remains at \$1,283.43. The triennial Gross Rental Valuation (GRV) revaluation has resulted in a 10.91% reduction in the average residential improved GRV. A concession of \$200 per residential improved property will be applied;
- A decrease of 9.18% in the residential unimproved rate in the dollar from 7.330606 cents in 2019-2020 to 6.657573 cents in the dollar of gross rental value in 2020-2021 reflecting a 9.39% differential to the residential improved rate in the dollar. No increase in the minimum rate which remains at \$818.63. The triennial Gross Rental Valuation (GRV) revaluation has resulted in a 4.46% increase in the average residential unimproved GRV. A concession of \$165 per residential unimproved property will be applied;
- An increase of 5.17% in the commercial/industrial rate in the dollar from 7.358007 cents in 2019-2020 to 7.738591 cents in the dollar of gross rental value in 2020-2021. No increase in the minimum rate which remains at \$995.61. The triennial Gross Rental Valuation (GRV) revaluation has resulted in a 3.80% reduction in the average commercial GRV. A concession of 10% based on 2019-2020 gross rental valuations will be applied;
- Average rates for both residential and commercial properties before application of the rates concessions offered in 2020-2021 remain consistent with the average rates in 2019-2020.
- Waiver of loan repayments for sporting clubs and associations, in City owned buildings for July and August 2020;
- Waive any lease payments and outgoings for not for profits/sporting associations in City owned buildings for July and August 2020;
- Waive any lease payments for commercial tenancies in City owned buildings where hardship can be demonstrated for July and August 2020;
- Financial grant support payment for clubs/associations with the total budget allocated towards this package to be up to but no more than \$750,000;
- The Property Surveillance and Security Service Charge has reduced from \$57.00 to \$47.00, with this reduction being funded by savings made in previous years, which have been drawn from Community Surveillance and Security Reserve.
- The Swimming Pool Inspection Fee has reduced from \$49.00 to \$39.00, with this reduction being funded by savings made in previous years, which have been drawn down from the Private Swimming Pool Inspection Fee Reserve.
- The administration charge for payment by instalments has been ceased for 2020-2021 only;

C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)

Financial Implications (cont.)

- Late payment penalty interest charge reduced from 8% to 2%; and where financial hardship is demonstrated a waiver of interest will be offered under the City of Melville Financial Hardship Policy.
- Instalment interest charge reduced from 4% to 2%; and where financial hardship is demonstrated a waiver of interest will be offered under the City of Melville Financial Hardship Policy.
- Credit/Debit Card Surcharge Fee which is used to offset bank fees associated with payments made using the credit card network, has been ceased for 2020-2021 only;
- Payment methods available to ratepayers include;
 - a. Direct debit – ratepayers need to contact the City of Melville to set up a direct debit payment. Direct debit can be set up as weekly, fortnightly, monthly, yearly, standard instalments or ad-hoc payment dates
 - b. Payment at any Australia Post Office
 - c. Post Bill Pay, BPay and BPayview
 - d. Online at melvillecity.com.au using Visa, MasterCard or American Express
 - e. By phone 1300 880 716 using Visa, MasterCard or American Express

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk	Risk Mitigation Strategy
Insufficient budget funding achieved to carry out works and services and maintain the City's assets.	Major consequences which are almost certain, resulting in a High level of risk.	Ensure sound Financial policy positions are adopted by the Council and that the consequences of insufficiently funding the City's operations are well understood.
Funding is directed towards areas of expenditure that are not a priority of the Community and the Council or required to address a Technical or Statutory requirement.	Minor consequences which might occur at some stage, resulting in a Medium level of risk.	Ensure budget development process is sound and subject to independent review by all Managers, Finance and the Council to ensure funding requests are directed at meeting the Community Plan and Corporate Plan objectives.
Significant variations to budget due to the subjectivity of the underlying budget assumptions in relation to the COVID19 pandemic.	Major consequences which are almost certain, resulting in a High level of risk.	Ensure sound Financial policy positions are adopted by the Council and that the consequences of insufficiently funding the City's operations are well understood.

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****POLICY IMPLICATIONS**

The budget has been developed on the principles outlined in the Council's policies

- CP-008 Financial Sustainability – Forward Financial Planning and Funding Allocation Policy,
- CP-024 Borrowings and Asset Financing Policy
- CP-031 Asset Management Policy and
- CP-091 Elected Members Allowances and Expenses.
- CP-025 Accounting Policy - As per this Policy, interest earned from investing monies held in reserve accounts is to be classified as operating revenue and then transferred to the particular reserve accounts in proportion to the average balance of the particular reserves over the interest earning period. However in the 2020-2021 budget only 50% of the budgeted interest earned from investing monies held in reserve accounts have been transferred to the reserve accounts.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council may choose to adopt a rate increase of greater or less than the recommended amounts. However, in doing so it would need to identify which Operating Programs it wishes to see amended or what Capital Works it wishes to be added to or does not wish to proceed with. In regards to the renewal component of the Capital Works Program, reductions in the quantum of the program are likely to result in a deferment of expenditure to future years at an increased cost and a further exacerbation of the City's asset management deferred liability. In order to be sustainable in the longer term the City should maintain and improve the level of asset refurbishment and renewal funding that will enable it to refurbish and renew its assets when the need arises.

The projects presented to the Council for funding are considered to be priority projects. There are however many more that are also worthy of funding that could be suggested for inclusion should others be removed.

Prudent financial management practices take into account the needs of current and future generations and support the need to build reasonable levels of cash backed specific purpose reserves to enable it to do so. The City is faced with many cost increases that exceed the increase in its revenue. These cost increases are absorbed by implementing cost saving measures in a manner that does not reduce service levels. These types of savings are often referred to as efficiency dividends.

Reductions in the level of rate increase, whilst possible using short term measures such as deferment of asset maintenance or renewal, are not recommended as this simply creates a greater financial burden for future generations. Such action would also be a departure from Council Policy CP-008 and the good governance provisions of the *Local Government Act 1995* referred to earlier in this report.

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****CONCLUSION**

In accordance with the principles expressed in the Financial Sustainability Policy, the Melville Community Stimulus Package and other relevant Council Policies, the 2020-2021 Budget has been drafted with particular focus on the impact of COVID19 on the community and economy, recovery action required in response to COVID19 as well as the long term view of the needs of the City and its residents in mind.

The Budget Papers for 2020-2021 form part of the Attachments to the Agenda, which was distributed to the Members of the Council 12 June 2020. [6177A June 2020](#)

In accordance with Section 6.2 of the Act the 2020-2021 budget is recommended to the Council for adoption by Absolute Majority Decision.

1. BUDGET ADOPTION AND ASSOCIATED RESOLUTIONS**COMMENT**

Before proceeding to the recommendations with respect to the 2020-2021 Budget, it is appropriate to identify requirements of the *Local Government Act 1995* in regard to the Budget process.

The following matters require a decision by Absolute Majority:

- Adoption of the Annual Budget
- Granting of discount or other incentives for early payment
- Granting of any concessions on rates
- Setting the penalty interest rates on outstanding debts
- Imposing any fees or charges for goods or services other than a service for which a service charge is imposed
- Imposing the General Rate and Differential Rates on rateable land in the district
- Imposing a service charge e.g. Property Surveillance and Security Services and Underground Power network and connection charges.

The *Local Government Act 1995* enables service charges to be imposed equally across assessments including non-rateable properties for the purpose of property surveillance, security service and underground electricity.

The Act also outlines procedures by which a local government can impose differential rates. Section 6.36 of the Act requires that all local governments, which impose differential rates or a differential minimum, must give prior notice of its intention and invite submissions from electors and ratepayers. Consideration of all submissions is then to be undertaken. The Act requires that information regarding differential rates be included with the Rate Notice detailing all rates imposed, together with a summary of the Objects and Reasons for those rates.

A Notice of Intention to Impose Differential Rates was advertised in the Melville Gazette newspaper on Thursday, 4 June 2020 and the West Australian newspaper on Saturday, 6 June 2020. The 21 day submission period closes on Friday, 26 June 2020 with two submissions having been received by the date of distribution of this report. All submissions received will be notified to the Council at or prior to the Special Council meeting to be held on 29 June 2020.

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)**

Unless amended by the Council, the proposed rates in the dollar and minimum rates for Residential Improved properties for 2020-2021 will be 7.347628 cents in the \$ of Gross Rental Valuation (GRV) (2019-2020 6.507805 cents) with a minimum rate of \$1,283.43 (2019-2020 \$1,283.43).

The proposed rates in the dollar and minimum rates for all Residential Unimproved Land for 2020-2021 will be 6.657573 cents in the \$ of GRV (2019-2020 7.330606 cents) with a minimum rate of \$818.63 (2019-2020 \$818.63).

The proposed differential rate for all Commercial/Industrial properties for 2020-2021 will be 7.738591 cents in the \$ of GRV (2019-2020 7.358007 cents) with a minimum rate of \$995.61. (2019-2020 \$995.61).

1.1 Ratepayer Profile

The Ratepayer Profile which shows rating outcomes for different property types forms part of the Attachments to the Agenda, which was distributed to the Members of the Council on Friday, 12 June 2020. Attachment [6177B June 2020](#)

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-1)**NOTING**

At 7:07pm Cr Macphail moved, seconded Cr Pazolli –

That the 2020-2021 Ratepayer Profile as detailed in Attachment [6177B June 2020](#) be noted.

At 7:07pm the Mayor declared the motion

CARRIED (11/0)**1.2 Adoption of 2020-2021 Budget and Setting of 2020-2021 Rates and Charges****OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-2)****NOTING**

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

That the submissions received in respect of the differential rates in respect of the proposed rate and minimum payment be noted.

At 7:08pm the Mayor declared the motion

CARRIED (11/0)

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.2 Adoption of 2020-2021 Budget and Setting of 2020-2021 Rates and Charges
(Continued)****OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-3)
ABSOLUTE MAJORITY APPROVAL**

At 7:08pm Cr Robartson moved, seconded Cr Wheatland-

- 1) **That by Absolute Majority Decision of the Council the 2020-2021 Municipal Fund Budget as detailed in Attachment [6177A June 2020](#) be adopted.**
- 2) **That by Absolute Majority Decision of the Council the following general rates applicable to the 2020-2021 financial year i.e. for the period 1 July 2020 to 30 June 2021, be adopted:**
 - a. **All Improved Residential Land**
7.347628 cents in the dollar of gross rental value applicable to each property, residence, unit, strata, location or other residential property subject to a minimum rate of \$1,283.43 per assessment;
 - b. **All Unimproved Residential Land**
6.657573 cents in the dollar of gross rental values applicable to each property, location or other piece of land subject to a minimum rate of \$818.63 per lot;

noting that Residential Land includes general residential, duplex, multi-unit, residential strata properties and properties owned by the Department of Housing.

- c. **All Commercial Land including Strata Storage Units 7.738591 cents in the dollar of gross rental values applicable to each assessment, lot, location, strata, or other piece of land subject to a minimum rate of \$995.61 per assessment;**

noting that Commercial/Industrial land includes general industrial, commercial including retail, professional and office uses, service station, hotel / tavern, strata storage units and hospitals.

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.2 Adoption of 2020-2021 Budget and Setting of 2020-2021 Rates and Charges
(Continued)****3) That by Absolute Majority Decision of the Council the following general rates concessions for the 2020-2021 financial year, be adopted:**

- a. **Strata storage units. Appropriately zoned and used strata titled storage units of 18m² or smaller, granted a concession of \$497.80 each, it being noted that the value of this concession is approximately \$28,375.**
- b. **Melville Glades Golf Club. 100% concession from general rates, it being noted that the value of this concession amounts to approximately \$10,181.**
- c. **Concession of \$200 for all general rates on residential improved properties, \$165 for general rates on residential unimproved properties and a 10% reduction in commercial rates based on 2019-2020 valuations. The total budgeted value of these concessions is \$10,065,736.**

4) That by Absolute Majority Decision of the Council the following refuse waste charges be adopted, for the 2020-2021 financial year where these services are charged via the City of Melville rates system/notice:**A) Additional Residential Rateable**

- a. **\$341.00 per annum for each additional City of Melville approved domestic waste bin when emptied at the same time as the standard weekly domestic waste collection;**
- b. **\$131.70 per annum for each additional City of Melville approved domestic recycling bin service when emptied at the same time as the standard domestic recycling collection;**
- c. **\$200.00 per annum for each additional FOGO 240L bin service when emptied at the same time as the standard FOGO bin collection;**
- d. **\$200.00 per annum for each additional domestic waste 140L bin when emptied at the same time as the standard domestic waste collection**

Note: - additional waste or recycling bin services includes the collection and disposal of the additional City of Melville approved bins during the normal domestic collection round.

B) Residential Non Rateable Properties Waste and Recycling

\$454.80 per annum for one standard removal and disposal of a residential non-rateable waste service in a City of Melville approved waste bin;

Note: - a standard non-rateable service includes the weekly removal and disposal of refuse in a City of Melville approved waste bin.

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.2 Adoption of 2020-2021 Budget and Setting of 2020-2021 Rates and Charges
(Continued)****C) Commercial and Non-Rateable (Non-Residential) Properties Waste Service**

\$617.90 per annum for one standard removal and disposal of waste in a City of Melville approved waste bin;

Note: - a standard non-rateable service includes the weekly removal and disposal of refuse in a City of Melville approved waste bin;

D) Commercial and Non Rateable Bulk Refuse Collection and Disposal

a. \$28.60 per service – one bin of 660L capacity (Inclusive of GST);

b. \$40.40 per service – one bin of 1,100L capacity (Inclusive of GST);

Note: - a service is rendered each time a bin is emptied.

E) Commercial and Non Rateable Recycling Services

a. \$605.80 per annum for a weekly recycling bin service provided to commercial and non-rateable properties for one 240L recycling bin emptied on a weekly basis;

b. \$26.00 per service – one bin of 660L capacity (Inclusive of GST);

c. \$34.20 per service – one bin of 1,100L capacity (Inclusive of GST);

Note: - a service is rendered each time a bin is emptied.

F) Commercial and Non Rateable Bin Services (per lift)

a. \$11.90 per lift – one mobile garbage bin of 240L capacity (Inclusive of GST);

b. \$11.65 per lift – one recycling bin of 240L capacity (Inclusive of GST);

5) Swimming Pool Inspection Fee

That by Absolute Majority Decision of the Council a Swimming Pool Inspection Fee of \$39.00 for the 2020-2021 year be adopted.

Note: - The Swimming Pool Inspection Fee is charged in each year of the four yearly inspection cycle. Should the total revenue raised exceed the actual total costs of conducting all pool inspections in any one year the surplus is transferred to a restricted reserve account and used to offset the costs of inspections in the following year's budget.

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.2 Adoption of 2020-2021 Budget and Setting of 2020-2021 Rates and Charges
(Continued)****6) Property Surveillance and Security Service Charge**

That by Absolute Majority Decision of the Council a Property Surveillance and Security Charge of \$47.00 for the 2020-2021 year be adopted.

At 7:09pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

1.3 Paperless Rates Incentives

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-4)
ABSOLUTE MAJORITY APPROVAL**

At 7.10pm Cr Sandford moved, seconded Cr Barton -

That by Absolute Majority Decision of the Council the following paperless rates incentive be offered to those ratepayers who register or are registered for paperless billing options and pay the first instalment or pay rates in full by the close of business (i.e 5.00 pm) on 10 September 2020.

Four prizes to the value of \$750 each from Westpac Bank.

At 7:10pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

1.4 Loan Capital Fund Budget

This budget includes self-supporting loans raised on behalf of other organisations that are responsible for meeting the loan repayment costs. The Council is effectively the guarantor of these loans.

As per council resolution C20/6176 the council loan repayments for sporting clubs and associations in council owned buildings have been waived for the 6 months ending 31 August 2020.

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-5)
ABSOLUTE MAJORITY APPROVAL**

At 7:10pm Cr Kepert moved, seconded Cr Wheatland-

That by Absolute Majority Decision of the Council the 2020-2021 Loan Fund Budget as detailed in Attachment [6177A June 2020](#) be adopted.

At 7:11pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.5 Reserve Account Budgets**

Reserve accounts form part of the Municipal Fund and equity of the City. Specific purpose cash backed reserve accounts have been created for various reasons as detailed below.

In some cases e.g. the Community Surveillance and Security Service Reserve they are specifically required by legislation to record any surpluses that may arise from Service Charges or Specified Area Rates.

Other reserves such as the Leave Entitlement Reserve are created to ensure that funds are available to meet future known liabilities. Some reserves such as the Risk Management Reserve are created to provide for contingent future liabilities the extent of which cannot yet be accurately assessed.

Reserves such as the Civic Centre Precinct Improvements Reserve, Information Technology Reserve, Community Facilities Reserve, Fleet Services Vehicles, Plant and Equipment Replacement Reserve, Infrastructure Asset Management Reserve and the Parking Facilities Reserve are set aside to save for the future replacement of assets that are currently being consumed. It should be noted that Local Authorities in Western Australia are required to exclude depreciation expenses when setting rates. However, they are required to include capital expenditure and funds set aside or used from reserves and other forms of non-operating revenues.

Other forms of funding such as General Rates and Loan Borrowings are available to fund the replacement of assets. However due to:-

- a) the high value of assets owned by the City, the replacement of which, if achieved solely through reliance on loan borrowings, would quickly result in unacceptable debt service debt to equity and debt to revenue ratios being encountered;
- b) the desire to ensure that rate levels do not unduly fluctuate each year depending on whether or not a major expenditure is incurred or asset purchase/replacement is made; and
- c) the need to ensure that ratepayers meet their equitable share of the cost of consumption of assets (as recognised by the application of condition based depreciation calculations) each financial year rather than deferring the liability to future years ratepayers, reserves are used.

Reserve accounts therefore represent the “savings accounts” of local governments and represent funds that have been set aside for future known and unknown events in order to help reduce the variability of General Rates.

In order to produce a budget for 2020-2021 that assists in alleviating the negative impact COVID19 has had on the community and the economy, the following measures have been taken;

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.5 Reserve Account Budgets (Continued)**

- a) As per CP- 025 Accounting Policy, interest earned from investing monies held in reserve accounts is to be classified as operating revenue and then transferred to the particular reserve accounts in proportion to the average balance of the particular reserves over the interest earning period. However in the 2020-2021 budget only 50% of the budgeted interest earned from investing monies held in reserve accounts have been transferred to the reserve accounts.
- b) The purpose of the Risk Management reserve has been amended to include consequences of unforeseen events beyond the control of the City in order to enable funds to be drawn from the reserve account to offset the loss of income as a result of COVID19.
- c) The title of the Future Works Reserve has been changed to “New/Upgrade Works Reserve” in order to enable funds to be drawn from the reserve account to fund both New and Upgrade components of the costs of Infrastructure Capital Works and Buildings.

Two new reserve accounts have been created for the purpose of funding public transport, car parking, streetscape upgrades that improve opportunities for walking and cycling, footpaths and other pedestrian-related infrastructure, cycle paths and other cycling-related infrastructure, street trees, plants and landscaping that improves pedestrian amenity and/or Travelsmart programs and initiatives at the Canning Bridge and Riseley Activity Centres, or as per the discretion of the Council under the advice of a Parking Fund Advisory Committee.

The stated purpose of each reserve is outlined in the recommendation below. As indicated above, there are proposed changes to existing Reserve titles and purposes in the 2020-2021 Budget.

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-6)
ABSOLUTE MAJORITY APPROVAL**

At 7:11pm Cr Mair moved, seconded Cr Woodall-

That by Absolute Majority Decision of the Council the 2020-2021 Reserve Accounts (Fund) Budget as detailed in Attachment [6177A June 2020](#) be adopted for the following reserve accounts and purposes:

- 1) Ardross East Underground Power & Streetscape Enhancement Reserve
To be used for underground power projects and streetscape enhancements in the Ardross East Underground Power project area.**
- 2) Attadale North Underground Power & Streetscape Enhancement Reserve
To be used for underground power projects and streetscape enhancements in the Attadale North Underground Power project area.**

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.5 Reserve Account Budgets (Continued)**

- 3) Alfred Cove East Underground Power & Streetscape Enhancement Reserve**
To be used for underground power projects and streetscape enhancements in the Alfred Cove East Underground Power project area.
- 4) Civic Centre Precinct Improvements Reserve**
To be used for improvements to the buildings and associated landscaping and car parking located within the Civic Centre Precinct (Melville City Centre).
- 5) Commercial Refuse Reserve**
To be used for the acquisition and replacement of commercial refuse bins, vehicles, plant and equipment used for commercial waste operations and the development of commercial waste collection opportunities.
- 6) Community Facilities Reserve**
To be used for the provision of new, renewed or upgraded community facilities/buildings.
- 7) Community Centre Fitout, furniture and Equipment Reserve**
To be used to fund the acquisition and replacement of the fitouts, furniture and specialised equipment requirements for the Community Centres.
- 8) Community Surveillance and Security Service Reserve**
To temporarily retain any surpluses that may arise from the Property Surveillance and Security Service Charge to be used to offset future years Property Surveillance and Security Service Charges or for the purchase of plant and equipment used for community surveillance and security services.
- 9) Fleet Services Vehicles, Plant and Equipment Replacement Reserve**
To be used to fund the purchase of replacement vehicles, plant and equipment.
- 10) New/Upgrade Works Reserve (previously Future Works Reserve)**
To be used to fund the "New" and "Upgrade" components of the costs of Infrastructure Capital Works and Buildings as opposed to renewal of existing assets as per Asset Management Plans.
- 11) Information Technology Reserve**
To be used to fund the acquisition and replacement of computer software and information technology hardware.
- 12) Infrastructure Asset Management Reserve**
To be used to fund infrastructure asset management projects including the construction, maintenance and renewal of the City of Melville's road, path, kerbing, street furniture, park structures, playground, irrigation/reticulation and drainage infrastructure assets.

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.5 Reserve Account Budgets (Continued)****13) Land and Property Reserve**

To be used to:

- a) fund the acquisition or construction of commercial revenue earning land and/or buildings, or
- b) fund the acquisition of land and buildings in structure plan areas to help encourage of the redevelopment of those structure plan areas by assembling developable land parcels and fund with Council approval infrastructure and other developments in line with structure plan principles; or
- c) internally fund the purchase or construction of City of Melville community facilities or infrastructure assets, on the basis that those funds will be returned to the Land and Property Reserve over a predetermined period of time with interest, with the interest rate being set at what would have been charged by the Western Australian Treasury Corporation for the term of the borrowing using the Semi Annual Annuity interest rate.

14) Leave Entitlements Reserve

To be used to fund the non-current liability amount of annual, sick and long service leave entitlements accrued in previous financial years beyond the amount provided for in the Provision for Leave current liability account.

15) Libraries, Art Centres and Museums Equipment, Furniture and Specialised Fit Out Reserve

To be used to fund the acquisition and replacement of the fit outs, furniture and specialised equipment for art centres, museums and libraries.

16) Melville North Underground Power & Streetscape Enhancement Reserve

To be used for underground power projects and streetscape enhancements in the Melville North Underground Power project area.

17) Melville South Underground Power & Streetscape Enhancement Reserve

To be used for underground power projects and streetscape enhancements in the Melville South Underground Power project area.

18) Organisational Environmental Sustainability Initiatives Reserve

To be used to fund environmental initiatives which are intended to reduce the energy usage and/or carbon footprint of the corporation of the City of Melville or for debt servicing costs associated with any loan borrowings taken out for such purposes.

19) Parking Facilities Reserve

To be used to fund the provision, refurbishment or improvement of parking facilities and equipment.

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.5 Reserve Account Budgets (Continued)****20) Parking Management Reserve – Canning Bridge Activity Centre**

To fund public transport, car parking, streetscape upgrades that improve opportunities for walking and cycling, footpaths and other pedestrian-related infrastructure, cycle paths and other cycling-related infrastructure, street trees, plants and landscaping that improves pedestrian amenity and/or Travelsmart programs and initiatives at the Canning Bridge Activity Centre, or as per the discretion of the Council under the advice of a Parking Fund Advisory Committee.

21) Parking Management Reserve - Riseley Activity Centre

To fund public transport, car parking, streetscape upgrades that improve opportunities for walking and cycling, footpaths and other pedestrian-related infrastructure, cycle paths and other cycling-related infrastructure, street trees, plants and landscaping that improves pedestrian amenity and/or Travelsmart programs and initiatives at the Riseley Activity Centre, or as per the discretion of the Council under the advice of a Parking Fund Advisory Committee.

22) Private Swimming Pool Inspection Fee Reserve

To temporarily retain any surpluses that may arise from the Swimming Pool Inspection fees to be used to offset any deficits that may occur in future year's operations of the Private Swimming Pools Inspection Program.

23) Public Open Space and Urban Forest Reserve

To be used to fund the purchase, development and re-development of public open spaces, including streetscapes, bushlands, parks and reserves and to fund initiatives to enhance and improve the urban forest or for debt servicing costs associated with any loan borrowings taken out for such purposes.

24) Rates Equalisation Reserve

To temporarily retain any surplus carried forward funds as shown in the audited Annual Financial Report Rate Setting Statement in excess of the estimated surplus funds brought forward amount identified in the following years Annual Budget Rate Setting Statement to subsequently be used to reduce the need to raise rates in future years or to meet any budget shortfalls identified during budget reviews.

25) Recreation Centres Specialised Plant, Equipment and Structures Reserve

To be used to fund the acquisition, repair, upgrade and replacement of Recreation Centres specialised plant, equipment and structures.

26) Refuse Bins Reserve

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

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.5 Reserve Account Budgets (Continued)****27) Refuse Facilities Reserve**

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

28) Risk Management and Insurance Equalisation Reserve

To be used to fund prior years insurance premium contingencies, the self insured element of insurance claims, risk reduction initiatives or projects, losses arising from investment activities and discretionary expenditure required as a consequence of unforeseen events beyond the control of the City.

29) Special Projects Reserve

To be used to fund costs associated with City of Melville Council Elections, infrastructure asset condition surveys, asset valuations and gross rental value revaluations and strategic planning projects.

30) Unexpended Works and Specific Purpose Grants Reserve

To be used to carry forward available funding for uncompleted projects and specific purpose grants that will be completed and expended in ensuing financial years.

At 7:12pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.6 Trust Fund Budget**

This budget includes funds held on trust separate and distinct from Municipal Funds where required by legislation or deeds of trust.

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-7)
ABSOLUTE MAJORITY APPROVAL**

At 7:12pm Cr Fitzgerald moved, seconded Cr Wheatland –

That by Absolute Majority Decision of the Council the 2020-2021 Trust Fund Budget as detailed in Attachment [6177A June 2020](#) be adopted.

At 7:12pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

1.7 2019-2020 Surplus Funds

The 2020-2021 Budget has been formulated on the basis that there will be estimated surplus funds of \$ 734,397 which will be carried forward from the 2019-2020 financial year to the 2020-2021 financial year through the opening balance of the Rates Equalisation Reserve.

The actual surplus/deficit will be finally determined following receipt of the 2019-2020 audited financial statements anticipated to be in October 2020. Should, following receipt of the 2019-2020 audited financial statements, any budget surplus be identified, this will be reported to the Council at a future review of the 2020-2021 budget and it will be recommended that the funds be transferred into the Rates Equalisation Reserve. Should the 2019-2020 audited financial statements reveal a budget deficit amount, this will also be addressed by a review of the 2020-2021 budget and direction sought from the Council as to which projects or programs it wishes to be curtailed or the funds transferred from the Rates Equalisation Reserve.

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-8)
ABSOLUTE MAJORITY APPROVAL**

At 7:12pm Cr Fitzgerald moved, seconded Cr Kepert –

That the Council notes that an estimated \$734,397 closing funds as at 30 June 2020 has been used in the opening balance of the Rates Equalisation Reserve in the 2020-2021 budget and that the final actual net closing funds amount will be determined following receipt of the 2019-2020 audited financial statements and approves the transfer of any net closing funds for the completed 2019-2020 financial year to the Rates Equalisation Reserve account.

At 7:13pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

**C20/6177 - CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.8 Imposition of Fees and Charges**

Section 6.16 of the *Local Government Act 1995* allows a Local Government to impose by absolute majority decision a fee or charge for any goods or services it provides or proposes to provide other than a service for which a service charge has been imposed.

The fees are to be imposed when adopting the annual budget but may, subject to giving local public notice, be imposed or amended from time to time during the financial year. This year it has been decided to adopt the Fees & Charges at the same time as adopting the Budget.

As per the Melville Community Stimulus Package

- There are no increases to the fees and charges that existed in 2019-2020.
- Parking fees have been amended to include first hour free in all areas.
- Any increases in fees will only apply where the service is different to that offered in 2019-2020 and is justifiable.

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-9)
ABSOLUTE MAJORITY APPROVAL**

At 7:13pm Cr Wheatland moved, seconded Cr Sandford –

That by Absolute Majority Decision of the Council, in accordance with Section 6.16 of the *Local Government Act 1995*, the 2020-2021 Schedule of Fees and Charges included in the attached budget papers [6177A June 2020](#) be adopted and the new fees be applicable from 1 July 2020.

At 7:13pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

1.9 Payment and Instalment Due Dates**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-10)
ABSOLUTE MAJORITY APPROVAL**

At 7:13pm Cr Mair moved, seconded Cr Sandford –

That by Absolute Majority Decision of the Council in accordance with Section 6.45 of the *Local Government Act 1995* and applicable Regulations, due dates for payment of rates and the instalment due dates be as follows:-

Full payment and 1st instalment due date	10 September 2020
2nd Instalment due date	12 November 2020
3rd Instalment due date	18 January 2021
4th and final instalment due date	19 March 2021

At 7:13pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.10 Administration and Interest Charge for Rates and Services Charges**

Section 6.45 of the Local Government Act modified under the Local Government (COVID-19 Response) Order 2020 provides the opportunity for a Local Government that has a financial hardship policy in place to impose an additional charge over and above the administrative charge, where payments of rates or service charges are made by instalments. Effectively this is an interest charge which has been set at a maximum amount of 5.5% to enable a Local Government to recover some of the lost investment revenue that would have been earned had the payment of rates or service charges been made in one lump sum by the first due date.

In 2020-2021 year it is proposed to not charge an instalment administration charge where a person pays their rates by the four instalment option. (In 2019-2020 a fee of \$ 17.50 was imposed).

The instalment interest charge is recommended to be 2% so as to ensure an undue burden is not placed on ratepayers choosing to pay by instalments. (In 2019-2020 an interest rate of 4% was imposed).

Section 6.13 of the *Local Government Act 1995* modified under the Local Government (Covid-19 Response) Order 2020 provides the opportunity for a Local Government to impose an interest rate of a maximum of 8 % which aligns with the interest rate charged by the Australian Taxation Office, on amounts owing by those who are not considered to be in financial hardship.

With the intention of providing financial relief in response to the negative impact that COVID 19 has had on the community, an interest rate of 2% will be imposed in 2020-2021 on all rates and service charges, including the refuse charge, swimming pool inspection fee, property surveillance and security service charge that are not paid by the due date. (In 2019-2020 an interest rate of 8% was imposed).

In respect to interest charged on underground power and streetscape enhancement amounts that remain unpaid, an interest rate of 2% will be imposed in 2020-2021. (In 2019-2020 an interest rate of 4% was imposed).

No credit card surcharge fees will be charged in 2020-2021. (In 2019-2020 credit card surcharge fee of 0.6% was imposed).

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.10 Administration and Interest Charge for Rates and Services Charges (Continued)****OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-11)
ABSOLUTE MAJORITY APPROVAL**

At 7:14pm Cr Fitzgerald moved, seconded Cr Woodall –

- 1) That by Absolute Majority Decision of the Council where, a property owner has elected to, and is adhering to, paying rates and service charges through an instalment program, no instalment administration charges be charged and an instalment interest charge of 2% per annum, as provided for in Section 6.45 of the Local Government Act modified under the Local Government (Covid-19 Response) Order 2020, be imposed.
- 2) That by Absolute Majority Decision of the Council, an interest charge of 2% be imposed on all rates and service charges including the refuse charge, swimming pool inspection fee, and property surveillance and security service charge, but excluding any outstanding amounts relating to underground power and streetscape service charges or specified rates, that are not paid by the due date, as provided for in Section 6.13 of the Local Government Act modified under the Local Government (Covid-19 Response) Order 2020.

This charge applies to non payment at the completion of the first instalment or payment in full period and if the payment by instalment option is chosen, any subsequent instalment payments that are not made by the due dates.

- 3) That by Absolute Majority Decision of the Council, an interest charge of 2% be imposed, as provided for in Section 6.13 of the Local Government Act modified under the Local Government (Covid-19 Response) Order 2020, on all outstanding underground power and streetscape service charges or specified area rate debts that remain unpaid and this concessional interest charge be applicable for a period of five years from 1 July in the year in which the specified area rate or service charge was first levied, after which time the standard interest charge is to be applied.

At 7:14pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.11 Interest Charge on Money Owing to Local Government**

Each year a local government may resolve by absolute majority decision to require a person to pay interest at a particular rate, as set out in the annual budget, on any amount of money other than rates and service charges which is owed to the local government and has been owed for a period of not less than thirty five days.

This interest charge was imposed for the first time in the 2001-2002 financial year and provides an added incentive for people to meet their obligations to the City of Melville. The Council must determine by Absolute Majority decision during the annual budget process to impose this interest charge and must determine a rate and the period of time after which the interest is applied.

During the 2014-2015 financial year the City of Melville imposed an interest rate of 8% being, the maximum interest rate permitted by the regulations. In keeping with the practice of previous years it would seem reasonable that this should be applied to commercial transactions only and a lesser rate be applied in respect to community groups and organisations. To enable this differentiation to occur a Delegated Authority is granted to the Chief Executive Officer to determine which category a particular debt falls with the consequence that the relevant interest charge is then applied.

It should be noted that the Local Government is not able to impose any interest until thirty five days after the due date of payment has elapsed. On that basis if fourteen days is allowed for payment the earliest that the interest can be applied is on the forty ninth day. In respect to commercial activities it is, therefore, proposed to introduce the maximum amount permitted under the Local Government Act Regulations as an interest charge and for that to be applied thirty five days after the date which is stated on the account for payment. In respect of the various community clubs and organisations, it is suggested that in 2020-2021, no interest charge permitted under the *Local Government Act 1995* should be applied where the amount owing to the Council has been outstanding for a period of sixty days after the payment was due.

With respect to both of the arrangements any account under \$50.00 will not have interest applied to it due to the significant administration costs involved in the process.

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.11 Interest Charge on Money Owing to Local Government (Continued)****OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-12)
ABSOLUTE MAJORITY APPROVAL**

At 7:14pm Cr Kepert moved, seconded Cr Barton –

- 1) That by Absolute Majority Decision of the Council, in accordance with Section 6.13 of the *Local Government Act 1995*, the maximum interest charge permitted under the *Local Government (Financial Management) Regulations 1996* be imposed on all outstanding accounts in respect to commercial activities with such interest commencing thirty five days after the date which is stated on the account for payment.
- 2) That by Absolute Majority Decision of the Council, in accordance with Section 6.13 of the *Local Government Act 1995*, no interest charge permitted under the *Local Government (Financial Management) Regulations 1996* will be imposed on all outstanding accounts in respect to community clubs and organisations sixty days after the date which is stated on the account for payment.
- 3) That by Absolute Majority Decision of the Council, the interest charges outlined in recommendations 1 and 2 will not apply where the account outstanding is \$50.00 or less.
- 4) That by Absolute Majority Decision of the Council, the Chief Executive Officer be granted delegated authority to determine whether an outstanding debt is classified as a commercial activity or as community clubs and organisations.

At 7:14pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.12 Elected Members Allowances and Sitting Fees**

Section 5.98 of the Act states as follows: *Fees etc. for council members (1A). In this section — determined means determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B.*

Subsection (5) states: *The mayor or president of a local government is entitled, in addition to any entitlement that he or she has under subsection (1) or (2), to be paid —*
(a) the annual local government allowance determined for mayors or presidents; or
(b) where the local government has set an annual local government allowance within the range determined for annual local government allowances for mayors or presidents, that allowance.

Section 5.99 of the Act states as follows:

5.99. Annual fee for council members in lieu of fees for attending meetings A local government may decide that instead of paying council members a fee referred to in section 5.98(1), it will instead pay all council members who attend council or committee meetings —*
(a) the annual fee determined by the Salaries and Allowances Tribunal under the Salaries and Allowances Act 1975 section 7B; or
(b) where the local government has set a fee within the range for annual fees determined by that Tribunal under that section, that fee.

** Absolute majority required.*

When setting the budget it is an opportune time to determine the fees and allowances for elected members. Due to the scale, volume and complexity of the matters dealt with by the Elected Members of the City it is recommended that the fees and allowances be set at the top of the range determined by the Salaries and Allowances Tribunal. Sufficient funds have been provided in the 2020-2021 Draft Budget for this to occur.

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-13)
ABSOLUTE MAJORITY APPROVAL**

At 7:15pm Cr Pazolli moved, seconded Cr Wheatland –

That by Absolute Majority Decision of the Council all Elected Members allowances and sitting fees be paid at the maximum rate as determined by the Salaries and Allowances Tribunal.

At 7:15pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

**C20/6177 CONSIDERATION AND ADOPTION OF THE 2020-2021 BUDGET (AMREC)
(ATTACHMENT)****1.13 Eligibility for Rate Prize**

In previous years, the Council has determined that Elected Members and Staff are ineligible to be chosen as a winner of any of the rates payment incentive prizes. It is proposed to continue with that practice for 2020-2021.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-14) APPROVAL

At 7:15pm Cr Woodall moved, seconded Cr Fitzgerald –

That the Council resolves that all Elected Members and staff of the City of Melville be ineligible to be chosen as a winner of the rate payment incentive prizes either as a sole or part owner of any property.

At 7:15pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

1.14 Adoption of Percentage for Reporting of Material Variances

Each financial year, a local government is to adopt a percentage or value, calculated in accordance with Australian Accounting Standards (AASB), to be used in statements of financial activity for reporting material variances. The AASB 1031 Materiality refers to the publication *Framework for the Preparation and Presentation of Financial Statements* in which it is stated that information is material if its omission or misstatement could influence the economic decisions of users of the financial statements

The level adopted for the year 2019-2020 was 10.0% or \$50,000 whichever is the greater. It is proposed that the level adopted for the reporting of material variances for 2020-2021 should remain the same as in 2019-2020.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6177-15) APPROVAL

At 7:16pm Cr Pazolli moved, seconded Cr Barton –

That in accordance with Regulation 34 of the *Local Government (Financial Management) Regulations 1996*, the level to be used in statements of financial activity in the year 2020-2021 for reporting material variances, be 10% or \$50,000, whichever is the greater.

At 7:16pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

C20/5753 – NEW POLCY CP-115 - FINANCIAL HARDSHIP POLICY 2020-2021
(REC)(ATTACHMENT)

Ward	:	All
Category	:	Policy
Subject Index	:	Corporate Policy
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	:	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 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>

**C20/5753 – NEW POLICY CP-115 - FINANCIAL HARDSHIP POLICY 2020-2021 (REC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- Council approval is sought to adopt the [CP-115 Financial Hardship Policy](#).
- The policy has been developed to recognise the following:
 - To establish a hardship policy to reflect the recent changes made to the *Local Government Act 1995*.
- To acknowledge the COVID-19 pandemic as a health, social and economic crisis that impacts Melville households and businesses.

BACKGROUND

On 16 April 2020 the *Local Government Amendment (COVID-19 Response) Act 2020* was passed by Parliament and came into effect on 21 April 2020. This amendment includes a recommendation for each local government to consider a Hardship Policy. The Minister's Order recognises that the local government is in the best position to assess whether a person in their district is in hardship. Though the City has existing processes in place to respond to financial hardship of ratepayers it does not currently have a formal hardship policy in place. A formal Council adopted policy is considered beneficial.

The Western Australian Local Government Association (WALGA) has developed a model COVID-19 Financial Hardship Policy. The City's hardship policy has been developed using the WALGA model as a guide.

DETAIL**Purpose of Hardship Policy**

The primary purpose of this policy is to provide ratepayers with a clear, transparent understanding of the options and assistance available if currently experiencing, or at the risk of experiencing hardship.

This policy provides guidance for determining hardship and is supported by procedures, relating to the possible granting of a postponement of the payment of levied rates and charges and the waiving of interest charges.

As a general principle, hardship assistance should only be granted to individuals experiencing hardship, with regard to the rates on their primary residence. Applications for hardship assistance for residential investment, commercial or industrial properties will generally not be supported, unless under wide spread emergency situations.

The City adopts a flexible approach to the collection of all outstanding debts including entering into mutually agreeable payment arrangements. Where a ratepayer enters into a payment arrangement this may not be considered hardship under this policy and subject to the waiving of interest charges.

**C20/5753 – NEW POLICY CO-115 - FINANCIAL HARDSHIP POLICY 2020-2021 CP-115
(REC) (ATTACHMENT)**

The City has other debtors including sporting clubs, community groups, and commercial leases which from time to time could experience financial difficulty. The circumstances for these clubs, groups or commercial tenants can be complex and the assessment and possible financial support from the City would be managed on a case by case basis.

Ratepayer Hardship

Financial hardship occurs where a person is unable to pay rates and service charges without affecting their ability to meet their basic living needs, or the basic living needs of their dependants.

This Policy is not intended to provide rate relief to ratepayers who are not able to evidence financial hardship and the statutory provisions of the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* will apply.

Factors contributing to serious hardship generally include but are not limited to:

- recent unemployment or underemployment
- low income or loss of income
- serious sickness or recovery from sickness
- impacts of natural disaster
- pandemics
- other difficult circumstances.

If a ratepayer is experiencing hardship there are options to postpone the payment of rates and service charges and for the waiving of interest associated with the outstanding debt.

Postponing the Payment of Rates and Charges

A ratepayer experiencing hardship could apply to the City for a postponement of the payment of rates and charges in whole or in part for a specified period (maximum 12 months) and subject to compliance with the following conditions:

The ratepayer must be experiencing undue and unavoidable hardship; and

- a) the property is the ratepayer's principal place of residence;
- b) the ratepayer is either a pensioner or senior who is eligible to claim a rate rebate however unable to defer their rates under the *Rates and Charges (Rebates and Deferments) Act 1992*, or is unemployed for a minimum period of three months; or
- c) the ratepayer is able to evidence financial hardship as certified by an assessment carried out by an approved Financial Counselling Service or the ratepayer's accountant, auditor or bank manager;
- d) the ratepayer is able to provide other evidence of the hardship they are enduring such as a letter from a doctor;
- e) an application is submitted to the City by the ratepayer or the ratepayer's representative providing evidence of such circumstances referred to in a) to d) above, with a written commitment from the ratepayer to an agreed timeframe in which the deferred rates will be paid.

Ratepayers seeking postponement must complete an "Application for Assistance Form" available from the City's website.

**C20/5753 – NEW POLICY CP-115 - FINANCIAL HARDSHIP POLICY 2020-2021 (REC)
(ATTACHMENT)**

Applications will be reviewed by the Revenue Coordinator and approved by the Manager Financial Services. If the postponement is approved the interest will be waived and any payment will be postponed for a maximum period of 12 months.

In all applications for rates and charges postponement, the applicant will still be encouraged to continue to pay the portion of rates and charges that is affordable given their individual circumstances. This will be mutually agreed on a case-by-case basis.

It should be noted that in accordance with section 6.43 of the *Local Government Act 1995* rates and service charges raised imposed by a Local Government under the Act remain as a charge on the land

STAKEHOLDER ENGAGEMENT**1. COMMUNITY**

There has been no community consultation in the development of this policy.

2. OTHER AGENCIES / CONSULTANTS

The *Local Government Amendment (COVID-19 Response) Act 2020* was passed by Parliament and came into effect on 21 April 2020. This amendment includes a recommendation for each local government to consider a Hardship Policy.

The Western Australian Local Government Association (WALGA) held a State Council Meeting on 27 March 2020 and requested each Local Government give consideration to adopting a Hardship Policy. WALGA has also developed a template hardship policy.

STATUTORY AND LEGAL IMPLICATIONS

This policy has included references to legislation to support the policy position. The following legislation is relevant to this report:

- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996*
- *Local Government (COVID-19 Response) Act 2020*

6.43. Rates and service charges are a charge on land

Subject to the Rates and Charges (Rebates and Deferments) Act 1992, rates and service charges imposed under this Act, together with the costs of proceedings, if any, for the recovery of the rates or service charges, are a charge on the land rated or in relation to which the service charge is imposed.

6.44. Liability for rates or service charges

(1) The owner for the time being of land on which a rate or service charge has been imposed is liable to pay the rate or service charge to the local government.

(2) If there are 2 or more owners of the land they are jointly and severally liable to pay the rate or service charge, as the case requires.

**C20/5753 – NEW POLICY CP-115 - FINANCIAL HARDSHIP POLICY 2020-2021 (REC)
(ATTACHMENT)****FINANCIAL IMPLICATIONS**

The financial implications from the adoption of this policy are expected to be minimal. The City will continue to encourage ratepayers to enter in mutually agreed payment arrangements. A ratepayer who is successful in an application for Hardship will have any interest charges waived. The current interest charge is 2% and based on an average rate of \$1,736 this would equate to \$35 in annual interest waived.

STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

The policy is a significant financial commitment to the community and inherently recognises that this may present cash flow risks to the City which will need to be managed.

POLICY IMPLICATIONS

This report recommends adopting a new Council Financial Hardship Policy – CP-115.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The Council could choose not to adopt a policy as recommended by the Minister for Local Government and WALGA and the existing practices to deal with ratepayers experiencing hardship will remain in place.

CONCLUSION

COVID-19 is a significant health, social and economic crisis that will have a long lasting effect on the community. The Hardship Policy has been written to include recent state government amendments to the *Local Government Act 1995* in direct response to the State of Emergency. The policy formalises the practices that have been in place prior to the State of Emergency in processing hardship applications. The policy recognises the WALGA recommendation to provide a policy framework to support the community and is recommended for approval.

OFFICER RECOMMENATION AND COUNCIL RESOLUTION (5753)

At 7:29pm Cr Mair moved, seconded Cr Wheatland -

That the Council a adopt the Financial Hardship Policy which will apply from 1 July 2020.

[CP-115 Financial Hardship Policy](#)

At 7:29pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

At 7:29pm Cr Macphail left the meeting and returned at 7:31pm.

At 7:29pm Cr Woodall left the meeting and returned at 7:33pm.

At 7:33pm Ms Young left the meeting and returned during the adjournment.

11.2 REPORT FROM THE GOVERNANCE COMMITTEE MEETING HELD 24 JUNE 2020**LATE ITEM - CONFIDENTIAL ITEM M20/5755 INDEPENDENT REVIEW (REC)
(CONFIDENTIAL ATTACHMENTS)****COUNCIL RESOLUTION**

At 7:31pm Cr Mair moved, seconded Cr Wheatland–

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

At 7:33pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

At 7:33pm the Mayor adjourned the meeting.

At 7:48pm the Mayor resumed the meeting.

COUNCIL RESOLUTION

At 9:26pm Cr Pazolli moved, seconded Cr Kepert –

That the meeting comes out from behind closed doors.

At 9:26pm the Mayor declared the motion

CARRIED UNANIMOUSLY (11/0)

On the reopening of the meeting, the Mayor advised that the resolution of the Governance Committee in relation to Confidential Item M20/5755 Independent Review was amended with the Substantive Motion as Amended being Carried 8/3 and appears below:

**LATE ITEM - CONFIDENTIAL ITEM M20/5755 INDEPENDENT REVIEW (REC)
(CONFIDENTIAL ATTACHMENTS)**

Substantiative Motion as Amended - Confidential Item M20/5755 Independent Review

COUNCIL RESOLUTION

At 8:24pm Cr Pazolli moved, seconded Cr Fitzgerald –

That the Council:

1. **Proceed with the Independent Review of the Planning and Building Issues raised by Mr Mark McLerie and Mr Dayle Kenny on the condition that they confirm in writing to the Mayor their agreement to the scope and list of issues within 14 days from being notified.**
2. **Authorises the CEO to commence the process of procuring the services of a suitable qualified and experienced independent consultant to conduct the Independent Review of the City’s interactions with Mr Mark McLerie and Mr Dayle Kenny with respect to these issues and as determined by the Governance Committee.**
3. **Directs the Consultant to liaise with the Director Corporate Services and report back through Governance Committee.**
4. **Allocate an appropriate amount in the 2020-2021 budget to undertake the Review.**
5. **That the Council notes its intention that this review represents the final review of these issues.**

At 9:20pm the Mayor declared the motion

CARRIED (8/3)

Vote Result Summary	
Yes	8
No	3

Vote Result Detailed	
Cr Barton	Yes
Cr Kepert	Yes
Cr Woodall	Yes
Cr Fitzgerald	Yes
Cr Pazolli	Yes
Cr Robartson	Yes
Cr Sandford	Yes
Mayor Gear	Yes
Cr Mair	No
Cr Macphail	No
Cr Wheatland	No

**LATE ITEM - CONFIDENTIAL ITEM M20/5755 INDEPENDENT REVIEW (REC)
(CONFIDENTIAL ATTACHMENTS)**

COUNCIL RESOLUTION

At 9:20pm Cr Kepert moved, seconded Cr Fitzgerald

That by Absolute Majority decision of the Council the 2020-2021 Budget be amended to reduce the 2019/2020 carry forward amount by \$60,000 from the Local Government Inquiry Account to be allocated to a new Independent Review Account.

That this resolution remain confidential until the procurement process has been concluded.

At 9:23pm the Mayor declared the motion

CARRIED BY ABSOLUTE MAJORITY (8/3)

Vote Result Summary	
Yes	8
No	3

Vote Result Detailed	
Cr Barton	Yes
Cr Kepert	Yes
Cr Woodall	Yes
Cr Fitzgerald	Yes
Cr Pazolli	Yes
Cr Robartson	Yes
Cr Sandford	Yes
Mayor Gear	Yes
Cr Mair	No
Cr Macphail	No
Cr Wheatland	No

(Resolution released 3 August 2021 following the conclusion of procurement process)

13. CLOSURE

There being no further business to discuss, Mayor Honourable George Gear confirmed that Cr Barton and Cr Wheatland were still in attendance electronically and declared the meeting closed at 9:27pm.