



City of  
**Melville**

## **MINUTES**

### **ORDINARY MEETING OF THE COUNCIL**

**6.30pm Tuesday, 18 October 2022**

Held in the Council Chambers, Melville Civic Centre  
10 Almondbury Road Booragoon

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

**Minutes to be confirmed at the next Ordinary Council Meeting**

These minutes are hereby confirmed as true and accurate

Deputy Mayor Fitzgerald \_\_\_\_\_

Date \_\_\_\_\_



## Our Vision

Engaging with our diverse community to achieve an inclusive, vibrant and sustainable future.

## Our Mission

To provide good governance and quality services for the City of Melville community.

## Our Values

### Excellence

Striving for the best possible outcomes

### Participation

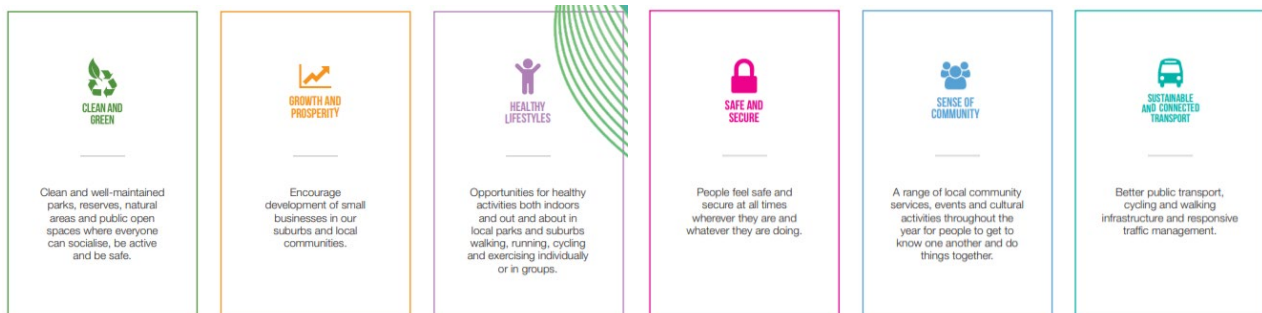
Involving, collaborating and partnering

### Integrity

Acting with honesty, openness and with good intent

### Caring

Demonstrating empathy, kindness and genuine concern



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Nil.

### REPORTS

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#### Without Previous Notice

Nil.

### MATTERS FOR WHICH THE MEETING WAS CLOSED

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Nil.

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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 and invited Cr Robins to read the Acknowledgement of Country and advised those present of the Disclaimer, the Affirmation of Civic Duty and Responsibility and the Audio Recording Advice.

## 2 ATTENDANCE AND APOLOGIES

### In Attendance

#### Councillors

Cr T Fitzgerald – Presiding Member  
(Deputy Mayor)  
Cr K Wheatland  
Cr N Pazolli  
Cr C Ross  
Cr N Robins  
Cr G Barber  
Cr J Edinger  
Cr J Spanbroek  
Cr M Woodall  
Cr M Sandford  
Cr K Mair

#### Ward

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

#### **Officers**

Mr M Tieleman	Chief Executive Officer
Mr A Ferris ( <i>until 7:55pm</i> )	Director Corporate Services (electronic attendance)
Mr M McCarthy	Director Environment and Infrastructure
Ms L Reid	A/Director Community Development
Mr P Deague	Senior Executive Support Officer (Urban Planning)
Ms C Newman	Head of Governance
Ms R Davis	Governance Officer
Ms M Smith Poulton	Business Support (Admin) Officer

At the commencement of the meeting:

Public Gallery	3
Electronic	3
Press	Nil

### **Apologies**

Hon. G Gear	Mayor
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### **On Approved Leave of Absence**

Cr D Macphail	Bateman – Kardinya – Murdoch
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**3 DECLARATIONS BY MEMBERS**

**3.1 Declarations by Members who have not read and given due consideration to all matters contained in the business papers presented before the Meeting.**

Nil.

**3.2 Declarations by Members who have received and not read the Elected Members Bulletin.**

- Cr Ross advised he was unable to view the Elected Members due to technical issues.

**4 ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)**

Nil.

**5 DISCLOSURES OF INTEREST**

**5.1 Financial or Proximity Interests**

Under sections 5.60A and/or 5.60B of the *Local Government Act 1995*

Nil.

**5.2 Disclosure of Interest That May Cause a Conflict**

Under 22 *Local Government (Model Code of Conduct) Regulations 2021* or a City of Melville Code of Conduct)

Nil.

## **6 PUBLIC QUESTION TIME**

At 6:36pm the Presiding Member opened Public Question Time.

### **6.1 Questions Received with Notice**

#### **6.1.1 Mr M Burns, Applecross**

##### Question 1

*What does the City consider to be the successes of the Canning Bridge Activity Centre Plan so far? Particularly with respect to increased vibrancy, enhanced civic amenity and tangible community benefits?*

##### Response

The CEO responded that the Canning Bridge Activity Centre Plan (CBACP) has seen the development of mix of residential and commercial uses in a strategic location with good access to services and transport. Public realm enhancements and provision of community benefits are contributing to vibrancy and amenity. Details of community benefits resulting from the development process are outlined on the City's website.

The Presiding Member responded that there are a number of developments that are open and adding new residence in the area and are meeting density targets.

##### Question 2

*What does the City consider to be the failures of the Canning Bridge Activity Centre Plan so far? Particularly with regard to the community's perceived lack of quality of buildings considered exemplary design, creating stranded assets, lack of provision of community open space, overshadowing and overdevelopment?*

##### Response

The Council has commenced a review of the CBACP. The items mentioned in your question are part of this review process. Feedback is currently being invited on the draft CBACP resulting from the review process.

##### Question 3

*Does the City acknowledge that it's Planning Policies, and the way it's officers have interpreted them, have directly contributed to the creation of stranded assets in the Canning Bridge Activity Centre Plan Area?*

##### Response

The CEO advised that development in the CBACP has been assessed and determined in accordance with the planning framework approved by the Council and State Government. Land assembly and development in precincts undergoing transition will often have impacts, both positive and negative. These impacts are a consideration in the review of the CBACP.

6.2.1 *Public Question Time Mr M Burns, Applecross, continued.*

Question 4

*Does the City acknowledge the distress, stress, anxiety and effects on the mental and physical health caused to ratepayers living adjacent to large developments in the Canning Bridge Area?*

Response

The CEO responded that land assembly and development in precincts undergoing transition will often have impacts, both positive and negative. These items have been noted by the Council and are a consideration in the review of the CBACP.

Presiding Member advised that it is clear to Elected Members that there has been direct and indirect impacts of residents neighbouring construction sites in the Canning Bridge Activity Centre and that it was undeniable that there are people who have been greatly impacted by this and that is one of the reasons the review of the CBACP is being undertaken.

Question 5

*Does the City have any advice to give the owners forced to live in the stranded assets created by the Canning Bridge Activity Centre Plan?*

Question 6

*Does the City acknowledge that it has a moral responsibility to assist the owners of stranded assets in the Canning Bridge Activity Centre Plan area?*

Response to questions 5 and 6

The CEO responded that development in the CBACP has been assessed and determined in accordance with the planning framework approved by the Council and State Government. Land assembly and development in precincts undergoing transition will often have positive and negative impacts. The adopted planning framework aims at mitigating these impacts on residents and to maintain development options for landowners. As noted the CBACP is currently under review and these matters are part of the review scope.

The Presiding Member advised while it does not address the broader question of stranded assets, the Council is considering the Construction Management Plan Policy this evening which attempts to provide clarity to developers what the requirements are with regard to the impacts on adjoining neighbours.

Question 7

*How does the Council propose to hold the City administration accountable to affected ratepayers for the way the City has interpreted the Canning Bridge Activity Centre Plan since it was adopted?*



**6.2.1 Public Question Time Mr M Burns, Applecross, continued.**

Response

The Presiding Member responded that development in the CBACP has been assessed and determined in accordance with the planning framework approved by the Council and State Government. The City Officers are not the decision makers. As noted the CBACP is currently under review. This process provides opportunity for concerns with the planning framework to be raised and responded to.

There are difficulties with the CBACP that need to be addressed and the Council is attempting to address them. In terms of what lessons have been learnt and how we will ensure these lessons make a serious impact on how future determinations are made as there will be other areas of the City, in the future that will need to increase density as is the case across metropolitan Perth. This is a State Government target and the City will need to respond to it. The Council has a responsibility to ensure that we act as an effective conduit of concerns expressed by community members who are living through the development activities and that the planning frameworks for which the Council is responsible for, are devised in a way to minimise those impacts.

**6.2.2 Mr M McLerie, Bicton**

*Please detail, in relation to Council's 16 August 2022 resolution 15.3 requiring CEO Marten to engage a registered building surveyor to prepare a report on a longstanding building compliance issue the City's Administration has failed to take action on (Motion);*

Question 1

*Why did CEO Tieleman failed to comply with Council's Motion, given the report is not on the agenda for the 18 October OMC as directed by Council?*

Response

The CEO responded that permission from the owners of 12 and 14 Beach Street has not been obtained for the independent building surveyor to enter their properties to undertake the required inspections of the structures on 14 Beach Street.

Elected members have been kept informed of the progress on this matter.

Question 2

*When were compliance issues with the structures first raised with the City?*

Response

The CEO responded that Mr McLerie being a party to this matter is aware of the complexity of the many associated issues which the City has records back to 2012.

*At 6:48pm Cr Wheatland left the meeting and returned at 6:49pm.*

6.1.2 *Public Question Time, Mr M McLerie, Bicton, continued.*

Question 3

*When did the CEO first become aware such a motion was being considered by Council, and when did the City first seek expressions of interest from independent building surveyors for the envisaged work?*

Response

This matter was submitted by Cr Edinger for consideration at the 16 August 2022 Ordinary Meeting of Council and endorsed by the Council at that meeting. Following the Council resolution, officers commenced approaches to suitable contractors with responses closing 16 September 2022. Additional information was requested from building surveyors relating to the works and additional time was given to respond due to the limited interest.

Question 4

*Which entities and individuals have been engaged to undertake the inspections and when were the contract(s) finalised, if at all?*

Response

A preferred supplier (company) has been selected to undertake the works, however they will not be contracted until such time as the necessary permissions to enter the properties to undertake the works have been obtained from the respective property owners.

Question 5

*What is the CEO's forward plan and schedule to comply with the motion, if at all, recognising he has now missed the due date?*

Response

Once consent to entry has been obtained from the property owners the preferred contractor will be engaged to undertake the inspections required in the Council resolution.

Question 6

*Why didn't CEO Marten Tieleman initiate this building compliance action himself long ago given he has personally long been aware of the compliance issues since before*

- i) Building and Energy, the State's building regulator's (B&E) May/July 2020 investigation that highlighted issues and recommended a course of action to him,
- ii) his own July 2020 site inspection (which only happened due to Mayor George Gear's personal orchestration of the 'chance' meeting) post the City's April 2020 site inspection,
- iii) B&E's March 2021 media release about a City building surveyor being found incompetent or negligent in relation to the structure, and
- iv) *the further September 2021 direct advice provided to him by another independent person?*

Response

The CEO advise that these matters have been investigated and addressed as part of an independent review which will be presented to the Council in the near future.

### **6.1.3 City of Melville Residents and Ratepayers Association**

Mr M McLerie was in attendance to represent the City of Melville Residents and Ratepayers Association, however due to time constraints agreed to the Questions and Responses being included in the Minutes.

#### Question 1

*What will the City/Council do to better protect residents' privacy and ensure such unauthorised release of personal information does not happen again and what it will do, or has done, to make amends to the affected residents in this instance.*

#### Response

The City has reviewed the actions that resulted in the inadvertently publishing of a residents personal information and has improved the processes to eliminate the opportunity for this to happen in the future. The City has written to and met with the affected resident and provided a personal apology, which has been accepted.

#### Question 2

*It is alarming that recent reports, suggests the City has failed to send out emails with rates notices on-time; a problem it appears to have known about for over a month and did not properly address it, thereby causing residents distress and possibly extra costs.*

*Could you also please explain why this e-rates notice fiasco happened, what the root cause was; what you are going to do for the residents caught up in it, and what you are going to do to get on top of the problems in you accounting and rates area?*

#### Response

The City was made aware in September that a small number of property owners had not received their e-rates notices. The notices were generated and sent by the City's e-rates service provider but were not successfully received by some BigPond customers. The City made contact with the affected owners, providing a hardcopy of their rate notice along with an accompanying letter. The letter outlined that the due date had been extended to accommodate the delay and advised that interest would not accrue on accounts prior to 5 January 2023. The City is working with its e-rates service provider to understand the cause.

There is no evidence that the root cause of this issue is related to the City's accounting and rates area as alleged in the question.

### **6.2 Questions Received at the Meeting**

Nil.

### **6.3 Questions Taken on Notice at Previous Meeting**

Nil.

At 6:53pm the Presiding Member closed Public Question Time.

**7 AWARDS AND PRESENTATIONS**

Nil.

**8 APPLICATIONS FOR NEW LEAVES OF ABSENCE**

Nil.

**9 CONFIRMATION OF MINUTES**

**9.1 ORDINARY MEETING OF COUNCIL – 20 SEPTEMBER 2022**

[OMC Minutes 20 September 2022](#)

**COUNCIL RESOLUTION**

At 6:53pm Cr Wheatland moved seconded Cr Robins –

**That the minutes of the Ordinary Meeting of Council held on 20 September 2022 be confirmed as a true and accurate record.**

At 6:54pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY (11/0)**

**9.2 NOTES OF AGENDA BRIEFING FORUM – 11 OCTOBER 2022**

[ABF Notes 11 October 2022](#)

**COUNCIL RESOLUTION**

At 6:54pm Cr Mair moved seconded Cr Edinger –

**That the minutes of the Agenda Briefing Forum held on 11 October 2022 be confirmed as a true and accurate record.**

At 6:54pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY (11/0)**

**10 NEW BUSINESS OF AN URGENT NATURE**

Nil.

**11 IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED**

Nil.

## 12 PETITIONS

### **12.1 Petition – Vacant Blocks Abraham Place/ Gratwick Terrace/ Mapstone Street, Murdoch**

A petition signed by 6 residents of the City of Melville was received on Wednesday 5 October 2022 and reads as follows:

*“We the undersigned, all being electors of the City of Melville, respectfully request that the Council ensures that the six blocks on the corners of Gratwick Terrace/ Abraham Place/Mapstone Street Murdoch are kept in a neat condition or developed with a single residence on each block. This is in line with residents’ expectations of safety, pleasant outlook, good governance and well-being. This would rid residents of an eyesore which some find depressing. It is believed that the overgrown, untidy condition of these blocks affects the value of properties in the area and also that potential buyers of neighbouring properties may be wary of what may be built on these six vacant blocks. Given that more of the suburb is well maintained, one wonder why this blot on the landscape has been allowed to exist for so long.”*

Attached to this petition was a document that included the signatures of a further 26 residents, that reads as follows:

*“Petition to Melville City Council re improvement to the vacant blocks corner Gratwick Tce/ Abraham Place/ Mapstone Street.”*

### **OFFICER RECOMMENDATION AND COUNCIL RESOLUTION**

At 6:55pm Cr Robins moved, seconded Cr Mair –

**That the petition bearing 6 signatures of residents be acknowledged, and a report be prepared to present at the 13 December 2022 Ordinary Meeting of Council.**

At 6:55pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY (11/0)**

**13 ADOPTION OF RECOMMENDATIONS EN BLOC**

**COUNCIL RESOLUTION**

At 6:56pm Cr Mair moved, seconded Cr Barber –

**That the recommendations for:**

- C22/6000 – Investment Statements for August 2022
- C22/6001 – Schedule of Accounts Paid August 2022

**be carried En Bloc.**

At 6:57pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY EN BLOC (11/0)**

## 14 REPORTS

### 14.1 Reports from Committees

#### **M22/5935 – PROPOSED NEW POLICY CP-118 CODE OF CONDUCT BEHAVIOUR COMPLAINTS COMMITTEE FOR THE ESTABLISHMENT OF A BEHAVIOUR COMPLAINTS COMMITTEE (REC) (ATTACHMENT)**

Ward	: All
Category	: Policy
Subject Index	: Legislation
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	: M21/5810 New and Amended Regulations -Local Government (Model Code of Conduction Regulations 2021, Local Government (Administration) Amendment Regulations – 16 March 2021 Ordinary Meeting of Council. M21/5836 – Code of Conduct for Elected Members and New Policy CP-118 – Code of Conduct Behaviour Complaints Policy
Works Programme	: Not Applicable
Funding	: Not Applicable
Responsible Officer	: Corrine Newman Head of Governance

### **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"/>	<b>Legislative</b>	<b><i>Includes adopting local laws, town planning schemes &amp; policies.</i></b>
<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>

**M22/5935 – PROPOSED NEW POLICY CP-118 CODE OF CONDUCT BEHAVIOUR COMPLAINTS COMMITTEE FOR THE ESTABLISHMENT OF A BEHAVIOUR COMPLAINTS COMMITTEE (REC) (ATTACHMENT)**

**KEY ISSUES / SUMMARY**

- On 2 February 2021 the *Local Government (Model Code of Conduct) Regulations 2021* were gazetted and came into effect on 3 February 2021.
- At the Ordinary Meeting of Council held 16 March 2021, the Council noted the introduction of the new legislation.
- At the Special Meeting of Council held 3 May 2021, the Council adopted the Code of Conduct for Elected Members, Committee Members and Candidates (the Code of Conduct).
- To support the requirements of the Code of Conduct, the City is required to adopt a form, process and policy for the management of Behaviour Complaints lodged under the Code of Conduct.
- This matter was considered at the Governance Committee Meeting held 5 September 2022.

**BACKGROUND**

At the Ordinary Meeting of Council held 16 March 2021, the Council:

- “3. *Notes the introduction and gazettal of the Local Government (Model Code of Conduct) Regulations 2021;*
- *Adopts the attached “5810 Complaint About Alleged Breach Form” in accordance with clause 11(2) of the Regulations;*
  - *By absolute majority decision delegates authority to the CEO to appoint officers to receive and withdraw complaints in accordance with clause 11(3) of the Regulations; and*
  - *Directs the Chief Executive Officer to commence a process to develop a complaints handling, investigation and determination policy and procedures in alignment with the new Model Code of Conduct for Elected Members to be presented to the Council for adoption before implementation.”*

At the Special Meeting of Council held 3 May 2021, the Council resolved:

- “1. *Adopts the Model Code of Conduct as contained in the Local Government (Model Code of Conduct) Regulations 2021 as the City of Melville Code of Conduct for Elected Members, Committee Members and Candidates.”*

and

“That Points 2. and 3. of the Officer Recommendation be deferred, for discussion at an Elected Members Workshop and brought back to the 15 June 2022 Ordinary Meeting of Council:

2. *Adopts new Council Policy 5836 CP-118 Conduct Behaviour Complaints Policy and that this policy be published on the City of Melville website.*
3. *Revokes the “Complaint About Alleged Breach Form” adopted at the 16 March 2021 Ordinary Meeting of Council and adopts the 5836 Behaviour Complaint Form for making formal behaviour complaints under the City of Melville Code of Conduct for Elected Members, Committee Members and Candidates.”*



**M22/5935 – PROPOSED NEW POLICY CP-118 CODE OF CONDUCT BEHAVIOUR COMPLAINTS COMMITTEE FOR THE ESTABLISHMENT OF A BEHAVIOUR COMPLAINTS COMMITTEE (REC) (ATTACHMENT)**

This matter was discussed with Elected Members at a workshop held 21 July 2021 and was to be reconsidered following the outcome of the 2021 Local Government Elections and a review of the City's Committee structure.

**DETAIL**

At the Special Meeting of Council held 3 May 2021, the Council adopted the City of Melville Code of Conduct for Elected Members, Committee Members and Candidates and this is published on the City's website as required by s5.104(7) of the *Local Government Act 1995*.

Clause 11 of City of Melville Code of Conduct for Elected Members, Committee Members and Candidates provides for a person to make a complaint alleging a breach of the requirements of Division 3 – Behaviour.

In order to effectively deal with complaints submitted in accordance with Clause 11, the City is required to have a suitable process in place to manage complaints.

Complaint Form

Clause 11(2) of the Code of Conduct requires that:

A complaint must be made –

- (a) in writing in the form approved by the local government; and
- (b) to a person authorised under subclause (3); and
- (c) within 1 month after the occurrence of the alleged breach.

At the Ordinary Meeting of Council held 16 March 2021, the Council adopted the "Complaint About Alleged Breach Form" which was a form initially provided by the Department of Local Government to support the then new legislation.

The Western Australian Local Government Association subsequently produced a model form, the Behaviour Complaints Form, which provided for the consideration of an Alternative Dispute Resolution process. It is suggested that consideration be given to revoking the "Complaint About Alleged Breach Form" and the adoption of the [DRAFT Behaviour Complaints Form](#).

Dealing with Behaviour Complaints

The *Local Government (Model Code of Conduct) Regulations 2021*, clause 12 provides the following direction in relation to dealing with behaviour complaints under the Code of Conduct:

- (1) *After considering a complaint, the local government must, unless it dismisses the complaint under clause 13 or the complaint is withdrawn under clause 14(1), make a finding as to whether the alleged breach the subject of the complaint has occurred.*
- (2) *Before making a finding in relation to the complaint, the local government must give the person to whom the complaint relates a reasonable opportunity to be heard.*
- (3) *A finding that the alleged breach has occurred must be based on evidence from which it may be concluded that it is more likely that the breach occurred than that it did not occur.*

**M22/5935 – PROPOSED NEW POLICY CP-118 CODE OF CONDUCT BEHAVIOUR COMPLAINTS COMMITTEE FOR THE ESTABLISHMENT OF A BEHAVIOUR COMPLAINTS COMMITTEE (REC) (ATTACHMENT)**

- (4) *If the local government makes a find that the alleged breach has occurred, the local government may –*
  - (a) *Take no further action; or*
  - (b) *Prepare and implement a plan to address the behaviour of the person to whom the complaint relates.*
- (5) *When preparing a plan under subclause (4)(b), the local government must consult with the person to whom the complaint relates.*
- (6) *A plan under subclause (4)(b) may include a requirement for the person to whom the complaint relates to 1 or more of the following –*
  - (a) *engage in mediation*
  - (b) *undertake counselling*
  - (c) *undertake training*
  - (d) *take other action the local government considers appropriate.*
- (7) *If the local government makes a finding in relation to the complaint, the local government must give the complainant, and the person to whom the complaint relates, written notice of –*
  - (a) *its finding and the reasons for its finding; and*
  - (b) *if its findings is that the alleged breach has occurred – its decision under subclause (4).*

A proposed new process for the management of Behaviour Complaints has been developed in consultation with the Mayor and Deputy Mayor [DRAFT Process for Behaviour Complaints](#).

The proposed new process is:

1. An initial review by the Complaints Officer and the Mayor. That review is to end with one of four outcomes:
  - (a) To reject the complaint as not being a matter which falls within the scope of the complaints process; or
  - (b) Pass the complaint to the Behaviour Complaints Committee for assessment, or;
  - (c) Refer the complaint to some other body (eg. police, CCC, Dept., Standards Panel) or other complaint process as relevant; or
  - (d) If consensus can't be reached the matter is referred to then Behaviour Complaints Committee.
2. The Behaviour Complaints Committee to have a framework for evaluating when to conduct an external investigation.
3. After the assessment, a recommendation as to a finding from the Behaviour Complaints Committee is to present a recommendation to the Council for decision.

### Policy

At the Special Meeting of Council held 3 May 2022, a draft new Policy was presented to the Council to support the implementation of a Behaviour Complaints Committee and to provide guidance on the management of Behaviour Complaints. This draft policy was deferred for further discussion.

The proposed policy [DRAFT CP-118 Code of Conduct Behaviour Complaints Policy](#) has been reviewed in line with the proposed new process.

**M22/5935 – PROPOSED NEW POLICY CP-118 CODE OF CONDUCT BEHAVIOUR COMPLAINTS COMMITTEE FOR THE ESTABLISHMENT OF A BEHAVIOUR COMPLAINTS COMMITTEE (REC) (ATTACHMENT)**

**STAKEHOLDER ENGAGEMENT**

**I. COMMUNITY**

No engagement with the City's community is required in regard to this matter.

**II. OTHER AGENCIES / CONSULTANTS**

No engagement with other agencies or consultants is required for this report.

**STATUTORY AND LEGAL IMPLICATIONS**

The *Local Government Act* and the *Local Government (Model Code of Conduct) Regulations 2021* set out the requirement for the City to adopt a Code of Conduct and to have processes and documents in place to support the management of Behaviour Complaints.

**FINANCIAL IMPLICATIONS**

Should the Council adopt the processes, policy and supporting documents presented in this report, the possible appointment of External Complaints Assessors would need to be considered in future budget considerations.

**POLICY IMPLICATIONS**

This report seeks to meeting the requirements of the *Local Government Act 1995* and the *Local Government (Model Code of Conduct) Regulations 2021* to establish a process for the management and decision on Behaviour Complaints made under Division 3 of the City of Melville Code of Conduct for Elected Members, Committee Members and Candidates.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The Council could decide not to adopt the process, policy and supporting documents proposed in this report, which would mean that there would not be a defined process to deal with Behaviour Complaints when received. This may lead to inefficient handling of complaints and protracted resolution of these matters.

**CONCLUSION**

The City of Melville seeks to be open and accountable to its community, stakeholders and each other and to display strong leadership in the community. The adoption of a clear process and supporting documentation to efficiently manage Behaviour Complaints under the Code of Conduct for Elected Members, Committee Members and Candidates will support this vision.

**M22/5935 – PROPOSED NEW POLICY CP-118 CODE OF CONDUCT BEHAVIOUR COMPLAINTS COMMITTEE FOR THE ESTABLISHMENT OF A BEHAVIOUR COMPLAINTS COMMITTEE (REC) (ATTACHMENT)**

**COMMITTEE RECOMMENDATION (5935)**

**APPROVAL**

At 6:57pm Cr Sandford moved, seconded Cr Barber –

**That the Council:**

1. adopt the [Process for Behaviour Complaints](#) for the management of Behaviour Complaints submitted under Division 3 of the City of Melville Code of Conduct for Elected Members, Committee Members and Candidates.
2. adopt the new policy [CP-118 Code of Conduct Behaviour Complaints Policy](#) and that this policy be published on the City of Melville website.
3. revokes the “Complaint About Alleged Breach Form” adopted at the 16 March 2021 Ordinary Meeting of Council and adopts the [Behaviour Complaints Form](#) for making Behaviour Complaints under the City of Melville Code of Conduct for Elected Members, Committee Members and Candidates.
4. gives consideration to the establishment of Behaviour Complaints Committee.

**Procedural Motion**

**COUNCIL RESOLUTION**

At 6:58pm Cr Ross moved, seconded Cr Mair –

**That the Item be deferred to an Elected Member Engagement Session and brought back to the 13 December 2022 Ordinary Meeting of Council.**

At 7:05pm, the Presiding Member declared the motion

**CARRIED (6/5)**

<b>Yes</b>	6	Cr Pazolli, Cr Ross, Cr Spanbroek, Cr Edinger, Cr Sandford, Cr Mair
<b>No</b>	5	Cr Barber, Cr Wheatland, Cr Woodall, Cr Robins, Cr Fitzgerald

**Reasons as Provided by Cr Ross**

- A suite of documents should be produced before this item is brought back to Council, including a Terms of Reference, Committee Charter, Assessment Framework, and timeframes for dealing with complaints.
- Inconsistencies with the Guidelines produced by the Department of Local Government Sports and Cultural Industries in terms of dealing with Complaints. Complaints Process needs to be reviewed and refined further.

## 14.2 REPORTS OF THE CHIEF EXECUTIVE OFFICER

### Management Services

Nil.

### Corporate Services

#### **C22/6000 - INVESTMENT STATEMENTS FOR AUGUST 2022 (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 &amp; 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	<b><i>For the Council/Committee to note.</i></b>

### **KEY ISSUES / SUMMARY**

This report presents the investment statements for the period ending 31 August 2022 for the Council's information and noting.

## C22/6000 - INVESTMENT STATEMENTS FOR AUGUST 2022 (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 August 2022.

CITY OF MELVILLE STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 31 AUGUST 2022		
SUMMARY BY FUND		
Municipal		\$66,693,624
Reserve		\$155,477,561
Trust		\$-
Citizen Relief		\$224,848
<b>TOTAL</b>		<b>\$222,396,033</b>
SUMMARY BY INVESTMENT TYPE		
11AM		\$15,872,731
31Days at Call		\$-
60Days at Call		\$2,000,000
90Days at Call		\$16,600,000
Term Deposit		\$187,923,302
<b>TOTAL</b>		<b>\$222,396,033</b>
SUMMARY BY CREDIT RATING		
AAA Category	AAA	
AA Category (AA+ to AA-)	AA-	\$142,882,076
	A+	\$37,513,957
A Category (A+ to A-)	A	
	A-	
BBB+ Category	BBB+	\$42,000,000
<b>TOTAL</b>		<b>\$222,396,033</b>

**C22/6000 - INVESTMENT STATEMENTS FOR AUGUST 2022 (REC)**

Exposure to an individual institution is limited according to Council policy and in August 2022 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	\$ 30,700,000	13.80%	30.00%	✓
AMP	BBB+	BBB+ Category	\$ -	0.00%	15.00%	✓
Bankwest	AA-	AA Category	\$ -	0.00%	30.00%	✓
Bank of Queensland	BBB+	BBB+ Category	\$ 22,500,000	10.12%	15.00%	✓
ING Bank	A-	A Category	\$ -	0.00%	25.00%	✓
Bendigo & Adelaide	BBB+	BBB+ Category	\$ 19,500,000	8.77%	15.00%	✓
CBA	AA-	AA Category	\$ 29,000,000	13.04%	30.00%	✓
Macquarie	A+	A Category	\$ 3,013,957	1.36%	25.00%	✓
NAB	AA-	AA Category	\$ 51,240,516	23.04%	30.00%	✓
St George	AA-	AA Category	\$ -	0.00%	30.00%	✓
Suncorp	A+	A Category	\$ 34,500,000	15.51%	25.00%	✓
Westpac	AA-	AA Category	\$ 31,941,560	14.36%	30.00%	✓
<b>TOTAL</b>			<b>\$ 222,396,033</b>	<b>100%</b>		

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

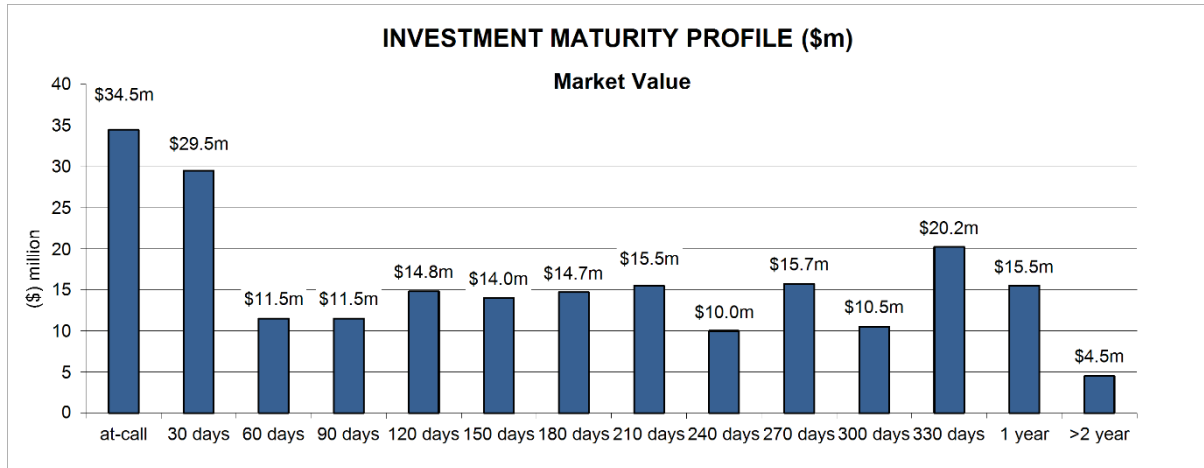
The City's investments were invested within the limits allowed within each category rating for August 2022.

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-)	\$ 142,882,076	64%	80%	✓
A Category (A+ to A-)	\$ 37,513,957	17%	50%	✓
BBB+ Category	\$ 42,000,000	19%	25%	✓
<b>TOTAL</b>	<b>\$ 222,396,033</b>	<b>100%</b>		

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

**C22/6000 - INVESTMENT STATEMENTS FOR AUGUST 2022 (REC)**

The below graph summarises the maturity profile of the City's investments at market value as at 31 August 2022. 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.

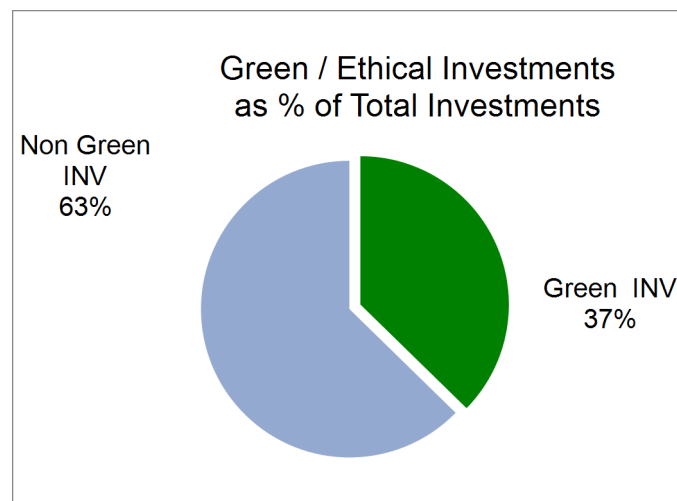


The City exercises a deliberate preference in favour of green/ethical investments. This preference will however only be exercised after the foremost investment considerations of credit rating, comparable rate and risk diversification are fully satisfied.

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

Environmental, Social & Governance Term Deposit (ESGTD) is a similar product to Green investments. ESGTD's provide the opportunity to invest in products that seek to mitigate environmental and social risks.

The total investment in green/ethical investments as at 31 August 2022 was \$83,000,000 or 37% of total investment holdings being in non-fossil fuels institutions, compared to \$46,500,000 (26%) in July 2022. The total investments holding for August and July were \$222,396,033 and \$175,496,033 respectively.





## C22/6000 - INVESTMENT STATEMENTS FOR AUGUST 2022 (REC)

Green / Ethical Investment with financial institutions			
Institution	Credit Rating	Credit Rating Category	Funds held at period end
Bendigo & Adelaide	BBB+	BBB+ Category	\$ 19,500,000
CBA	AA-	AA Category	\$ 29,000,000
Suncorp	A+	A Category	\$ 34,500,000
TOTAL			\$ 83,000,000

## STAKEHOLDER ENGAGEMENT

### I. COMMUNITY

This report is available to the public on the City's website.

### II. OTHER AGENCIES / CONSULTANTS

A wide range of suitably credit rated Authorised Deposit-taking Institutions (ADI's) were engaged with during the course of the month in respect to the placement and renewal of investments.

## STATUTORY AND LEGAL IMPLICATIONS

The following legislation is relevant to this report:

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

Authorised Deposit-taking Institutions are authorised under the *Banking Act 1959* and are subject to Prudential Standards oversight by the Australian Prudential Regulation Authority (APRA).

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.

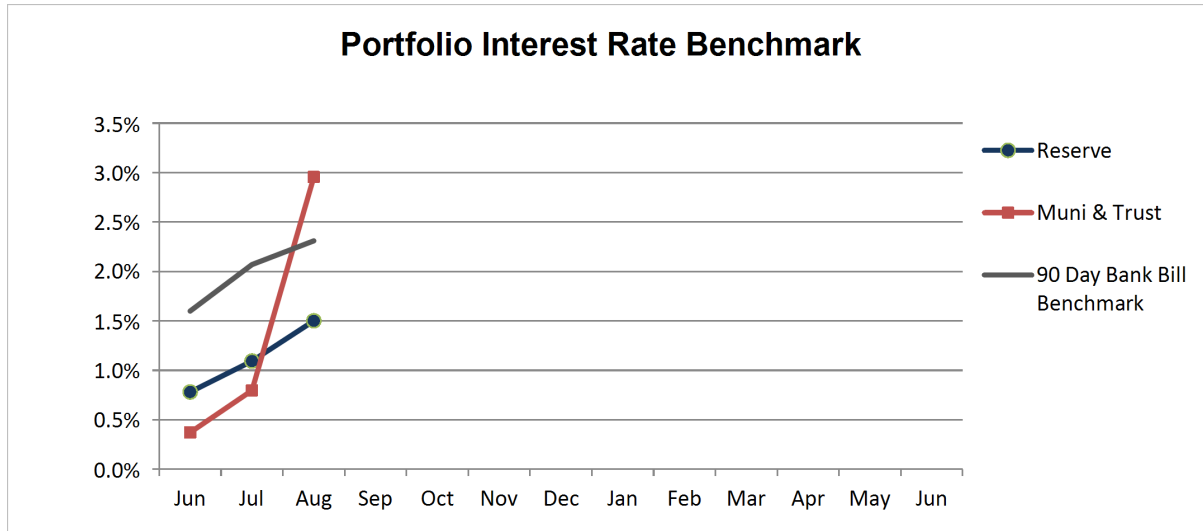
## FINANCIAL IMPLICATIONS

For the period ending 31 August 2022:

- Investment earnings on Municipal and Trust Funds were \$109,320 against a year to date budget of \$37,500 representing a positive variance of \$71,820.
- The weighted average interest rate for Municipal and Trust Fund investments as at 31 August 2022 was 2.96% which compares favourably to the benchmark three month bank bill swap (BBSW) reference rate of 2.31%.
- Investment earnings on Reserve accounts were \$339,968 against a year to date budget of \$276,667 representing a positive variance of \$63,301.

## C22/6000 - INVESTMENT STATEMENTS FOR AUGUST 2022 (REC)

The weighted average interest rate for Reserve account investments as at 31 August 2022 was 1.50% which compares unfavorably to the benchmark three month bank bill swap (BBSW) reference rate of 2.31%.



## STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS

### Strategic

The interest earned on invested funds assists in addressing the following key priority area identified in The City of Melville Corporate Business Plan 2020-2024.

Priority Number One – “Restricted current revenue base and increasing/changing service demands impacts on rates”.

### Risk

The Council’s Investment of Funds Policy CP-009 was drafted to minimise credit risk through investing in highly rated securities and diversification. The Policy also incorporates mechanisms that protect the City’s investments from undue volatility risk as well as the risk to reputation as a result of investments that may be perceived as unsuitable by the Community.

### 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*.

**C22/6000 - INVESTMENT STATEMENTS FOR AUGUST 2022 (REC)**

**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 2.96% to 1.50% which is below the benchmark three month bank bill swap (BBSW) reference rate of 2.31%.

37% 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 26% in July 2022.

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**

**That the Council notes the Investment Report for the period ending 31 August 2022.**

At 6:57pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY EN BLOC (11/0)**

**C22/6001 – SCHEDULE OF ACCOUNTS PAID FOR AUGUST 2022 (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 &amp; 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	<b><i>For the Council/Committee to note.</i></b>

**KEY ISSUES / SUMMARY**

This report presents the details of payments made under delegated authority to suppliers for the period of August 2022 and recommends that the Schedule of Accounts Paid be noted.

**C22/6001 – SCHEDULE OF ACCOUNTS PAID FOR AUGUST 2022 (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.

A total of \$8,670,533 direct creditor payments were paid during the month, of which, 17% of payments were paid to suppliers located within the City of Melville and 30% to suppliers within the South-West Group, compared to 19% and 36% of total of \$7,282,707 direct creditor payments made over July 2022 respectively. The biggest payment of \$1,378,172 made during the month was the ESL payment to the Department of Fire and Emergency Services (DFES). Approximately 96% of supplier invoices are paid within 30 days of receipt of the invoices. The below table details the Summary of Payments Made for the period:

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 August including Electronic Funds Transfers batches: 787-790, Trust Payments, Card Payments and Payroll was distributed to the Elected Members of the Council on 30 September 2022.

The below table details the Summary of Payments Made for the period:

**C22/6001 – SCHEDULE OF ACCOUNTS PAID FOR AUGUST 2022 (REC) (ATTACHMENT)**

<b>SCHEDULE OF PAYMENTS MADE AUGUST 2022</b> <i>Payments made under Delegated Authority DA-035</i>		
<b>MUNICIPAL FUNDS - DIRECT CREDITOR PAYMENTS</b>		
<b><i>Cheques</i></b>	Chq Payment Register No.	\$0.00
	Chq Payment on Restricted Funds Register No.	\$0.00
	Less Cancelled Chqs	-
<b><i>Electronic Funds Transfers</i></b>	EFT Payment Register No. 788 and 790	\$8,268,927.84
	EFT Payment on Restricted Funds Register No. 787,789 and 123	\$181,282.85
	Less Cancelled EFTs	(\$8,749.57)
		<b>\$8,441,461.12</b>
<b><i>Direct Debits</i></b>	Bank Fees	\$108,225.85
	Ampol Fuel	\$108,594.49
<b><i>Direct Payments</i></b>		\$12,251.32
	<b><i>Total Direct Creditor Payments</i></b>	<b>\$8,670,532.78</b>
<b><i>Payroll</i></b>	Total Pay 3,4 and 5	\$5,923,372.46
	<b><i>Total Payroll</i></b>	<b>\$5,923,372.46</b>
<b><i>Cards</i></b>	Westpac Corporate Cards	\$10,808.15
	Westpac Purchase Cards	\$66,405.71
	American Express	\$4,787.89
	<b><i>Total Card Payments</i></b>	<b>\$82,001.75</b>
<b>Total Direct Creditor Payments from Municipal Account</b>		<b>\$14,675,906.99</b>

**C22/6001 – SCHEDULE OF ACCOUNTS PAID FOR AUGUST 2022 (REC) (ATTACHMENT)**

*Schedule of Payments Made continued.*

<b>INTERFUND &amp; INVESTMENT TRANSACTIONS</b>			
<i><b>Interfund Transfers</b></i>			
Loan			\$0.00
Citizen Relief Trust			\$0.00
Citizen Relief Operating			\$0.00
Municipal			(\$2,665,164.91)
Reserve			\$2,665,164.91
Trust			\$0.00
<b>Total Interfund Transfers</b>			<b>\$0.00</b>
<i><b>New Municipal Investments</b></i>			
Westpac Bank	1/08/2022		\$2,700,000.00
NAB Bank	3/08/2022		\$2,700,000.00
NAB Bank	4/08/2022		\$1,000,000.00
NAB Bank	5/08/2022		\$1,500,000.00
Commonwealth Bank	8/08/2022		\$1,000,000.00
Suncorp Bank	9/08/2022		\$3,000,000.00
Suncorp Bank	10/08/2022		\$1,500,000.00
Suncorp Bank	11/08/2022		\$1,500,000.00
Suncorp Bank	12/08/2022		\$1,000,000.00
Suncorp Bank	16/08/2022		\$2,000,000.00
Westpac Bank	17/08/2022		\$1,600,000.00
Westpac Bank	18/08/2022		\$1,700,000.00
Suncorp Bank	19/08/2022		\$1,000,000.00
Suncorp Bank	22/08/2022		\$2,500,000.00
NAB Bank	23/08/2022		\$2,000,000.00
Suncorp Bank	23/08/2022		\$3,000,000.00
Suncorp Bank	24/08/2022		\$2,000,000.00
Suncorp Bank	24/08/2022		\$2,000,000.00
Suncorp Bank	26/08/2022		\$2,500,000.00
Westpac Bank	26/08/2022		\$12,000,000.00
Suncorp Bank	26/08/2022		\$2,000,000.00
Commonwealth Bank	29/08/2022		\$3,000,000.00
Commonwealth Bank	29/08/2022		\$2,000,000.00
NAB Bank	29/08/2022		\$2,000,000.00
NAB Bank	29/08/2022		\$2,000,000.00
Commonwealth Bank	31/08/2022		\$1,000,000.00
Commonwealth Bank	31/08/2022		\$1,500,000.00
<b>Total New Investments</b>			<b>\$61,700,000.00</b>
<b>Grand Total</b>			<b>\$76,375,906.99</b>

**C22/6001 – SCHEDULE OF ACCOUNTS PAID FOR AUGUST 2022 (REC) (ATTACHMENT)**

Details of the payments are shown in attachment [6001 Payment Details August 2022](#).

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**

Not applicable.

**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.

**FINANCIAL IMPLICATIONS**

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

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

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

**POLICY IMPLICATIONS**

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

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable as this report presents information for noting only.



**C22/6001 – SCHEDULE OF ACCOUNTS PAID FOR AUGUST 2022 (REC) (ATTACHMENT)**

**CONCLUSION**

The Schedule of Payments for the month totals \$76,375,906.99.

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 August 2022 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 Payment Details August 2022](#).**

At 6:57pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY EN BLOC (11/0)**

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)**  
**(ATTACHMENT)**

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"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>When the Council operates as a review authority on decisions made by Officers for appeal purposes.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>
<input type="checkbox"/>	Information	<i>For the Council/Committee to note.</i>

**KEY ISSUES / SUMMARY**

This report presents:

- The Statements of Financial Activity by Nature or Type and Rate Setting Statement by Program and Nature or Type, for the period ending 31 August 2022 and recommends that they be noted by the Council.
- Year-end processes are still underway and therefore the final figures for August 2022 may be different from what is presented in this report.
- The variances for the month of 31 August 2022 and recommends that they be noted by the Council.
- The Budget amendments required for the month of 31 August 2022 and recommends that they be adopted by Absolute Majority decision of the Council.

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

**BACKGROUND**

The Statements of Financial Activity for the period ending 31 August 2022 have been prepared and tabled in accordance with the *Local Government (Financial Management) Regulations 1996*.

**OVERALL SUMMARY OF THE CITY'S FINANCIAL POSITION**

- End of financial year processes for 2021-2022 are still underway and therefore the final figures for 2021-2022 may be materially different to what is presented in this report.
- The City's total investments holding for August were \$222.4m of which the Municipal cash balance at the end of the month was \$66.7m and \$155.5m was held in reserve accounts, which are restricted to the defined purpose for which the reserve account was established.
- The investment in green/ethical term deposits as at 31 August was \$83m or 37% of total investment holdings, compared to \$46.5m (26%) in July 2022.
- The 2022-2023 Rates were generated in August, totalling \$95.5m. The negative variance of \$0.11m at month end is due to rate adjustments in respect of Commercial and Residential improved properties and a minor negative timing variance of relating to Commercial Improved rate concessions.
- Total debtor collections for August 2022 equaled \$59.9m. The Rates collection target is 56.3% and the actual collection is tracking slightly lower at 54.4%. The total outstanding debtors (including all rates and sundry debtors) is \$57.9m due to the annual rates generation in July 2022.

**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:-

- Statement of Financial Activity by Nature and Type  
Provides details on the various categories of income and expenditure.
- Rate Setting Statement by Program  
Provides details on the Program classifications.
- Rate Setting Statement by Nature or Type  
Provides details on the Nature or Type classifications.

**Variances**

A detailed summary of variances and comments based on the Rate Setting Statement by Nature or Type is provided in attachments:

[6002B Statement Nature Type August 2022](#): Rate Setting Statement by Nature or Type

[6002H Statement of Variances August 2022](#): Statement of Variances in Excess of \$100,000

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

**Revenue**

Rates raised as at August were \$95,509,571, compared to a year to date budget of \$95,626,976. The negative variance of (\$117,405) is due to rate adjustments in respect of Commercial and Residential improved properties and a minor negative timing variance of relating to Commercial Improved rate concessions.

**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	5,453,565	5,453,565	0%	6,491,862	-16%
Debtors Raised	118,708,790	118,704,451	0%	117,193,581	1%
Payments Received	(67,445,357)	(8,109,436)	732%	(66,944,926)	1%
Closing Balance	56,716,997	116,048,580	-51%	56,740,517	0%

Total rate debtor collections for the month equalled \$59,335,921.

**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	642,878	642,878	0%	882,151	-27%
Invoices Raised	1,849,899	958,458	93%	1,415,333	31%
Receipts	(1,306,872)	(723,616)	81%	(1,490,171)	-12%
Prepayments	9,715	10,162	-4%	5,415	79%
Closing Balance	1,195,620	887,882	35%	812,727	47%

Sundry debtor balances increased by \$307,738 over the course of August from \$887,882 to \$1,195,620 of which total 90 day sundry debtors over \$1,000 for the month is \$148,423, representing 12% of total sundry debtors.

**Money Expended in an Emergency and Unbudgeted Expenditure**

Not applicable for August 2022.

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

**Budget Amendments**

Details of Budget Amendments requested for the month of August 2022 that reflect effective changes to budgets are shown in attachment [6002J August 2022](#). Budget amendments that are purely administrative and detail movements between budget responsible officers are not included in the attachment. This reporting is aligned with legislative requirements.

Variances greater than \$100,000 processed in August 2022 are highlighted in the attachment.

**Carry forward budget amendments**

A total of \$29.5m was carried forward into 2022-2023 from the 2021-2022 financial year. \$22.38m of this relates to projects in the capital works program, with approximately 46% of the projects being work in progress. The remaining \$7.1m relates to operating projects and other capital items, with a significant proportion relating to the fleet replacement program. There have been ongoing supply chain issues causing a delay in the delivery of new vehicles and plant.

Capital Works Program summary:

<b>Program</b>	<b>Carry Forward \$m</b>	<b>Work in Progress \$m</b>	<b>Total \$m</b>
Buildings	6.07	5.93	12.00
Drainage	0.17	0.05	0.22
Environmental	-	1.21	1.21
Foreshore Facilities	0.34	0.14	0.48
Lighting	0.10	1.14	1.24
Parks Streetscapes Structures	1.76	0.03	1.79
Paths	0.22	0.15	0.37
Playgrounds	2.33	-	2.33
Roads	1.13	1.61	2.74
<b>Total</b>	<b>12.12</b>	<b>10.26</b>	<b>22.38</b>

The capital works program will be reviewed in its entirety to assess capacity to deliver. Any adjustments to the program will be addressed during the mid-year budget review.

Below is a summary of the status, at the beginning of September 2022, of significant projects where budgets were carried forward to 2022-2023:

<b>Project Number</b>	<b>Project Title</b>	<b>Carry forward Mn \$</b>	<b>Current Status</b>
BLD04330	Melville Reserve Redevelopment	1.7	Further grant funding being sought for the project and expected commencement in March/April 2023
BLD04154	Winthrop Park changeroom upgrade	0.9	In progress, expected completion in March 2023.

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)**  
**(ATTACHMENT)**

<b>Project Number</b>	<b>Project Title</b>	<b>Carry forward Mn \$</b>	<b>Current Status</b>
BLD04130	Marmion Reserve changeroom upgrade	0.8	In progress, expected completion in March 2023.
BCR03289	Operations Centre Internal Works	0.8	Contract awarded in August 2022 – commencing on site in September 2022, expected completion in March 2023.
BLD05056	Tompkins Park Redevelopment stage 3B	0.8	Design ongoing. Council approval will be sought for further funding for this project.
BLD04717	Mount Pleasant Bowling Club Improvements	0.6	Tendering in October 2022 for council approval in December 2022. Expected commencement in January 2023.
ENV02487 ENV02488	Foreshore Restoration Programs	1.2	Contract awarded in January and commencement expected in Summer. Awaiting Department of Biodiversity, Conservation and Attractions/Department of Planning, Lands and Heritage approval.
LIG04972	Winnacott Reserve Floodlighting	0.4	Expected completion in October 2022.
LIG04713	Bill Elson Floodlighting	0.2	Expected completion in September 2022.
CCI03995	Canning Bridge Activity Centre	0.5	Redesign underway as tender results were over budget.
PIM03551	Goolugatup Heathcote Lower Development	0.3	Design completion due in October 2022
PIM04327	Frederick Baldwin Wetland Project	0.2	In Progress.
PLG02967	Bob Gordon Place Space	1.5	Expected completion in October 2022.
PLG01132	Playspace renewal program	0.6	Construction planned over the next 3 months.
RIM04205 and RIM04709	The Strand Renewal - Stage 2A	0.9	2 Gross Pollutant Traps (GPT) west of the tennis club have been installed with reinstatement works in progress. Remaining GPT adjacent to Nesbitt Rd still to be installed. Contractors are awaiting favourable weather conditions.

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

<b>Project Number</b>	<b>Project Title</b>	<b>Carry forward Mn \$</b>	<b>Current Status</b>
RRE04565	Leeming Rec Centre Carpark - Stage 1	0.7	Project commenced 29 August 2022.
RRE04230	Ogilvie Road (Canning Hwy - Helm St)	0.4	Concept Design out for comment.
	<b>Total</b>	<b>12.5</b>	

**Budget Amendments processed subsequent to preliminary June 2022 financial Activity Statement preparation.**

Details of Budget Amendments processed during the months of July to August subsequent to the preparation of the preliminary June 2022 Financial Activity Statements are also listed separately in [6002J August 2022](#). These budget amendments mainly relate to adjustments to budgets for carry forward to next financial year and various end of year finalisation processes.

**Proposed Budget Amendment - Attadale Alfred Cove Foreshore Master Plan**

At its Ordinary Meeting of Council on 15 March 2022, Council Resolution T22/3976 approved the following;

1. The engagement of a suitably qualified consultant to prepare a layout plan for the Atwell Precinct and Melville Bowling Club as a short-term recommendation.
2. The appointment of a consultant to progress the establishment of the Melville Bird Sanctuary as short-term recommendation.

The consultancy services to prepare a layout plan for the Atwell Arts Centre and Melville Bowling Club is valued at \$130,000. The value of the consultancy services to progress the establishment of the Melville Bird Sanctuary is estimated at \$60,000. The total estimated cost of progressing on the consultancy contracts inclusive of a contingency allowance for staff salaries and any additional minor studies that may be required to ensure a good outcome from the consultancy services is estimated to be \$245,000. The remaining budget of \$95,346 of the Alfred Cove Masterplan Implementation capital project (PIM04601) is available to partially fund the consultancy services. It is proposed that the budget shortfall of \$150,000 be sourced from the Rates Equalisation 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.

**Sundry Debtors**

LeisureFit memberships fees were written off, totalling \$6,900. Recovery actions undertaken by both LeisureFit officers and CS Legal were unsuccessful.

**Rate Debtors**

There were no rates write off for the month of August 2022.

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

The following attachments form part of the Attachments to the Agenda for the month of August 2022.

DESCRIPTION	LINK
Statement of Financial Activity By Nature or Type	<a href="#">6002A Statement Nature Type August 2022</a>
Rate Setting Statement by Program	<a href="#">6002B Rate Setting Program August 2022</a>
Rate Setting Statement by Nature or Type	<a href="#">6002B Rate Setting Nature Type August 2022</a>
Representation of Net Working Capital	<a href="#">6002E Net Working Capital August 2022</a>
Reconciliation of Net Working Capital	<a href="#">6002F Reconciliation Net Working Capital August 2022</a>
Notes on Rate Setting Statement reporting on variances of 10% or \$100,000 whichever is greater	<a href="#">6002H Notes Rate Setting Statement August 2022</a>
Details of Budget Amendments requested	<a href="#">6002J Budget Amendments August 2022</a>
Summary of Rates Debtors	<a href="#">6002L Summary Rate Debtors August 2022</a>
Graph Showing Rates Collections	<a href="#">6002M Rates Collections Graph August 2022</a>
Summary of General Debtors aged 90 Days Old or Greater	<a href="#">6002N General Debtors Aged 90days August 2022</a>

**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:



**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)**  
**(ATTACHMENT)**

**34. Financial activity statement report — s. 6.4**

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

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

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

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

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

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

*(4) A statement of financial activity, and the accompanying documents referred to in 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 \$100,000 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 August 2022](#): Notes on Statement of Variances in excess of \$100,000 by Nature or Type.

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

**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

**CONCLUSION**

The attached financial reports reflect a positive financial position of the City of Melville as at 31 August 2022.

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

**OFFICER RECOMMENDATION (6002)**

**NOTING and ABSOLUTE MAJORITY**

At 7:04pm Cr Wheatland moved, seconded Cr Edinger –

**That the Council:**

1. **Notes the Rate Setting Statement and Statements of Financial Activity for the month ending 31 August 2022 as detailed in the following attachments:**

DESCRIPTION	LINK
Statement of Financial Activity By Nature or Type	<a href="#">6002A Statement Nature Type August 2022</a>
Rate Setting Statement by Program	<a href="#">6002B Rate Setting Program August 2022</a>
Rate Setting Statement by Nature or Type	<a href="#">6002B Rate Setting Nature Type August 2022</a>
Representation of Net Working Capital	<a href="#">6002E Net Working Capital August 2022</a>
Reconciliation of Net Working Capital	<a href="#">6002F Reconciliation Net Working Capital August 2022</a>
Notes on Rate Setting Statement reporting on variances of 10% or \$100,000 whichever is greater	<a href="#">6002H Notes Rate Setting Statement August 2022</a>
Details of Budget Amendments requested	<a href="#">6002J Budget Amendments August 2022</a>
Summary of Rates Debtors	<a href="#">6002L Summary Rate Debtors August 2022</a>
Graph Showing Rates Collections	<a href="#">6002M Rates Collections Graph August 2022</a>
Summary of General Debtors aged 90 Days Old or Greater	<a href="#">6002N General Debtors Aged 90days August 2022</a>

2. **By Absolute Majority Decision adopts the budget amendments, as detailed in the attached Budget Amendment Reports for August 2022 [6002J Budget Amendments August 2022](#)**
3. **By Absolute Majority Decision approves the additional budget of \$150,000 required for consultancy services in relation to the Attadale Alfred Cove Foreshore Master Plan to be allocated from the Rates Equalisation Reserve.**

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

**Amendment**

**COUNCIL RESOLUTION**

At 7:17pm Cr Sandford Moved, Seconded Cr Barber –

**That Point 3 be amended to include the words after “Rates Equalisation Reserve”:**

**“and that monthly updates be provided to Elected Members in the Elected Members Bulletin.”**

At 7:21pm the Presiding Member declared the motion

**CARRIED (9/2)**

<b>Yes</b>	9	Cr Pazolli, Cr Ross, Cr Barber, Cr Spanbroek, Cr Edinger, Cr Sandford, Cr Mair, Cr Woodall, Cr Robins
<b>No</b>	2	Cr Wheatland, Cr Fitzgerald

**C22/6002 – STATEMENTS OF FINANCIAL ACTIVITY FOR AUGUST 2022 (AMREC)  
(ATTACHMENT)**

**SUBSTANTIVE MOTION AS AMENDED AND COUNCIL RESOLUTION**

At 7:04pm Cr Wheatland moved, seconded Cr Edinger –

**That the Council:**

- 1. Notes the Rate Setting Statement and Statements of Financial Activity for the month ending 31 August 2022 as detailed in the following attachments:**

DESCRIPTION	LINK
Statement of Financial Activity By Nature or Type	<a href="#">6002A Statement Nature Type August 2022</a>
Rate Setting Statement by Program	<a href="#">6002B Rate Setting Program August 2022</a>
Rate Setting Statement by Nature or Type	<a href="#">6002B Rate Setting Nature Type August 2022</a>
Representation of Net Working Capital	<a href="#">6002E Net Working Capital August 2022</a>
Reconciliation of Net Working Capital	<a href="#">6002F Reconciliation Net Working Capital August 2022</a>
Notes on Rate Setting Statement reporting on variances of 10% or \$100,000 whichever is greater	<a href="#">6002H Notes Rate Setting Statement August 2022</a>
Details of Budget Amendments requested	<a href="#">6002J Budget Amendments August 2022</a>
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Graph Showing Rates Collections	<a href="#">6002M Rates Collections Graph August 2022</a>
Summary of General Debtors aged 90 Days Old or Greater	<a href="#">6002N General Debtors Aged 90days August 2022</a>

- 2. By Absolute Majority Decision adopts the budget amendments, as detailed in the attached Budget Amendment Reports for August 2022 [6002J Budget Amendments August 2022](#)**
- 3. By Absolute Majority Decision approves the additional budget of \$150,000 required for consultancy services in relation to the Attadale Alfred Cove Foreshore Master Plan to be allocated from the Rates Equalisation Reserve and that monthly updates be provided to Elected Members in the Elected Members Bulletin.**

At 7:20pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY (11/0)**

**Community Development**

**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

Ward : All  
Category : Operational  
Subject Index : Community Sporting and Recreation Facility  
Funding  
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 : Todd Cahoon  
Manager Healthy Melville

**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"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; 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>

**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

**KEY ISSUES / SUMMARY**

- As part of the assessment process for the Community Sport and Recreation Facilities Funding round the City of Melville is required to rate and prioritise all applications received prior to forwarding to the Department of Local Government Sport and Recreation and Cultural Industries for consideration.
- The Minister of Sport and Recreation announced an increase of \$500,000 to the annual Community Sport and Recreation Facilities Funding budget to support projects that improve the usability of facilities for female participants.
- The purpose of this Agenda Item is to provide the priority and rating for all applications received.

**BACKGROUND**

Each year, the Council prioritises and rates applications for the Standard and Forward Planning Grants of the Community Sport and Recreation Facility Fund (CSRFF) that are within the City of Melville's boundary.

The Department of Local Government, Sport and Cultural Industries (DLGSC), formally Department of Sport and Recreation, have developed key principles of facility provision against which the allocation of funds is assessed. These principles are based on the need for a planned approach to facilities provision which takes account of justified needs, existing facilities and the social and financial impact of investing in new facilities.

When prioritising and rating, the Local Government is asked to consider the Key Principles of Facility Provision, rank in order of priority (highest priority application being ranked as one) and rate all applications based on the following:

- *A - Well planned and needed by municipality.*
- *B - Well planned and needed by applicant.*
- *C - Needed by municipality, more planning required.*
- *D - Needed by applicant, more planning required.*
- *E - Idea has merit, more planning work needed.*
- *F - Not recommended.*

The rating is to reflect how worthwhile the project is and indicate its importance on its actual benefit to the community.

To guide the officers in providing a recommended priority and ranking of projects an assessment matrix is used. The assessment matrix was developed from the DLGSC publication '*Decision-making Guide Sport and Recreation Facilities 2007*'.

In June 2022 the Minister for Sport and Recreation announced the 2023 - 2024 CSRFF Annual and Forward Planning round will open on Wednesday, 1 June, 2022 and close on Friday, 30 September 2022, with successful projects likely to be announced in January 2023. The priority and rating of the applications by the City is to be submitted in October 2022. Therefore, a decision is required at the October Ordinary Meeting of Council.

**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

Based on the assessment matrix it is recommended that the City of Melville submit one application for:

- Refurbishment of Melville Reserve Change rooms

**DETAIL**

In 2020 the City of Melville noted the Active Reserve Infrastructure Strategy (ARIS) that was developed to guide the provision of infrastructure on Active Reserves for the next 20 years. Active Reserves are principally those reserves within the City which provide for formal sport and associated recreational uses. While they are used for sport, they also provide a variety of other recreational activities for the local communities they serve.

The analysis of Active Reserves took into account emerging trends in the development of contemporary sporting and community infrastructure and the current funding commitments which have already been made by the City in respect of upgrading pavilions, clubhouses and changing rooms. This is a program which has been developed across the breadth of Active Reserves within the Councils control to ensure the facilities fulfil high priority objectives of incorporating gender diverse changing infrastructure together with improving disability access to facilities.

A key outcome of ARIS was to assess the current standard of Active Reserves, club and change room facilities and supporting infrastructure to determine existing issues and adequacy with consideration of the City's Long-Term Financial Plan and Asset Management Plans.

Consequently, a programme of projects costing an estimated total of \$60,489,938 (over a 20-year period) was noted by the City of Melville for a range of projects that included but not limited to:

- Change room refurbishment to meet modern day demands
- New floodlighting projects and general floodlighting upgrades
- New amenity buildings
- Master Planning
- Court Resurfacing
- Outdoor Gym Equipment
- Additional Car Parking.

A comprehensive list of all active reserve changing rooms was established rating and prioritising each active reserve based on condition. The City of Melville is three years into the program having recently completed:

- Bill Ellson change room upgrade.
- Webber Reserve change room upgrade.
- Tompkins Park change rooms upgrade.
- Shirley Strickland change and clubrooms new build.



**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

There are three change room projects currently underway:

- Marmion Reserve.
- John Connell Reserve.
- Winthrop Park.

**City of Melville upgrade of changing rooms at Melville Reserve.**

The recommendation in ARIS for Melville Reserve was:

- Due to the inherent deficiencies within the design of the pavilion, a need to upgrade the clubrooms is essential to improve accessibility and to meet current day expectations (including upgrade to cater for women's sport). This would include the provision of UAT facilities.

The rationale was:

- The clubhouse/pavilion needs modernisation to include a UAT to facilitate activation of the reserve and surrounding area and to make the change room more accessible for female participants.

Melville Reserve is situated in the north-western part of the City of Melville. It is an active sporting reserve surrounded by established trees, passive community spaces, residential houses and is located on the corner of Canning Highway and Stock Road in Melville. It shares the site with LeisureFit Melville which is a popular local leisure centre.

This project is to upgrade the change rooms (some minor club room upgrades) and provide additional storage at Melville Reserve.

The upgrade to the change rooms will include lockable, individual showers, and toilet cubicles, general standards of non-slip safe floors, safe fittings, power points, Australian Standard lighting and ventilation with rooms made for the maximum size teams. Minor upgrades to the club rooms with modifications to the entry and layout of the toilets, including the installation of a universal access toilet, which will allow the facility to be used by several groups at one time preventing interruptions by users when accessing toilets.

By upgrading the club and change rooms it will bring the facilities up to current day Australian Standards and National Construction Codes.

The Melville Reserve change and clubrooms are managed by the Melville Sporting Association which is made up of the following sporting clubs:

Club	Formed	Membership Numbers	Season
Melville Amateur Football Club	1906	150	Winter
Hilton/Bicton Cricket Club	2009	140	Summer
Melville Palmyra Tennis Club	1956	185	All year round
*Palmyra Junior Football Club	1956	397	Winter

**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

\*Whilst not a member of the Melville Sporting Association, Palmyra Junior Football Club has a memorandum of understanding with the Association for the use of the building including the change rooms and some storage.

The clubs have a long-standing use of Melville Reserve and collectively have a membership of 872.

The reserve is also used by several local schools and is a popular self-exercise and dog walking reserve within the City. Bicton Junior Cricket Club also use the reserve as an overflow ground in summer.

Officers completed the [Recreation Development Fund Assessment Matrix Guide](#) for the Melville Reserve Facilities Redevelopment and scored the project 80.73%

\*The design for the upgrade of changing rooms to non-gender specific change areas at Melville Reserve can be found here - [Design Melville Reserve Change Rooms](#)

## **STAKEHOLDER ENGAGEMENT**

### **I. COMMUNITY**

Projects will be subject to the normal development application process that includes public advertising. The City is currently in discussions with the user groups of the Melville Reserve facilities.

### **II. OTHER AGENCIES / CONSULTANTS**

Department of Local Government, Sport and Cultural Industries (CSRFF).

## **STATUTORY AND LEGAL IMPLICATIONS**

Projects will be subject to the normal development and building application process.

## **FINANCIAL IMPLICATIONS**

All figures in this report are excluding GST.

The quantity surveyors and construction consultants cost estimates for the proposed works is \$2,160,000.

Initially the estimated budget allocation of \$1,061,807 was identified as an outcome of ARIS towards the end of 2019. Since then, it has been the City of Melville's experience that construction costs have escalated as much as 40%.

**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

The expenditure for the modernisation to existing changeroom - upgrade to include UAT at Melville Reserve is listed in the 2022 - 2023 annual budget with a total allocation of \$1,973,526 from account number BLD4130. This includes additional funding for disability access improvements.

The estimate for the refurbishment provided by the quantity surveyor is \$2,160,000.

As part of the recent State Elections in March 2021 \$100,000 was allocated to the Palmyra Junior Football Club for change room improvements. These funds are included in the above costings and will be considered as part of the CSRFF contribution should the grant application be successful.

Potential funding for the project:

CSRFF Grant: \$620,000

State Election Commitment: \$100,000

City of Melville Budget: \$1,973,526

Total Potential Funds: \$2,693,526

The shortfall if not successful for CSRFF would be \$86,474.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

<b>Risk Statement &amp; Consequence</b>	<b>Level of Risk</b>	<b>Risk Treatment</b>
The City is required to prioritise and rate all CSRFF applications received within the municipality. By the City not providing the priority and rating, worthwhile projects will be at risk of not receiving funding resulting in additional financial pressure on clubs and the City.	Moderate consequences which are likely, resulting in a <b>High</b> level of risk	That the City provides the Department of Local Government, Sport and Cultural Industries with a priority and rating for each application received.

**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

**POLICY IMPLICATIONS**

Supporting the Community Sport and Recreation Facility Funding application aligns with the following City of Melville policies:

- 1) Policy CP–028 Physical Activity highlights the increase of opportunities for physical activity, leading to the improved health and wellbeing of the community;
- 2) 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:
- 3) CP-031 Asset Management Policy highlights that asset 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:
- 4) Policy CP - 010 Self Supporting Loan, states that *“Approval will only be considered where the Club or organisation can adequately demonstrate, by provision of forward financial plans covering the life of the loan, a capacity to meet the loan repayment. The financial plans are to be certified by an independent Certified Practicing, Chartered or similarly qualified and experienced Accountant”*.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

An alternative is for the Council to rate the application as low or not recommended. However, rating the application as low or not recommended would potentially result in the application being unsuccessful for CSRFF funding impacting on the City's funding reserves.

**CONCLUSION**

The change room upgrade program is considered a high priority for the City as a number of changing facilities in the City are not fit for purpose and particularly not suitable for the increasing trend of female participation.

The upgrades to change rooms at Melville Reserve will be used by several different sports clubs, schools, casual hire groups and the general community.

Having fit for purpose modernised sporting facilities is integral for the City's community.

**CD22/8151 – COMMUNITY SPORTING AND RECREATION FACILITY FUNDING 2023-2024  
(CSRFF) (REC) (ATTACHMENT)**

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (8151)**

**APPROVAL**

At 7:20pm Cr Mair moved, seconded Cr Robins –

**That the Council resolves that the projects submitted for the 2023/2024 Annual and Forward Planning Grants Round of the Community Sporting and Recreation Facilities Fund be prioritised and rated as follows:**

**Project A. Upgrade to Change Rooms at Melville Reserve**

**Project Priority 1**

**Project Rating A – well planned and needed by the municipality**

At 7:24pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY (11/0)**

*At 7:30pm Cr Edinger left the meeting and returned at 7:31pm.*

**Environment and Infrastructure**

Nil.

**Urban Planning**

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

Ward	: Applecross – Mount Pleasant
Category	: Strategic
Application Number	: Not Applicable
Property	: 13 The Esplanade/64 Kishorn Road, Mt Pleasant
Proposal	: Response to Council Resolution
Applicant	: Not Applicable
Owner	: City of Melville
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: Item M22/5890 – Ground Lease Redevelopment Agreement 13 The Esplanade and 64 Kishorn Road, Mt Pleasant – Ordinary Meeting of Council held 15 February 2022. Item M22/5895 – Motions Carried at the General Meeting of Electors Held 2 February 2022 – Ordinary Meeting of Council held 15 March 2022 Item 16.1 Motion with Notice Mount Pleasant Senior Citizens Site Being Public Open Green Space – Ordinary Meeting of Council held 15 March 2022 Item 18.1 Confidential Item M22/5890 Ground Lease Redevelopment Agreement 13 The Esplanade and 64 Kishorn Road, Mt Pleasant – Alternate Motion - Ordinary Meeting of Council held on 19 April 2022 Item 12.1 - Petition – Rezone 13 The Esplanade/ 67 Kishorn Road, Mount Pleasant to Public Open Space – Ordinary Meeting of Council held 21 June 2022
Responsible Officer	: Jeremy Rae Strategic Land and Property Executive Gavin Ponton Manager Strategic Urban Planning

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (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 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 &amp; 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	<b><i>For the Council/Committee to note.</i></b>

**KEY ISSUES / SUMMARY**

- The Council at its Ordinary Meeting of the Council held on 15 March 2022 resolved to direct the CEO to prepare a report on 13 The Esplanade/64 Kishorn Road, Mount Pleasant.
- The resolution requested a number of options be considered with a report back to the July 2022 Ordinary Meeting of Council.
- The future options Council requested for consideration included restoring the former Canning Bridge Senior Citizens site to community use as public open green space (POS) with tree planting; sale of the site; identification of appropriate locations for POS in the Canning Bridge area; possible future uses for the site including commercial uses; and on how and when public consultation for uses or selling of the site is appropriate.
- High level investigation of future options for the site are summarised in this report for information purposes only. Further investigation, detailed analysis and comprehensive community consultation are recommended for the site once the Canning Bridge Activity Centre Plan (CBACP) review is finalised.
- This report also addresses a petition and a multi-signature letter presented to the June 2022 Ordinary Council Meeting.



**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**BACKGROUND**

At the Ordinary Meeting of Council on 15 March 2022, Council adopted the following resolution in relation to the land at 13 The Esplanade/64 Kishorn Road, Mount Pleasant:

***That the Council directs the CEO to prepare a Report on 13 The Esplanade/64 Kishorn Road Mt Pleasant to be presented to the July 2022 Ordinary Meeting of Council:***

- 1. On restoring the former Canning Bridge Senior Citizens site to community use as public open green space with tree planting.***
- 2. On the option of selling the site.***
- 3. On identification of appropriate locations for POS in the Canning Bridge area.***
- 4. On possible future uses for the site including commercial uses.***
- 5. On how and when public consultation for uses or selling of the site is appropriate.***

**CARRIED (9/3)**

At the 21 June 2022 Council Meeting a petition was presented to the Council that requested that the Council:

*Re-zone 13 The Esplanade/ 64 Kishorn Rd Mount Pleasant to Public Open Space making the area green space incorporating seating and tree planting.*

*The Reasons Supporting this action: The Canning Bridge precinct is devoid of green space and with its proximity to high traffic volume (Freeway and Canning Hwy), thus creating a heat island and increase in air pollution. The population of this area is rapidly increasing and there already is a greater need for people to have open space nearby. The closest park is on the corner of Clive/Ogilvie Streets (800 metres away) and Deep Water Point (1.4kms) which does not conform with the City's policy of having a park within 400 metres of every dwelling."*

The City has also received a multi signature letter that related to the future use of this property that stated that:

*The Canning Bridge precinct is devoid of green space and with its proximity to high traffic volume (Freeway and Canning Hwy), causes an increase in air pollution. The population in this area is rapidly increasing and there will be a greater need for people to have somewhere to socialise nearby. The closest park is. on the corner of Clive/Ogilvie Streets (800 metres away) and Deep Water point (1.4 kms)*

*The Petitioners therefore request that 13 The Esplanade/64 Kishon Rd Mount Pleasant be turned into green space incorporating tree planting.*

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**Scheme Provisions**

MRS Zoning	: Urban
LPS Zoning	: Centre C2
CBACP	: M10
Use Type	: Not Applicable
Use Class	: Not Applicable

**SITE DETAILS**

Address	Legal Description	Certificate of Title	Land Area (m <sup>2</sup> )	Current Owner
13 The Esplanade, Mt Pleasant	Lot 30 D27499	468/83A	1,060	City of Melville
64 Kishorn Road, Mt Pleasant	Lot 24 D23207	1219/736	1,012	City of Melville
			<b>2,072</b>	

The subject site comprises Lot 24 Kishorn Road and Lot 30 The Esplanade, Mount Pleasant. The site is approximately 80 metres long and 25m in width and has a total land area of 2,072 square metres. The site is currently vacant and was previously occupied by the Canning Bridge Senior Citizens Centre. The site is currently used for storage and car parking.

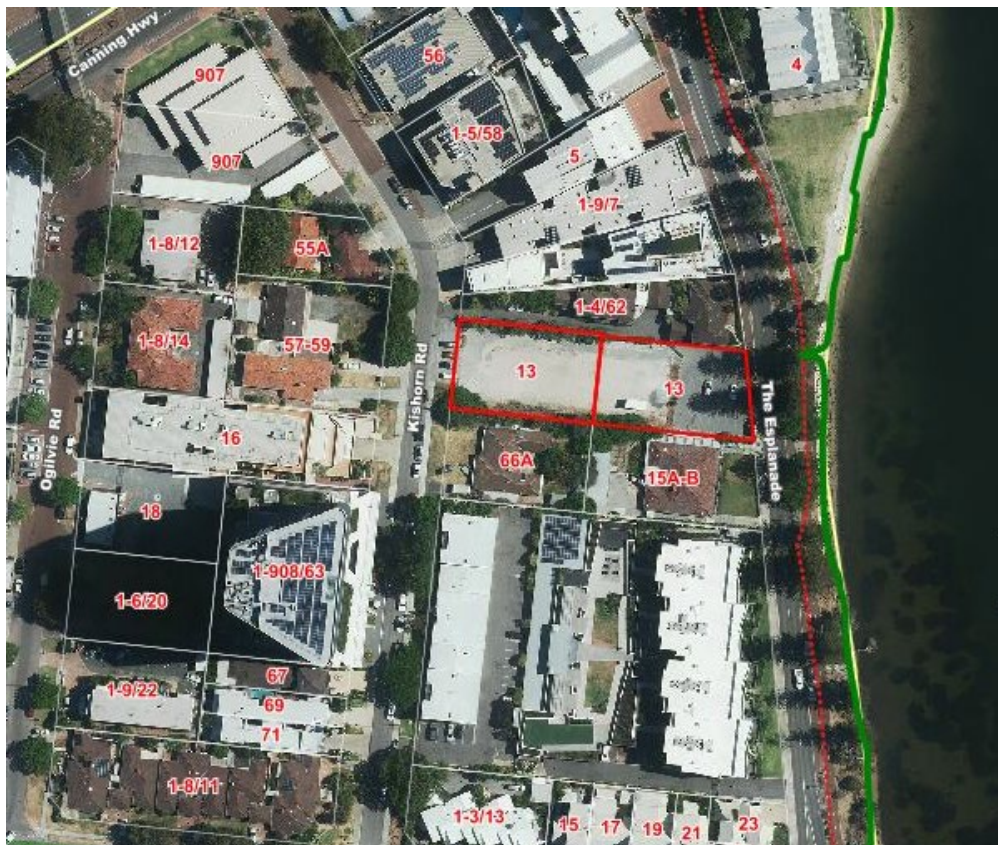


Figure 1: Location Plan

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

MRS Zoning	TPS 6 Zoning	Activity Centre Plans/Structure Plans
Urban	Centre C2 R-AC0	Canning Bridge Activity Centre Plan Zoning: Mixed Use up to 10 storeys (M10)

The site is located within the Canning Bridge Activity Centre (CBACP) and is identified as being within the M10 zone. This designation provides for mixed use development up to ten storeys, with additional height possible subject to provision of community benefits.

The property had been identified as a strategic land asset, with potential to generate revenue to the City. Revenue generated would be used to provide services across the City and reduce rate obligations on the community.

Colliers International ran an extensive Request for Proposal (RFP) process for the City for the sale or ground lease and redevelopment of the site which closed on 29 August 2018. As a result of this process, Council identified a preferred proposal for the site involving a long-term ground lease to an aged care provider. The proposal provided for an indexed lease payment of approximately \$650,000 per year for the 49-year ground lease (with an option for a further 40 years). The Council at its meeting held 19 April 2022 resolved not to proceed with the proposal.

## **DETAIL**

This report responds to the five items listed in the Council resolution.

1. *On restoring the former Canning Bridge Senior Citizens site to community use as public open green space with tree planting.*
2. *On the option of selling the site.*
3. *On identification of appropriate locations for POS in the Canning Bridge area.*
4. *On possible future uses for the site including commercial uses.*
5. *On how and when public consultation for uses or selling of the site is appropriate.*

### **1. Restoring the former Canning Bridge Senior Citizens Site to Community Use as Public Open Green Space with Tree Planting**

#### **Comment**

This option involves converting the subject site into a landscaped public open space. The site characteristics provide for a linear park which could provide passive open space and a mid-block pedestrian linkage to the river. The space could be developed with a range of treatments including tree plantings, turfed areas, seating, play equipment etc.

The shape of the site and its east west orientation does constrain its potential usability and presents challenges given that much of the site would be likely to be impacted by shade from potential future developments. As such, the green space would most likely be more of a CBD plaza style public open space, rather than a traditional local park. The long side boundaries to the site present difficulties in terms of activation and passive surveillance. There may be opportunity for future development on adjoining sites to improve this interface.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**Costs and Benefits**

Development of the site for open space will provide amenity benefit to the precinct. As noted above, however, the site is not well suited to use as open space.

The Park option does not provide a revenue stream to the City in terms of lease payments or rate income. The option also quarantines the freehold land value of the site. Conversion of the site to open space with the level of specification appropriate for the precinct is estimated at \$2,072,000. Ongoing maintenance costs are estimated at \$62,000 per annum, being approximately 3% of the installation costs.

For comparative purposes, for each of the options in the Council resolution an estimation of the net financial cost/benefit to the City over a 49-year period has been calculated. The calculation is based on today's dollar value and excludes opportunity cost, loss of asset value, rate income.

Conversion and use of the site as a park is estimated to have a net financial cost of -\$6.3M. This assumes a 20-year life of asset includes full replacement of the park in year 20 and year 40.

There may be other variations to the park option such as converting portion of the site to park and making the remaining portion of the site available for sale or ground lease. These options introduce an income stream which could be used to offset the cost of creating and maintaining the park. Options to use portion of the site for development may also assist in activating the space, enhancing passive surveillance whilst maintaining an open space and pedestrian linkage function.

A summary of the 49-year net cost to the City for different park options is shown below:

<b>Park option</b>	<b>49-year net cost/benefit</b>
100% conversion to park	-\$6.3M
70% park; 30% sale	-\$3.2M
30% park; 70% ground lease	\$5.5M
30% park; 70% sale	\$2.6M

**2. The Option of Selling the Site.**

**Comment**

Sale of the site would enable the freehold value of the land to be realised. Proceeds of a sale could be reassigned to products and services throughout the City and/or assigned to services within Canning Bridge precinct. If additional public open space in Canning Bridge precinct is a priority, then sale proceeds could be used to purchase a site more suited to development as a park.

Recent market valuations of the site indicate a current value of \$9M to \$9.5M excluding GST. Valuations from 2018 and 2021 are shown below:

- \$9.4M (February 2018)
- \$9.1M (November 2021)

**[3993 - The Esplanade Alternate Options Financial Analysis June 2022](#)**

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**Selling Options**

The Local Government Act 1995 (LGA) provides for the methods and process of disposal of Local Government owned property. This is detailed in Section 3.58 and Section 3.59 of the LGA. The main methods are as follows: -

1. Public Auction
2. Tender
3. Expression of Interest (Leading to Sale by Private Treaty)
4. Requests for Proposals

The requirements for Public Notice and Advertising vary under the Act depending upon which selling process is adopted.

**Sales Structure Options (Strengths & Weaknesses)**

The table below provides an overview of the strengths and weaknesses of each, specific to the City:

-

Option	Description	Strengths	Weaknesses
Outright Vanilla Sale	Sale process against non-negotiable pre-determined sales contract open to all parties	Simple. Low cost, little management time.	May not extract full value. Site could be developed to the maximum of the M10 zoning
Expressions of Interest and Request for Proposals (EOI & RFP)	Run a process to shortlist bidders and choose best offer against pre-defined terms (no further negotiation).	Should extract more value if designed and managed well. Strong probity if terms fixed and pre-defined.	More complex than outright sale. More management time and costs.
Negotiated Sale (following modified EOI & RFP)	Negotiate the sale with preferred bidder (against predefined contract with some terms flexible and open to negotiation).	Should extract more value (both as to sale proceeds and product) if designed and managed well.	More complex than above. More management time and costs. Probity may be affected by negotiable elements.
Joint Venture/Project Development Agreement (JV/PDA)	Negotiate a joint venture with preferred bidder using EOI & RFP.	Better potential value capture for council. Otherwise effectively the same as negotiated sale.	Increased risk to Council due to JV contribution and contractual and market risks. Otherwise effectively the same as negotiated sale.



**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

Option	Description	Strengths	Weaknesses
<b>Ground Lease</b>	Lease the site long term (40+ years) to a third-party developer (subject to a Development Agreement). Suitable only for an ongoing operation or development i.e., not suited to sale of freehold strata	Provides recurrent income stream and relatively easy to contract.	Council takes credit risk against counterparty unless 100% prepaid.

**Costs and Benefits**

The comparative 49-year net cost to the City calculations for the option of selling the site are depicted below. As above the comparison exercise is based on today's dollars and excludes indexation, investment of proceeds etc.

Sale of the Site	49-year net cost/benefit
100% sale of site	\$9.1M

**Ground Lease Proposal – Demonstration of Market Value**

In addition to the above valuation information, it is noted that the recent ground lease proposal for the site (Aged Care use by Oryx Communities) provides an indication of the wider economic value of the asset in the marketplace.

The tables below outline the ground lease income to the City that would have been earned over the full lease term and the Economic Value not realized due to the proposal not proceeding.

The combined loss in Present Value terms to the City from not utilizing this asset for the 89-year ground lease opportunity is represented by: -

Loss of Ground Lease revenue (89 years)	\$18M
Loss of Rates revenue (40% of ground lease)	\$7M
Loss of Economic Value	<u>\$85M</u>
<b>Total Combined Loss of Asset Value Measured in PV</b>	<b><u>\$110M (Todays \$)</u></b>

**The Cumulative Total Loss of Ground Lease Income Stream \$137M (Indexed by CPI)**

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
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**Ground Lease Analysis Table**

Description	Term 49 Years	Term 89 Years
Cumulative Lease Income (Undiscounted)	\$41.47m	\$136.97m
Average Annual Leasing Income (undiscounted)	\$0.85m	\$1.54m
NPV Leasing Income	\$13.98m	\$18.20m
<b><u>Assumptions</u></b> CPI = 2.5%pa IRR Discount Rate = 4.5% Market Reviews = 0% Ave. Annual Growth = 2%		

**Economic Impact Value**

The total present value (PV) from the proposed aged care ground lease redevelopment project was expected to be ~\$85m over the 49-year period being the first term of the proposed ground lease. The discount rate applied is 7%.

The table below provides a summarised breakdown of the Present Value Benefits over the 49-year initial lease term: -

Present Value Benefits	Value (\$)
<b>Economic Benefits</b>	
Rates Revenue	\$720,000
Vehicle Travel Time & Operation Cost	\$20,000
Quality of Life Carers	\$37,000,000
Total Increase in Caregiver Income	\$32,900,000
Yearly Increase in Caregiver Earnings	\$900,000
Volunteering Benefits (Productivity)	\$400,000

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
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<b>Health &amp; Social Benefits</b>	
Social Interaction	\$7,000,000
Social Isolation	\$2,200,000
Reduced Falls	\$2,500,000
Volunteering Benefits (Civic)	\$800,000
Volunteering Benefits (Individual)	\$400,000
Health Outcomes	\$600,000
<b>Total PV of Benefits (rounded)</b>	<b>\$85,000,000</b>

Benefit forecasts for the ground lease proposal also demonstrated the economic value presented by a construction project on the subject site. The Oryx aged care example was forecast to result in a cumulative employment impact both direct and indirect from the construction phase of the project is estimated to be **532 FTE's** and expected to generate **\$178M** of output impact to the economy.

**3. Identification Of Appropriate Locations for Public Open Space (Pos) In The Canning Bridge Area**

It is noted that Council at its meeting of 15 March 2022 resolved as follows:

*That:*

1. *The mover be thanked for their interest in the provision of public open space in the Canning Bridge Precinct and that Motion 3 carried at the General Meeting of Electors held 2 February 2022, relating to the rezoning of the City's landholdings in Moreau Mews and Kishorn Road Applecross, is noted however, any decisions with respect to the setting aside of the City's land the subject of the motion will be deferred until such time as the Canning Bridge Activity Centre Plan review and public open space needs of the Canning Bridge Precinct has been completed.*
2. *The Council*
  - A. *Note that the upcoming advertising of the revised draft Canning Bridge Activity Centre Plan presents the preferred opportunity to receive community feedback on the future of the Kishorn Road/Moreau Mews land.*
  - B. *Direct the CEO to prepare additional content and detail to be available in conjunction with the advertising of the Canning Bridge Activity Centre Plan with respect to:*
    - i. *Concepts for a town square/urban park in the vicinity of the Kishorn Road/Moreau Mews land.*
    - ii. *Details of mechanisms to achieve the acquisition of additional open space in Canning Bridge including enhancement of community benefit provisions and developer contribution schemes.*



**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

In view of the Council resolution, it is proposed to undertake further work with respect to POS needs and opportunities at Canning Bridge.

It is noted that the CBACP does not envisage the creation of additional parkland in the precinct. Instead the approach is to maximize the usability of existing spaces and streetscapes, and for these spaces to be supplemented through activation of privately owned elements. The draft CBACP prepared in response to the current review reiterates this approach. Emphasis is on enhancing the public realm and supplementing these elements with a series of small spaces and linkages on private land.

The Community Development Place Activation Plan (CDPAP) from 2020, informed through community engagement, also emphasizes the priority to enhance existing public spaces as opposed to seeking new parks. The report concludes (page 11) that the three neighborhood parks within 800 metres of the precinct are sufficient. The report also notes the need for more intimate urban piazza type spaces, one north and one south of Canning Highway. Further, the CDPAP concurs with the proposal to explore the creation of a small town square (page 15) at the junction of Kishorn Road and Moreau Mews with interface to indoor community recreation activities and mixed use opportunities.

As noted, further work is proposed with respect to POS needs and opportunities at Canning Bridge. The further investigations will supplement ongoing consideration of open space needs and opportunities as part of the review of the CBACP. In particular, the work will highlight that there are a range of options to provide for additional open space within the CBACP area without the need to forego the revenue potential of the existing strategic land holdings. These options include:

- Requirements for developers to contribute funds for acquisition of additional land for open space
- Requirement for developers on large sites to cede usable land for open space.
- Use of City owned strategic land holdings for a combination of public space, community use and revenue potential.

The approach seeks to ensure that it is the developers who contribute to the provision of additional and suitably located open space as opposed to using ratepayer funded landholdings to meet that need.

Significantly, this work will highlight that conversion of Council owned land to POS will likely satisfy any demonstrated additional demand for open space associated with new development in the precinct. Accordingly, use of Council land for POS would likely preclude the option to require developers to be responsible for the funding or provision of new open space.

The above investigations are expected to be completed to support the advertising of the draft CBACP and/or consideration of further modifications to the draft following review of submissions.

**4. *Possible Future Uses for the Site Including Commercial Uses***

**Comment**

The zoning and location of the subject site allows for a range of commercial, community and residential land uses.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

Prior to commencing the RFP process for the site, the City engaged Urbis to provide independent advice on the City's strategic land assets, including the site. The advice included analysis of the site context and background; sales and development processes; site potential assessment and site use assessment.

With consideration to the site attributes, Urbis assessed (August 2017) that the most likely use of the site is residential apartments. Aged care is also a potential high value use. The assessment also supported some community uses and small-scale hospitality offerings however, given the proximity to Canning Highway precinct, these uses are unlikely to be extensive.

The RFP process run in 2018 produced several submissions which included the following proposed redevelopment uses for the site: -

1. Residential Apartment Living
2. Retirement Living
3. Aged Care Living

These uses aligned with the highest and best use for the land and resulted in the City receiving in some cases above market purchase or ground lease offers from the proponents. The subsequent RFP process demonstrated the capacity of the land to generate ground lease revenue of approximately \$500,000 per annum. Commercial feasibility analysis suggests that hospitality uses (hotel, café, restaurant etc.) are unlikely to be viable in this location.

The City would also have the option of considering use of the site for community purposes. Revenue opportunities for community purposes would be expected to be minimal with development and maintenance costs exceeding any income.

The above options analysis highlights the potential to use the site for a combination of open space and built form development. These options are summarized below.

- Use site predominantly for park and small portion for commercial/residential use  
This option would likely involve sale of portion of the park to an adjoining property to enable a comprehensive development of that adjoining site. Funds from the partial disposal would offset construction and maintenance costs for the park. Conditions of sale could require a future development to actively front the park to enhance vibrancy and safety. Under this scenario it is noted that a stand-alone commercial operation on portion of the park would be unlikely to be viable.
- Use site predominantly for commercial/residential with small portion for park/pedestrian linkage:  
This option would involve the sale or ground lease of a larger portion of the site to facilitate a development. The remainder of the site would operate as a pocket park and pedestrian accessway. The scenario is likely to generate revenue that exceeds construction cost of the park and ongoing maintenance. Ground lease or sale conditions could ensure future development fronts the park/accessway to maximize activation and surveillance.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
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The high level, net cost/benefit comparative table discussed above is reproduced below to depict outcomes under these different scenarios:

Park option	49-year net cost/benefit
100% conversion to park	-\$6.3M
70% park; 30% sale	-\$3.2M
30% park; 70% ground lease	\$5.5M
30% park; 70% sale	\$2.6M

**5. How and When Public Consultation for Uses or Selling of the Site is Appropriate**

The subject property has been identified as a strategic land asset with a purpose to explore the potential to use the land to generate revenue for the community. The site represents a significant community asset with demonstrated substantial revenue generation potential. It is recommended that any consideration of alternative uses, or purposes of the site be informed through a comprehensive community engagement phase. This approach would ensure that all stakeholders are provided with an opportunity to have input into any proposals for the future of this strategic landholding.

Rezoning of the site or disposal of the site would trigger statutory public consultation processes. Given the significance of the site and the substantial financial implications of a change of use, engagement is also recommended with regard to any proposal to convert all or portion of the site to public open space. This approach would be in keeping with the aims of Local Planning Scheme 6 to involve the community in issues of significance. Engagement in these circumstances would also align with the principles of the Council's Engagement Strategy and Council Policy CP-002 Stakeholder Engagement. Policy CP-002 highlights the importance of effective stakeholder engagement and the City's alignment with the International Association of Public Participation (IAP2) Core Values of Public Participation; and the Accountability Principles as defined in the *AA1000 Stakeholder Engagement Standard 2015*. The need for engagement is also highlighted in the *Local Government Act 1995* with the Act intending to result in:

- (a) Better decision-making by Local Governments;
- (b) Greater community participation in the decisions and affairs of Local Governments;
- (c) Greater accountability of local governments to their communities; and
- (d) More efficient and effective local government.

The extent of engagement to be undertaken for any proposed change or use/purpose for the subject property would be guided through the preparation of a Stakeholder Engagement and Communications Plan.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**STAKEHOLDER ENGAGEMENT**

Not Applicable. As per Item 5 above engagement is recommended in the event of consideration of alternatives uses for the subject property.

**I. COMMUNITY**

Not applicable.

**II. OTHER AGENCIES / CONSULTANTS**

Consultation with other agencies would be required should processes to modify the zoning of the land under LPS6 or the designation of the land under the CBACP be proposed.

**STATUTORY AND LEGAL IMPLICATIONS**

Not Applicable

**FINANCIAL IMPLICATIONS**

The report outlines the financial implications (positive and negative) with respect to various options for the future of the subject property.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

The subject property is a strategic land asset of the City. The report outlines financial implications of different options regarding future use of the lands.

<b>Risk Statement &amp; Consequence</b>	<b>Level of Risk</b>	<b>Risk Treatment</b>
Quarantining of revenue potential of strategic land assets reduces City's revenue raising capacity, placing additional reliance on ratepayer funding resulting in higher-than-normal increases in annual rates. The City's ratepayers will incur the cost burden into the future.	Major consequences which are possible, resulting in a <b>High</b> level of risk	Decision makers understand the financial implications and acknowledge alternative POS provision models which achieve desired levels of open space whilst preserving the City's revenue generation opportunities and the implications for annual rates to increased year by year.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**POLICY IMPLICATIONS**

There are no policy implications with this proposal.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The report provides information on the range of options put forward by Council. In particular, the report notes that there are alternative approaches to securing desired areas of POS in the precinct, as opposed to using the strategic land assets for parkland. Significantly these alternative approaches have ability to meet POS needs whilst achieving significantly better amenity and financial outcomes for the community.

**COMMENT/CONCLUSION:**

This report responds to the Council resolution of 15 March 2022. Investigations highlight the value of the subject property and its potential to generate substantial revenue for the community. The following table summarizes the high-level cost and benefit estimates associated with a range of options for the site.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**High Level Cost/Benefit Estimates**

Option	Assumptions	Income/deficit	49-year Net Outcome (Today's value/NPV) <sup>1</sup>	Asset Value Loss
All Park	Plaza style open space, high level of specification	Full replacement of park in year 20 & year 40. Ongoing maintenance costs estimated at 3% of install costs	-\$6.3M <sup>2</sup>	\$9M
Sale of Site (full redevelopment potential)	Sell entire site, no control of outcome other than through Statutory approval process	\$9M-\$10M + GST	\$9.1M + rates income	\$9.1M
Ground Lease	Ground lease of land only Not suitable for all uses	\$500K + GST per annum	\$15.3M + rates income	Nil – Ownership Retained
Park (30%) Sell (70%)	Landscape 30% of site, Park, or wide access way Sell remaining 70% (reduced development potential)	\$4.5M-\$5M + GST <sup>3</sup>	\$2.6M + GST <sup>3</sup> + rates income	\$9.07M
Park (30%) Ground Lease (70%)	Landscape 30% of site, Park, or wide access way Ground lease remaining 70% (reduced development potential) Not suitable for all uses	\$250K-\$300K +GST <sup>3</sup> per annum	\$5.5M + rates income	\$9.07M
Park (70%) Sell (30%)	Landscape 70% of site. Sell remaining 30%	\$930K -\$1M + GST <sup>3</sup> for land Full replacement of park in year 20 & year 40. Ongoing maintenance costs estimated at 3% of install costs	-\$3.2M + GST + rates income	\$9.03M

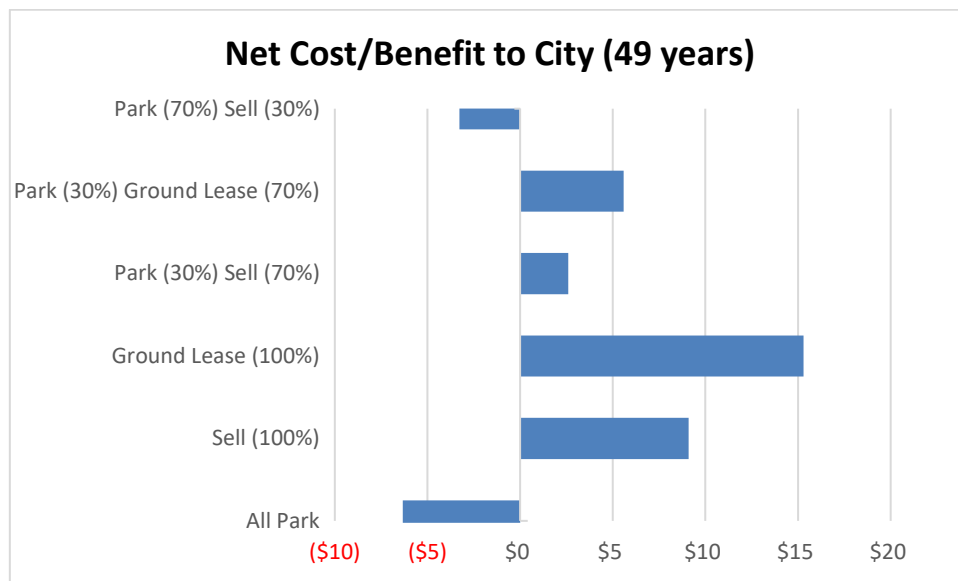
<sup>1</sup>CPI – 2.5% average and discount rate of 4.5%

<sup>2</sup>excludes loss of rates income

<sup>3</sup>bonus height land area not met

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

The long-term costs and benefits of different options for the site are described more simply in the following graph. The graph notes the conversion of the site to a park results in ongoing negative financial impact to the City, in comparison to the options involving development on the site which provide a financial benefit. The chart is for high level comparative purposes only. The depicted benefit or loss is in today's dollars only. Benefits such as rates uplift, investment potential of income, inflation, and value of the asset at the conclusion of a lease period are excluded. Loss of asset value under the park options, opportunity cost of future revenue and rates and associated economic benefits and uplift are not included. It is emphasized the comparisons are provided as a guide only.



Key conclusions from the investigation include the following:

- Conversion of the subject property to parkland would provide amenity to the locality, although the size, shape, orientation, and limited street frontage are not well suited to public open space.
- Use of the subject property for revenue generating activities has potential to provide substantial income to the City which could be used for various purposes including provision of additional products and services across the City, acquisition of additional open space, reduction in rates. Analysis also notes the wider economic benefits of a development on the subject property including economic benefits during construction phase, rates income and ongoing economic benefits to the precinct resulting from staff and residents on site.
- Similarly, sale of the subject site would realise substantial funds which could be allocated to purposes such as products and services across the City, used to acquire alternative open space, reduction in rates etc.
- A number of hybrid options exist to use portion of the site for open space and portion for development. These options provide a range of revenue scenarios which could offset/exceed costs associated with park development and maintenance.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

- The review of the CBACP presents opportunities to require developers to contribute (through community benefits and/or direct contributions) to new public open space in the precinct. The approach enables the revenue potential of the City's strategic land holdings (acquired through community funds) to be preserved, whilst requiring additional open space demands to be met by developers. In addition to preserving community financial assets, the approach provides flexibility for acquisition of new public open space in more suitable locations. Conversion of existing City owned land to open space may appear to be a simple resolution to respond to open space needs. However, investigations demonstrate that alternative approaches are available and that these alternative approaches have ability to meet POS needs whilst achieving significantly better amenity and financial outcomes for the community.
- A public engagement phase is recommended as part of any consideration of alternative options for the subject property, to provide all stakeholders with opportunity to be involved in the process and in recognition of the significance of the site.
- Options analysis demonstrates that the use of the subject property for revenue generation purposes will enable the objective of providing additional equivalent open space in the CBACP to be achieved, whilst maintaining the long-term financial benefits for the City. Conversion of the site to a park achieves a similar POS outcome but without the long-term financial benefit to ratepayers.
- Consideration of options such as rezoning/converting the subject property to POS ahead of a conclusion to the review of the CBACP is considered premature and introduces a range of financial and procedural implications.

It is recommended that this report be received by Council.

*At 7:33pm Cr Spanbroek left the meeting and returned at 7:38pm.*

**OFFICER RECOMMENDATION (3993)**

**NOTING**

At 7:34pm Cr Robins moved, seconded Cr Edinger –

**That the Council:**

1. **Notes the Officer's Report has responded to the instructions stemming from Council Resolution Item 16.1 Motion with Notice – Mount Pleasant Senior Citizens Site Being Public Open Space - at the Ordinary Meeting of Council held 15 March 2022;**
2. **Notes and carefully considers the options analysis for the site detailed in the Report, including the future long term financial implications for the City and its ratepayers in relation to each option for the site; and**
3. **Notes that the Officer's advice is that Council should only consider implementing a change of use for the site to Public Open Space (POS) or Community use, after the CBACP Review has been completed and the recommendations from that Review have been adopted by the Council.**
4. **Notes that in accordance with point 3 above, a response to the petitions received regarding the future of the former Mount Pleasant Senior Citizens site be held over until the conclusion of the CBACP review process.**



**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**Procedural Motion**

At 7:36pm Cr Mair moved, seconded Cr Ross –

**That the item be deferred until Ordinary Meeting of Council in March 2023.**

At 7:41pm the Presiding Member declared the motion

**LOST (5/6)**

<b>Yes</b>	<b>5</b>	Cr Ross, Cr Barber, Cr Edinger, Cr Sandford, Cr Mair
<b>No</b>	<b>6</b>	Cr Pazolli, Cr Spanbroek, Cr Wheatland, Cr Woodall, Cr Robins, Cr Fitzgerald

**Amendment**

At 7:39pm Cr Woodall moved, seconded Cr Pazolli –

**That the Council amend Officer Recommendation 3993 by inserting additional recommendations 5, 6 and 7 as follows:**

- 5. Acknowledges its intention to provide additional public open space in the CBACP following the conclusion of the CBACP review process.**
- 6. That identified sites are subject to environmental assessment.**
- 7. Directs the Chief Executive Officer to continue investigations into appropriate locations for public open space in the CBACP, with the findings of such investigations to be presented to Elected Members before the end of March 2023.**

At 7:53pm, during discussion and debate, the mover and seconder consented to amending Point 5 with replacing of the word “intention” to “commitment” to read

*“Acknowledges its commitment to provide additional public open space in the CBACP following the conclusion of the CBACP review process.”*

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**Amendment**

**COUNCIL RESOLUTION**

At 7:39pm Cr Woodall moved, seconded Cr Pazolli –

**That the Council amend Officer Recommendation 3993 by inserting additional recommendations 5, 6 and 7 as follows:**

- 5. Acknowledges its commitment to provide additional public open space in the CBACP following the conclusion of the CBACP review process.**
- 6. That identified sites are subject to environmental assessment.**
- 7. Directs the Chief Executive Officer to continue investigations into appropriate locations for public open space in the CBACP, with the findings of such investigations to be presented to Elected Members before the end of March 2023.**

At 8:05pm the Presiding Member declared the motion

**CARRIED (8/3)**

<b>Yes</b>	<b>8</b>	Cr Pazolli, Cr Fitzgerald, Cr Spanbroek, Cr Wheatland, Cr Woodall, Cr Robins, Cr Barber, Cr Mair
<b>No</b>	<b>3</b>	Cr Ross, Cr Edinger, Cr Sandford

*At 7:55pm Mr Ferris electronically disconnected from the meeting and did not return.*

*At 7:56pm Cr Barber left the meeting and returned at 7:59pm.*

**Reasons as provided by Cr Woodall**

1. The petition to Council demonstrates that there is strong community support and desire for more public open space in the CBACP area. This amendment is intended to demonstrate the Council's commitment to providing appropriate and affordable public open space in the area following the conclusion of the CBACP review.
2. It is important that a thorough and considered process is followed to identify preferred locations for public open space in this area. There are a number of factors to consider including lot size, location & proximity to residents, lot value, overshadowing and parking availability amongst others. Given the value of property in the area, it is important that the selected site provides the best value for money and greatest use to the community.
3. There are a range of mechanisms that could be used to provide additional public open space in the CBACP. This includes developer provided POS under the new CBACP, a developer contribution scheme, using existing Council landholdings, purchasing additional land or a combination of developer provided POS and Council land. There are various costs and benefits associated with each of these options requiring further analysis and investigation. In my view it is preferable to require developers to provide additional POS in the area, rather than forcing ratepayers across the City to fund it.

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

*Reasons provided by Cr Woodall, continued*

4. The council is also seeking further information to ensure alignment between any decision on public open space takes account of the council's relevant environmental policies.
5. In summary, this amendment addresses community concerns by demonstrating our commitment to providing appropriately located public open space in the CBACP, following detailed and considered investigation and analysis as part of the CBACP review process.

**Substantive Motion as Amended**

At 7:34pm Cr Robins moved, seconded Cr Edinger –

**That the Council:**

1. **Notes the Officer's Report has responded to the instructions stemming from Council Resolution Item 16.1 Motion with Notice – Mount Pleasant Senior Citizens Site Being Public Open Space - at the Ordinary Meeting of Council held 15 March 2022;**
2. **Notes and carefully considers the options analysis for the site detailed in the Report, including the future long term financial implications for the City and its ratepayers in relation to each option for the site; and**
3. **Notes that the Officer's advice is that Council should only consider implementing a change of use for the site to Public Open Space (POS) or Community use, after the CBACP Review has been completed and the recommendations from that Review have been adopted by the Council.**
4. **Notes that in accordance with point 3 above, a response to the petitions received regarding the future of the former Mount Pleasant Senior Citizens site be held over until the conclusion of the CBACP review process.**
5. **Acknowledges its intention to provide additional public open space in the CBACP following the conclusion of the CBACP review process.**
6. **That identified sites are subject to environmental assessment.**
7. **Directs the Chief Executive Officer to continue investigations into appropriate locations for public open space in the CBACP, with the findings of such investigations to be presented to Elected Members before the end of March 2023.**

**UP22/3993 – 13 THE ESPLANADE / 64 KISHORN ROAD, MOUNT PLEASANT FUTURE  
OPTIONS REPORT (REC) (ATTACHMENT)**

**Amendment**

**COUNCIL RESOLUTION**

At 8:05pm Cr Sandford moved, seconded Cr Edinger –

**To Amend Point 4 by deleting the words “until the conclusion of the CBACP review process.”  
And replacing with the words “the March 2023 Ordinary Meeting of Council.”**

At 8:21pm, the Presiding Member declared the motion

**CARRIED (6/5)**

<b>Yes</b>	<b>6</b>	Cr Ross, Cr Barber, Cr Edinger, Cr Spanbroek, Cr Fitzgerald, Cr Sandford
<b>No</b>	<b>5</b>	Cr Pazolli, Cr Wheatland, Cr Woodall, Cr Robins, Cr Mair

*At 8:08pm Cr Woodall left the meeting and returned at 8:10pm*

**Substantive Motion as Amended**

**COUNCIL RESOLUTION**

At 7:34pm Cr Robins moved, seconded Cr Edinger –

**That the Council:**

- 1. Notes the Officer’s Report has responded to the instructions stemming from Council Resolution Item 16.1 Motion with Notice – Mount Pleasant Senior Citizens Site Being Public Open Space - at the Ordinary Meeting of Council held 15 March 2022;**
- 2. Notes and carefully considers the options analysis for the site detailed in the Report, including the future long term financial implications for the City and its ratepayers in relation to each option for the site; and**
- 3. Notes that the Officer’s advice is that Council should only consider implementing a change of use for the site to Public Open Space (POS) or Community use, after the CBACP Review has been completed and the recommendations from that Review have been adopted by the Council.**
- 4. Notes that in accordance with point 3 above, a response to the petitions received regarding the future of the former Mount Pleasant Senior Citizens site be held over to the March 2023 Ordinary Meeting of Council.**
- 5. Acknowledges its commitment to provide additional public open space in the CBACP following the conclusion of the CBACP review process.**
- 6. That identified sites are subject to environmental assessment.**
- 7. Directs the Chief Executive Officer to continue investigations into appropriate locations for public open space in the CBACP, with the findings of such investigations to be presented to Elected Members before the end of March 2023.**

At 8:22pm, the Presiding Member declared the motion

**CARRIED UNANIMOUSLY (11/0)**

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

Ward : All  
 Category : Operational  
 Application Number : Not Applicable  
 Property : Not Applicable  
 Proposal : Not Applicable  
 Applicant : Not Applicable  
 Owner : Not Applicable  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.  
 Previous Items : Item 16.1 Policy for Major Development Construction Management Plans - Ordinary Council Meeting held 18 May 2021  
 Item P22/3982 – New Policy Local Planning Policy 1.22 Construction Management Plans – Ordinary Meeting of Council held 17 May 2022  
 Responsible Officer : Peter Prendergast  
 Manager Statutory Planning

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><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></b>
<input type="checkbox"/>	Legislative	<i>Includes adopting local laws, town planning schemes &amp; 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>

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

**KEY ISSUES / SUMMARY**

- In May 2021, Council resolved to require the preparation of a Local Planning Policy to guide the management of the construction process.
- In response to this resolution, City officers reviewed various examples of construction management policies across the Perth Metropolitan area and more broadly.
- At the May 2022, Ordinary Council Meeting draft Local Planning Policy 1.22 Construction Management Plan (LPP1.22) was endorsed for advertising by Council.
- Advertising of LPP1.22 took place between 16 June and 8 July 2022
- The advertising included a direct email to builders and developers, an advertisement in the newspaper, social media and information on Melville Talks.
- A total of six submissions were received.
- The submissions are all supportive of the proposed draft policy however, they suggest modifications to further improve how it will operate.
- It is recommended that LPP1.22 be adopted by Council and an advertisement placed in the local newspaper as required by the *Planning and Development (Local Planning Schemes) Regulations 2015* (the Regulations).

**BACKGROUND**

The City has a standard condition which requires the submission of a construction management plan prior to the commencement of development. This condition is generally applied to major developments or where there is a particular site constraint such as access being from a higher order road. This condition has been applied for several years. The standard condition covers a range of matters including hours of operation, traffic management, parking arrangements, deliveries, and storage of materials.

At the Ordinary Council Meeting (OMC) held on 18 May 2021 Council resolved to request that the Chief Executive Officer prepare a local planning policy on construction management plans.

Draft Local Planning Policy 1.22 Construction Management Plans was presented to the Council for its consideration at the May 2022 OMC. At this meeting Council resolved to endorse the draft local planning policy for advertising.

**Scheme Provisions**

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

**Site Details**

Lot Area	: N/A
Street Tree(s)	: N/A
Street Furniture (drainage pits etc.)	: N/A
Site Details	: N/A

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

**DETAIL**

The report to the May OCM provides a detailed description of the key components of draft LPP 1.22 Construction Management Plans including its objectives, scope and the key policy clauses.

For ease of reference, the objectives of LPP1.22 are:

- to minimise the impact that construction activity has on the surrounding community.
- to provide clear guidance on the information to be provided in a construction management plan.
- to ensure clear communication and effective complaints management.
- to protect City assets.

As noted in the stakeholder engagement section below, all of the submissions received were supportive of the proposed LPP1.22. Some of the submissions raise suggestions on how the policy could be improved.

A response to these submissions is contained in the sections below. One of the responses is particularly detailed and some changes to the policy are proposed in response to this.

Attached are two copies of the Local Planning Policy. One is the version finalised after consideration of the changes brought about after consultation, and the other is the previous version including highlighted, the changes that have been made to the policy since it was the subject of advertising after the May OMC. A tracked change version of the policy is not available.

[4003 Local Planning Policy 1-22 Construction Management Plans](#)

[4003 Construction Management Plan Pro Forma](#)

[LPP 1.22 Construction Management Plan showing changes](#)

**STAKEHOLDER ENGAGEMENT**

Advertising Required:	Yes
Reason:	As per the provisions of the Regulations.
Support/Object:	See table below. Submissions received in support with suggestions.

**I. COMMUNITY**

Advertising of this draft included a direct email to builders and developers, an advertisement in the newspaper, posts on social media and information on Melville Talks. Five submissions were received during the advertising period all in support of the LPP.

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

<b>Summary of Submission</b>	<b>Officer's Comment</b>	<b>Action</b>
Supportive of the environmental management aspects of the policy.	Noted	None required.
Concerns that the policy is not sufficiently detailed which could lead to issues with enforcement.	LPP 1.22 provides an overview of the information to be submitted by the applicant with a CMP. The detailed plans will be prepared by suitably qualified people and reviewed by City officers prior to the CMP being approved.	No changes to the policy are required in response to this submission.
Proper management car parking associated with construction will be an improvement.	Noted	None required.
There are multiple issues associated with construction including physical threats, vibration, noise, rubbish and poor parking. More monitoring of construction activity is required particularly in residential streets.	One of the objectives of LPP 1.22 is to minimise the impact of construction in relation to major developments.  It is not proposed to require CMP's for all residential development.	None required.
The creation of the policy is an important step	Noted	None required.
The policy should be circulated by Council to surrounding residents for feedback prior to approval	LPP 1.22 required stakeholder engagement by the developer prior to submitting the CMP to the City for approval. Evidence that this has been done should be submitted with the CMP.	None required.
The approved CMP and supporting documents should be made publicly available on the City's website.	This is covered in the draft document under the header of compliance.	The LPP is proposed to be modified to state supporting documents will also be published.
The policy should have a greater emphasis on resident amenity and assets.	This is noted and a reference to resident amenity has been inserted into the objectives.	Refer to change in LPP.
Given many construction projects span a number of years for large scale projects the onus should be on the developer to either update the CMP to reflect any changes or to review and update annually.	Noted, the draft LPP 1.22 contains provisions relating to staging of the development. It also contains provisions relating to stakeholder engagement.	The LPP will be modified to provide further emphasis on the need to keep stakeholders updated through the construction process including when the CMP is updated.



**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

<b>Summary of Submission</b>	<b>Officer's Comment</b>	<b>Action</b>
Dilapidation reports are a useful point in time statements that enable both the Developer, City and property owners to understand the state of the respective assets. A CMP should identify the extent (geographically) that the dilapidations reports will cover.	Noted. Identification of the relevant properties is useful.	Refer updated LPP.
Support the use of gantries as a preferred position as it enables ongoing pedestrian access and minimises the impact on residents and users. Where footpaths are closed the CMP should detail what provision is to be made for people using mobility aids and how the changed access will be proactively managed.	The traffic and pedestrian management plan submitted with the CMP will cover this level of detail.	No changes required.
The CMP should also address how the developer proposes to manage ramping for deliveries. A CMP should identify how this will be managed and contacts to deal with immediate issues around material deliveries impacting residents	Detailed delivery management information is required to be provided. A complaint register is also required.	A further dot point has been included in the document to require consideration of adequate time between delivery vehicles to prevent ramping.
The matter of lighting should be addressed in the CMP. Most construction projects will require to be lit for 24/7 for security and safety purposes. The CMP should provide for how the and where the lighting is to be placed and how it will be managed so as to not affect surrounding residents e.g. lights mounted on cranes.	Noted	The environmental management clause has been updated to refer to lighting.

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

Summary of Submission	Officer's Comment	Action
Dewatering plans should also provide for the management of noise and smell. Many dewatering plants will be operating for long period 24/7 and this should be addressed by a CMP	Noted.	Addition detail has been included in the LPP
Many sites require lighting on cranes for security and safety purposes. This is accepted however the CMP should outline how light spill will be minimised to surrounding residents and properties	Noted	The environmental management clause has been updated to refer to lighting.
Project timings can slip. Should the CMP for a project development have a time frame that covers the planned period of construction and completion of remediation and site works.? Logically a CMP should not be open ended. Inclusion of a high construction timetable would be useful and consideration given to approving a CMP for a period of time.	Noted	As detailed above, the LPP will be modified to provide further emphasis on the need to keep stakeholders updated through the construction process including when the CMP is updated.
A developer and likely current landowner should also be responsible for the preparation management and governance of the CMP.	Noted.	Refer revised LPP for clarification.
The LPP and pro-forma should make reference to the significant river foreshore frontages and the impacts construction may have on the river system.	Noted	Refer revised LPP for modified objectives.
It is recommended additional information be provided in the LPP that references <i>Policy Statement No. 50 – Planning for Dewatering Affecting the Swan Canning Development Control Area</i> .	Noted	Refer revised LPP for which provides this reference.

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

**II. OTHER AGENCIES / CONSULTANTS**

The Department of Biodiversity, Conservation and Attractions (DBCA) provided a submission on the Draft CMP. A summary of their response is included in the table above. The DBCA is supportive of the draft CMP however has suggested a stronger focus on the river and surrounding environment. These comments have been taken into account in the revised LPP.

**STATUTORY AND LEGAL IMPLICATIONS**

Under the provisions of the Planning and Development (Local Planning Regulations) 2015 a Local Planning Policy may cover a range of matters as long as it is based on sound town planning principles.

The proposed LPP1.22 has been prepared having regard to sound town planning principles and therefore should be given due regard by a decision maker.

**FINANCIAL IMPLICATIONS**

In the last 12 months the City has increased its planning and building compliance staffing via the appointment of two new compliance officers and a building compliance coordinator. The adoption of the subject Local Planning Policy will need to be matched by appropriate further compliance resourcing, the level of which is the subject of a current review.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

There are no strategic, risk or environmental management implications associated with this matter other than those identified elsewhere in this report.

**POLICY IMPLICATIONS**

Once this policy is adopted it will become part of the local planning framework and will be given due regard during the assessment process.

**COMMENT**

Not applicable.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Elected Members may resolve not to proceed with the final adoption of the policy or alternatively make modifications to the LPP. Any amendments should be based on sound planning principles. Depending on the type of modifications proposed, the LPP may need to be re-advertised prior to being finally endorsed.

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

**CONCLUSION**

LPP1.22 has been prepared taking into account construction management policies across the Perth metropolitan area and the eastern states. It has been advertised in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015*, and the submissions received are generally supportive. The modifications made in response to the submissions strengthen the document and due to their minor nature do not require any further advertising.

**OFFICER RECOMMENDATION (4003)**

**APPROVAL**

At 8:24pm Cr Barber moved, seconded Cr Wheatland –

**That the Council:**

1. **Adopts the new [Local Planning Policy 1.22 Construction Management Plans with modification](#)**
2. **Publish a notification in the local newspaper as required by the *Planning and Development (Local Planning Schemes) Regulations*.**

**Amendment**

At 8:26pm Cr Pazolli moved, seconded Cr Woodall –

**That the Council amends the draft Local Planning Policy by inserting the following sentence at the end of the second dot point of Clause 3(d) Parking provisions for worksite personnel:**

***“Where there are no off-site or off-public street parking arrangements proposed, the City may require that the developer to pay the City to provide their construction workforce with access to an appropriate number of parking bays in City public carparks (as determined to be appropriate by the City).”***

**UP22/4003 – NEW LOCAL PLANNING POLICY 1.22 CONSTRUCTION MANAGEMENT PLANS  
(REC) (ATTACHMENT)**

**Procedural Motion**

**COUNCIL RESOLUTION**

At 8:26pm Cr Sandford moved, Seconded Cr Mair –

**That the Item be deferred to an Elected Member Engagement Session for discussion and brought back to the 15 November 2022 Ordinary Meeting of Council.**

At 8:32pm the Presiding Member declared the motion

**CARRIED (7/4)**

<b>Yes</b>	<b>7</b>	Cr Ross, Cr Barber, Cr Edinger, Cr Spanbroek, Cr Fitzgerald, Cr Sandford, Cr Wheatland
<b>No</b>	<b>4</b>	Cr Pazolli, Cr Woodall, Cr Robins, Cr Mair

**Reasons for the Motion as provided by Cr Sandford**

1. The community have long complained about the negative impacts of large construction projects, particularly those of long duration, and multiple concurrent projects, on their amenity, safety and property rights.
2. Feedback from the community indicates they would like to see the City take a stronger and more proactive role in harm minimization, rather than mere reliance upon the goodwill of builders.
3. To allow Council time to obtain further advice, and consider the modifications to LPP 1.22 in more detail

## 15 MOTIONS WITH PREVIOUS NOTICE

*At 8:32pm Cr Wheatland left the meeting and returned at 8:33pm.*

### 15.1 Council Chamber Video Coverage

#### COUNCIL RESOLUTION

At 8:31pm Cr Ross moved, seconded Cr Edinger –

**Council requests the CEO to prepare a report to Council on the viability, cost and timeframe to implement:**

- 1. Livestreaming of Council Meetings and making the recordings available as a public archive in accordance with Minister Carey's proposed reforms to the Local Government Act to mandate livestreaming and maintaining a public archive;**
- 2. Whether the livestreaming video and audio coverage would include the public gallery and City of Melville employees in the Council chamber;**
- 3. Alternatively, the use of currently installed video only CCTV to monitor the public gallery and City of Melville employees in the Council chamber and the storage of the CCTV recordings also as a public archive.**

At 8:42pm the Presiding Member declared the motion

**CARRIED (7/4)**

<b>Yes</b>	<b>7</b>	Cr Ross, Cr Barber, Cr Edinger, Cr Spanbroek, Cr Sandford, Cr Mair, Cr Woodall
<b>No</b>	<b>4</b>	Cr Pazolli, Cr Robins, Cr Wheatland, Cr Fitzgerald

#### **Reasons for the Motion with Notice as provided by Cr Ross**

1. The City of Melville is responsible for the health and safety of visitors, employees and Elected Members. Recent incidents in the Council Chamber have caused stress and anxiety to visitors, employees and Elected Members and video recordings or CCTV would have clarified disagreement on what had occurred.
2. The Minister's proposed changes are designed to improve transparency, accountability and efficiency and address issues relating to behaviours and decisions at meetings which constitute a large proportion of complaints about councils.
3. The City of Belmont has almost 500 CCTV cameras on the streets of the City with license plate recognition and WA Police have had success using the information to find stolen motor vehicles and prosecute offenders.
4. Privacy is not an issue provided that appropriate signs are displayed advising of the surveillance measures.

## 15.2 Decibel Monitoring Devices in Public Venues

### COUNCIL RESOLUTION

At 8:43pm Cr Ross moved, seconded Cr Sandford –

**Council requests the CEO to prepare a report to Council on the feasibility and power or authority of the City to include a planning condition requiring that all public entertainment venues, including Hotels, Clubs and Child Care Centres be fitted with a decibel monitoring device or devices that would control the sound levels of entertainment equipment to appropriate or prescribed levels.**

At 8:53pm the Presiding Member declared the motion

**CARRIED (8/3)**

<b>Yes</b>	<b>8</b>	Cr Ross, Cr Barber, Cr Edinger, Cr Spanbroek, Cr Sandford, Cr Wheatland, Cr Mair, Cr Pazolli
<b>No</b>	<b>3</b>	Cr Woodall, Cr Robins, Cr Fitzgerald

### Reasons for the Motion with Notice as provided by Cr Ross

1. Noise pollution is a health and safety issue and the City has a responsibility to manage the issue.
2. As density increases there is likely to be more noise complaints against public entertainment venues. Self regulating equipment such as decibel monitors are a preventative mechanism that would reduce the number of complaints and the costs to the City of dealing with complaints.
3. High density living has a number of adverse impacts and noise control is one of those disadvantages for residents. Ensuring acoustic insulation and noise control is good planning in maintaining the health and wellbeing of residents of the City.

### 15.3 Property Developer Policy and Register

#### **COUNCIL RESOLUTION**

At 8:54pm Cr Pazolli moved, seconded Cr Ross –

**That the Council directs the Chief Executive Officer to prepare draft Council policies for Council's discussion at an EMES / workshop followed by consideration & adoption at or before the March 2023 Ordinary Meeting of Council, that provides policy guidelines for Elected Members and all staff (and Planning Staff in particular) for the management and registration of all Elected Member and staff contacts with Property Developers involved in or likely to be involved in property developments within the City of Melville. The policy shall define EM / staff duties, responsibilities and recording of such contacts.**

At 9:00pm the Presiding Member declared the motion

**CARRIED UNANIMOUSLY (11/0)**

*At 8:56pm Ms Reid left the meeting and returned after the meeting closure.*

#### **Reasons as provided by Cr Pazolli**

1. Applicants, objectors and members of the community must have trust in Council Members' ability to make decisions free of influence or the perception of influence, particularly in respect of town planning and development decisions.
2. Contact with developers is a normal and necessary function of the role of a Council Member and duties of planning staff. However, the nature and frequency of that contact can sometimes lead to allegations or perceptions of bias, influence or even corruption being made towards Council Members / staff. Implementing transparent decision-making processes and registration of such contacts can reduce opportunities for such allegations or perceptions to be raised.
3. Refer to Town of Cambridge [Council Policy 033](#) and [Council Policy 039](#) as examples of such policies.



**16 MOTIONS WITHOUT PREVIOUS NOTICE (approval by absolute majority)**

Nil.

**17 MATTERS FOR WHICH MEETING WAS CLOSED TO THE PUBLIC**

Nil.

**18 DECISIONS MADE WHILE MEETING WAS CLOSED TO THE PUBLIC**

Nil.

**19 CLOSURE**

There being no further business to discuss, the Presiding Member confirmed that Cr Pazolli was still in attendance electronically and closed the meeting at 9:03pm.