



— *City of* —
Melville

MINUTES

OF THE

ORDINARY MEETING OF THE COUNCIL

HELD ON

15 MAY 2007

DISCLAIMER:

The City of Melville disclaims any liability for any loss arising from any person or body relying on any statement, discussion, recommendation or decision made during this meeting.

Where an application for an approval, a licence, or the like is considered or determined during this meeting, the City of Melville warns that neither the applicant nor any other person or body should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it or the refusal of the application has been issued by the City.

DISTRIBUTED: 18 MAY 2007



MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBERS, MELVILLE CIVIC CENTRE, 10 ALMONDBURY ROAD, BOORAGOON, COMMENCING AT 6.40PM ON TUESDAY, 15 MAY 2007.

1. PRESENT

Her Worship the Mayor, Katherine Jackson JP

COUNCILLORS

Cr D J Macphail (Deputy Mayor)
Cr A Ceniviva
Cr C W Robartson; Cr R A Aubrey
Cr P M Phelan; Cr C M Halton
Cr L J Wyatt
Cr J R Bennett; Cr L M Reynolds
Cr H R Everett, Cr J Phillips

WARD

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

2. IN ATTENDANCE

E Lumsden PSM
A McAllister

M Tieleman
R G C Willis

K Davis
B Taylor

K Weymes

M Ridgwell
R Dougall

POSITION TITLE

Chief Executive Officer
Director Strategic Community
Development
Director Customer & Corporate Services
Director Technical & Development
Services
A/Director Strategic Urban Planning
Manager Information & Corporate
Support
Manager Planning & Development
Services
Property & Corporate Support Manager
Minutes Secretary

At the commencement of the Meeting there were 6 people present in the Public Gallery and there were 2 people present in the Press Gallery.

3. APOLOGIES AND APPROVED LEAVE OF ABSENCE

Cr M J Barton

4. PUBLIC QUESTION TIME

Mr J Addvalue of Applecross

- “1. *The Council can spend half a session seeking a sensible compromise to allow the building of a patio for a caravan. Good work. Will the Council address more urgently long standing problems, especially affecting sub-division rights, where these rights were negated by the Council? Will my triangular street block be given a higher priority for consideration for rezoning to allow subdivision?*”

The Manager Planning and Development Services, Mr Keith Weymes responded:

The Council is in the process of reviewing Community Planning Scheme No 5 and the zonings and the Rcodes shown on the Scheme Maps. It is expected that the consultation stage of the process will commence prior to the end of this year.

- “2. *What are the arrangements for the use and the maintenance of the tennis courts at the Jack Howson Reserve? Will the Council (a) repair the fences at that complex and (b) provide a bitumen overlay for the playing surface on which the tennis practice will stands? The present surface is very rough and therefore hard on balls, shoes and racquets. The wall also needs some repair.*

Does the Applecross Primary School or any other organisation use the tennis courts on a regular basis? Will the Council promote the use of the facilities at the Reserve?”

- “3. *The tennis practice wall and playing surface which formally occupied a space on the riverside of the Applecross Tennis Club was demolished to make way for a children’s playground or extended Club Premises. Will the Council provide a public tennis practice wall and player surface in that general area, perhaps desirably near the Western Fence of the Club?*”

The Director of Technical & Development Services, Mr Robert Willis responded:

These questions need researching and that a response to both Mr Addvalue and Elected Members will be prepared as soon as the information becomes available.

Mr S Whisson of Kardinya

- “1. *In view of the latest reports of hoons speeding along South Street is there any plans to reduce the speed limit from 70km/h to 60km/h along South Street through Melville?*”

The Director of Technical & Development Services, Mr Robert Willis responded:

There are no plans to reduce the speed limit on South Street which functions as an important network road linking regions. The Main Roads WA is the Government Authority that determines the speed limit of roads.

5. AWARDS AND PRESENTATIONS

A record of functions attend by the Mayor, and Elected Members representing the Mayor for the Council, for the period 17 April 2007 to 14 May 2007, forms an attachment to the Minutes of the Meeting.

[Mayoral Representation May 2007.pdf](#)

At 6.45pm Cr J R Bennett moved, seconded Cr C Halton -

THAT THE RECORD OF FUNCTIONS ATTENDED BY THE MAYOR, AND ELECTED MEMBERS REPRESENTING THE MAYOR ON BEHALF OF THE COUNCIL, FOR THE PERIOD 17 APRIL 2007 TO 14 MAY 2007, BE NOTED.

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

CARRIED WITHOUT DISSENT (12/0)

6. CONFIRMATION OF MINUTES

6.1 NOTES OF THE AGENDA FORUM – 3 APRIL 2007

At 6.45pm Cr J Philips moved, seconded Cr C Aubrey -

THAT THE NOTES OF THE AGENDA FORUM HELD ON TUESDAY, 1 MAY 2007 BE CONFIRMED.

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

CARRIED WITHOUT DISSENT (12/0)

6.2 ORDINARY MEETING OF THE COUNCIL - 17 APRIL 2007

At 6.46pm Cr L M Reynolds moved, seconded Cr C Robartson, -

THAT THE MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD ON TUESDAY, 17 APRIL 2007 BE CONFIRMED.

At 6.46pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (12/0)

DISCLOSURE OF FINANCIAL INTERESTS LOCAL GOVERNMENT ACT 1995

Members' interests in matters to be discussed at meetings to be disclosed

S.5.65 (1) A member who as an interest in any matter to be discussed at a Council or Committee meeting that will be attended by the member must disclose the nature of the interest -

- (a) in a written notice given to the Chief Executive Officer before the meeting; or
- (b) at the meeting immediately before the matter is discussed.

Penalty: \$10,000 or imprisonment for 2 years.

Meeting to be informed of disclosures

S.5.66 If a member has disclosed an interest in a written notice given to the Chief Executive Officer before a meeting then before the meeting -

- (a) the Chief Executive Officer is to cause the notice to be given to the person who is to preside at the meeting; and
- (b) the person who is to preside at the meeting is to bring the notice to the attention of the persons who attend the meeting.

Disclosing members not to participate in meetings

S.5.67 A member who makes a disclosure under Section 5.65 must not -

- (a) preside at the part of the meeting relating to the matter; or
- (b) participate in, or be present during, any discussion or decision making procedure relating to the matter,

unless, and to the extent that, the disclosing member is allowed to do so under Section 5.68 or 5.69.

Penalty: \$10,000 or imprisonment for 2 years.

Please refer to your Handbook for definitions of interests and other detail.

7. DISCLOSURES OF INTEREST

Nil.

8. APPLICATIONS FOR NEW LEAVES OF ABSENCE

Cr R Aubrey
Cr P M Phelan

9. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil.

10. PETITIONS

10.1 *On Monday, 23 April 2007 a petition bearing 37 signatures was received at the City of Melville Civic Centre which reads as follows:*

“We the undersigned, all being Electors of the City of Melville, respectfully request that you reject in its entirety the application for construction of a mixed use development at 15 Tweeddale Road, Applecross.

We are essentially residents of Tweeddale Road (east end). Having viewed the plans and layout of the Development Application we wish to note our strong objection to the application proceeding for the following reasons:

The building is not in harmony with the residences in the area (with one unfortunate exception) and therefore detracts from the ambience of the area.

We believed it was not the intention to allow mixed use development in the street.

The plot ratio is well in excess of the allowance of the plot allowed.

The area designated for landscaping is considerably less than that required by the code.

The setbacks from adjoining boundaries have been compromised.

10. PETITIONS (continued)

In addition to the normal residential traffic, a mixed use development will create additional congestion in this area and potentially jeopardise pedestrian safety in the locality.

It will erode the quality of the urban fabric.

Finally we request that no future development be considered on the south side of the street until a decision on amendment No. 35 has been finalised.

At 6.47pm Cr J Phillips moved, seconded Cr H R Everett -

THAT THE PETITION BEARING 37 SIGNATURES BE RECEIVED AND CONSIDERED IN CONJUNCTION WITH ITEM P07/3010 APPEARING ON PAGES OF THE REPORTS OF OFFICERS.

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

CARRIED WITHOUT DISSENT (12/0)

10.2 On Thursday, 3 May 2007 a petition bearing 199 signatures was received from the St Ives Retirement Village. The petition reads as follows:

"We the undersigned wish to notify our strong objection to the planned positioning of a public access way from Windelya Road to the Murdoch University playing fields which will effectively divide the existing village from the units and facilities to be created in the planned Stage 10 of the St Ives Murdoch development.

The fenced public access way constructed in the planned location will:

- 1) Divide the village rendering free movement of residents to units and facilities impossible;*
- 2) Create an unnecessary security risk and anxiety for residents;*
- 3) Create concerns for privacy and have a detrimental effect on residents' right to quite and uninterrupted enjoyment of their village and its facilities.*

The proposed location of the public access way cannot be justified in any way as it fails in every sense of sound planning and retention of stakeholders amenity.

As an alternative location, we propose that a permanent public access way be created to the playing fields by construction of a multi use footpath way utilizing the existing pathway on Windelya Road through Council's Norm Godfrey Reserve and close to the University boundary along Farrington Road.

We request you refer these concerns to those undertaking the planning process and take whatever action necessary to remedy this situation."

10. PETITIONS (continued)

At 6.47pm Cr L M Reynolds moved, seconded Cr J R Bennett -

THAT THE PETITION BEARING 199 SIGNATURES BE NOTED AND A REPORT BE PRESENTED TO A FUTURE COUNCIL MEETING.

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

CARRIED WITHOUT DISSENT (12/0)

11. REPORTS OF COMMITTEES

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE - 6 MARCH 2007

C07/001 - CONSIDERATION OF DRAFT FINANCIAL MANAGEMENT POLICIES (REC) (ATTACHMENT)

Ward	:	All
Category	:	Policy
Subject Index	:	Corporate Policy
Customer Index	:	Nil
Disclosure of Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter
Previous Items	:	Nil
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Marten Tieleman Director Customer & Corporate Services

AUTHORITY / DISCRETION

	<u>Definition</u>
<input type="checkbox"/> Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/> Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets</i>
<input checked="" type="checkbox"/> Legislative	<i>includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/> Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/> Quasi-Judicial	<i>when 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>

**C07/001 - CONSIDERATION OF DRAFT FINANCIAL MANAGEMENT POLICIES (REC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- Report presents Draft Borrowings & Asset Financing Policy in lieu of Councils previously unwritten “Debt Free Policy” and recommends adoption.
- Report also presents Draft Financial Sustainability – Forward Financial Planning & Funding Allocation Policy which is a major rewrite of previous Forward Financial Planning, Budget and Funding Allocation Policy No. 13-001 and recommends adoption.

BACKGROUND

This report presents 2 policies for the Committee and ultimately the Council’s consideration. Previous drafts of these policies were workshopped with the Council in December 2006 and the issues raised during that workshop have been dealt with in these new drafts.

DETAIL

The financial challenges facing Local Government (LG) to enable it to maintain its very substantial asset base at appropriate levels have been comprehensively examined and documented in numerous studies. In Western Australia (WA) two independent studies have concluded that a high percentage of LG’s in WA are financially unsustainable. Whilst the City of Melville is considered financially sustainable, as we begin to understand more about the extent and condition of our asset base, as well as a rapidly increasing construction cost environment in WA, it is clear that we will be faced with a need to substantially increase the financial inputs directed towards the maintenance, refurbishment and renewal of our existing assets as well as a need to secure funding to add to our asset base in the light of increasing community demands and standards.

In the late 1980’s many Councils found themselves faced with an increasing debt burden in a climate of very high interest rates. The City of Melville found itself with a debt service burden peaking at \$3.24m in the 1992/1993 financial year. It was concluded that the amount being diverted towards debt service could fund a substantial proportion of the capital works programme and the decision was taken to accelerate the repayment of all loans to achieve a debt free status except for self supporting loans.

Since the 1990/1991 financial year no loan borrowings have been raised other than the “self-supporting” loans raised on behalf of Clubs and Organisations leasing Council land for improvements constructed on that land. Loan repayments are borne by the Club or Organisation.

**C07/001 - CONSIDERATION OF DRAFT FINANCIAL MANAGEMENT POLICIES (REC)
(ATTACHMENT)**

Since 1990/1991 the Council appears to have adopted an unwritten “Debt Free” Policy by default. It is pertinent to note that the Forward to each years adopted budget since 1990/1991 has included a section on the “General Philosophies” used to formulate the budget. 2 of the philosophies are

1. To ensure loan funds are not required for **recurring** capital works (i.e. drainage, road construction, footpath construction or plant replacement and
2. To establish sufficient reserve funds to enable the Council to meet its future commitments associated with the replacement of infrastructure, plant and equipment and the provision of community facilities.

These philosophies are however not embodied in an adopted policy. It should be noted that the philosophies also do not preclude the use of loan funds – they merely limit the use to appropriate purposes. The 2 draft policies presented in this report embody these philosophies in a formalised manner.

The Draft Borrowings and Asset Financing Policy [001A May 2007](#) and Draft Financial Sustainability Forward Financial Planning Policy [001B May 2007](#) form part of the Attachments to the Agenda which was distributed to the Members of the Council on Thursday 1 March 2007.

Forward Financial Planning & Funding Allocation Policy

Due to the very long term nature of many of the assets of Local Government there is a need to ensure that Long-term financial plans as well as Asset Management Plans are formulated. The Draft policy sets out the policy objectives and then the individual elements which will make up the forward financial planning documentation published by the Council in conjunction with its Long Term Community Plan and Asset Management Plan. The experience of Councils in New Zealand who have been developing these plans for some time now has shown that they enable the Councils to focus their resources and make well informed decisions for the long term sustainability of their Local Governments.

Inherent in the adoption of any financial plan is determining the manner in which the allocation of scarce financial and physical resources will be prioritised. The Draft policy sets out the key principles which will be used to complete the development of a Funding Allocation Prioritisation Methodology currently in progress. The emphasis has been placed on:-

- ◆ Maintaining statutory compliance and standards;
- ◆ Mitigating extreme or high level risks;
- ◆ Maintaining current operational programmes where there continues to be a demonstrated need for those programmes;
- ◆ Maintenance of existing assets to ensure that maximum useful life is maintained and they remain fit for their purpose;
- ◆ New programmes or assets e.g. new public toilets.

**C07/001 - CONSIDERATION OF DRAFT FINANCIAL MANAGEMENT POLICIES (REC)
(ATTACHMENT)**

Borrowings & Asset Financing

As noted earlier the Council does not have a written debt free policy. Its philosophy towards loan borrowing is stated in the annual budget and states that borrowing will not occur for recurring capital works. Prior to the adoption of this philosophy borrowing was being undertaken for such works as footpath replacement and road resealing. As these programmes occur each year this resulted in an escalating debt burden where the amount paid out on debt servicing was exceeding the amount being spent on those recurring works. Clearly if a programme is to occur regularly then the annual budget should provide for that without resorting to loans. One of the other poor borrowing practices that occurred in the past was the taking out of loans with a term to maturity that exceeded the life of the asset the funds were used to acquire or construct. The draft policy contains provisions that prohibit borrowing for such purposes and terms.

There are however circumstances in which using borrowed funds is a financially responsible course of action. The attached draft policy describes these as occurring where:-

- ◆ *The asset to be acquired is a new addition to Council's asset base or replaces an existing asset with one that is significantly larger and has an Economic Life of greater than 10 years - This provision helps ensure intergenerational equity i.e if the Council were to save for that asset this would involve ratepayers contributing funds towards construction who may never enjoy the use of the asset; or*
- ◆ *All alternative options for undertaking the project without borrowing have been investigated and proven less advantageous to the Council – This provision enables the use of loan funds in circumstances where there is a clear advantage over all other funding options; or*
- ◆ *The income stream from the asset to be acquired or constructed exceeds the cost of borrowing over the life of that asset – This enables the use of loan funds in circumstances where positive gearing is possible i.e. the income stream (including capital growth) from acquiring or constructing the asset is greater than the cost of borrowing e.g. in a commercial property ; or*
- ◆ *Repayments will be met by a third party e.g. self supporting loans and the financial stability of that party meets the criteria as set out in the Self Supporting Loans Policy 13-004 – This covers the circumstances where the borrowings are undertaken for a third party and all costs met by that party ; or*
- ◆ *The index of the cost of acquisition or construction is increasing at a rate that exceeds the cost of borrowing i.e. to “save” for the acquisition or construction will result in the actual cost being greater than the cost of borrowing the money and acquiring it today – this covers the circumstance where if a project is delayed the costs of undertaking that project will increase at a faster rate than if the project was undertaken expeditiously.*

The Self Supporting Loans Policy 13-004 forms part of the Attachments to the Agenda which was distributed to the Members of the Council on Thursday 1 March 2007.

[CO07_001C.pdf](#)

**C07/001 - CONSIDERATION OF DRAFT FINANCIAL MANAGEMENT POLICIES (REC)
(ATTACHMENT)**

PUBLIC CONSULTATION/COMMUNICATION

No external consultation has been carried out as the Draft policies refer to the Financial Management of the Council.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Consultation on the Draft Borrowings & Asset Financing Policy was carried out with The Western Australian Treasury Corporation the principal lender to Local & State Government agencies in WA and Grange Securities Council investment and loan advisers.

STATUTORY AND LEGAL IMPLICATIONS

No specific Statutory or Legal implications arise from these policies. The Local Government Act 1995 states in Section 1.3(3) that *“In carrying out its functions a local government is to use its best endeavors to meet the needs of current and future generations through an integration of environmental protection, social advancement and economic prosperity.”*

Section 3.1(1) further provides that *“The general function of a local government is to provide for the good government of persons in its district.”*

These policies seek to address those ideals.

FINANCIAL IMPLICATIONS

There are no immediate financial implications for the Council in regards to this matter however the policies proposed are drafted so as to ensure the Council adopts sound and sustainable financial management practices.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk*	Risk Mitigation Strategy
In the absence of appropriate guidelines the Council may resort to borrowing or asset financing practices that jeopardise the long term financial sustainability of the Corporation of the City of Melville.	High level of risk without specific policy in place. Level of Risk After Application of Risk Mgt Strategy - Low level of risk with policy in place & adhered to by the Council.	Adopt a Borrowings & Asset Financing Policy that clearly sets out the circumstances under which the Council could undertake loan borrowings and finance asset creation/renewal.

**C07/001 - CONSIDERATION OF DRAFT FINANCIAL MANAGEMENT POLICIES (REC)
(ATTACHMENT)****POLICY IMPLICATIONS**

Draft policy 13-001 is a major rewrite of former policy 13-001
Draft policy 13-008 is a new policy

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil

CONCLUSION

To ensure good stewardship of community assets over the long term it is essential that the Council establishes short (operational) and long (strategic) term financial plans and that these plans be based on the priorities identified in the Long Term Community Plan as well as the Asset Management Plan. The allocation of scarce financial and physical resources should also be undertaken in a manner that is transparent and takes into account the many competing priorities for funding. The principles to be used to achieve this are contained in the Draft Financial Sustainability – Forward Financial Planning and Funding Allocation Policy.

The appropriate use of loan borrowings to help fund Council asset infrastructure needs will be necessary in view of the large dollar sums involved. Such borrowings must be undertaken in a careful and considered manner. The principles used to achieve this are contained in the Draft Borrowings & Asset Financing Policy.

COUNCIL RESOLUTION (001)**APPROVAL**

At 6.48pm Cr A Ceniciva moved, seconded Cr C Halton -

- 1. THAT SUBJECT TO AMENDING PARAGRAPH 1.1.7 TO PROVIDE GREATER CLARITY OF THE INTENT OF THIS CLAUSE DRAFT POLICY 13-001 – FINANCIAL SUSTAINABILITY – FORWARD FINANCIAL PLANNING AND FUNDING ALLOCATION POLICY BE ADOPTED.**
- 2. THAT SUBJECT TO AMENDING THE POLICY TO INCLUDE THE POSSIBILITY OF COUNCIL USING OWN SOURCE UNEXPENDED FUNDS CURRENTLY ON INVESTMENT, TO FUND PROJECTS/ASSET ACQUISITIONS DRAFT POLICY 13-008 – BORROWINGS & ASSET FINANCING POLICY BE ADOPTED.**

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

CARRIED WITHOUT DISSENT (12/0)

REPORTS OF OFFICERS

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12. REPORTS OF OFFICERS

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)

Ward	: Applecross / Mount Pleasant
Category	: Operational
Application Number	: DA-2007-7
Property	: 15 Tweeddale Road, Applecross WA 6153
Proposal	: Mixed Use Development Residential and Commercial
Applicant	: TT World Holdings Pty Ltd
Owner	: S Mann and Mr S B Mann
Disclosure of any Interest	: No officer involved in the preparation of this report has a declarable interest in this matter.
Responsible Officer	: Keith Weymes, Manager Planning & Development Services
Previous Items	: Nil

AUTHORITY / DISCRETION

	<u>Definition</u>
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<input type="checkbox"/> Legislative	<i>includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/> Review	<i>when Council review decisions made by Officers.</i>
<input checked="" type="checkbox"/> Quasi-Judicial	<i>when 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>

KEY ISSUES / SUMMARY

- Four-storey and undercroft, mixed-use development with a mix of uses being for seven offices and five residential units
- Plot ratio bonus due to the mixed-use and community benefit provisions within City of Melville Local Planning Policy as it is inappropriate to support commercial activity fronting a residential Street.
- The proposed development is significant and requires a number of considerations under the R-Codes and Council Policy.
- Proposal is not supported as it represents a significant increase in plot ratio which results in increased building bulk, that will negatively impact on the surrounding residential amenity and streetscape.

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT) BACKGROUND

The adjoining eastern lot (Lot 1057, No. 13 Tweeddale Road), has been granted Planning and Building approval for a five-level apartment building and three-storey office building (most recent approval involving minor modifications to original approval DA-200-19). A mixed-use plot ratio bonus was granted for the site to plot ratio 0.79:1 (residential being 0.61:1 and office being 0.18:1) as the commercial uses faced out to Kintail Road which is not opposite or abutting a Living Area precinct.

Scheme Provisions

MRS Zoning : Urban
CPS 5 Zoning : Commercial Centre Frame
R-Code : R50
Use Type : Residential and Office
Use Class : 'D' and 'S'

Site Details

Lot Area : 1,010sqm
Retention of Existing Vegetation : No
Street Tree(s) : Yes
Street Furniture (drainage pits etc) : No
Site Details : [P07 3010 PROPERTY MAP.pdf](#)

[P07 3010 May 2007.pdf](#)

DETAIL

Development Requirements

Development Requirement	Required/ Allowed	Proposed	Comments	Delegation to approve variation	Plan Notation
Open Space	55% (555sqm)	73% (740sqm)	Complies		
Plot Ratio	0.6:1 606sqm	0.863:1 0.702:1 (709sqm – excess of 103sqm) Residential & 0.161:1 (163sqm) Non-Residential	Does Not Comply	Council	
Building Height	11.0m to eaves 13.5m max.	No eaves 13.5m max.	Complies Complies		

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)

Carparking-Office	Two bays per residential unit (10 bays)	13 bays	Complies		
	1 per 30sqm NLA of office (10 bays)	10 bays	Complies		
	1/3 covered	61% covered	Complies		
Vehicle Access Way	Maximum 9.0m in aggregate	10.0m in aggregate	Does Not Comply	Council	
Landscaping	Minimum 25%	Maximum 11%	Does Not Comply	Council	
Street trees	Retain existing	Existing retained	Complies		
	1 new tree per development	1 new tree proposed	Complies-condition required		

Setbacks

Wall	Required	Proposed	Comments	Delegation to approve Variation	Plan Notation
Front (N)	Average 4.0m	13 m	Complies		
Side (E)	GND: 1.0-3.2m	0 - 2.5m	Non Complying	Council	
	1 ST : 1.3m 2 nd : 1.5m PH: 2.0 - 6.6m	1.6 - 3.5m 1.6 - 3.5m 2.5 - 6.2m	Complies Complies Non Complying	Council	
Rear (S)	GND: 1.5m	3.8 - 5.4m	Complies		
	1 ST : 1.2 - 2.8m 2 nd : 1.4 - 4.3m PH: 6.0m	8.9 - 12.0m 8.9 - 12.0m 9.5 - 18.9m	Complies Complies Complies		
Side (W)	GND: 1.5m	7.3m	Complies		
	1 ST : 1.2m 2 nd : 1.4 - 1.5m PH: 1.8 - 6.0m	1.6 - 4.5m 1.6 - 4.5m 2.9 - 7.5m	Complies Complies Complies		

PUBLIC CONSULTATION/COMMUNICATION

Advertising Required: Yes
 Neighbour's Comment Supplied: Yes
 Reason: 'Office' use is listed as 'S' and requires advertising.
 Support/Object: Object (33) – See attached Submission Table

**P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT
1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)**

Considerable public attention has been drawn to this item, partly due to required public advertising, and partly due to a letter drop by an unknown party. One result of this public attention has been a petition against this application, with 37 signatures.

Although a number of the comments (19) received from the public were not specific, and only stated a strong objection (which is difficult to assess), the volume of opposition is however worthy of consideration.

In summation of the comments received during the submission period, it is clear that there is considerable opposition from the local community to this application. Issues raised by the respondents vary, however some clear common concerns are traffic congestion, parking, and commercial land uses degrading the residential amenity of Tweeddale Road.

Concerns raised, with particular regard to those regarding commercial intrusion and impacts on the residential character of Tweeddale Road are relevant to Council's determination of the suitability of the Office use, and subsequently the application of plot ratio bonuses under Council Policy.

REFERRALS TO GOVERNMENT AGENCIES

Required:	No
Reason:	Does not abut a regional reserve
Support/Object:	Not applicable

STATUTORY AND LEGAL IMPLICATIONS

Should the Council refuse the application for Planning Approval, or impose an unacceptable condition, the applicant will have the right to have the decision reviewed in accordance with Part 14 of the Planning and Development Act 2005.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Nil

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)

POLICY IMPLICATIONS

Community Planning Scheme No.5

Community Planning Scheme No. 5 clause 5.19 (Mixed Use Plot Ratio) states that:

...the Council may approve a maximum plot ratio for the total development up to 0.2 more than the Maximum Plot ratio (non-residential development requirement specified for the precinct), provided that the residential proportion of the development is a minimum of fifty percent (50%).

Office use in the Commercial Centre Frame Precinct requires Council's approval following a 21 day consultation period. The development of an office adjacent a Living Area Precinct and residential streetscape may be considered inappropriate.

The Statement of Intent for the Commercial Centre Frame Precinct (the location of this item), covers a number of issues, including a requirement that development be primarily of a residential nature (p. 82):

Primarily residential but may include offices and medical practitioners where privacy of neighbours is respected and design has a residential character. Buildings shall not use reflective or mirror glass externally. Shops, open-air display of goods and vehicles, service stations and the like are prohibited. The Council may prepare urban design guidelines for the precinct.

City of Melville CPS5 Amendment No. 35

The City of Melville Community Planning Scheme Amendment No. 35 proposes to change the subject site from a Canning Bridge Frame of R50 density coding, to Applecross No. 3 Living Area Precinct of R30 density coding. Although the intent under this Amendment is clear in that development in this street should not be as intense as it currently permitted, this Amendment has not been adopted for finalisation at this point (pending further studies), and therefore should not have a bearing in the determination of this application.

Residential Design Codes of WA 2002

The Residential Design Codes of WA 2002 outline general development requirements for residential development within Western Australia. Unless otherwise stated in a Council policy, the provisions of the R-Codes apply in the assessment of development applications. In this regard, the maximum plot ratio for residential development under the R50 Codes is 0.60:1. The Codes contain limited performance criteria with regard to assessing modifications to plot ratio – 4.2.1 Dwellings in Mixed-Use Development P1.

Furthermore, the R-Codes are specific in how to calculate the plot ratio, in that it shall not include the 'ground level non-residential floor space, to avoid the over-building of a site' (p. 96). Legal advice obtained by the City has also verified the legality of this approach, which has been used accordingly in the assessment of this application.

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)

Planning and Building Policy (06-PL-029) – Mixed Use Plot Ratio Bonus

The City of Melville Mixed Use Plot Ratio Bonus Policy allows a plot ratio bonus for mixed use (residential and commercial) developments in City Centre Frames.

For this development which involves a 70% residential / 30% non-residential mix, then a plot ratio bonus of 0.0625 may be considered.

Furthermore, this policy also allows Council discretion of a total plot ratio bonus of 0.2, if facilities of a community benefit are proposed, including 'end-of-trip' facilities (such as proposed under this application). This Policy also provides the Council the ability to undertake studies, to ascertain the type of facilities required. Furthermore, this Policy also allows the City the ability to require additional facilities if it is deemed that the development will generate additional need for amenities or community facilities.

It is noted, however, that this Policy stipulates (Clause 3.3) that:

Plot Ratio Bonuses will not be granted for sites within the City Centre and District Centre Frames where the commercial uses are to be opposite Living Areas.

Accordingly, the development does not satisfy this requirement and the bonus plot ratio provisions do not apply under the terms of Council Policy. In addition, apart from the provision of end of trip cyclist facilities, the proposal does not contain adequate community facilities to warrant the application of a plot ratio bonus under this Policy.

Planning and Building Policy (06-PL-025) – Mixed-Use Development

The City of Melville Mixed-Use Development Policy (Clause 4) states that:

Any reduction in setback for the residential component is to be non-detrimental to the amenity of the development or adjoining property.

Furthermore, the Policy (Clause 5) also states that:

The non-residential minimum landscaping development requirement of community Planning Scheme No. 5 is to be provided, separated from any residential private open space.

Planning and Building Policy (06-PL-024) – Car Parking (Non-Residential)

The City of Melville Non-Residential Car Parking Policy states that Office (professional or commercial) requires one parking bay per 30 m² of Net Leasable Area.

Arts and Culture Policy (25-PL-002) – Arts and Culture

The City of Melville Arts and Culture Policy states that (p. 5):

The allocation of funds for public art is to be included within each building or urban landscape project (of a reasonable size) as a guide the target of one per cent (1%) for public art (percent for art scheme) should be used. This guide is to be applied to urban planning, public open space and building projects involving either new development or redevelopment.

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)**ALTERNATIVE OPTIONS & THEIR IMPLICATIONS**

The approval of this application by Council (if deemed appropriate) will be inconsistent with Council's Local Planning Policies, and will also set a precedence for similar development to be approved, especially upon appeal to the State Administrative Tribunal. Council may choose, however to approve a variation to Council Policy with regard Plot Ratio Bonus and be of the opinion that the office use and resultant increase in building height and bulk in Tweeddale Road is appropriate. Accordingly, Council may approve the application subject to suitable conditions.

CONCLUSION

It is considered that the proposal involving office uses within an attractive residential environment are undesirable. The local community has, through significant opposition to the proposal, expressed a view that Tweeddale Road is too narrow and busy for the intensification of the local land uses. Council's Traffic Planner has indicated that current traffic volumes along this section of Tweeddale Road are extremely low (measured at 375 vehicles per day in 2004) but desirable for a local access residential street. The Road and Traffic Authority (NSW - common reference for traffic generation figures) suggests that the proposed development would generate up to 50 trips per day (relative to 9 per standard residential dwelling). In isolation, the trips generated are not significant, however should this application be approved, a precedent for other sites may be set and the cumulative impact of the increased traffic volumes is considered undesirable and likely to adversely impact on the residential function of the street.

The applicable plot ratio requirement for this application in the Commercial Centre Frame and R-Codes for R50 development is 0.6:1. This application proposes a plot ratio of 0.863, inclusive of 0.702 relative to the residential component, which is beyond the acceptable scope of the Precinct controls and Plot Ratio Bonus Policy. Clause 4.2.1 P1 of the Codes provides performance criteria for consideration of modifications to the mixed use development requirements inclusive of plot ratio. The performance criteria requires that development satisfy streetscape objectives, provide open space in accordance with resident's needs and provide car parking to satisfy reciprocal parking requirements of the residents and other units. Accordingly it is considered paramount that the proposal and the possible bonuses with regard to plot ratio under Council Policy will have a significant impact on the streetscape and is therefore not considered to satisfy the performance criteria. It is considered that the increase in plot ratio area of 103sqm is excessive and will add considerable bulk to the building and impact on the streetscape and neighbourhood amenity.

The reduced side (east) setbacks do not comply with the Acceptable Development standards of the R-Codes, however it is deemed to comply with the Performance Criteria as the neighbouring property is owned by the applicant for this proposal and therefore objections in this regard are unlikely. Furthermore, the performance criteria assessment under the provisions of the Residential Design Codes with regard to the effects of sun, shadow, ventilation and building bulk on both properties is deemed to be insignificant and be compliant. The issue of privacy however will need to be effectively ameliorated through privacy screening on the Penthouse balcony (east) in accordance with the provisions of the Residential Design Codes.

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)

The vehicle access way is over-width, without a reasonable justification, and consequently (if the development was approved) should be reduced in size by 1.0m to 9.0m in aggregate to satisfy the provisions of the Codes.

The inclusion of Public Art (1 percent of building costs) into this proposed development has not yet been fulfilled, however further negotiation and commitments to satisfy this matter could be sufficiently obtained through conditions if the development was approved.

Signage is not currently proposed, however the commercial uses are expected to require such development, which would be subject to further application and assessment. It should however be noted that any signage facing the Living Area Precinct would be required to be complementary to the residential streetscape.

In conclusion, the proposed residential portion of the development significantly exceeds plot ratio allowances under the R-Codes and would result in considerable additional building bulk which will impact on neighbourhood amenity and the streetscape. In addition, the office portion of the development is considered undesirable within a residential environment and conflicts with Council Policy with regard to the application of plot ratio bonuses. The development does not achieve a suitable level of community benefit to warrant any plot ratio bonuses under the requirements of Council Policy. Accordingly, the proposal has a plot ratio which exceeds Council's normal requirements and consequently the application should be refused.

P07/3010 - MIXED USE DEVELOPMENT RESIDENTIAL AND COMMERCIAL ON LOT 1057 (15) TWEEDDALE ROAD, APPLECROSS (REC) (ATTACHMENT)

COUNCIL RESOLUTION (3010)

REFUSAL

At 6.49pm Cr H R Everett moved, seconded Cr J Phillips -

THAT THE APPLICATION FOR A MIXED USE DEVELOPMENT ON LOT 2 (15) TWEEDDALE ROAD, APPLECROSS BE REFUSED FOR THE FOLLOWING REASONS:

- 1. THE PROPOSED OFFICE COMPONENT OF THE DEVELOPMENT IS NOT CONSIDERED APPROPRIATE WITHIN THE SURROUNDING RESIDENTIAL ENVIRONMENT.**
- 2. THE PROPOSAL SIGNIFICANTLY EXCEEDS PLOT RATIO REQUIREMENTS UNDER BOTH THE COMMUNITY PLANNING SCHEME AND COUNCIL POLICY AS THE DEVELOPMENT SITE FACES A LIVING AREA PRECINCT WITH AN ATTRACTIVE RESIDENTIAL STREETScape.**
- 3. VARIATION OF COUNCIL POLICY IN THIS REGARD WILL CREATE AN UNDESIRABLE PRECEDENT FOR FUTURE DEVELOPMENT WITHIN COMMERCIAL CENTRE FRAME PRECINCTS AND POTENTIALLY IMPACT ON RESIDENTIAL STREETScapeS AND AMENITY WITHIN ADJACENT LIVING AREA PRECINCTS.**
- 4. THE PROPOSAL DOES NOT INVOLVE ADEQUATE PROVISION FOR COMMUNITY BENEFIT IN ORDER TO SATISFY THE REQUIREMENTS OF COUNCIL POLICY 06-PL-029 – MIXED USE PLOT RATIO BONUS APPLICATION.**
- 5. AN INCREASE IN RESIDENTIAL PLOT RATIO IS NOT SUPPORTED UNDER THE PERFORMANCE CRITERIA OF THE RESIDENTIAL DESIGN CODES 4.2.1 P1 AS THE PROPOSAL WILL RESULT IN A CONSIDERABLE INCREASE IN BUILDING BULK WHICH WILL NEGATIVELY IMPACT ON RESIDENTIAL NEIGHBOURHOOD AMENITY AND THE STREETScape.**
- 6. THE PROPOSAL IF APPROVED WOULD BE CONTRARY TO THE ORDERLY AND PROPER PLANNING OF THE LOCALITY AND CONTRARY TO OUTCOMES OF THE COUNCIL'S MELVILLE VISIONS PROJECT**
- 7. THE PROPOSED PLOT RATIO AND BUILDING BULK IS CONTRARY TO THE INTENT OF THE CITY OF MELVILLE SCHEME AMENDMENT 35 WHICH PROPOSES BUILDINGS OF A REDUCED BULK**

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

CARRIED (12/0)

**C07/5007 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL
(AMREC) (ATTACHMENT)**

Ward	:	All
Category	:	Strategic
Subject Index	:	Delegated Authority
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	:	C05/5005 - Review of Delegated Authority – April 2005 C05_5005 Previous Item.pdf
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Mark Ridgwell Property & Corporate Support Manager

AUTHORITY / DISCRETION

	<u>Definition</u>
<input type="checkbox"/> Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/> Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets</i>
<input checked="" type="checkbox"/> Legislative	<i>includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/> Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/> Quasi-Judicial	<i>when 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>

KEY ISSUES / SUMMARY

- This report seeks Councils consideration in adopting certain delegations of authority that permit officers to perform functions within a prescribed parameter.

**C07/5007 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL
(AMREC) (ATTACHMENT)****BACKGROUND**

The Local Government Act 1995 (The Act) provides for the delegation of certain powers and duties to certain Committees (Sections 5.16 & 5.17) and the Chief Executive Officer (Sections 5.42 & 5.43). The Chief Executive Officer may, unless prohibited by Councils instrument of delegation, further on-delegate powers and duties to employees (Section 5.44).

The Act also provides for a delegations register to be maintained and reviewed on an annual basis (Section 5.46). This report comprises this review process.

DETAIL

It is necessary to review all current delegations to ensure, in the first instance, that they are consistent with the legislation and secondly, that they are, in fact, still necessary. Although the provisions of the Local Government Act 1995 do not affect delegations made under other legislation, it is also considered be an appropriate time to review those delegations.

“Delegated Authority” refers only to those powers or duties required by legislation and are often referred to as statutory delegations. Generally, these delegated authorities will be made to the Chief Executive Officer who may then on-delegate to such person or persons as he feels appropriate.

[5007 May 2007.pdf](#) The City of Melville Delegated Authority Manual forms part of the Attachments to the Agenda, which was distributed to Members of the Council on 27 April 2007. This attachment provides specific detail as to the extent of each delegation.

Active Delegations adopted by Council in the last 12 Months

- Representation on Raffles Waterfront Strata Company.
- Authority to dispose of 65 Arkwell Street, Willagee.
- Canning Bridge Precinct Parking Fees.
- Commercial Parking Leases.

**C07/5007 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL
(AMREC) (ATTACHMENT)**

New or Amended Delegations

- **Lord Mayors Appeal.**

Council Policy omitted the ability of the CEO to determine after consultation with Elected Members the amount of funds paid to a Lord Mayors Appeal. The former procedure was costly in Officer time and also meant a delay in having to wait for a Council Resolution before the funds could be donated.

- **Assignment of Commercial Leases.**

In accordance with the Commercial Tenancies Act the City of Melville is required to assign a commercial tenancy on the provision that the proposed assignee is a suitable operator. Therefore after undertaking the appropriate investigation there is no requirement for Council to consider the assignment. Further many assignments of lease are undertaken commercially in confidence and as such the requirement for a Council Resolution can cause operational issues to both the assignor and assignee.

- **Authority to sign construction documentation on behalf of the City of Melville.**

Currently the CEO is required to endorse all construction plans and pages of the contract. On larger projects that can include over one hundred pages and two or three sets of documents.

- **Limited short term commercial activities on reserves.**

Previous delegation was limited to Foreshore reserves only.

Planning & Development Services delegations are being reviewed separately and will be presented to the next available portfolio meeting prior to full Council Adoption.

PUBLIC CONSULTATION/COMMUNICATION

No external public consultation has been carried out as these delegations are considered to be an internal matter requiring only the Councils consideration.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

The City of Melville Delegated Authority Manual has been modelled on the Department of Local Governments guidelines introduced in the February 2007. These guidelines were prepared in collaboration between Department of Local Government & Regional Staff, McLeods Barristers & Solicitors, and officers from various local governments including the City of Melville.

C07/5007 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL
(AMREC) (ATTACHMENT)

STATUTORY AND LEGAL IMPLICATIONS

The following are the key issues under the Act affecting delegated authority:

Delegations (to Committees and the Chief Executive Officer) must be made by an absolute majority decision [s.5.16(1) and s.5.42(1)].

- Delegations (whether to Committees or the Chief Executive Officer) must be in writing, and may be general or as otherwise provided in the instrument of delegation [s.5.16(2), s.5.42(2) and s.5.44(2)].
- All Delegations will have effect for the period of time specified in the delegation, or if not specified, indefinitely. Any decision to amend or revoke a delegation must be by absolute majority [s.5.16(3)].
- Any of the Council powers or duties under the Act can be delegated to a Committee comprising Council members only, EXCEPT any power or duty requiring absolute or special majority decisions; or any other power or duty as prescribed [s.5.17(1)(a)].
- Delegations CANNOT be made to Committees comprised of “other persons” only [s.5.9(2)(f)] (ie with no council members or employees). Following from this, delegations cannot be made to a committee comprised of employees only [such a committee cannot exist by virtue of s.5.9(2)].
- A Local Government may delegate to the Chief Executive Officer, by absolute majority, any of its powers or duties under the Act [s.5.42(1)], EXCEPT those identified in s.5.43 as listed below:
 - (a) any power or duty that requires an absolute or special majority decision or seventy five percent (75%) majority of the Local Government;
 - (b) accepting a tender which exceeds an amount determined by the Local Government;
 - (c) appointing of an auditor;
 - (d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government;
 - (e) any powers under s.5.98 (fees for Council Members), s.5.99 (annual fee for Council Members in lieu of fees for attending meetings), or s.5.100 (payments for certain Committee Members);
 - (f) borrowing money on behalf of the local government;
 - (g) hearing or determining an objection of a kind referred to in s.5.95;
 - (h) any power or duty requiring the approval of the Minister or the Governor;

C07/5007 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL
(AMREC) (ATTACHMENT)

- (i) such other powers or duties as may be prescribed.
 - Any powers or duties which can be delegated to the Chief Executive Officer in accordance with s.5.42 and s.5.43, can be delegated to a Committee comprising Council members and employees [s.5.17(1)(b)]. Further, the Chief Executive Officer may delegate to any employee any of these powers or duties (other than the power of delegation) [s.5.44(1)]
 - Any powers or duties that are necessary or convenient for the proper management of the City of Melville's property or related to an event in which the City of Melville is involved, can be delegated to the following types of Committee:
 - (i) comprised of council members, employees and other persons
 - (ii) comprised of council members and other persons
 - (iii) comprised of employees and other persons [s.5.17(1)(c)]
- Registers must be kept of all Delegations made to Committees, the Chief Executive Officer and employees, and such Delegations are to be reviewed at least once every financial year. [s.5.18, s.5.46(1) & (2)]
- The Chief Executive Officer and any other employee who has been delegated a power or duty under the Act is required to keep a written record of:
 - (i) how and when the power was exercised or the duty discharged
 - (ii) the persons or classes of persons directly affected (other than Council or Committee members, or employees) by the use of the delegation [s.5.46(3) and Reg. 19].

FINANCIAL IMPLICATIONS

Nil.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk*	Risk Mitigation Strategy
An issue arises that requires urgent attention of officers to ensure public safety.	Moderate consequences which are almost certain, resulting in a High level of risk	Implementation of delegation of power to authorise officers to enter site to make a situation safe.

* As derived from using the Risk Assessment Matrix

**C07/5007 - REVIEW OF CITY OF MELVILLE DELEGATED AUTHORITY MANUAL
(AMREC) (ATTACHMENT)****POLICY IMPLICATIONS**

A number of Council policies adopted by Council have enabling delegation to the Chief Executive Officer who in turn may on delegate to other appointed officers.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

All delegations are subject to the discretion of Council and can be removed at any given time. Council may choose to remove delegations which in turn will then require formal Council consideration at the next available meeting of Council.

CONCLUSION

It is important to note that major decisions or actions made under delegation are as a matter of procedure referred onto Elected Members for their information. In addition whilst many decisions may be procedural, circumstances may make a decision contentious and therefore may be referred onto Council for formal decision despite the enabling delegation.

COUNCIL RESOLUTION (5007)**ADOPTION**

At 6.53pm Cr J Phillips moved, seconded Cr J Bennett -

**THAT BY AN ABSOLUTE MAJORITY DECISION THE CITY OF MELVILLE DELEGATED
AUTHORITY MANUAL AS ATTACHED BE ADOPTED.**

At 6.55pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (12/0)

C07/6001 – SCHEDULE OF ACCOUNTS (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	:	2006/2007 Budget
Responsible Officer	:	Bob Searle Manager Financial Services

AUTHORITY / DISCRETION

	<u>Definition</u>
<input type="checkbox"/> Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/> Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets</i>
<input type="checkbox"/> Legislative	<i>includes adopting local laws, town planning schemes & policies.</i>
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C07/6001 – SCHEDULE OF ACCOUNTS (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- This report presents details of the payments made to suppliers for the provision of goods and services for the month of April 2007 and recommends that the Schedule of Accounts be noted.

BACKGROUND

Delegated Authority CE23 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 Customer and Corporate Services. In accordance with Regulation thirteen (13), two (2) and three (3) of the Local Government (Financial Administration) Regulations 1996 where this power has been delegated, a list of payments for each month is to be compiled and presented to the Council. The list is to show each payment, payee name, amount and date of payment and sufficient information to identify the transaction.

DETAIL

The Schedules of Accounts for the period ending 30 April 2007 [6001_May_2007.pdf](#) including Payment Registers numbers thirteen and fourteen were distributed to the Members of Council on Wednesday, 9 May 2007.

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

C07/6001 – SCHEDULE OF ACCOUNTS (REC) (ATTACHMENT)

STATUTORY AND LEGAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

Expenditures were provided for in the 2006/2007 Budget.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Management Procedure 1.8 - Certification of Accounts.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

This is a regular monthly report for Elected Members information.

COUNCIL RESOLUTION (6001)

At 6.55pm Cr A Ceniviva moved, seconded Cr J Phillips -

THAT THE SCHEDULE OF ACCOUNTS FOR THE PERIOD ENDED 30 APRIL 2007, AS APPROVED BY THE DIRECTOR CUSTOMER AND CORPORATE SERVICES IN ACCORDANCE WITH DELEGATED AUTHORITY CE23, AND DETAILED IN ATTACHMENT [6001 May 2007.pdf](#) BE NOTED.

At 6.59pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (12/0)

C07/6002 – FINANCIAL STATEMENTS (AMREC) (ATTACHMENT)

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	:	Bob Searle Manager Financial Services

AUTHORITY / DISCRETION

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KEY ISSUES / SUMMARY

- This report presents the financial statements to the end of April 2007 and recommends that they be noted by Council.

C07/6002 – FINANCIAL STATEMENTS (AMREC) (ATTACHMENT)

BACKGROUND

The Financial Statements for the end of the month of April 2007 have been prepared and tabled in accordance with Regulation thirty-four (34) of the Local Government (Financial Management) Regulations 1996 as amended in March 2005, which requires that:

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, 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;
 - (b) by program; or
 - (c) by business unit.
- (4) A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be-
 - (a) presented to the council-
 - (i) at the next ordinary meeting of the council following the end of the month to which the statement relates; or
 - (ii) if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; 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 AAS 5, to be used in statements of financial activity for reporting material variances.

C07/6002 – FINANCIAL STATEMENTS (AMREC) (ATTACHMENT)

DETAIL

A mid year budget review based on the figures to the end of January 2007 was presented to the March Council meeting. The normal monthly review – “Notes on Operating Statements” is attached for the April month and includes relevant elements of that review. Once again the variances are greater than normally reported and this continues to reflect the reduced emphasis that it has been possible to give to reviewing budget phasing in the face of the pressures of the implementation of the new system and development of reporting.

The following attachments form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Wednesday, 9 May 2007.

DESCRIPTION	LINK
Statement of Financial Activity – April 2007	<u>6002A May 2007.pdf</u>
Operating Statements by Program for the period ended 30 April 2007	<u>6002B May 2007.pdf</u>
Representation of Working Capital as at April 2007	<u>6002E May 2007.pdf</u>
Reconciliation of Net Working Capital as at 30 April 2007	<u>6002F May 2007.pdf</u>
Notes on Operating Statements for April 2007 reporting on variances of 10% or greater	<u>6002H May 2007.pdf</u>
Details of Budget Amendments requested during the month of April 2007	<u>6002J May 2007.pdf</u>
Summary of Rates debtors as at 30 April 2007	<u>6002L May 2007.pdf</u>
Graph showing Rates Collections as at 30 April 2007	<u>6002M May 2007.pdf</u>
Summary of general Debtors aged 90 days old or greater as at 30 April 2007	<u>6002N May 2007.pdf</u>

C07/6002 – FINANCIAL STATEMENTS (AMREC) (ATTACHMENT)

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH 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 Regulations) 1996 Part 4 – Financial Reports

FINANCIAL IMPLICATIONS

Amendments to the 2006/2007 Budget have been included in the budget amendment report.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Not applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

The attached reports reflect the financial situation of the City of Melville as at 30 April 2007.

C07/6002 – FINANCIAL STATEMENTS (AMREC) (ATTACHMENT)

COUNCIL RESOLUTION (6002)

At 7.00pm Cr C Robartson moved, seconded Cr A Ceniviva –

- 1. THAT THE STATEMENTS OF FINANCIAL ACTIVITY AND THE OPERATING STATEMENTS FOR THE PERIOD ENDING 30 APRIL 2007 AS DETAILED IN THE FOLLOWING ATTACHMENTS BE ADOPTED:**

DESCRIPTION	LINK
STATEMENT OF FINANCIAL ACTIVITY – APRIL 2007	<u>6002A May 2007.pdf</u>
OPERATING STATEMENTS BY PROGRAM FOR THE PERIOD ENDED 30 APRIL 2007	<u>6002B May 2007.pdf</u>
REPRESENTATION OF WORKING CAPITAL AS AT APRIL 2007	<u>6002E May 2007.pdf</u>
RECONCILIATION OF NET WORKING CAPITAL AS AT 30 APRIL 2007	<u>6002F May 2007.pdf</u>
NOTES ON OPERATING STATEMENTS FOR APRIL 2007 REPORTING ON VARIANCES OF 10% OR GREATER	<u>6002H May 2007.pdf</u>
SUMMARY OF RATES DEBTORS AS AT 30 APRIL 2007	<u>6002L May 2007.pdf</u>
GRAPH SHOWING RATES COLLECTIONS AS AT 30 APRIL 2007	<u>6002M May 2007.pdf</u>
SUMMARY OF GENERAL DEBTORS AGED 90 DAYS OR GREATER AS AT 30 APRIL 2007	<u>6002N May 2007.pdf</u>

- 2. THAT BY ABSOLUTE MAJORITY DECISION, THE BUDGET AMENDMENTS, AS LISTED IN THE BUDGET AMENDMENT REPORT FOR APRIL 2007, AS DETAILED IN ATTACHMENT [6002J May 2007.pdf](#) BE ADOPTED.**

At 7.00pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (12/0)

ADOPTION OF ITEMS NOT WITHDRAWN

At 7.01pm Cr J Phillips moved, seconded Cr J Bennett -

THAT THE REPORTS OF OFFICERS EXCLUDING ITEMS P07/3010, C07/5007, C07/6001 AND C07/6002 BE RECEIVED AND THE RECOMMENDATIONS CONTAINED THEREIN BE ADOPTED.

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

CARRIED WITHOUT DISSENT (12/0)

C07/8005 – ALIGNING COMMUNITY FACILITIES TO SPORTS CLUBS (REC)
(ATTACHMENT)

Ward	:	All
Category	:	Operational
Subject Index	:	Community Development Policies and Procedures Grants, Funding & Submissions
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	:	C06/8009-Policy Changes-Physical Activity and support for sports Clubs.
Works Programme	:	2007/08 (proposed budget)
Funding	:	Impact of this over four years will be \$342,091.87
Responsible Officer	:	Christine Young Manager Community Development

AUTHORITY / DISCRETION

	<u>Definition</u>
<input type="checkbox"/> Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/> Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets</i>
<input type="checkbox"/> Legislative	<i>includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/> Reviews	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/> Quasi-Judicial	<i>when 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>

C07/8005 – ALIGNING COMMUNITY FACILITIES TO SPORTS CLUBS (REC)
(ATTACHMENT)**KEY ISSUES / SUMMARY**

- At the April 2007 round of council meetings the City of Melville adopted agenda item C06/8009 – Policy Changes – Physical Activity and Support for Sports Clubs. The new policy addresses asset maintenance, leases and licences, fees and charges and provides a strategic direction for community sport and recreation.
- Throughout the development of the new Sport and Recreation Community policy, Officers have indicated that there will be a need to create a balanced approach for Community organisations so that the Council's approach is consistent between the Sports and Recreation Community and the many Community Organisations that also manage facilities on behalf of the City of Melville.
- This item provides the City of Melville with the opportunity to implement initiatives that will provide this balance and further highlights the estimated budget needed to implement the proposed changes.
- Officers recommend that the same approach be taken for Community Groups as that was taken for Community Sport and Recreation Groups.

BACKGROUND

The City of Melville currently has thirty-six community groups managing City of Melville facilities. These include groups such as; Girl Guides Association, Scouts Association, Playgroups, Theatre Companies, History Societies and Seniors Citizen Clubs. The diversity of community groups aids in meeting community outcomes by representing all demographics, cultures and interests. These groups play a vital role in strengthening our community.

The current policy in regard to asset management, leases and licences, fees and charges is inequitable and threatens group's viability. Through the existing policy, groups are paying significantly different rental fees. Additionally, under the current policy Council requires groups to maintain their facility which is beyond the means of most groups.

This alignment of policies will form two phases. The first phase is the implementation of the Recommendations of this report that seek to balance the support provided to Sporting groups to be consistent with that provided to community organisations managing facilities on our behalf.

The second phase will be a comprehensive review that Community Development will undertake. This review will analyse community groups in relation to their current use of facilities. This process will link to the work being done by Corporate Services in the Land Asset Management Plan (LAMP) and Infrastructure Services in the Asset Management Plan which will determine condition and full life cycle costing of community facilities.

C07/8005 – ALIGNING COMMUNITY FACILITIES TO SPORTS CLUBS (REC)
(ATTACHMENT)

The second phase will commence in early 2007/2008 financial year and will determine current uses, usage patterns, the purpose of facilities and best fit. Many community groups in the City of Melville are currently in facilities that are of poor condition and not adequate for the current usage, i.e. they have outgrown the facility or the original intention of the facility is no longer appropriate for the group's requirements. Furthermore this phase will enable future planning to be linked to the Community Plan and Neighbourhood Plans. This will ensure that we have an appropriate level and standard of facilities in each neighbourhood able to accommodate community outcomes.

DETAIL

Following adoption of the new policy for community sport and recreation there is a need to address similar issues with community groups relating to asset maintenance, leases and licences, fees and charges. The new Sport and Recreation policy replaced Policy 04-pl-003-rentals, leases, management licences (CD9). Policy 04-pl-003 (CD9) covered both Community Sport and Recreation and Community Groups. With the removal of Policy 04-pl-003 (CD9) a financial adjustment is required to the 2007/2008 budget to allow for similar changes to those adopted at the April 2007 round of council meetings for the implementation of a 'Support for Community Groups Policy'.

In summary these changes include;

Rental fees:

- Simplified approach by charging an annual administration fee in lieu of charging an annual lease fee.
- The public use rebate will be removed.

Leases and management Licences:

- A simplified approach to agreements between the City and its community groups.
- A building maintenance approach clearly identifying what the city is responsible for and what clubs are responsible for.
- Includes a building maintenance matrix for inclusion in each lease/management licence agreement.

[8005 May 2007.pdf](#) provides specific information regarding each community group, their current financial requirements and the financial implications for both community groups and the City of Melville.

**C07/8005 – ALIGNING COMMUNITY FACILITIES TO SPORTS CLUBS (REC)
(ATTACHMENT)****PUBLIC CONSULTATION/COMMUNICATION**

Community Engagement Policy 01-005 discusses building a two-way consultation process to ensure communities are offered the opportunity to provide feedback on projects and issues which impact on their amenity and enable the best possible outcomes for the community. Accordingly, a consultant (the same consultant that worked on the 'Physical Activity and Support for Sports Clubs') was employed to undertake public consultation and communication. As part of the brief the consultant surveyed all community groups managing our facilities to ascertain an overview of usage.

Further comprehensive community consultation to determine current uses, usage patterns, built purpose of facilities and best fit, surrounding community groups and facilities will occur in the second phase of the review. The second phase will commence in early 2007/2008 financial year.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

N/A

STATUTORY AND LEGAL IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

The financial impact of implementing the proposed changes to the approach contained in the new policy will have an effect on both operational and capital budgets.

It has been identified that Building maintenance budgets will need to be increased by \$217,987 to accommodate the proposed policy changes. In an effort to reduce the impact on the budget it is proposed to introduce these changes over a four year period with the initial 2007/2008 budget being increased by \$50,000. In years two, three and four this figure has been increased by an annual CPI figure of two point five percent and eleven percent per annum for estimated building cost escalation.

The impact of this over 4 years will be
Changes to building Maintenance: \$244,267

Current practice is for the City to pass on to community groups fees and charges associated with the ownership of community buildings. It is proposed that the City now pay these fees and charges.

The estimated impact of this over 4 years will be
Additional costs FESA: \$28,910.52
Building Insurance: \$39,742.83 (Inc Annual 2.5% CPI increase)

C07/8005 – ALIGNING COMMUNITY FACILITIES TO SPORTS CLUBS (REC)
(ATTACHMENT)

The introduction of the annual administration fee in lieu of lease and licence fee's based on valuations will reduce income from Property & Corporate Support by an estimated \$7,292.88 per annum. Should this new philosophy be adopted this loss of income will be applied to the 2007/2008 budget.

The impact over 4 years will be: (\$29,171.52)

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Financial impact: Funding is not made available.	Moderate	Ensure correct budget is in place for 2007/2008 and beyond.
Not changing the policy could lead to the potential demise of community groups due to financial non-viability.	High	Implementation of the suggested policy change.
Not changing the current policy could lead to community criticism of inequity amongst clubs and groups.	Moderate	Implement Policy changes and/ or implement a strong communication strategy.
Not changing the current Policy will lead to unsafe and poorly maintained community facilities.	High	City to take on responsibility of maintaining facilities.

* As derived from using the Risk Assessment Matrix

There are major financial implications associated with this Report particularly with maintenance responsibilities shifting to the City. However following the Community Facilities Review it is envisaged that strategic priorities will be identified for community facilities which will ensure financial responsibility is maintained.

POLICY IMPLICATIONS

By approving budget adjustments for 2007/2008 will allow Community Development to research and develop a 'Support for Community Groups Policy'.

**C07/8005 – ALIGNING COMMUNITY FACILITIES TO SPORTS CLUBS (REC)
(ATTACHMENT)****ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

An alternate option may be not to accept the Recommendations in this report. This would mean there will be significant inequity between the lease conditions applied for sporting and recreation groups compared to community groups and organisations who manage facilities on our behalf.

It is likely that community response to this inequity would be detrimental to the relationships that Council has with community organisations.

CONCLUSION

By aligning the levels and financial support of Community Groups managing our facilities, with the new Sports Club Policy will alleviate some financial burdens on the city's community groups which are imposed under the current arrangements. The proposed changes will also allow for better asset management and strengthened communities. This will also assist group sustainability and viability and provide a future facility improvement plan.

COUNCIL RESOLUTION (8005)**APPROVAL**

The Mayor submitted the motion, which was declared -

- 1. THAT THE CITY OF MELVILLE SUPPORT COMMUNITY ORGANISATIONS MANAGING COUNCIL FACILITIES IN LINE WITH THE SPORTS CLUB POLICY RELATING TO ASSET MAINTENANCE, LEASES AND LICENCES AND FEES AND CHARGES.**
- 2. THAT THE CITY OF MELVILLE APPROVE THE FINANCIAL IMPLICATIONS OF THIS REPORT IN LINE WITH THE SPORTS CLUB POLICY BEGINNING FROM THE 2007/2008 FINANCIAL BUDGET.**

CARRIED EN BLOC**COUNCIL COMMENT:**

A revised Community Groups Funding Request Spreadsheet has been circulated to demonstrate the accumulated total of changes to the maintenance budget over a four year period.

In the previous spreadsheet the additional maintenance amounts were listed individually rather than accumulative.

The \$50,000 listed for year 1 has already been included in the draft 2007/2008 budget.

This is inline with Councils recently adopted policy position on Sporting Clubs in which \$775,000 was allocated over four years for building maintenance. [8005A May 2007.pdf](#)

C07/5000 – COMMON SEAL REGISTER (REC)

Ward	:	All
Category	:	Operational
Subject Index	:	Common Seal Register
Customer Index	:	City of Melville
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Standard Item
Works Programme	:	Not applicable
Funding	:	Not applicable
Responsible Officer	:	Bruce Taylor Manager Information & Corporate Support

AUTHORITY / DISCRETION

	<u>Definition</u>
<input type="checkbox"/> Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/> Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets</i>
<input type="checkbox"/> Legislative	<i>includes adopting local laws, town planning schemes & policies.</i>
<input type="checkbox"/> Review	<i>when Council review decisions made by Officers.</i>
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KEY ISSUES / SUMMARY

- This report details the documents to which the City of Melville Common Seal has been applied and recommends that the information be noted.

C07/5000 – COMMON SEAL REGISTER (REC)

BACKGROUND

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

DETAIL

Document Type	Party	Description	File Reference
Deed of Licence	Kardinya Bowling Club	Bowling Greens and Club rooms	1624351
Deed of Licence	Canning Bridge Senior Citizens Club	Lot 100, The Esplanade, Mt Pleasant	1636254
Letter of Offer	Department of Families, Community Services and Indigenous Affairs	Funding Agreement for OSHC	1655445
Deed of Lease	Belgravia Leisure	Lot 11241 on Deposited Plan 217553	1659913
Deed of Management Agreement	Belgravia Leisure	Pro Golf Shop, Café and Function Centre, Tennis Courts and Golf Course on Point Walter Reserve	1659933
Legal Agreement	C J Back	4 Wren Street, Mt Pleasant	1567949

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

Section 2.5 of the Local Government Act 1995.

C07/5000 – COMMON SEAL REGISTER (REC)

FINANCIAL IMPLICATIONS

Nil.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Not applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

That is a standard report for Elected Members information.

COUNCIL RESOLUTION (5000)

NOTED

The Mayor submitted the motion, which was declared -

THAT THE ACTION OF HER WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE OFFICER IN EXECUTING THE DOCUMENTS LISTED UNDER THE COMMON SEAL OF THE CITY OF MELVILLE, BE NOTED.

CARRIED EN BLOC

C07/6000 – INVESTMENT STATEMENTS (REC) (ATTACHMENT)

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

AUTHORITY / DISCRETION

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KEY ISSUES / SUMMARY

- This report presents the investment statements for the month of April 2007 and recommends that the information detailed in the attachments be noted.

BACKGROUND

The investment of surplus cash holdings is undertaken in accordance with Council's investment policy, with the objective of maximising returns whilst maintaining acceptable levels of risk exposure.

C07/6000 – INVESTMENT STATEMENTS (REC) (ATTACHMENT)**DETAIL**

[6000A May 2007.pdf](#) and [6000B May 2007.pdf](#) the Investment Statements for the month of April 2007, form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Wednesday, 9 May 2007.

The Investment of Surplus Funds is undertaken in accordance with the Finance Investment Policy document for the City of Melville. [6000D May 2007.pdf](#) a graph showing the total levels of funds invested forms part of the Attachments to the Agenda, which was distributed to the Members of the Council on Wednesday, 9 May 2007.

A report prepared by Grange Securities has again been included for members' information. [6000C May 2007.pdf](#) The reports form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Wednesday, 9 May 2007.

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

Local Government (Financial Management) Regulations 1996 Regulation 19 – Management of Investments.

FINANCIAL IMPLICATIONS

As at the end of April 2007, total interest, excluding Reserve Fund interest, earned was \$2,068,778 against a budget year to date of \$1,729,500. The full year budget is \$1,968,000.

Reserve Fund interest earned was \$1,279,139 against a budget year to date of \$723,000. The full year budget is \$867,800.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

C07/6000 – INVESTMENT STATEMENTS (REC) (ATTACHMENT)**POLICY IMPLICATIONS**

Corporate Policy 13-002.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

Base interest rates softened slightly in the period. The rates for thirty day bank bills showed a fall of 0.125%, ending April at 6.3367% and longer term returns showed a similar trend, with the ninety day rate falling by 0.1317% to 6.3833%. The performance of the City of Melville portfolio managed by Grange Securities exceeded the agreed benchmark of the UBS Bank Bill Index plus 0.35% by 1.08% annualised in the month and has exceeded the benchmark by 0.98% over the last twelve months.

COUNCIL RESOLUTION (6000)

The Mayor submitted the motion, which was declared -

THAT THE INVESTMENT STATEMENTS FOR THE MONTH OF APRIL 2007, AS DETAILED IN THE FOLLOWING ATTACHMENTS BE NOTED:

[6000A May 2007.pdf](#)

[6000B May 2007.pdf](#)

[6000C May 2007.pdf](#)

[6000D May 2007.pdf](#)

CARRIED EN BLOC

13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

14. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

Nil.

15. CLOSURE

There being no further business, the Mayor declared the Meeting closed at 7.02pm.