



— *City of* —
Melville

MINUTES

OF THE

ORDINARY MEETING OF THE COUNCIL

HELD ON

18 SEPTEMBER 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: 21 SEPTEMBER 2007

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— City of —
Melville

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MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBERS, MELVILLE CIVIC CENTRE, 10 ALMONDBURY ROAD, BOORAGOON, COMMENCING AT 6.35PM ON TUESDAY, 18 SEPTEMBER 2007.

1. PRESENT

Her Worship the Mayor, Katherine Jackson JP

COUNCILLORS

Cr D J Macphail (Deputy Mayor)
Cr A Ceniviva
Cr C W Robartson (arrived 6.38pm)
Cr R A Aubrey
Cr C M Halton
Cr M J Barton; Cr L J Wyatt
Cr L M Reynolds
Cr H R Everett
Cr J Phillips

WARD

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

2. IN ATTENDANCE

E Lumsden PSM
M Tieleman
A McAllister

R G C Willis

C McClure
B Taylor

D Tracey
B Mitchell
D Brown

G Fardon

POSITION TITLE

Chief Executive Officer
Director Customer & Corporate Services
Director Strategic Community
Development
Director Technical & Development
Services
Director Strategic Planning
Manager Information, Technology &
Support
Business Support Officer (Observer)
Minutes Secretary
Visitor, Shire President Shire of
Quairading
Visitor, Chief Executive Officer, Shire of
Quairading

At the commencement of the Meeting, there were 2 members of the press and 2 members of the public present in the public gallery.

3. APOLOGIES AND APPROVED LEAVE OF ABSENCE

Cr P Phelan

Palmyra/Melville/Willagee

4. PUBLIC QUESTION TIME

Nil

5. AWARDS AND PRESENTATIONS

- 5.1 At 6.38pm Cr D Brown, Shire President of the Shire of Quairading addressed the meeting and in recognition of the partnership between the Councils, presented Council with the gift of a painting which depicted significant buildings in Quairading.

At 6.50pm the Mayor thanked the Shire of Quairading for the gift.

- 5.2 A record of functions attended by the Mayor, and Elected Members representing the Mayor on behalf of the Council, for the period 17 July 2007 to 20 August 2007, forms an attachment to the Minutes of the Meeting.

At 6.51pm Cr J Bennett moved, seconded Cr J Phillips -

THAT THE RECORD OF FUNCTIONS ATTENDED BY THE MAYOR, AND ELECTED MEMBERS REPRESENTING THE MAYOR ON BEHALF OF THE COUNCIL, FOR THE PERIOD 21 AUGUST TO 17 SEPTEMBER 2007, BE NOTED.
[Mayoral Representation September 2007.pdf](#)

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

CARRIED WITHOUT DISSENT (12/0)

6. CONFIRMATION OF MINUTES

6.1 CONFIRMATION OF NOTES – AGENDA FORUM – 4 SEPTEMBER 2007

At 6.52pm Cr J Bennett moved, seconded Cr R Aubrey -

THAT THE NOTES OF THE AGENDA FORUM HELD ON TUESDAY, 4 SEPTEMBER 2007 BE CONFIRMED AS A TRUE AND ACCURATE RECORD.

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

CARRIED WITHOUT DISSENT (12/0)

6.2 ORDINARY MEETING OF THE COUNCIL 21 AUGUST 2007

At 6.52pm Cr J Bennett moved, seconded Cr R Aubrey -

THAT THE MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON TUESDAY, 21 AUGUST 2007 BE CONFIRMED AS A TRUE AND ACCURATE RECORD.

At 6.52pm 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 LEAVE OF ABSENCE

Cr C Robartson
Cr J Barton

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

THAT THE ABOVE APPLICATIONS FOR LEAVE OF ABSENCE BE APPROVED.

At 6.53pm the Mayor submitted the motion with was **CARRIED WITHOUT DISSENT (12/0).**

9. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil

10. PETITIONS

Nil

11. REPORTS OF COMMITTEES

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007

**C07/002 - CONSIDERATION OF DRAFT EX-GRATIA PAYMENT POLICY (AMREC)
(ATTACHMENT)**

Ward	:	All
Category	:	Policy
Subject Index	:	Insurance – Public Liability
Customer Index	:	Local Government Insurance Services
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Nil
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Stephen Smith Risk Management Coordinator

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

- Incidents occur that the City of Melville may not be legally liable for but morally feel some sense of responsibility for.
- Legally the City of Melville is only responsible for a claim where it is negligent i.e. owes a duty of care, breaches the duty of care and damages or loss occurs to a claimant as a result of the breach.
- Payment may prejudice the City of Melville's legal position by being perceived as an admission of liability.

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/002 - CONSIDERATION OF DRAFT EX-GRATIA PAYMENT POLICY (AMREC)**
(ATTACHMENT)**BACKGROUND**

The City of Melville is a current member of the Municipal Liability Scheme administered by the Local Government Insurance Services (LGIS) and is provided public liability and professional indemnity insurance coverage by the scheme to the limit of 100 million dollars.

Each year the City of Melville receives around 60 public liability or professional indemnity claims. Of those claims received approximately 25% are approved by LGIS. The most common cause of public liability claims over the last 5 years has been tree branches falling on or making contact with property or persons.

In the last 2 years the City of Melville has made 4 ex-gratia payments to claimants, in each case only after the claim had been presented and declined by LGIS. The largest of these payments was \$150.00 for reimbursement of a claimant property insurance excess.

DETAIL

During each year a number of incidents occur causing loss, damage or suffering to claimants or their property. These incidents may occur through the negligence or through no fault of the City of Melville or other parties. Following such incidents the City of Melville may receive a request for restitution for property damage or personal injury. When such a request is received a preliminary investigation into the circumstances is undertaken by Officers with answers and the request for restitution being forwarded to LGIS for ultimate determination. In determining whether to accept a request for restitution LGIS will base their decision on the law of negligence. The law of negligence has three aspects that must be satisfied in order for the City of Melville to be held liable;

- The City of Melville must owe a duty of care to the claimant
- A breach of the duty of care must have occurred
- The claimant must have suffered actual loss or damage to persons or property as a result of the breach.

If all three aspects are identified then the City of Melville is legally liable for damages otherwise no legal liability arises. LGIS will attempt to settle on behalf of the City of Melville cases where liability is admitted. If LGIS determine City of Melville not to be negligent they will deny liability. Should claimants wish to appeal the decision in the first instance this is done through LGIS, with claimants requested to provide any further evidence that they believe will demonstrate the City of Melville to be negligent.

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/002 - CONSIDERATION OF DRAFT EX-GRATIA PAYMENT POLICY (AMREC)
(ATTACHMENT)**

If LGIS continue to decline the claim then some claimants again approach the City of Melville for reimbursement. It is worth noting only 3-5 claimants each year would further approach the City of Melville. In these cases time is spent by Officers either providing responses to claimants or briefing the Mayor or Chief Executive Officer. This practice will continue if the draft policy is adopted and, in fact, could possibly lead to an increase in the demand on officer's time due to more claimants seeking reviews of their claims and payments being made. [C07_002A.pdf](#)

Should the draft policy be adopted by Council it would only come into effect only after LGIS has declined the claim. It would see the City of Melville potentially settling claims for reimbursement that have previously been rejected by LGIS on the basis that, whilst not negligent and hence legal liable, it felt morally liable to settle. The decision to settle the claim would be at the discretion of the Chief Executive Officer and only after the claimant signs a deed of release. This deed would release the City of Melville from future financial or legal liability arising out of the occurrence.

In adopting this policy it will be necessary to formalise the associated delegate authority 'compensation to the owners of property'. [C07_002B.pdf](#)

In adopting this policy it should be clear that no retrospective claims will be approved.

PUBLIC CONSULTATION/COMMUNICATION

No external consultation has been carried out as the decision to adopt this policy is essentially operational.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

In drafting this policy consultation has been undertaken with the LGIS as the City of Melville's public liability and professional indemnity insurer. It has been provided with a draft of the proposed policy for comment. Its comment is "Council is entitled to make such payment at its discretion, however, the implications of such must be realised and considered."

Following research, whilst no Councils have been identified who have a formal policy in place some Councils have an informal process of approving ex-gratia payments.

STATUTORY AND LEGAL IMPLICATIONS

There are legal implications in adopting a policy on ex-gratia payments. These relate to offers of settlement being seen as an admission of liability. For example: if the City of Melville makes a settlement offer to a claimant, who then rejects the offer and makes a further demand for an larger amount, the City of Melville could be prejudiced in it's ability to defend itself for the full amount claimed, as the initial offer could be seen to be an admission of liability.

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007

C07/002 - CONSIDERATION OF DRAFT EX-GRATIA PAYMENT POLICY (AMREC) (ATTACHMENT)

Whilst there is no express function in the Local Government Act for a Local Government to make an ex gratia payment, section 3.1 (1) of the Act states: ‘The general function of a local government is to provide for the good governance of the persons in its district’.

Section 3.1 (3) of the Local Government Act provides further guidance to interpreting section 3.1 (1) ‘A liberal approach is to be taken to the construction of the scope of the general function of a local government’.

FINANCIAL IMPLICATIONS

There are no up front financial implications for Council in the adoption of this policy. The exact annual financial costs of approving an ex-gratia payments policy are difficult to quantify due to the variability in the number of claims submitted and damage claimed each year. However, based on the draft policy of only approving ex-gratia payments for property damage and capping them to \$200, a rough analysis is provided below

Average number of total claims submitted per year = 60
Average Percentage of claims that are property damage claims = 65%
Average Percentage of property damage that are declined = 60%

$(60 \times 65\%) \times 60\% = 23$ – number of claims previously declined we would potentially pay.

If the maximum claims cost was \$200, the extra cost of this policy would be \$4600 per annum and would be incurred by the organisation.

It must be noted this figure would be in addition to the current public liability and professional indemnity insurance premium of \$465,070 (not including GST) currently paid by the City of Melville.

As there is currently no budget allocated for the payment of these claims a budget allocation of \$5,000 - \$10,000 would need to be made each year.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

LGIS has indicated that adoption of this policy could not only prejudice its ability to decline and defend claims of a similar nature on our behalf, but could prejudice the position of other Councils who may have similar claims made against them.

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Risk of the City of Melville being held legally liable for damages as a result of making a settlement offer to a claimant.	Moderation consequences which are Possible, resulting in a High level of risk	Educate and inform the community about public liability insurance provision.

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/002 - CONSIDERATION OF DRAFT EX-GRATIA PAYMENT POLICY (AMREC)
(ATTACHMENT)****POLICY IMPLICATIONS**

There is currently no Council Policy that relates to ex-gratia payments.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The alternative option is to continue to not make ex-gratia payments and allow LGIS to manage public liability and professional indemnity claims on the City of Melville's behalf and when appropriate defend claims where the organisation is not liable for a particular loss. The implications of this option are that, on occasion, claimants may not be happy with the decision made by LGIS on behalf of the City of Melville.

CONCLUSION

There may be occasions when the City of Melville is not legally liable to pay compensation to a claimant for personal injury or damage to personal property but feels morally obliged to pay compensation.

The City of Melville is entitled to make such payments at its discretion, however the insurance and legal implications of such must be realised and considered

Committee Recommendation**Absolute Majority Approval**

That by absolute majority decision of the Council Draft Policy 13-PI-007 Ex-Gratia Payments and the associated Draft Delegation 'Compensation to Owners of Property' be adopted.

Reject and Replace

At 6.54pm Cr A Ceniviva moved, seconded Cr Reynolds -

That the Committee recommendation be rejected and replaced as follows:

At 6.54pm Cr A Ceniviva moved, seconded Cr Reynolds -

THAT BY ABSOLUTE MAJORITY DECISION OF THE COUNCIL THE AMENDED DRAFT POLICY 13-PL-007 EX-GRATIA PAYMENTS AND THE ASSOCIATED DRAFT DELEGATION 'COMPENSATION TO OWNERS OF PROPERTY' BE ADOPTED
[Ex gratia policy 07 08 16-ND draft .pdf](#)

At 6.54pm the Mayor submitted the motion, which was declared
DISSENT (12/0)

CARRIED WITHOUT

11.1 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007

ADOPTION OF ITEMS NOT WITHDRAWN

At 6.54pm Cr A Ceniviva moved, seconded Cr Reynolds -

THAT THE COMMITTEE RECOMMENDATIONS EXCLUDING ITEM C07/002 BE RECEIVED AND THE RECOMMENDATIONS CONTAINED THEREIN BE ADOPTED.

At 6.54 pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (12/0)

11.2 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007

C07/003 CONSIDERATION OF DRAFT LEGAL REPRESENTATION FOR ELECTED MEMBERS, OFFICER AND VOLUNTEERS POLICY (REC) (ATTACHMENT)

Ward	:	All
Category	:	Policy
Subject Index	:	Legal Matter and Documentation Melville Cares
Customer Index	:	Elected Members Melville Volunteer Resource Centre
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	C06/8001 Volunteer Bus Driver, March 2006
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Stephen Smith Risk Management Coordinator

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

- Currently no policy exists covering this area and the Elected Members and Officers insurance provides limited coverage.
- The proposed policy would extend the coverage / assistance provided to Elected Members and Officers to defend legal actions, (subject to a few exclusions, eg unlawful acts, etc) and also provide assistance to volunteers

11.2 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/003 CONSIDERATION OF DRAFT LEGAL REPRESENTATION FOR ELECTED MEMBERS, OFFICER AND VOLUNTEERS POLICY (REC) (ATTACHMENT)****BACKGROUND**

A request was made and agreed to by Council in March 2006 for financial assistance for a volunteer to aid in the defence of charges brought under the Road Traffic Act. At the time it was determined that a policy should also be developed to provide guidance in relation to the provision of funding of legal representation for Elected Members, Officers and Volunteers when facing charges whilst acting in good faith on behalf of the organisation.

DETAIL

The policy is designed to clarify the circumstance in which Council will generally provide financial assistance to Elected Members, Officers and Volunteers. [C07_003.pdf](#)
This provision is dependent upon the applicant having acted reasonably and not illegally or dishonourably, against the interests of the City or otherwise in bad faith.

Generally the City of Melville will provide assistance in the following types of legal proceedings:

- Proceedings brought by Elected Members or Officers to allow them to carry out their function,
- Proceedings brought against Elected Members or Officers in relation to a decision of Council or the Officer by an aggrieved party,
- Proceedings brought against Elected Members, Officers or Volunteer where their conduct in carrying out their function is considered detrimental to another party, and
- Representation of Elected Members or Officers before statutory or other enquires.

Assistance will not be provided however, to Elected Members, Officers or Volunteers seeking payment of damages through the commencement of legal action in relation to defamation claims.

The City of Melville retains an Elected Members and Officers Insurance Policy that provides some coverage for legal fees or costs subject to the Insurance Companies agreement. This Policy would look to only supplement this insurance if necessary.

In order to obtain financial assistance, all parties will be required to make an application in writing to the Chief Executive Officer setting out full details. Requests will then be assessed by the Chief Executive Officer or an Officer on their behalf before final approval by Council. Provision is made in the policy for urgent granting of assistance but this shall be limited to a set amount of \$3,000. Financial assistance provided under this policy shall be provided by the City of Melville solicitors, unless not considered appropriate due to a conflict of interest.

Repayment of assistance received under this policy may be required should costs or damages be awarded or where Council determines that a person has in fact acted unreasonably, illegally, dishonestly, against the interests of the City or otherwise in bad faith.

11.2 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/003 CONSIDERATION OF DRAFT LEGAL REPRESENTATION FOR ELECTED MEMBERS, OFFICER AND VOLUNTEERS POLICY (REC) (ATTACHMENT)****PUBLIC CONSULTATION/COMMUNICATION**

No external consultation has been carried out.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Consultation with a number of other Councils has indicated that they have current policies on legal representation for Elected Members and Employees. No Council has been found who has a documented policy extending to include volunteers. Extensive reference has also been made to the operational guideline – Legal Representation for Council Members and Employees produced by the Department of Local Government and Regional Development.

STATUTORY AND LEGAL IMPLICATIONS

Under the *Local Government Act 1995 (the Act)*, there is no express function for local government to make ex gratia payments in the sort of circumstance covered by this policy. However, Section 3.1(1) the Act states: *the general function of a local government is to provide for the good government of persons in its district.* The City's 'good government' powers would allow it, in appropriate circumstance to pay for the legal representation costs of an Elected Member, Employee or a Volunteer.

In order for such a payment to be made a Council resolution authorised by an absolute majority would be required under section 6.8 (1) (b) of the Act.

A legal opinion received in relation to the previous item, C06/8001, is applicable to this policy and supports the making of ex gratia payments as being lawful in certain circumstance.

In considering this policy it is worth while also bearing in mind application of the *Volunteers (Protection from Liability) Act 2002*, in particular sections 6.1 and 7.1.

Section 6 (1) ... *a volunteer does not incur civil liability for anything that the volunteer has done in good faith when doing community work.*

Section 7 (1) *A community organisation incurs the civil liability that, but for the operation of section 6(1), a volunteer would incur for a thing done by the volunteer when doing community work organised by the community organisation.*

These sections imply that City of Melville and/or Officers may in certain circumstances should an accident occur, be held liable for injuries or damages. This policy would along with the Elected Members and Officers Insurance extend sufficient protection should an action be brought against an Elected Member or Officer.

11.2 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/003 CONSIDERATION OF DRAFT LEGAL REPRESENTATION FOR ELECTED MEMBERS, OFFICER AND VOLUNTEERS POLICY (REC) (ATTACHMENT)
FINANCIAL IMPLICATIONS**

There are no anticipated significant financial implications as a result of the adoption of this policy given its likely rare application.

then they will be provided with adequate legal support or assistance. This policy combined with the insurance policies held by the City of Melville should give this reassurance.

No Extreme or High level risks have been identified in relation to the development or application of this new policy. There is a risk however, that should legal action be taken against an Elected Member or Volunteers this may adversely impact upon community willingness to undertake either of these roles to the detriment of the Council and/or Community.

POLICY IMPLICATIONS

There is no Council Policy that currently relates to legal representation of Elected Members, Employees or Volunteers

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

The alternate option is not to adopt this new policy. However, the implications of this would be that the City of Melville continues to have no clear policy stance on this subject and should an event occur Elected Members, Officer and Volunteers may not feel supported by the organisation.

CONCLUSION

To date the City of Melville has not had a policy in relation to legal representation for Elected Members, Officers or Volunteers. Whilst we have a Councillors and Officers Insurance Policy, this provides only limited protection. Personal (Volunteer) Accident Insurance is also maintained by the organisation. The scope of this insurance policy is to cover volunteers for accidental injury whilst engaged in any activity directly or indirectly connected with or on behalf of the City of Melville. This policy does not however, provide liability cover for Volunteers.

Adoption of this policy would extend coverage or potentially increase the financial assistance provided to Elected Members, Officers and Volunteers.

11.2 AUDIT, RISK AND COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/003 CONSIDERATION OF DRAFT LEGAL REPRESENTATION FOR ELECTED MEMBERS, OFFICER AND VOLUNTEERS POLICY (REC) (ATTACHMENT) FINANCIAL IMPLICATIONS**

The coverage of volunteers is an important issue, as highlighted by the incident that occurred in November 2005. Volunteers are an invaluable asset/resource in our community and provide both their skills and time to assist the Council. They take pride in the role they play on our behalf and the Organisation needs to consider not only the legal but the ethical responsibilities we have to support volunteers. There is anecdotal evidence to suggest that some volunteers may withdraw their services for fear of being legally liable should an incident occur. Adoption of this policy whilst not completely extinguishing the legal liability should offer some level of assistance to them.

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION**APPROVAL**

THAT COUNCIL ADOPT THE POLICY 20-PL-001 LEGAL REPRESENTATION FOR ELECTED MEMBERS, OFFICERS AND VOLUNTEERS [C07_003.pdf](#).

CARRIED EN BLOC (12/0)

11.3 AUDIT, RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007

C07/004 - REPORT ON THE INTERIM AUDIT VISIT FOR THE YEAR ENDING 30 JUNE 2007 (REC) (ATTACHMENT)

Ward	:	All
Category	:	Operational
Subject Index	:	Interim Audit for the Year Ended 30 June 2007
Customer Index	:	Macri Partners
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	None
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Bob Searle Manager Financial Services

AUTHORITY / DISCRETION

	<u>Definition</u>
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<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>
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<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 item presents to Council the findings of the Interim Audit for the year ended 30 June 2007 undertaken by Macri Partners.

11.3 AUDIT, RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/004 - REPORT ON THE INTERIM AUDIT VISIT FOR THE YEAR ENDING 30 JUNE 2007 (REC) (ATTACHMENT)****BACKGROUND**

The Auditors, Macri Partners, have undertaken an interim Audit in preparation for the year end on 30 June 2007. As is the normal practice, following their audit, Macri Partners have submitted to the Chief Executive Officer, Mayor Jackson and the Minister for Local Government, a report listing items that they believed required additional attention.

REPORT ON THE INTERIM AUDIT VISIT FOR THE YEAR ENDED 30 JUNE 2007 (REC)**[Report on the Interim Audit Visit for the Year Ending 30 June 2007.pdf](#)**

The Interim Management Report for the year ended 30 June 2007 forms part of the Attachments to the Agenda, which was distributed to the Members of the Council on 7 August 2007.

DETAIL

All items listed in the report have been addressed and acted upon, with the responses being listed within the body of the report.

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable

STATUTORY AND LEGAL IMPLICATIONS

Local Government (Audit) Regulations 1996 Clause 10 (4).

FINANCIAL IMPLICATIONS

All items listed in the report have been addressed and acted upon, with the responses being listed within the body of the report.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

No items of an extreme or high risk level have been identified in this report or currently exist as a result of the interim audit.

11.3 AUDIT, RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/004 - REPORT ON THE INTERIM AUDIT VISIT FOR THE YEAR ENDING 30 JUNE 2007 (REC) (ATTACHMENT)****POLICY IMPLICATIONS**

Council policies relevant to matters covered by the interim audit are 13-PL-002 Investment of Surplus Funds, 13-PL-003 Self Supporting Loans, 13-PL-004 Procurement of goods or services through direct purchasing and public tendering, and 13-PL-005 Accounting Policy.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable

REPORT ON THE INTERIM AUDIT VISIT FOR THE YEAR ENDED 30 JUNE 2007 (REC)**CONCLUSION**

The three items raised by the Auditors can be summarised as follows:

1. Sundry Debtors – the Auditors quite rightly raise the issue of old debts. These debts are reported monthly to Council and all but one relate to community organisations with which Council is working cooperatively to assist them in ensuring their ability to honour their outstanding debts.
2. Bank Reconciliations – this was a technical problem arising from the introduction of the new General Ledger system on 1 July 2007. The variance was small and consistent, and priority was given to addressing what were seen as more urgent and material issues. The problem was addressed on receipt of the audit comment, and no longer exists.
3. Purchasing and Payments – Historically within the organisation there has not been a strong culture of raising purchase orders prior to invoice receipt, and there has also been a deliberate policy when prior orders have been raised of only forwarding to suppliers' major orders. Since the receipt of this report, it has been used as an impetus to require users to raise all orders on time and not after the receipt of invoices, and the situation has improved dramatically. Additionally the number of orders being sent to suppliers has increased and is still being worked on.

As part of the new ledger implementation systems have been put in place that materially increased the number of prior orders raised. A process has begun to capture supplier email details to allow for order forwarding without impacting severely on costs. It has also been identified that review of requisitioning and purchasing processes is required in order to improve the situation. This review is being undertaken by the Business Analyst Reporting Officer and the Process Improvement Auditor.

11.3 AUDIT, RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007

C07/004 - REPORT ON THE INTERIM AUDIT VISIT FOR THE YEAR ENDING 30 JUNE 2007 (REC) (ATTACHMENT)

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION

NOTING

THAT THE REPORT OF THE INTERIM AUDIT FOR THE YEAR ENDED 30 JUNE 2007
[Report on the Interim Audit Visit for the Year Ending 30 June 2007.pdf](#) BE NOTED.

CARRIED EN BLOC(12/0)

11.4 AUDIT RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007

**C07/005 - CONSIDERATION OF DRAFT STRATEGIC RISK REGISTER (REC)
(ATTACHMENT)**

Ward	:	All
Category	:	Operational
Subject Index	:	Council Administration – Risk Management
Customer Index	:	None
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	None
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Stephen Smith Risk Management Coordinator

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>
<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

- A list of strategic risks impacting upon City of Melville has been prepared following consultation with the Executive Management Team.
- No extreme level strategic risks were identified but a number of high level risks were identified.

BACKGROUND

In November 2005 Council approved the Risk Management Policy and Risk Management Strategy. The Risk Management Strategy had three pillars;

11.4 AUDIT RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007**C07/005 - CONSIDERATION OF DRAFT STRATEGIC RISK REGISTER (REC)
(ATTACHMENT)**

- Awareness – develop education and communication strategies to provide City of Melville employees with awareness of the risk management process, the policy, responsibilities and the need to manage risk as part of day to day business.
- Assessment - development of appropriate tools and techniques to assist in assessing risks, identifying controls and determining risk priorities.
- Assurance – monitoring and reporting in relation to the policy and provision of assurance to the Executive Management Team that major risk exposures have been identified and risk management controls are in place or planned through corporate or business plans

DETAIL

As part of the ongoing implementation of the Risk Management Strategy a series of meetings have been held with the Executive Management Team to identify, assess and document controls for the strategic risks facing the City of Melville.

Strategic risks – risk that relate to the City of Melville undertaking the wrong activities or services, inappropriate or less appropriate activities or services in pursuit of its goals and objectives. These risks may arise also from factors in the external environment and there impact upon the City of Melville.

Operational risks – risks that relate to the City of Melville doing the right things the wrong way or otherwise inadequately. The risks can also be specific to a project, service or location.

In undertaking the risk identification activity the following risk categories were examined;

- Political
- Market
- Human Resources
- Operational
- Technological
- Environmental
- Finance
- Legal and Commercial.

Following this current controls were identified and risks assessed using the City of Melville Risk Assessment Matrix. Further discussion with Executive Management Team determined further actions required, responsible officers and timeframes.

**11.4 AUDIT RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007
C07/005 - CONSIDERATION OF DRAFT STRATEGIC RISK REGISTER (REC)
(ATTACHMENT)**

A total of eleven strategic risks have been identified by the Executive Management Team [Strategic Risk Register.pdf](#). No extreme level risks have been identified but six high level risks have been identified. Responsibility for implementation of controls for the management of these risks will be documented in the corporate and business plans.

Annual review of the Strategic Risk Register will become an integral part of the corporate and business planning process.

PUBLIC CONSULTATION/COMMUNICATION

No external consultation has been carried out.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

A review of insurance data provided by Local Government Insurance Service has been used as another input into the risk assessment process, however this revealed no additional strategic risks.

STATUTORY AND LEGAL IMPLICATIONS

There are no statutory implications that would impact upon Council accepting the list of strategic risks.

No direct legal implications exist in relation to the City of Melville adopting the Strategic Risk Register. However, by managing risk through a logical, systematic and documented process the City of Melville will be in a better position to defend its actions should this become necessary.

FINANCIAL IMPLICATIONS

No additional funding will be required for this item. However, identified actions in Strategic Risk Register will require funding through operational budgets.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Through identifying strategic risks confronting the City of Melville and taking action to control these risks the City of Melville is better placed to meet its corporate plan's objectives. The process of identification, assessment and control of strategic risks also allows the City of Melville to demonstrate its commitment to principles of good corporate governance.

11.4 AUDIT RISK & COMPLIANCE COMMITTEE – 14 AUGUST 2007

C07/005 - CONSIDERATION OF DRAFT STRATEGIC RISK REGISTER (REC) (ATTACHMENT)

There is a risk that in undertaking the risk assessment activity an extreme or high level risk may have been overlooked or the level of a risk been underestimated. However, through using the structured risk identification process and ensuring all Executive Team Members participated in the process, actions have been taken to mitigate this particular risk. Additionally, this process will need to continue on an annual basis to ensure no new strategic risks arise that are of an unacceptable level.

POLICY IMPLICATIONS

Current Council Policy on 26-PL-001 Risk Management states that “*City of Melville is committed to the implementation of an enterprise wide risk management approach to identify and manage all risks and opportunities associated with the performance of the City of Melville functions and the delivery of services.*” The documentation of strategic risks is a step in the fulfilment of this policy statement.

CONCLUSION

Strategic risks are those risks that arise through asking the question – is the City of Melville doing the right things? These strategic risks have been documented and necessary actions to management the risk identified for inclusion in the corporate and business planning process.

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION

NOTING

THAT THE DRAFT STRATEGIC RISK REGISTER BE NOTED.

CARRIED EN BLOC (12/0)

12 – OFFICERS’ REPORTS

C07/8006 - THE AGE-FRIENDLY MELVILLE DIRECTIONS FOR SENIORS STRATEGY. (REC) (ATTACHMENT)

Ward	:	All
Category	:	Strategic
Subject Index	:	Seniors
Customer Index	:	Age-Friendly Melville Directions for Seniors Strategy
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Works Programme	:	Not Applicable
Funding	:	Not Applicable
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>
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**C07/8006 - THE AGE-FRIENDLY MELVILLE STRATEGY: DIRECTIONS FOR SENIORS
(REC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

To present the Age-Friendly Melville Strategy: Directions for Seniors (Directions for Seniors) for Council endorsement.

BACKGROUND

Like many local government authorities the City of Melville has a significant aged and ageing population. Currently 25,800 people over the age of fifty-five live in Melville out of a total population of one hundred thousand. This represents over 23% of our population and by 2010 around 34% of our population will be over 55. The City of Melville population has continued to age faster than the Western Australian State average. In 2006 the WA State average for 65 years and over was 11.7% of the total population, compared to the City of Melville average of 15.11% (3.41% than the State average).

Residents from Chinese, Italian, and South Asian backgrounds make up our largest groups of seniors from culturally and linguistically diverse communities – approximately 17.5% of our current seniors population. We know that these groups will continue to increase in numbers.

The Council has demonstrated its commitment to responding to the aged and growing older population since 1993 and has actively researched seniors' issues since this time.

Directions for Seniors captures research and actions as well as setting a strategy for future directions. A key priority of the recently launched Community Plan is to “create an age-friendly city”.

Ensuring that our City is age-friendly is one of the most effective policy approaches to respond to an ageing population. An age-friendly city:

- Promotes “active ageing”.
- Helps prevent and correct the barriers that people encounter as they grow older.
- Ensures policies, services and structures related to the physical and social environment are designed to support and enable seniors to age actively – to live in security, enjoy good health and participate fully in their communities.

To achieve these outcomes the City of Melville has developed particular programmes, facilitated the delivery of relevant programmes by other providers, advocated for changes, developed partnership opportunities that would improve the quality of life of our seniors, and participated in relevant research.

**C07/8006 - THE AGE-FRIENDLY MELVILLE STRATEGY: DIRECTIONS FOR SENIORS
(REC) (ATTACHMENT)**

Since June 2006, the City has partnered with the Western Australian government through the Office for Seniors Interests and Carers to conduct research as part of the World Health Organisation - Age Friendly Cities (WHO - AFC) project. The City is one of only two Cities in Australia that participated in this project, and the only Local Government in Australia.

The WHO-AFC project had two main objectives - to identify indicators of an age- friendly city and produce a practical guide to stimulate and guide advocacy, community development and policy change to make urban communities age-friendly; and for participating cities to

increase awareness of local needs, gaps and good ideas for improvement in order to stimulate development of more age-friendly urban communities. The results have guided the development of the AFMS for our City.

The City of Melville has a history of initiatives that respond to our ageing population. Specific programmes that have been developed include the Seniors Assistance Fund (SAF) – a pool of funding (\$75,000) that is annually provided by the Council to provide direct service provision via a brokerage model to seniors that “fall through the gaps” of other funding programmes.

The programme is person centered, flexible and responsive to seniors needs. The SAF also includes a grants programme (\$25,000) that makes available funds to support innovative, sustainable responses to identified seniors issues. This programme was recently recognised in the WA Seniors Week Award by the State Government for “Active Ageing Leadership”. The SAF grant program for 2007-2008 is targeting priorities as set in the AFMS.

Other initiatives include the delivery of culturally specific Home and Community Care (HACC) services to our Chinese, Italian, South Asian, and indigenous residents; the facilitation of a regular network of aged care service providers in the City; specific programmes at our Recreation Centres, Libraries and Community Centres, and a Community Development Officer (Seniors) that works proactively within the framework of an asset based community development model to further relevant project development and promote seniors interests.

DETAIL

The Age-Friendly Melville Strategy: Directions for Seniors is attached. [8006 September 2007.pdf](#) The AFMS will be available electronically on our website and a marketing version will be created for promotional purposes. This will be launched in alignment with the launch of the World Health Organisation – Age Friendly Cities Guide on 11 October 2007.

C07/8006 - THE AGE-FRIENDLY MELVILLE STRATEGY: DIRECTIONS FOR SENIORS.
(REC) (ATTACHMENT)

The Directions for Seniors:

- links to our Community Plan
- includes background information on international, national, state, and local research trends
- Identifies COM assets regarding age friendly features
- determines key priorities
- identifies future strategies and actions which will provide direction to the Council that will assist with the development of an age friendly city.

PUBLIC CONSULTATION/COMMUNICATION

The WHO-AFC project provided an ideal opportunity to undertake consultation with our community that has provided information for Directions for Seniors. The consultation involved 14 focus groups of seniors, carers, and relevant organisations and was held in October 2006. Participants provided information on a range of topics – outdoor spaces and buildings; transportation; housing; respect and social inclusion; social participation; communication and information; civic participation and employment; and community support and health services. The focus groups were facilitated by the Office for Seniors Interests and Carers (OSIC).

An extensive report on the outcomes of the focus groups was compiled by OSIC and forwarded to the WHO in February 2007. This research will be used by the WHO, along with research from 34 cities from 22 countries throughout the world, to produce a Guide to age-friendly cities.

Late June 2007, the focus group participants were invited to take part in further workshops to assist with prioritising the suggestions/actions for improvement that were made during the consultation held in October 2006. Feedback on the age-friendly findings was also provided at these workshops.

Almost all the seniors that participated in the initial focus groups, returned to be involved in the prioritising workshops and many talked of the positive experience with the City of Melville through the opportunity to remain involved. The OSIC also facilitated these prioritising workshops.

The information gained from the prioritising process has been incorporated into Directions for Seniors as suggested actions.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Directions for Seniors incorporated consultation from the Melville Aged Services Provider network, which includes representatives of providers of service to City of Melville seniors. In addition, the WHO-AFC focus groups of October 2006 included service providers and local business who provide service within the City of Melville.

**C07/8006 - THE AGE-FRIENDLY MELVILLE STRATEGY: DIRECTIONS FOR SENIORS.
(REC) (ATTACHMENT)**

STATUTORY AND LEGAL IMPLICATIONS

N/A

FINANCIAL IMPLICATIONS

The amount of \$25,000.00 allocated for Seniors Assistance Fund grants in 2007/2008 will target priorities from the AFMS.

Directions for Seniors will be discussed with all service areas and suggested actions will be identified for implementation and inclusion in business plans. Any budget implications for 2008/2009 and beyond will then be determined.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Council does not adopt Directions for Seniors - The Council will appear not to have strategic planning regarding the ageing population.	Moderate	Adopt the strategy, review annually to ensure actions are implemented.

Directions for Seniors will have an ongoing positive impact not only for seniors, but for people with disabilities, parents with young children and the local community as a whole.

The strategy will be reviewed on an annual basis.

POLICY IMPLICATIONS

N/A

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

With the current global and national focus on ageing, not adopting Directions for Seniors would indicate a lack of strategic planning for our ageing population.

**C07/8006 - THE AGE-FRIENDLY MELVILLE STRATEGY: DIRECTIONS FOR SENIORS.
(REC) (ATTACHMENT)**

CONCLUSION

The development, adoption and implementation of Directions for Seniors ensures that the Council has a clear framework for strategic planning and responses to an ageing population in a positive, proactive and holistic way.

The strategy is linked to our Community Plan and will link to Neighbourhood plans in the future.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (8006) APPROVAL

At 6.59 Cr D Macphail moved, seconded Cr C Robartson

**THAT THE COUNCIL ADOPTS THE AGE-FRIENDLY MELVILLE STRATEGY:
DIRECTIONS FOR SENIORS. [8006 September 2007.pdf](#)**

At 6.59pm the Mayor submitted the motion which was **CARRIED WITHOUT DISSENT (12/0)**

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

	<u>Definition</u>
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<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>
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KEY ISSUES / SUMMARY

- This report presents the investment statements for the month of August 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 low levels of credit risk exposure.

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

DETAIL

[6000A September 2007.pdf](#) and [6000B September 2007.pdf](#) the Investment Statements for the month of August 2007, form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Wednesday, 15 August 2007.

The Investment of Surplus Funds is undertaken in accordance with the Finance Investment Policy document for the City of Melville. [6000D September 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, 15 August 2007.

A report prepared by Grange Securities has again been included for members' information. [6000C September 2007.pdf](#) The reports form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Wednesday, 15 August 2007.

Elected Members are aware of the impact on investments arising from the extreme volatility in world financial markets in July and August. This volatility means that it is extremely difficult at present to arrive at a true meaningful valuation for the Collateralised Debt Obligation (CDO) element of the investment portfolio, however the best estimate is that had all investments been disposed of at the end of August, a loss of 4.5% would have been realised. The market valuation of the CDO element of the investment portfolio at the end of August represented 88.5% of the cost figure, with individual valuations ranging between 73.9% and 99.5%. It should be emphasised that the investment products in question continue to retain their very high credit ratings and that there is every reason to believe that they will continue to pay their full interest yield and to pay full value on maturity.

Statements 6000A, 6000B and the graph 6000D show the value of the investments based on cost, which is consistent with long standing practice. The report from Grange Securities is based on their calculation of market value as at the end of August. That report shows a substantial negative performance when compared to the benchmark being the UBS Warburg 90 day bank bill Index + 0.35% over the month of August, past quarter and year and a negative return of 1.14% for the portfolio since inception in December 2003. As the credit markets regain stability the performance of the portfolio should continue to show a marked turnaround.

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Price Waterhouse Coopers (PWC) have been engaged to provide advice in regards to the appropriateness of the City's investment strategy in light of the recent volatility in the credit markets.

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

STATUTORY AND LEGAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

As at the end of August 2007, total interest, excluding Reserve Fund interest, earned was \$372,965 against a budget of \$452,490. The full year budget is \$2,555,887.

Reserve Fund interest earned was \$244,304 against a budget of \$210,200. The full year budget is \$1,175,245.

Apart from the book value of investments moving according to market volatility there are no financial implications in relation to the cash position of Council.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Whilst there has been increased market volatility risk associated with Council's investment portfolio the credit risk of the portfolio remains low and therefore the risk of losing capital or interest earnings is also low. Council's investment policy was carefully constructed to minimise credit risk through investing in highly rated securities and diversification.

POLICY IMPLICATIONS

Corporate Policy 13-PL-002 – Investment of Surplus Funds.

As resolved at the August full meeting of Council, the policy will now be placed under review to incorporate mechanisms that protect Council'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.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

Base interest rates rose in the period. The rates for thirty day bank bills rose by 0.3367% from 6.52% to 6.8567% whilst longer term returns also rose, with the ninety day rate lifting by 0.2717% to 6.89%. Reflecting the recent and continuing extreme volatility in the financial markets, 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 10.44% annualised in the month but shows a shortfall to the benchmark of 7.65% over the last twelve months.

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

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6000) NOTING

At 7.00pm Cr A Ceniviva moved, seconded Cr J Phillips -

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

[6000A September 2007.pdf](#)

[6000B September 2007.pdf](#)

[6000C September 2007.pdf](#)

[6000D September 2007.pdf](#)

At 7.00pm the Mayor moved the motion which was **CARRIED WITHOUT DISSENT (12/0)**

C07/6009 - MOUNT PLEASANT UNDERGROUND POWER PROJECT FUNDING (REC)
(ATTACHMENT)

Ward	: Applecross/Mt Pleasant
Category	: Operational
Subject Index	: Underground Power - Mount Pleasant North Round 4
Customer Index	: Western Power
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: T05/3009 - Underground Power Round Four Submission October 2005 T06/3001 – Mount Pleasant Underground Power Project, December 2006
Works Programme	: Special Capital Works Project
Funding	: \$9,000,000 in the 2007/2008 Adopted Budget
Responsible Officer	: Bob Searle Manager Financial Services

AUTHORITY / DISCRETION

	<u>Definition</u>
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C07/6009 - MOUNT PLEASANT UNDERGROUND POWER PROJECT FUNDING
(AMREC) (ATTACHMENT)

KEY ISSUES / SUMMARY

- In December 2006 Council agreed to support the State Underground Power Programme Round 4 scheme for the installation of underground power in the Mount Pleasant area. One of the resolutions stated that “following final design and costings a further report be submitted to Council for the adoption of Budget objectives for the State Underground Power Program (Supp) round 4 Mount Pleasant project.” The final design and costings have now been received and this report seeks to progress the implementation of the scheme.

BACKGROUND

This programme will represent the fourth underground power scheme with which the City of Melville has been involved. The report submitted to Council in December 2006 outlined the consultative process that has been undertaken and the high level of support for the scheme from homeowners in the affected area. Western Power are seeking Council Budget approval at the September 2007 Ordinary Meeting of Council in order that a start may be made on the project in early October 2007. [6009A September 2007.pdf](#)

DETAIL

The original estimate, on which indicative figures were based when community consultation was undertaken, was that the share of the cost to be recovered by the City of Melville would be \$8,600,000. The final detailed budget [6009B September 2007.pdf](#) prepared by Western Power shows the full estimated cost of the project as being \$13,526,826 including a \$1,183,325 contingency amount. This means that the 50% share of the project cost to be borne by the Council and its ratepayers can now be revised down from the \$8.6m to \$6,763,413 including contingency amounts. This is an encouraging reduction in cost that will help make the charges more affordable to homeowners.

A cash flow forecast has now been received from Western Power showing the dates and amounts expected to be due and payable by the City of Melville during the life of the scheme. Based on this, a further amount of approximately \$400,000 financing costs will form part of the scheme costs to be recovered from ratepayers, bringing the total to approximately \$7.2m. An advantage of this timing is that the majority of the actual costs of the scheme will be known prior to setting recovery rates for the 2008/2009 budget, meaning that a greater accuracy level will be possible when determining the cost recovery from ratepayers.

C07/6009 - MOUNT PLEASANT UNDERGROUND POWER PROJECT FUNDING
(AMREC) (ATTACHMENT)

Before budget deliberations for 2008/2009 a further report will be prepared for Council recommending a cost recovery basis for the scheme. Historically the City of Melville has based its underground power charging on a mix of a specified area rate for the network charge based on GRV and a service charge under Section 6.38 of the Local Government Act 1995 in respect of a smaller service connection charge component. Other local governments have adopted different mixes of the two options, and officers will model options [6009C September 2007.pdf](#) which details the arrangements under which this tripartite project will proceed. The agreement has been well tested over a number of projects and is considered acceptable

PUBLIC CONSULTATION/COMMUNICATION

The City of Melville has distributed a survey questionnaire to home owners in the project area with responses indicating 84% support for underground power in principle and 74% support for underground power based on the indicative average cost of \$4,300 per single residential property.

A newsletter has been prepared for distribution, subject to Council acceptance of this report, and further regular updates on the progress of the works will be sent to homeowners and residents in the project area.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

This is essentially a Western Power scheme that will be project managed by them with co-operation from the City of Melville.

STATUTORY AND LEGAL IMPLICATIONS

- Provision by the City of Melville to the Office of Energy of a Letter of Intent
- Agreement signed by the Minister for Energy, City of Melville and Western Power.
- There will be statutory and legal implications as they apply to Western Power and other state bodies.

C07/6009 - MOUNT PLEASANT UNDERGROUND POWER PROJECT FUNDING
(AMREC) (ATTACHMENT)

FINANCIAL IMPLICATIONS

There will be only a minimal net cost of the scheme to the City of Melville, since costs not covered by the State Government are recovered from the property owners benefiting from the scheme. The City will bear the costs relating to its own facilities and buildings as well as charge relating to the powder coating of street lights to blend in with existing street lights in the area. Subject to further review and a further report to Council, it is planned that, consistent with the practice in previous underground power schemes undertaken within the City, the costs will be recovered partially by a service connection charge levied under s6.38 (1) of the Local Government Act 1995, and partly by a Specified Area Rate which will be levied in order to recover the overall network infrastructure costs. As stated previously in this report the options will be modelled to seek a recommendation that represents an equitable outcome for the majority of ratepayers.

The questionnaire sent to property owners canvassed a range of repayment options ranging from payment in full within twenty one (21) days, allowing a three percent (3%) discount, to an extended payment period of up to three (3) years with staged interest levels being charged up to a level of seven percent (7%) in the third year.

Officers are conscious of the cost increases involved in this scheme and are seeking to ensure that appropriate payment options are available to property owners in order to assist with meeting the costs that will be charged. To this end, further possibilities over and above those already offered are being investigated.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Vision 1-The Organisation and its People

Strategic Objective 1.2-Effective Planning for the Future

To plan for the future of the City, ensuring that available resources are used effectively and that services are both available and affordable for our community.

Vision 2-Community Environment

Strategic Objective 2.1-Community Planning Scheme

A Community Planning Scheme that articulates the community expectations for diversity, density and design.

Strategic Objective 2.2-Infrastructure Assets

Infrastructure assets are maintained and /or renewed to ensure safety and visual amenity.

C07/6009 - MOUNT PLEASANT UNDERGROUND POWER PROJECT FUNDING
(AMREC) (ATTACHMENT)

Strategic Objective 2.3-Community Urban Safety and Environment
A community Environment Where Residents Can Live in Safety

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Risk of injury to members of the public during undergrounding of power and removal of existing overhead infrastructure.	Medium level risk	Western Power and their contractors to project manage such that members of the public are not exposed to risk.
Risk of dissatisfied residents due to Western Power and their contractors actions.	Medium level risk	Western Power and their contractors to ensure that a high level of communication is maintained with the community. City of Melville client liaison officers will be act as conduit between residents and the contractors where necessary.
Risk of final costs being in excess of those outlined to property owners in the survey.	Medium level of risk	The detailed budget costs received from Western Power are the result of negotiations with the contractors and include contingency amounts.

* As derived from using the Risk Assessment Matrix

POLICY IMPLICATIONS

There is no Council Policy that relates to underground power, however the City of Melville has historically been very supportive of underground power and its benefits, which include more reliable power supplies, streetscape enhancements and a safer and more secure environment resulting from improved street lighting.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

This item has been the subject of previous reports, is included in the budget for the current year and the budgeted cost is lower than originally indicated, consequently alternative options have not been reviewed at this stage of the process.

**C07/6009 - MOUNT PLEASANT UNDERGROUND POWER PROJECT FUNDING
(AMREC) (ATTACHMENT)**

CONCLUSION

The detailed budget costs for the round 4 Mount Pleasant Underground Power scheme have been received and are less than both the indicative amount previously used and the figure included in the 2007/2008 adopted budget. This report relates to the resolution adopted by Council in December 2006 that “following final design and costings a further report be submitted to Council for the adoption of Budget objectives for the State Underground Power Program (Supp) round 4 Mount Pleasant project” and recommends that Council agrees to proceed with the Underground Power Program Mount Pleasant North Project as per the draft Agreement, as provided by the Office of Energy on 1 May 2007 and to fund its 50% share, being \$6,763,413, of the Western Power (WP) Project Budget of \$13,526,826 (Ref: DMS #4045973) and seeks a further report from officers prior to the 2008/2009 Budget process recommending the basis on which project costs be recovered from ratepayers.

**OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6009)
ABSOLUTE MAJORITY APPROVAL**

At 7.01pm Cr D MacPhail moved, seconded Cr J Phillips -

- 1. THAT BY AN ABSOLUTE MAJORITY DECISION THE CITY OF MELVILLE AGREES TO PROCEED WITH THE UNDERGROUND POWER PROGRAMME STAGE 4, MOUNT PLEASANT NORTH PROJECT, IN ACCORDANCE WITH THE TERMS OF THE DRAFT AGREEMENT, AS PROVIDED BY THE OFFICE OF ENERGY ON 1 MAY 2007 AND AGREES TO MEET ITS 50% SHARE, BEING \$6,763,413, OF THE WESTERN POWER PROJECT BUDGET OF \$13,526,826 (REF: DMS #4045973)**
- 2. THAT BY ABSOLUTE MAJORITY DECISION OF THE COUNCIL THE MAYOR AND CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN THE AGREEMENT FOR THE MOUNT PLEASANT NORTH STAGE 4 UNDERGROUND POWER PROJECT AND ASSOCIATED DOCUMENTATION AND ANY FURTHER DOCUMENTATION REQUIRED TO EFFECT THE RAISING OF A LOAN TO FUND COUNCIL'S 50% PROPORTION OF THE PROJECT.**
- 3. THAT PRIOR TO THE BUDGET DELIBERATIONS FOR THE 2008/2009 FINANCIAL YEAR OFFICERS PREPARE A REPORT TO COUNCIL RECOMMENDING THE BASIS ON WHICH COST RECOVERY SHOULD BE STRUCTURED.**

**CARRIED EN BLOC
WITHOUT DISSENT (12/0)**

ADOPTION OF ITEMS NOT WITHDRAWN

At 7.01pm Cr D MacPhail moved, seconded Cr J Phillips –

THAT THE REPORTS OF OFFICERS EXCLUDING ITEMS C07/8006, C07/6000 AND C07/6009 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)

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

Ward	: Applecross/Mt Pleasant
Category	: Strategic
Application Number	: CPS5-52
Property	: Lot 29 (67) Cranford Avenue
Proposal	: Amend CPS No. 5 from Living Area BT2 - Brentwood to Community Centre Precinct
Applicant	: Vanguard Planning Services
Owner	: G H Bolton and J Bolton
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 and Development Services
Previous Items	: DAU report U06/0003 Change of use from “Residential” to “Office” on Lot 29 (67) Cranford Avenue, Brentwood.

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>

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

KEY ISSUES / SUMMARY

- Proposed Amendment to CPS No. 5 to rezone existing office (max. 25% of total floorspace) and Medical Centre (3 practitioners plus 1 support staff) to “Community Centre Precincts” to provide for commercial use of Lot 29 (67) Cranford Avenue, Brentwood.
- Proposal is justified by a basic Centre Plan prepared by the applicant who indicates that additional retail use in the Brentwood Centre can be accommodated within the Lot 29 and adjoining service station.
- The Centre Plan acknowledges that additional retail use is warranted under the City of Melville Local Commercial Strategy.
- Proposal will provide for a cohesive retail centre focusing on Cranford Avenue.
- Long term streetscape works will be required to improve pedestrian linkages and appearance of this section of Cranford Avenue.
- Concern is raised that, whilst the service station continues to operate at the intersection of Cranford Avenue and Moolyeen Road and petrol tanker movement is required in Cranford Avenue and across the front of Lot 29, it will be difficult to pedestrianise the section of Cranford Avenue opposite the existing shops and therefore difficult to create a cohesive centre.
- As an alternative to the amendment proposal, it may be reasonable to remove the special development conditions applying to the existing Additional Use (No 44) to provide additional medical and office activity on site.
- This alternative would prevent other commercial uses such as shop and restaurant uses (involving high pedestrian integration with the existing centre) from establishing on the site.
- Recommended that a modified Amendment to remove the Additional Use Special Conditions relative to the site be initiated by Council.

BACKGROUND

Development approval was granted (under TPS No. 3) for a Medical Centre (“SA” use for up to 3 practitioners) on Lot 29 (67) Cranford Avenue, Brentwood in 1997. The building provided for the practitioners to operate from the ground floor, with the first floor designed as a 3 bedroom dwelling. On gazettal of CPS No. 5, the medical centre became a “non-conforming use”.

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

Application to rezone the property from “Living Area – BT2 Brentwood Precinct” to “Community Centre Precinct” was not supported by the City in 2004 as a “Centre Plan” had not been prepared. Specifically, concerns related to following:

- Rezoning was not justified by a Centre Plan as required by the Draft Local Commercial Strategy.
- The built form of the property did not lend itself to commercial uses due to the location of parking to the rear.
- Extension of the Community Centre Precinct to the southern side of Cranford Avenue had the potential to impact on the amenity of adjoining residential properties.
- Inclusion of properties to the south of Cranford Avenue had not been sufficiently considered in the context of potential for pedestrian and vehicular traffic conflict.
- The proposal did not detail how the surplus commercial floorspace under the Local Commercial Strategy could be provided within the existing Community Centre Precinct.

As an alternative, Council supported Amendment No 38 (gazetted 2 December 2005), which provided for an Additional Use (No. 44) “Medical Centre and Office”. The additional use is subject to special conditions restricting no more than 3 practitioners and 1 support staff to operate from the Medical Centre at any one time and the office component to be limited to 25% of the total floorspace. The site is presently tenanted by a number of medical practitioners. The applicant has indicated that the entire floorspace has been difficult to fully tenant and that an amendment will provide required commercial flexibility on site.

Scheme Provisions

MRS Zoning	: Urban
CPS 5 Zoning	: Living Area – BT2 Brentwood Precinct
R-Code	: R25
Use Type	: N/A
Use Class	: N/A

Site Details

Lot Area	: 816sqm
Retention of Existing Vegetation	: N/A
Street Tree(s)	: N/A
Street Furniture (drainage pits etc)	: N/A
Site Details	: P07 5006 PROPERTY MAP.pdf

The site is presently developed with a two storey building with a residential appearance. A total of 15 car parking bays are available on site, with 2 at the front and 13 at the rear. The site abuts residential properties to the south and east and is adjacent the Brentwood Shopping Centre to the north. The site abuts a Shell service station to the west. An easement exists on Lot 29 which provides vehicle access over the front of the site for petrol tanker movement.

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

DETAIL

Given that the owner has experienced problems in fully tenanting the available floorspace, the applicant wishes to have the previous Amendment application reconsidered. In support of this request, the applicant has prepared a basic Centre Plan which aims to address the previous concerns detailed above.

Centre Plan

The submitted Centre Plan [P07_5006_September_2007.pdf](#) acknowledges that the existing Brentwood Centre functions well at present. However, the Centre can expect greater demand for growth as identified in City of Melville Local Commercial Strategy. Future growth is expected to accommodate residential density increases in the surrounding catchment; which is also in close proximity to the Bull Creek Railway Station. The existing centre will have difficulty in providing for the demand for retail floorspace growth. Limited redevelopment of the adjoining service station site and inclusion of Lot 29 in the Community Centre Precinct is identified as a means of achieving both an increase in retail activity and consolidation of the existing centre with its focus on Cranford Avenue.

The proposed Centre Plan includes the following key components:

1. The Plan provides some opportunity to expand the existing centre to achieve the target retail floorspace of 2,661sqm as identified under the City of Melville Local Commercial Strategy. This is partially achieved by additional redevelopment of the adjoining service station and inclusion of the subject Lot 29 in the Community Centre Precincts.
2. Approximately 4000sqm of land would be required to provide for the total increase in retail floorspace as identified in the Local Commercial Strategy (not including additional land for complimentary commercial uses).
3. The existing centre is primarily characterised by a number of narrow lots in individual ownership. The narrow lot configuration limits the capacity for the centre to redevelop in a coordinated fashion and achieve the target retail floorspace.
4. Both Cranford Avenue and Moolyeen Road carry significant volumes of traffic, primarily due to their direct connection to Kwinana Freeway, Leach Highway and Canning Highway.
5. For the foreseeable future, the service station is to remain. Cranford Avenue, the forecourt of the service station and front of Lot 29 are required to provide for petrol tanker movement and will constrain the opportunity for streetscape works to improve pedestrian linkages between both sides of the road. Notwithstanding, the path of the petrol tanker movements have been plotted and there is some capacity to provide additional median islands with landscaping to improve the pedestrian linkages and character of the Centre.

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

6. The Centre provides a landmark entry to the Brentwood locality. Expansion of the Community Centre Precinct on both sides of Cranford Avenue in this location can enhance the importance of the Centre from a strategic perspective. Improvements in pedestrian crossings and streetscape to highlight the presence of pedestrians and reduce traffic speeds will promote a cohesive centre.
7. Provision of bus stops within the centre would also enhance the sense of destination as passengers could alight at the centre and use services prior to going home.
8. In order to provide for retail use on the service station site, the present right of carriageway on Lot 29 should be expanded to allow improved accessibility to the rear of the service station site. This will allow bays to be relocated to the rear of the site and provide redevelopment opportunity forward of existing development on the property to improve streetscape and provide for cohesion with the subject Lot 29.
9. Inclusion of the service station site and Lot 29 Cranford Avenue provides for the centre to be “rounded off” to create a cohesive centre.
10. The owner of the adjoining Lot 30 (to the east) which contains two dwellings does not wish to be included in the Centre. Whereas spatially, inclusion of this property in the Centre is logical, this matter may be reviewed at a later date. Inclusion of other properties Moolyeen Road is not considered desirable as they would dilute the focus/core of the Centre on Cranford Avenue.
11. In order to address adjoining residential amenity, it is noted that CPS No. 5 contains additional setback requirements. Further, it is proposed that additional landscaping and fencing requirements (2.0m high masonry) be required to provide an improved interface between the commercial and residential uses.

Justification for Amendment

In addition to the Centre Plan, the applicant has indicated that the provision for additional retail floor space is justified both under the Metropolitan Centres Policy (Neighbourhood Centres are generally confined to 4500sqm) and the City of Melville Local Commercial Strategy. The Centre Plan aims to strategically guide expansion of the Brentwood Centre in accordance with the Local Commercial Strategy. Whilst opportunities to develop the Centre are limited, the subject lot and adjoining service station provide some capacity for retail expansion and consolidation of the Centre around the existing focus on Cranford Avenue.

Specifically, the application for rezoning contains the following rationale:

1. Due to its location, Lot 29 already functions as part of the Centre.
2. The proposal is a justifiable extension of an existing zoning, consistent with the City's strategic planning objectives for the Centre.
3. The proximity and association of the property with the adjoining service station (right of carriageway easement for petrol tanker movement) renders the lot unsuitable for residential use due to potential impacts such as noise, odour and risk (as identified under the Environmental Protection Authority's Guidelines for Environment and Planning).
4. The amendment will provide for both retail and office functions as an adjunct to the existing Centre within a suitable neighbourhood location.

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

5. As the existing retail floor space within the Centre is fully occupied, additional capacity for retail uses will not detract from the commercial viability of the Centre.
6. The proposal will not impact on the amenity of adjoining residential lots as the existing medical centre and its associated parking is being used without complaint. Existing low key commercial activities on site also act as a buffer between the service station and residential development on the other side.
7. The existing parking area on site is underutilised and can accommodate additional commercial activity.

In summary, the proposal provides opportunity for the City to achieve a strategic consolidation of the Centre without compromising the local amenity or viability of the Centre.

STATUTORY AND LEGAL IMPLICATIONS

Part 5 of the Planning and Development Act 2005 provides for Council to initiate amendments to town planning schemes. Once initiated, Council must advertise the Amendment, consider submissions and forward the proposal to the Hon. Minister for Planning and Infrastructure for determination.

The decision from Council on whether or not to initiate the subject Amendment is final and no appeal rights exist. Council may choose to initiate the Amendment, propose an alternative Amendment or refuse to initiate the Amendment.

FINANCIAL IMPLICATIONS

If supported, this proposal (or an alternative proposal) may provide for an expansion of commercial activities at the Brentwood Centre. In the longer term, this may involve streetscape works to provide for a cohesive centre with appropriate pedestrian linkages.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

The proposal provides for additional retail floor space to be approved at the Centre in order to assist the Centre in achieving its forecast retail cap up to 2661sqm as provided for under The City of Melville Local Commercial Strategy. As indicated above, in the longer term, there will be the need to provide for streetscape works, possibly in the form of new street pavement, median islands, landscaping, pedestrian crossings and the like in order to provide for a cohesive centre.

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

The current proposal will encourage high pedestrian movement between the subject site and the Community Centre on the other side of Cranford Avenue through an area which will be difficult to appropriately pedestrianise whilst petrol tanker movements are required through the subject site and Cranford Avenue. In the future, should the service station close, it will be possible to create an attractive pedestrianised street, with extended median islands and street trees to support the creation of a cohesive centre. At that stage it will be possible to determine whether any additional retail floorspace capacity is required at the centre and the current proposal could be reconsidered.

POLICY IMPLICATIONS

Whilst the proposal provides some opportunity for the existing Brentwood Shopping Centre to grow and achieve floor space targets identified under the City of Melville Local Commercial Strategy, this may be premature pending what happens to the service station site over the longer term.

Any future development application will be subject to assessment of parking provision in accordance with Development and Building Controls Policy 06-PL-024 – Car Parking (Non Residential) and based on the existing available parking spaces, retail or other higher uses may not be possible without additional parking being provided. This may not be possible on the site with the existing buildings.

ALTERNATE OPTIONS & THEIR IMPLICATIONS

Council could choose to refuse to initiate the subject Amendment on the grounds that the current additional use provides for Medical and office uses which presently complement the Brentwood Centre and that the Amendment would encourage high pedestrian use between the subject property and the existing centre across a road which would be difficult to appropriately pedestrianise given its current use which provides for petrol tanker movements. As an alternative, Council could initiate an Amendment which improves the commercial use opportunity on site. Alternatives include creation of a Frame Precinct around the Commercial Centre or simply removal of the existing Special Conditions which restrict the Medical Centre and Office Additional Uses on site.

It is noted that creation of a Frame Precinct around the Community Centre should be conducted as a strategic planning exercise, perhaps part of the Scheme Review process as it will involve identification of other properties to be included within the Frame and also the formulation of specific Statement of Intent and Development Requirements (as provided for in other precincts). In addition, a Frame Precinct would provide for “Restaurant” as a “D” (discretionary) use, which is considered undesirable until such time as an appropriate pedestrianised streetscape can be created and additional parking to be able to be provided.

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

Removal of the existing Special Conditions for development which restrict the existing Additional Use (No. 44) to no more than 3 medical practitioners (with 1 support staff) and an office component of 25% of the floorspace would provide additional capacity for the site to be fully tenanted with these approved activities. This alternative will prevent other commercial uses from establishing on site which may require improved pedestrian linkages with the adjacent Community Centre.

As indicated above, no appeal rights exist with such a determination from Council.

COMMENTS

The City of Melville Strategic Urban Planning Services has indicated that the Centre Plan is basic and does not venture into design detail with regard to streetscape treatment etc. or address surrounding activities inclusive of recreation facilities at Blue Gum Lake. Accordingly, although not sufficient to consider as a formal Centre Plan, it does give a basis for future retail development at the centre and satisfactorily addresses most of the primary concerns previously raised.

Concerns raised with regard to pedestrian linkages and preservation of opportunity for the Service Station (presently zoned Community Centre Precinct) to redevelop (if closed) for retail uses together with pedestrianisation of the subject portion of Cranford Avenue are however paramount when considering this application to amend the Scheme. In order to facilitate improved commercial use of the subject site until such time as the pedestrian linkages can be appropriately improved between the existing Community Centre and the subject site, it is considered appropriate to initiate an Amendment to CPS No. 5 to remove the existing Special Conditions relative to Additional Use no 44 which apply to the site.

CONCLUSION

Although the applicant's Centre Plan provides some justification for initiation of an Amendment to CPS No. 5 to extend the Community Centre Precincts onto Lot 29 (67) Cranford Avenue, it is considered that pedestrian linkages between the subject site and the existing Community Centre cannot be improved to the desired standard until such time as the Service Station at the intersection of Cranford Avenue and Moolyean Road is closed and petrol tanker movements in Cranford Avenue and on the subject site cease to occur. Accordingly, it is considered inappropriate to initiate the requested amendment at this point. Notwithstanding, an alternative of removing the existing Special Conditions relative to Additional Use no 44 which apply to the site will provide additional capacity for the site to be fully occupied with appropriate intermediary uses.

P07/5006 - PROPOSED AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 – LOT 29 (67) CRANFORD AVENUE, BRENTWOOD – REMOVAL OF SPECIAL CONDITIONS RELATIVE TO ADDITIONAL USE NO 44 (REC) (ATTACHMENT)

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5006) APPROVAL

- 1. THAT PURSUANT TO PART 5 OF THE PLANNING AND DEVELOPMENT ACT 2005, COUNCIL RESOLVE TO INITIATE AMENDMENT NO 52 TO COMMUNITY PLANNING SCHEME NO 5 TO AMEND SCHEDULE 3: ADDITIONAL USES AND SPECIAL CONDITIONS ADDITIONAL USE NO 44 BY REMOVAL OF THE LISTED SPECIAL CONDITIONS.**
- 2. THAT HER WORSHIP THE MAYOR AND THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO ENDORSE THE AMENDMENT DOCUMENT.**
- 3. THAT THE CITY OF MELVILLE FORWARD A COPY OF THE AMENDMENT DOCUMENTATION TO:**
 - A) THE ENVIRONMENTAL PROTECTION AUTHORITY IN ACCORDANCE WITH SECTION 81 OF THE PLANNING AND DEVELOPMENT ACT 2005.**
 - B) THE WESTERN AUSTRALIAN PLANNING COMMISSION FOR INFORMATION.**
- 4. THAT ON RECEIPT OF ADVICE FROM THE ENVIRONMENTAL PROTECTION AUTHORITY UNDER SECTION 48A OF THE ENVIRONMENTAL PROTECTION ACT INDICATING THAT THE AMENDMENT NEED NOT BE SUBJECT TO AN ENVIRONMENTAL ASSESSMENT, THE AMENDMENT BE ADVERTISED IN ACCORDANCE WITH THE TOWN PLANNING REGULATIONS FOR NOT LESS THAN FORTY-TWO (42) DAYS.**

**CARRIED EN BLOC
WITHOUT DISSENT (12/0)**

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

Ward	: All
Category	: Operational
Subject Index	: Tenders
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	: 2007/2008 Budget
Responsible Officer	: Paul McAllister Client Liaison Contracts 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 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 reviews 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>

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

KEY ISSUES / SUMMARY

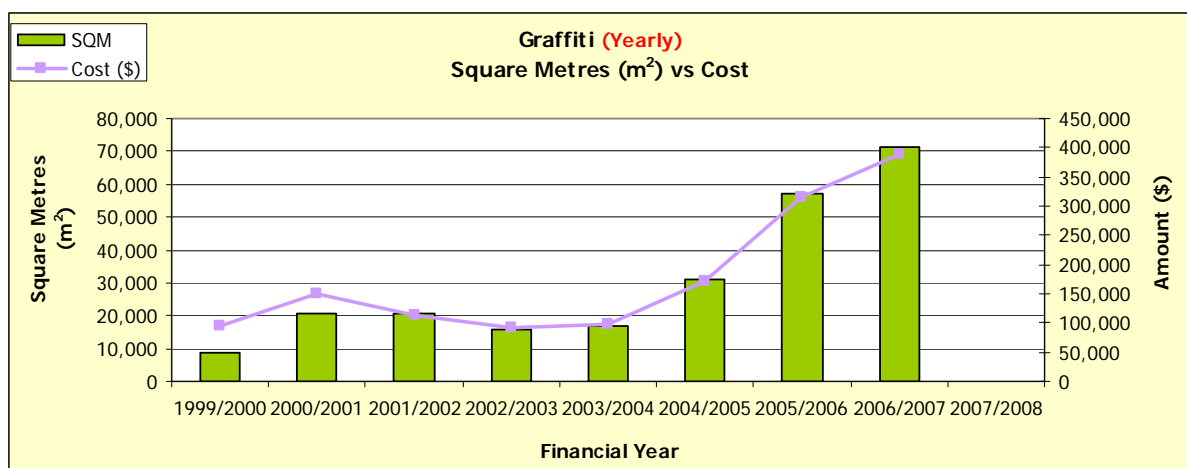
- To accept the recommendation of the Contract and Tender Advisory Unit to award the tender for the 'Supply of graffiti removal services and the application of anti-graffiti coatings for a three year period'.

BACKGROUND

Tenders for the 'Supply of graffiti removal services and the application of anti-graffiti coatings for a three year period', were invited by advertisement in The West Australian on Wednesday 11th July 2007 with a closing date of 4pm Thursday 26th July 2007. The tender was invited because the current contract for the provision of the aforementioned services expired in April 2007.

Kleenit who is the incumbent service provider has continued to provide the services from April 2007 and at the previously agreed rates. Kleenit has further agreed to continue providing the services until the award of this tender.

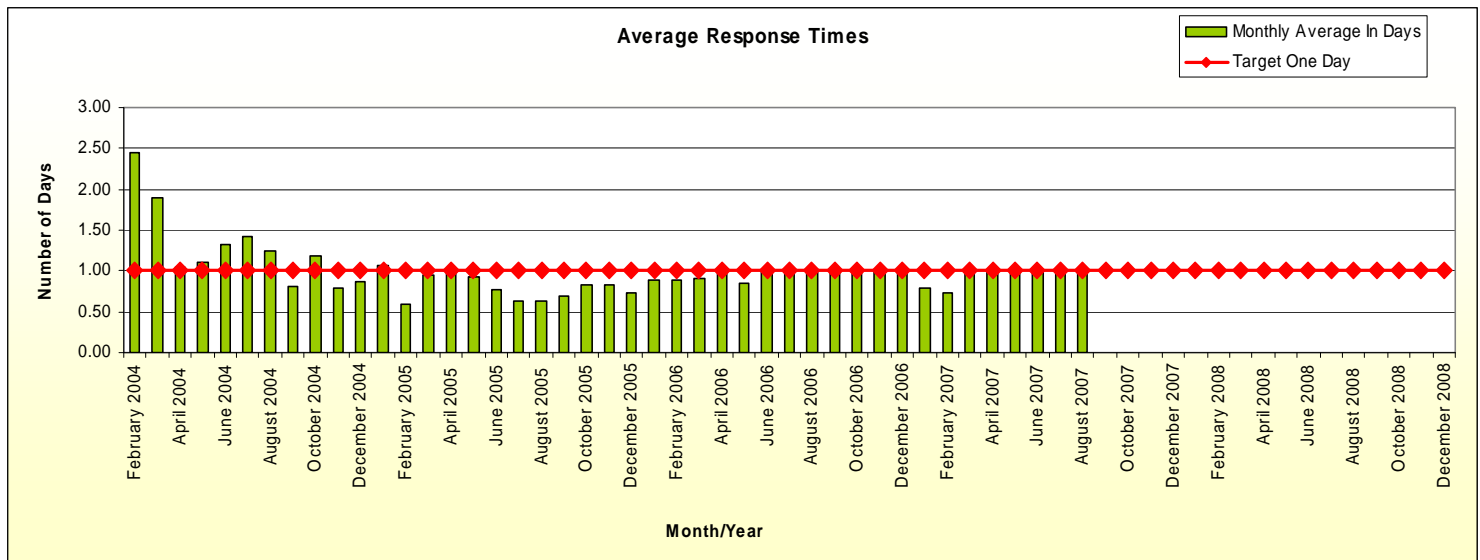
The graph below demonstrates the volume of graffiti expressed in square metres (sq mtrs) and the associated costs for its removal from 1999 until June 2007. In the year 2006/07, 72,000 sq mtrs of graffiti were removed at a cost of some \$396,000 with graffiti removal costing \$5.50 per sq mtr.



CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

It is universally, accepted, aside from design, that rapid removal (usually within 24 hours) is the best deterrent to illegal graffiti. The City's current conditions of contract require the service provider, once notified, to remove non-offensive graffiti within 24 hours and offensive graffiti within 12 hours. The same service delivery requirements form part of the specification for this tender.

The graph below demonstrates the performance of the current service provider Kleenit in delivering graffiti removal services for the City and as the graph indicates throughout the period of the current contract, Kleenit have generally delivered graffiti removal services to the City's requirements.



With the timeliness of service delivery being a critical measure of success for the incoming service provider, it is prudent to ensure at the tender evaluation stage that tender proponents clearly demonstrate the capacity to deliver the services to the required delivery standard. Subsequently, the Director of Technical & Development Services gave approval for an adjustment to the weightings in the tender evaluation matrix with the weighting for price being reduced from 60% to 50% thereby allowing for an increase in the other selection criteria including the proponent's management plan which includes:

- service delivery commitments;
- the use of electronic technology for the receipt of and the completion of graffiti work requests from the City; and
- safety and environmental management strategies.

Price Schedule

The Price Schedule forms part of the Attachments to the Agenda, which was distributed to the Members of the Contract and Tender Advisory Unit Monday 3 September 2007 under confidential cover.

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

Tender Evaluation Process

All tenders were evaluated using a weighted attribute method. Each tender was assigned a score from 0 to 5 on each criterion, then multiplied by the weighting and totalled to give a final score. The tenderer who achieved the highest score across all the attributes has been recommended.

The Evaluation Sheet forms part of the Attachments to the Agenda, which was distributed to the Members of the Contract and Tender Advisory Unit on Monday 3 September 2007 21 September 2007 under confidential cover.

The Evaluation Committee consisted of the Purchasing Coordinator, the Client Liaison Contracts Manager, the Senior Design Engineer and the Landscape Architect.

The criteria for this tender were based on the following specific attributes:

1. Relevant Experience
2. Technical Skills
3. Resources
4. Management Systems (Quality Assurance systems)
5. Methodology (Management plan for the services)
6. References
7. Price
8. Relevance to Purchasing Policy (Business location and product content)

DETAIL

Twelve sets of tender documents were distributed.

A pre-tender briefing was conducted on the 19 July 2007 at 10.00am. The purpose of the briefing was to provide potential tenderers with the opportunity to ask questions of the City's representatives and to view a demonstration of the CommAid database which is used to manage the City's graffiti removal process. The database includes work request despatching and individual job status reporting and job completion details.

Potential tenderers in attendance were:

- Kleenit Pty Ltd.
- Graffiti Force.
- Grime Fighters.
- Graffiti Systems.
- Graffiti Off Australia.

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

Attendees at the meeting were advised of the City's focus on the delivery of graffiti removal services to the required service standards of timeliness and quality of workmanship. The attendees were further advised that the City would be conducting random audits on the services provided to ensure compliance with service delivery standards and the application of the pricing schedule for the services.

Five tender submissions were subsequently received, with those being from:

- Kleenit Pty Ltd
- Graffiti Force
- Graffiti Systems
- Graffiti Off Australia
- Ambassador Cleaning Services

All tenders with the exception of the tender submitted by Ambassador Cleaning Services were received in accordance with the tender compliance and qualitative selection criteria and were therefore accepted for consideration by the tender evaluation panel (evaluation panel).

The tender from Ambassador Cleaning Services made no attempt to address the tender qualitative selection criteria, that is, no information supporting the tender was supplied; only the tender Pricing Schedule and Form of Tender were completed and return. The evaluation panel had no alternative other than to reject the tender from Ambassador Cleaning Services. It is also worth noting that the pricing schedule from Ambassador Cleaning Services offered the most expensive rates for the services and was beyond the current budget provided for the services.

Tender submission evaluation process**Graffiti Off Australia Pty Ltd (Graffiti Off Australia)**

The tender submission from Graffiti Off Australia demonstrated its capacity to perform the services under this tender to the required service standard. Graffiti Off Australia are relatively new to the graffiti removal business in Perth having established an office here in 2004. To date, it has secured 2 contracts of a similar nature to this tender. It would appear from the tender submission that the organization has a strong market presence on the east coast of Australia providing graffiti removal services to various government agencies. The evaluation panel scored the tender submission from Graffiti Off Australia as the least advantageous to the City, due to its relative inexperience in providing graffiti removal services in Perth and its pricing schedule being more that double in price to the most economical tender offering.

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

Graffiti Force

The tender submission by Graffiti Force clearly demonstrated its ability to deliver the services under this tender. Graffiti Force have recently commenced operations (January 2007) and to date have obtained a number of similar services provision contracts with State Government agencies and Local Government Authorities. The submission was both well presented and comprehensive in detail. The evaluation panel scored the tender submission highly in all criteria with the exception of pricing. The pricing schedule offered by Graffiti Force is some 250% more expensive than the most economical tender offering.

Graffiti Systems

The tender submission from Graffiti Systems fully addressed all the tender selection criteria. Graffiti Systems have some 14 years experience in the delivery of graffiti removal services and it currently provides services to a number of State Government agencies and Local Government Authorities. The evaluation panel scored the submission highly. The pricing schedule from Graffiti Systems is marginally more expensive than the lowest cost offering being some 15% more expensive. However, over the term of the proposed contract (3 years) the cost difference between the tender offering from Graffiti Systems and the most economical tender offering depending on the volume of work account for considerable additional expenditure if it was recommended as the most advantageous to the City.

Kleenit

Kleenit are the current provider of graffiti removal services for the City. The services provided by Kleenit over the period of the current contract have generally been delivered on time and to standard. The timeliness of Kleenit's service delivery is depicted in the 'Average response time' graph shown in the "Background" section to this item.

Whilst the tender submission from Kleenit addressed all the selection criteria, the level of detail and the manner of its presentation was below the standard set by other tender proponents. Kleenit presented generic safety and environmental management strategies and relied on its current relationship with the City has evidence of its ability and capacity to provide the services under the tender on time and to standard.

The pricing schedule submitted from Kleenit is the most economical to the City and is in fact some 80% less expensive than current rates for the services. The proposed rates apply to the removal of graffiti from various surfaces and the application of anti-graffiti coatings.

The table below shows current and proposed rates assuming the same volume of work for each pricing scenario.

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

Sq mtrs of graffiti removed in year 06/07	Current cost per sq mtr for removal	Total cost for graffiti removal in 06-07	Proposed sq mtr rate for removal (years 1 to 3 inclusive)	Assume the same volume of work in year 07/08 total cost for removal	Projected savings based on the difference between current and proposed rates on current volume of works
72,000	\$5.50	\$396,000.00	\$3.00	\$216,000	\$180,000.00 Per Year

Given the substantial difference in price between the current and proposed rates, the evaluation panel sought assurances from Kleenit that the proposed rates are sustainable for the term of the contract. Kleenit confirmed in writing to the evaluation panel that its proposed rates are sustainable and that all costs have been accounted for in its proposal. Subsequently the evaluation panel completed its evaluation of the tender submission from Kleenit

The outcome of the tender evaluation matrix shows that Kleenit based on its tender submission which included the most economical pricing schedule scored the highest on the matrix. Additionally, Kleenit are the current supplier to the City of graffiti removal services and the application of anti-graffiti coatings, their performance to date has been to standard and most importantly graffiti has been removed within the agreed timeframes of 12 hours for offensive graffiti and 24 hours for non-offensive graffiti. It is the recommendation of the evaluation panel that Kleenit be the preferred supplier for the services under this tender.

PUBLIC CONSULTATION/COMMUNICATION

Not applicable

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable

STATUTORY AND LEGAL IMPLICATIONS

Section 3.57 of the Local Government Act states “A Local Government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services”.

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

FINANCIAL IMPLICATIONS

Funding for Graffiti Removal is taken from multiple Building Maintenance and Reserves budgets across the City. There is adequate funding available within these accounts to fund the cost of this service.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

No strategic implications are applicable to this item.

POLICY IMPLICATIONS

Procurement of Goods and Services Through Direct Purchasing and Public Tendering Policy 13-005.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

Based on the information provided in its tender submission it is the opinion of the evaluation panel that Kleenit Pty Ltd have all the necessary resources, skills and expertise to undertake the works as described in this tender on time to specification and to budget.

Contract & Tender Advisory Unit Recommendation (CO06/07)

APPROVAL

1. That the tender submitted by Kleenit Pty Ltd for the supply of graffiti removal services and application of anti-graffiti coatings for a three year period as specified be accepted as the most advantageous.
2. That the city's representative be authorised to apply the schedule of rates over the term of the contract.
3. That the tender be for the supply of graffiti removal services and application of anti-graffiti coatings for a three year period be referred to council for decision due to the anticipated expenditure having the potential to be in excess of \$300,000.00 per annum.

CO06/07 – SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD (REC) (ATTACHMENT)

COMMITTEE RECOMMENDATION AND COUNCIL RESOLUTION (CO06/07)

APPROVAL

- 1. THAT THE TENDER SUBMITTED BY KLEENIT PTY LTD FOR THE SUPPLY OF GRAFFITI REMOVAL SERVICES AND APPLICATION OF ANTI-GRAFFITI COATINGS FOR A THREE YEAR PERIOD AS SPECIFIED BE ACCEPTED AS THE MOST ADVANTAGEOUS.**
- 2. THAT THE CITY'S REPRESENTATIVE BE AUTHORISED TO APPLY THE SCHEDULE OF RATES OVER THE TERM OF THE CONTRACT.**

**CARRIED EN BLOC
WITHOUT DISSENT (12/0)**

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>
<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 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
Proxy Nomination	Raffles Waterfront	Notice of Annual General Meeting – Proxy Nomination	1751847
Deed of Licence	Melville Sporting Association Inc	Clubhouse located at Melville Reserve	1697408
Deed of Licence	Lions Club of Bull Creek	Kardinya Community Centre	1706393
Deed of Licence	Kids Are Kids Therapy and Education Inc	Former Pre-Primary and Former Child Infant Health Clinic, Parry Avenue, Bateman	1711665
Deed of Variation	Marmion Reserve Sporting Association Inc	Marmion Reserve Clubrooms	1686910
Deed of Variation	Melville/Palmyra Tennis Club Inc	Melville Reserve	1689400
Deed of Licence	Bull Creek Tennis Club Inc	Tennis Courts – Bob Gordon Reserve	1700379
Deed of Variation	Booragoon Occasional Child Care Centre	Booragoon Occasional Child Care Centre	1704329
Deed of Variation	Scout Association of Australia WA Branch Waylen Bay	Scout Hall Located at The Strand – Res. 29604	1750014

C07/5000 – COMMON SEAL REGISTER (REC)

Deed of Variation	Scout Association of Australia – WA Branch 1 st Bicton	Scout Hall Located at Reserve 2045 Corner Davidson/Lawlor Road, Attadale	1750006
Deed of Variation	Scout Association of Australia – WA Branch 1 st Willagee	Scout Hall Located at Portion of Res. 24479 – Corner Cox/Garling/Keppell Streets	1750016
Deed of Extension	COM Aged Persons Home Trust Inc	Bull Creek Village – Hassall Crescent. Bull Creek CT VOL 1620 F728	1686548
Deed of Variation	Scout Association of Australia – WA Branch 1 st Applecross	Scout Hall located at McCallum Crescent	1750000
Deed of Lease	Scout Association of Australia – WA Branch Bull Creek/Leeming Group	Scout Hall located at Bob Gordon Res. 42683 – Benningfield Road	1750010
Deed of Extension of Lease	Scout Association of Australia – WA Branch Melville Group	Scout Hall located at Waddell Road, Bicton	1732323
Deed of Variation	City of Melville Bridge Club Inc	Bridge Club located at 790 Canning Highway, Applecross	1697404
Deed of Variation	Attadale Playgroup Inc	Premises located on Reserve 4813	1718428
Deed of Variation	Melville Toy Library Inc	Portion of Heathcote Heritage Precinct, Duncraig Road, Applecross (Portion of Swan House)	1704434
Transfer of Land	Colin Campbell	Transfer of Land at 65 Arkwell Street	1734231
Agreement	Commissioner of Main roads WA	Intersection Improvement Agreement – Leach Highway & Stock Road Palmyra	1752762

C07/5000 – COMMON SEAL REGISTER (REC)

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.

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.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (5000)

NOTING

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
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	: 2007/2008 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> |
| <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 presents details of the payments made to suppliers for the provision of goods and services for the month of August 2007 and recommends that the Schedule of Accounts be noted.

BACKGROUND

Delegated Authority 13-DA-015 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.

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

DETAIL

The Schedules of Accounts for the period ending 31 August 2007 [6001 September 2007.pdf](#) including Payment Registers numbers 27 and 28 were distributed to the Members of Council on Wednesday, 12 September 2007.

PUBLIC CONSULTATION/COMMUNICATION

Not applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

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

FINANCIAL IMPLICATIONS

Expenditures were provided for in the 2007/2008 Budget.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Management Procedure 1.8 - Certification of Accounts.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

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

CONCLUSION

This is a regular monthly report for Elected Members information.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6001) NOTING

THAT THE SCHEDULE OF ACCOUNTS FOR THE PERIOD ENDED 31 AUGUST 2007, AS APPROVED BY THE DIRECTOR CUSTOMER AND CORPORATE SERVICES IN ACCORDANCE WITH DELEGATED AUTHORITY 13-DA-015, AND DETAILED IN ATTACHMENT [6001 September 2007.pdf](#) BE NOTED.

**CARRIED EN BLOC
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

	<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>
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KEY ISSUES / SUMMARY

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

BACKGROUND

The Financial Statements for the end of the month of August 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-

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

- (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

The attached reports have been prepared in compliance with the requirements of the legislation. Whilst they give a fair indication of the situation for the month of August, the Budget phasing requires further development. The initial budget phasing required by users has been loaded into the system, but at this stage has been subject to limited review. Some users still have yet to respond with their phasing information and at present these budgets are spread evenly over the year. Additionally, difficulties have been experienced with adjusting phasing since a software upgrade, and no phasing corrections have been possible since mid August.

Investments have been valued at the cost of acquisition for the purpose of these monthly reports.

The following attachments form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Wednesday, 12 September 2007.

DESCRIPTION	LINK
Statement of Financial Activity – August 2007	<u>6002A September 2007.pdf</u>
Operating Statements by Program for the period ended 31 August 2007	<u>6002B September 2007.pdf</u>
Representation of Working Capital as at August 2007	<u>6002E September 2007.pdf</u>
Reconciliation of Net Working Capital as at 31 August 2007	<u>6002F September 2007.pdf</u>
Notes on Operating Statements for August 2007 reporting on variances of 10% or greater	<u>6002H September 2007.pdf</u>
Details of Budget Amendments requested during the month of August 2007	<u>6002J September 2007.pdf</u>
Summary of Rates debtors as at 31 August 2007	<u>6002L September 2007.pdf</u>
Graph showing Rates Collections as at 31 August 2007	<u>6002M September 2007.pdf</u>
Summary of general Debtors aged 90 days old or greater as at 31 August 2007	<u>6002N September 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 2007/2008 Budget have been included in the budget amendment reports.

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 31 August 2007.

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION (6002)

ABSOLUTE MAJORITY APPROVAL

- 1. THAT THE STATEMENTS OF FINANCIAL ACTIVITY AND THE OPERATING STATEMENTS FOR THE PERIOD ENDING 31 AUGUST 2007 AS DETAILED IN THE FOLLOWING ATTACHMENTS BE ADOPTED:**

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

DESCRIPTION	LINK
STATEMENT OF FINANCIAL ACTIVITY – AUGUST 2007	<u>6002A September 2007.pdf</u>
OPERATING STATEMENTS BY PROGRAM FOR THE PERIOD ENDED 31 AUGUST 2007	<u>6002B September 2007.pdf</u>
REPRESENTATION OF WORKING CAPITAL AS AT AUGUST 2007	<u>6002E September 2007.pdf</u>
RECONCILIATION OF NET WORKING CAPITAL AS AT 31 AUGUST 2007	<u>6002F September 2007.pdf</u>
NOTES ON OPERATING STATEMENTS FOR AUGUST 2007 REPORTING ON VARIANCES OF 10% OR GREATER	<u>6002H September 2007.pdf</u>
SUMMARY OF RATES DEBTORS AS AT 31 AUGUST 2007	<u>6002L September 2007.pdf</u>
GRAPH SHOWING RATES COLLECTIONS AS AT 31 AUGUST 2007	<u>6002M September 2007.pdf</u>
SUMMARY OF GENERAL DEBTORS AGED 90 DAYS OR GREATER AS AT 31 AUGUST 2007	<u>6002N September 2007.pdf</u>

2. THAT BY ABSOLUTE MAJORITY DECISION OF THE COUNCIL, THE BUDGET AMENDMENTS, AS LISTED IN THE BUDGET AMENDMENT REPORTS FOR AUGUST 2007, AS DETAILED IN ATTACHMENT [6002J September 2007.pdf](#) BE ADOPTED.

**CARRIED EN BLOC
WITHOUT DISSENT (12/0)**

13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

14. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

At 7.02pm Cr H Everett sought leave to table a Motion without Notice.

At 7.03pm Cr C Robartson moved, seconded Cr J Bennett -

THAT CR H EVERETT BE GRANTED LEAVE TO MOVE A MOTION WITHOUT NOTICE.

At 7.03pm the Mayor submitted the motion which was **CARRIED WITHOUT DISSENT(12/0)**

Cr H Everett's Motion

That the Chief Executive Officer, or his Nominee, prepare a Report of the Security Measures already established, or required, to achieve the well-being of the floral, tourist, picnicking and heritage aspects of the Wireless Hill Park with particular reference to vehicular access by road and/or footpath.

At 7.11pm Cr H Everett moved, seconded Cr J Phillips -

THAT THE CHIEF EXECUTIVE OFFICER, OR HIS NOMINEE, PREPARE A REPORT OF THE SECURITY MEASURES ALREADY ESTABLISHED, OR REQUIRED, TO ACHIEVE THE WELL-BEING OF THE FLORAL, TOURIST, PICNICKING AND HERITAGE ASPECTS OF THE WIRELESS HILL PARK WITH PARTICULAR REFERENCE TO VEHICULAR ACCESS BY ROAD AND/OR FOOTPATH.

At 7.10pm the Mayor tabled the motion which was **CARRIED WITHOUT DISSENT (12/0)**

At 7.11pm Cr C Robartson advised that the South Metropolitan Regional Council was one of three nominees for the Banksia Award in the Community Awards Category.

15. CLOSURE

There being no further business, the Mayor declared the Meeting closed at 7.14pm.