



— City of —
Melville

MINUTES

OF THE

ORDINARY MEETING OF THE COUNCIL

HELD ON

TUESDAY, 10 FEBRUARY 2009

AT 6.30PM IN THE COUNCIL CHAMBERS

MELVILLE CIVIC CENTRE

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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 6.30PM ON TUESDAY 10 FEBRUARY 2009.

1. OFFICIAL OPENING

The Presiding Member welcomed those in attendance to the meeting and declared the meeting open at 6:30pm. Mr J Clark the Governance and Compliance Program Manager read aloud the Disclaimer and His Worship the Mayor read aloud the Affirmation of Civic Duty and Responsibility.

Affirmation of Civic Duty and Responsibility

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

2. PRESENT

His Worship the Mayor, Russell Aubrey

COUNCILLORS

Cr H Everett,
Cr D Macphail, Cr T Ceniviva
Cr C W Robartson
Cr P M Phelan, Cr C M Halton
Cr J M Barton, Cr G Wieland
Cr L M Reynolds, Cr J Bennett

WARD

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

3. IN ATTENDANCE**POSITION TITLE**

Dr S Silcox	Chief Executive Officer
Mr M Tieleman	Director Corporate Services
Mr C McClure	Director Urban Planning
Mr J Christie	Director Technical Services
Ms C Young	Director Community Development
Ms K Johnson	Executive Manager Organisational Development
Mr L Hitchcock	Executive Manager Legal Services
Mr D Vinicombe	Manager Planning & Development Services
Mr B Taylor	Manager Information, Technology & Support
Mr J Clark	Governance & Compliance Program Manager
Mr D Monteiro	Compliance Officer (Environmental Health Services)
Ms C Rourke	Minute Secretary

At the commencement of the Meeting there were 19 members of the public in the Public Gallery and 2 members of the Press in the Press Gallery.

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

Nil

4.2 APOLOGIES

Cr Subramaniam	Bull Creek/Leeming
Cr N Pazolli	Applecross/Mount Pleasant

5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION) AND DECLARATIONS BY MEMBERS**5.1 DECLARATIONS BY MEMBERS WHO HAVE NOT GIVEN DUE CONSIDERATION TO (READ AND UNDERSTOOD) ALL MATTERS CONTAINED IN THE BUSINESS PAPERS PRESENTLY BEFORE THE MEETING.**

Nil

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

Nil

6. PUBLIC QUESTION TIME

6.1 Alan and Wendy McLeod

His Worship the Mayor responded to the questions raised by Mr & Mrs McLeod.

Question 1

“We understand that the City of Melville’s best business case in 2004 was to demolish the Leeming Recreation Centre. Could the Council please confirm this and if it is correct, could the Council please clarify why it subsequently voted in July 2007 to redevelop the Leeming Recreation Centre and announced in a media release Local residents are set to enjoy improved recreation and health facilities with the City of Melville agreeing to proceed with an \$8.1 million redevelopment of the Leeming Recreation Centre”.

The initial Officers report completed in 2004 recommended the down sizing ‘refocusing’ of Leeming to a one court facility and performing arts for Department of Education & Training (DET) and community use and relocate the majority of services and products to Melville Aquatic Fitness Centre. At the time a decision was made to retain the centre and refocus the facility.

Question 2

“Why was the agreement with the Department of Education and Training not renegotiated once the Council agreed to redevelop the Leeming Recreation Centre so that a greater contribution could be obtained from the Department?”

Negotiations were set to commence once approval of the tender for construction was received. Council approval was to commence detailed design, documentation and costs estimates. As the majority of the proposed development did not impact on the school facilities it was seen as premature to start negotiating until it was known what the final facility would be.

Question 3

“Why did the allocation of costs of the City of Melville’s corporate overheads to the Leeming Recreation Centre increase 77% from \$134,700 In 2005/2006 Budget to \$239,176 In the 2008/2009 Budget?”

In 2008/2009 the budget amount of \$94,510 for insurance premiums was included in that amount (in previous years this was a separate budget line). If it is removed then \$144,666 may be used as a direct comparison against previous years (an increase of approximately \$10k over 3 years).

Question 6.1c Continued.

Question 4

“What \$ amount, in the following bands, does the Council believe is a fair and reasonable community service obligation for the Leeming Recreation Centre?”

- Less than \$100,000
- \$100,000 to \$150,000
- \$150,000 to \$200,000
- \$200,000 to \$250,000
- \$250,000 to \$300,000
- \$300,000 to \$350,000
- \$350,000 to \$400,000
- Greater than \$400,000

This would depend on the benefit to the community, ie number of community benefiting from the service; subsidy per head; link to the community/corporate objectives. The operating subsidy per attendance of Leeming Rec for 07/08 was in the vicinity of \$4.00 For comparison Melville Aquatic was \$0.30 and Melville Rec \$0.60.

Question 5

“Why did the Council decide in November 2007, to disband the Leeming Recreation Centre Advisory Committee despite the fact that it was a requirement of the Agreement between the City of Melville and the Department of Education and Training?”

The committee had not met formally for a number of years. Meetings were still being held between the school representatives and recreation management to discuss operational issues relating to the joint use and it was seen that this process was sufficient. The advisory committee was stopped previously for the same reasons and started up again in June 2003 at a request of the new principal. Only a handful of meetings were held after this date.

Question 6

“What individuals or organisations were consulted in advance of that decision?”

The advisory committee was for the joint use agreement and hence only the school/DET and the council (dealing with operational issues) were represented on the committee.

Question 7

“Prior to that decision, when was the last time the Leeming Recreation Centre Advisory committee met?”

June 2005.

Question 6.1 continued.

Question 8

“Why did the City of Melville not convene the Advisory Committee to review the important issues facing the Leeming Recreation Centre such as:

- a. *the proposal to invest \$8.1 million to redevelop the Leeming Recreation Centre which was approved in July 2007”.*

Meetings were held with representatives from the department of education & training.

- b. *“how to reduce the Leeming Recreation Centre’s operating losses.”*
- c. *“to review the proposal submitted to Council in December 2008 to cease City run programmes from Leeming Recreation Centre and permanently close the swimming pool.”*

The advisory committee was concerned only with the joint use agreement and was not seen as the appropriate forum for the above issues. It was seen more appropriate to meet directly with the DET.

Question 9

“Will the Council make publicly available all agendas, minutes, correspondence and other documents regarding the Leeming Recreation Centre Advisory Committee?”

These can be made available upon request.

Question 10

“At the Council meeting in December 2008 a confidential report was used to guide Councillors towards a decision concerning the future of Leeming Recreation Centre. “

- a. *“Why was the Report not made publicly available to residents prior to the decision so their input could be obtained?”*

Extensive consultation was completed throughout the entire period.

- b. *“Apart from the Mayor, Councillors and employees of the City of Melville, what other persons or organisations received copies of this report in advance of the Council meeting?”*

The contents of the report were discussed with representatives from DET.

Question 11

“As the Department of Education and Training has continued to make payments in accordance with its obligations under the Leeming Recreation Agreement it is understood that this makes the conditions of the Agreement enforceable. What will be the capital and operational costs to the City if the City reneges on the Agreement and closes Leeming Recreation Centre?”

I suggest that would be a discussion held between our legal representatives and DET if this option was to arise.

6.2 Mr Norm Gratte, Mt Pleasant

Question 1

“With the present economic climate and the prospect of an increasing number of unemployed, will the Council immediately commence the construction of a Community Workshop/Men’s Shed if the request to the Commonwealth Government for \$2 million is successful?”

Dr S Silcox, Chief Executive Officer, advised that essentially the Council applied for 2 grants from Commonwealth Government where there was an available \$50 million for all Councils across Australia. The conditions of application were that they had to be for over \$2 million. One application was for the Melville Aquatic Fitness Centre refurbishment and another application was submitted for the Melville Primary School site. The application for \$2 million dollars was identified to assist with the development of Phases 1 – 4 of the Melville Primary School site, which are deemed to be the critical stages of construction. This does not include the construction of community facilities. The City’s preferred option is that these building would be constructed by a community group through an external funding source and not funded by municipal funds. No doubt the commencement of site works and the playground development will certainly assist with employment opportunities.

Question 2

“Is the Council prepared to allocate land for the Community Workshop / Men’s Shed?”

Dr S Silcox, Chief Executive Officer, advised that most of community facilities in the City of Melville are on Council owned land. Council would allow facilities on Council land and each application will be assessed against other requests to look at the most appropriate location. Council has undertaken a comprehensive review of all Council owned facilities and assets which is due to be completed by the end of June 2009. The review will assist with the possible identification of any appropriate sites for such usage - either building or land.

Question 3

a) *“If so can the land be located adjacent to the Library Building on the Melville Primary School site?”*

Dr S Silcox, Chief Executive Officer, advised that preference of location be noted by Council.

6.3 Mr W H Power, Melville

Question 1

“Are the current CEO and staff of the City of Melville, and the Mayor fully aware of the conditions applied in the Agreement for sale of the Old Melville Primary School site to the City of Melville (refer the attached confirming letter to Mrs P Power from the current Minister for Education)?”

Mr M Tieleman, Director Corporate Services, advised that he could not speak for the current Chief Executive Officer, but can speak for the former Chief Executive Officer and staff confirming that they were aware of the pre-settlement conditions which required the Council to maintain the buildings as they were owned by the Department of Education and Training.

Question 2

“Does the Council recognise that demolition by Council of most of the buildings retained on the site for community use conflicts with the terms of that Agreement, and in this context the recommendation (2003) footnote that future proposed community buildings would be constructed through an external funding source and not funded by buildings is an outrage to community groups that had applied in September 2006 for use of existing buildings?”

Mr M Tieleman, Director Corporate Services, said that the Agreement provided for the demolition of some buildings. Those buildings were located in the upper portion of the site. There were other buildings which were designated to be retained and marked on a diagram which accompanied the Agreement. The Agreement was for the period Council was in possession but not ownership of the site and ceased upon subdivision approval and issue of title to the City for its portion of the former primary school site.

Dr S Silcox, Chief Executive Officer, also advised that the City of Melville paid full market value for the site. The City now has the ability therefore to determine what development will occur on the site.

Question 3

“Does Council recognise it has an obligation to replace the demolished community use buildings with a suitable new structure on the Melville site?”

Mr M Tieleman, Director Corporate Services, answered that there no ongoing legal obligations relating to the retention of buildings on the site.

Dr S Silcox, Chief Executive Officer, addressed the question advising that a building audit undertaken showed that the assets were not worth retaining. The structure of the building and issues of anti-social behavior were investigated through a separate report, the outcome of which stated that the identified buildings be demolished.

Question 6.3 continued.

Question 4

“Does Council recognise that any proposal to sell off part of the site is in clear contravention of the terms of the purchase Agreement with the State Government?”

Mr M Tieleman, Director Corporate Services, advised that the Purchase Agreement states that subject to clause 5, (relating to Subdivision & Planning approvals) the Vendor (State Government) sells and the Purchaser purchases the site free from all limitations, interest and encumbrances. The Council is not therefore in contravention of the terms of the purchase agreement with the State Government.

7. AWARDS AND PRESENTATIONS

Nil

8. CONFIRMATION OF MINUTES

8.1 ORDINARY MEETING OF COUNCIL – 16 DECEMBER 2008
[Min_16Dec_2008.pdf](#)

At 7.02pm Cr Macphail moved, seconded Cr Robartson -

OFFICER RECOMMENDATION & COUNCIL RESOLUTION

THAT THE MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON TUESDAY 16 DECEMBER 2008 BE CONFIRMED AS A TRUE AND ACCURATE RECORD.

At 7.02pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (11/0)

8.2 NOTES OF AGENDA BRIEFING FORUM – 3 FEBRUARY 2009
[Notes_3Feb_2009.pdf](#)

At 7.02pm Cr Everett moved, seconded Cr Wieland -

OFFICER RECOMMENDATION & COUNCIL RESOLUTION

THAT THE NOTES OF AGENDA BRIEFING FORUM HELD ON TUESDAY 3 FEBRUARY 2009 BE RECEIVED.

At 7.02pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (11/0)

9. DECLARATIONS OF INTEREST

- C09/5040 Mr J Clark -Governance & Compliance Program Manager

10. APPLICATIONS FOR NEW LEAVE OF ABSENCE

Nil

11. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED

Nil

12. PETITIONS

Nil

13. REPORTS OF THE CHIEF EXECUTIVE OFFICER

The Presiding Member advised Elected Members that when dealing with the following Reports they act in their Quasi-Judicial capacity which means that they are performing functions which involve the exercise of discretion and require a part of the decision making process be conducted in a Judicial Manner. The judicial character arises from the obligation to abide by the principles of natural justice. This on it's part requires the application of the relevant facts to the appropriate statutory regime.

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPLECROSS (REC)
(ATTACHMENT)**

Ward : Applecross/Mount Pleasant Ward
 Category : Operational
 Application Number : DA-2008-649
 Property : 47 MacLeod Road, APPLECROSS
 Proposal : Aviary
 Applicant : Mr K C Taylor
 Owner : Mr K C Taylor and Ms R Taylor
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Responsible Officer : Mr David Vinicombe
 Manager Planning and Development Services
 Previous Items : Not applicable.

**AUTHORITY / DISCRETION
DEFINITION**

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

P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**KEY ISSUES / SUMMARY**

- Application is for two (2) multi-specie aviaries approximately 48m² each and four (4) small aviaries approximately 5m².each. Total aviary size of 116m².
- Proposed total number of birds to be kept is 68 - variety of Finches and Soft Bills (eg. Wrens) – small native birds.
- No plans are proposed to keep Parrots etc (Lorikeets) as these birds require a further approval from CALM and would require a heavier duty cage wire, which is not proposed and are noisier. No plans are made to keep Pigeons or Doves which, although quieter than Parrots, are messier birds. Applicant has committed to remove any Finch or Soft Bill bird which creates more noise than those kept within the existing aviary.
- Objections received from surrounding neighbours for the application raising concerns relating to: noise, odour, rodents, overall appearance and non-compliance with City of Melville Policy.
- Two-stage noise assessment undertaken by Environmental Health Officer – one measuring ambient noise of the subject site, second assessment measuring noise generated from 36 birds (mainly a selection of Finches, with a pair of Soft Bills) contained within a 2.0m x 3.0m enclosure.
- 2.0m x 3.0m enclosure constructed on the subject site does not require Planning or Building approval.
- Results of the noise assessment found that ambient noise was greater than noise generated by the 36 birds contained within the 2.0m x 3.0m enclosure.
- Odour and rodent concerns can be managed.
- Noise emission must be limited to comply with the *Environmental Protection (Noise) Regulations 1997* at all times.
- This application was referred to the Development Advisory Unit meeting on 6 January 2009. Following the report, the matter has been “called up” for Council Consideration by an Elected Member on the basis of concerns raised by representatives of an adjoining owner and concerns over the species of birds to be kept in the aviary and limitations on numbers.
- Further details in relation to the species is provided above and numbers and types of birds can be conditioned to require compliance with the application and monitored if required as a result of any noise complaint.
- It is recommended that the application be conditionally approved.

BACKGROUND**Scheme Provisions**

MRS Zoning	: Urban
CPS 5 Zoning	: Living Area – A1 Applecross
R-Code	: R15
Use Type	: Residential
Use Class	: Outbuilding

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**

Site Details

Lot Area	:	2039.92 sqm
Retention of Existing Vegetation	:	n/a
Street Tree(s)	:	n/a
Street Furniture (drainage pits etc)	:	n/a
Site Details	:	5044 Property Map Feb 09.pdf 5044 Plans 2009.pdf 5044 Additional Information Feb 2009.pdf 5044 Apendicies Feb 09.pdf

DETAIL

Development Requirements

Residential Design Codes of Western Australia

Clause 6.10.1 – Outbuildings:

Criteria	Required	Proposed	Comment	Delegation to approve variation
Setback - North - South	1.0m 1.0m	9.0m 3.2m	Complies Complies	n/a
Maximum Size (outbuildings)	60m² or, 10% of site area (whichever is lesser)	117m²	Does not comply	MPDS
Maximum height - Wall height - ridge height	2.4m 4.2m	Approx. 2.1m 3.0m	Complies Complies	n/a
Building materials	Non-reflective	Not reflective and not visible from street	Complies	n/a

(Note: Non compliance is emphasised in bold)

PUBLIC CONSULTATION/COMMUNICATION

Advertising Required: Yes

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**

Neighbour's Comment Supplied: Yes
Reason: Variation to Council Policy and R-Codes
Support/Object: Object

Submission Number	Summary of Submission	Support/ Object	Officer's Comment	Action (Uphold/ Not Uphold)
1.	Concerns raised in relation to: <ul style="list-style-type: none"> • Noise • Smell • Overall appearance • devaluing home 	Object	<ul style="list-style-type: none"> • There is no measurable noise related impact from this proposal. This view is borne out by the results of a noise assessment exercise undertaken as part of the assessment of this planning application (refer to comments section below). • Smells from the proposed aviary can be addressed through careful management of the use including regular cleaning. • Aviary will not be visible due to existing landscaping/trees which provide an effective screen. • Devaluation of property is not a material planning consideration. 	Not Uphold

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**

<p>2.</p>	<p>Concerns raised in relation to:</p> <ul style="list-style-type: none"> • The keeping of birds in captivity • Noise • Health hazard – rodents, vermin, infectious bird diseases • Non-compliance with provisions of Council Policy 	<p>Object</p>	<ul style="list-style-type: none"> • The arguments for or against the keeping of birds in captivity are subjective and are not material planning considerations. Notwithstanding, the applicant wishes to participate in breeding programmes for endangered species – requires a permit from the Department of Conservation and Land Management. • There is no measurable noise related impact from this proposal. This view is borne out by the results of a noise assessment exercise undertaken as part of the assessment of this planning application (refer to comments section below). • Smells and health related hazards can be addressed through careful management including regular cleaning. • See details below in relation to Council Policy No. 06-033 - Building Licence Requirements – Incidental Structures, which is not applicable in this instance. 	<p>Not Uphold</p>
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**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)****REFERRALS TO GOVERNMENT AGENCIES**

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

Should the City of Melville refuse the application, the applicant will have the right to appeal the decision in accordance with Part 14 of the Planning and Development Act 2005.

FINANCIAL IMPLICATIONS

Not applicable.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS**Policy No: 06-PL-033 – Building Licence Requirements – Incidental Structures**

The objective of Policy No. 06-PL-033 is to formally identify structures which are considered minor in nature (i.e. incidental), and therefore do not require Building Licence Approval. As the size of this proposal exceeds the maximum size envisaged by this Policy, the proposed structure is not classed as incidental and, accordingly Planning and Building Approval is required. The provisions of this Policy are therefore not applicable in this case.

COMMENTS

The main issues for consideration in the determination of this application relate to a variation sought under the provisions of the R-Codes to the maximum outbuilding size requirement, (117 sqm in lieu of 60 sqm). In addition there are health and noise issues which need to be addressed.

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**

Variations to R Code Requirements

Under the “Incidental Development Requirements” provisions of the R Codes, Clause 6.10.1 “Outbuildings” outlines a set of acceptable development criteria for the provision of outbuildings in a residential scenario. The development the subject of this application complies with these provisions with the exception of the floor area proposed which at 116 sqm exceeds the maximum envisaged under the Codes by 56 sqm. It is noted that the aviary is to be located immediately to the south of an existing shed which has a floor area of 36 sqm. Notwithstanding this, under the Performance Criteria of Clause 6.10.1 “*Outbuildings that do not detract from the streetscape or the visual amenity of residents or neighbouring properties*” may be acceptable.

It is considered that the proposed aviary structure does not detract from the streetscape or visual amenity of residents or neighbouring properties for the following reasons:

- The proposed aviary is not visible from the front of the property, and therefore does not detract from the visual character of the existing streetscape in this locality;
- 45 MacLeod Road (to north) – the proposed structure is screened from view from this adjoining property by virtue of an existing shed. The proposed aviary will only be visible from a bathroom window located on the second storey of the existing residence;
- 49 MacLeod Road (to south) – the proposed structure is screened from view from this property by virtue of a belt of existing densely planted shrubs and trees. These, coupled with the dividing fence between the two properties, as well as the proposed setback from the side boundary of 3.2 m further mitigates against any adverse visual impact. The applicant has indicated a willingness to further bolster this landscaping via additional planting within his lot boundary, and this will provide further mitigation; and,
- 1/78 Matheson Road (to west) – the proposed structure is setback in excess of 26 m from the rear boundary of 1/78 Matheson Road. Furthermore, the subject site is situated considerably lower than 1/78 Matheson Road, and this, together with the generous setback, provides the necessary mitigation.
- The proposed aviary is to be roofed with wire mesh (front half) and either waterproof shade cloth or fibreglass/plastic sheeting (rear half), with wire mesh walls with fibreglass/plastic sheeting (if required to the South) and is to be heavily planted inside to create natural environment for the birds within a wired enclosed garden. The open sided and partially open roofed nature of the aviary further reduces any bulk considerations.

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPLECROSS (REC)
(ATTACHMENT)**Noise Impact

In response to the concerns aired by neighbouring occupiers, the City's Environmental Health Officer has undertaken a two stage noise assessment at the subject property, one measuring the ambient noise levels and a second assessment measuring noise generated from a constructed 2.0m x 3.0m aviary structure housing 36 birds (mainly a selection of Finches, with a pair of Soft Bills) on the subject property.

The results of the noise assessments demonstrate that the ambient noise levels (i.e. background noise without the captive birds) was slightly greater than the noise measurement taken with the 3 birds contained within the 2.0m x 3.0m aviary structure. These results suggest that:

- The addition of captive birds in the area has not had any impact on the background noise generated by wild birds;
- Noise generated from the captive small birds is not considered unreasonable or excessive as it was measured to be lower than the background noise in the area - which may vary dependant on the conditions applicable in the area at the time the noise measurements are taken. The background noise level recorded (42-44 dB) is already in excess of the assigned levels for a residential property stipulated under the *Environmental Protection (Noise) Regulations 1997* (i.e. 36 dB) between 10.00 pm and 7.00 am. In this regard, the Regulations provide for the control of activities which create unreasonable noise levels in the locality. In this context, specific noise generated by activities which are less than ambient noise levels may be considered to conform with the Regulations even though they may (or may not) be in excess of the assigned levels.

Furthermore, the noise assessment was undertaken on the subject property itself. If the noise assessment was undertaken from a neighbouring property, ambient noise levels would be broadly similar to those found to exist at the subject lot, but the impact of noise generated from the proposed aviary would be reduced by virtue of the increased separation that would exist between the neighbouring receptor and the aviary.

As a result of these findings, it is concluded that in noise terms, the proposed use can successfully operate without prejudice to the levels of residential amenity currently enjoyed by occupiers of neighbouring properties.

It is noted that the applicant has confirmed that he is applying to keep a variety of Finches and Soft Bills in the Aviary. The total number of birds to be kept is 68. These small native birds are relatively quiet when compared to other larger birds such as Parrots etc. The applicant has committed to remove any bird which is noisier than the current birds kept within the existing aviary.

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPLECROSS (REC)
(ATTACHMENT)**

With specific regard to the bird noises, the applicant advises that *“the majority of Finches do not have audible whistles. While some of the Soft Bills (only the males) do produce a “song” it is not loud nor a screech. The only Soft Bill that I plan to keep that does have a song is the Wren. Others such as the Crimson Chat and Scarlet Robin do not have audible songs. The combined noise would be negligible compared to the current noise of the wild birds in the area such as the Rainbow Lorikeet and Wattle Birds which are currently attracted to Mr Drybrough’s trees in abundance.”*

It is also noted that the applicant has advised that he does not intend to keep or have a permit to keep larger birds from the Department of Conservation and Land Management and that the aviary would require a heavier duty cage wire than proposed to keep these birds.

Health Impact

Health concerns can be appropriately addressed via regular cleaning and maintenance. The following precautions are proposed:

- Odour – All seeds shall be captured within custom plastic containers and emptied weekly. Faecal matter shall also be cleaned on a weekly basis.
- Rats/Mice – No fruiting trees or other food sources shall be contained within the aviary. Hardiflex or steel sheeting is also proposed surrounding the base of the aviary to prevent rats/mice burrowing through the ground. Bird feed shall be stored within a plastic bin. It should be noted that the applicant is concerned to ensure that no rats/mice can enter the aviary as they will attack the birds.

The applicant advises that *“the overall faecal material produced by the birds is therefore less than a small dog with all food being removed daily or contained in a tub.”* In addition, the applicant advises that *“the Australian Finches and Soft Bills I propose to keep do not carry any disease that is transferable to humans. In addition, the majority of the birds will be Australian native birds and therefore pose no more risk than the wild birds that frequent the area at the moment. Again the combined body mass of all the birds that I propose to keep would be a fraction of that of a small dog. Therefore I do not believe that the birds pose a health risk.”*

CONCLUSION

It is concluded that subject to the imposition of suitable and relevant planning conditions, the proposed aviary development can operate without prejudice to the intent of the R-Codes, and without detriment to residential amenity. With regard to the concerns raised relative to the numbers and type of birds proposed to be kept in the aviary, the proposed condition requiring operation in compliance with details provided in the application may be subject to appropriate compliance checks if required as a result of any noise complaint. As such it is recommended that conditional approval be granted.

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**

OFFICER RECOMMENDATION (5044)

APPROVAL

At 7.07pm Cr Robartson moved, seconded Cr Ceniviva –

A) THE APPLICATION FOR A BIRD AVIARY AT LOT 836 (47) MACLEOD ROAD, APPECROSS BE APPROVED SUBJECT TO THE FOLLOWING CONDITIONS

SPECIAL CONDITIONS:

- 1. THE AVIARY USE SHALL BE OPERATED IN ACCORDANCE WITH THE SUBMITTED APPLICATION AND THE APPLICANT SHALL ENSURE THE IMPLEMENTATION OF NECESSARY PRECAUTIONS IN MANAGING NOISE, ODOUR, VERMIN AND RELATED NUISANCES.**

STANDARD CONDITIONS:

- 2. PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION THE COUNCIL REQUIRES THE PROVISION OF A SUITABLE RECEPTACLE FOR THE CONTAINMENT OF WINDBLOWN RUBBISH. THE RECEPTACLE (GENERALLY A WIRE MESH CAGE) SHOULD HAVE MAXIMUM OPENINGS OF 100MM; HAVE A BASE OF 4M² AND A HEIGHT OF 1M AND A HINGED LID. THE RECEPTACLE SHOULD NOT BE ALLOWED TO OVERFILL.**
- 3. THE BUILDING IS NOT TO BE USED FOR HABITABLE OR NON RESIDENTIAL PURPOSES.**
- 4. ROOFING MATERIALS BEING OF A NON-REFLECTIVE MATERIAL (ZINC OR WHITE COLOUR METAL ROOFING MAY ONLY BE PERMITTED THROUGH SPECIAL PLANNING CONSENT).**

FOOTNOTE:

THE PROPOSED DEVELOPMENT SHALL OPERATE IN COMPLIANCE WITH THE PROVISIONS OF THE *ENVIRONMENTAL PROTECTION (NOISE) REGULATIONS 1997* AT ALL TIMES.

B) THE APPLICANT AND ADJOINING OWNERS WHO RAISED OBJECTION TO THE APPLICATION BE ADVISED IN WRITING OF A) ABOVE.

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPLECROSS (REC)
(ATTACHMENT)**

Amendment 1

At 7.07pm Cr Everett moved, seconded Cr Halton that the following amendment be made to the Officer Recommendation -

ADDITIONAL SPECIAL CONDITIONS

2. THE NUMBER OF BIRDS TO BE KEPT SHALL NOT EXCEED 68.
3. THE BIRDS KEPT SHALL BE OF SMALL SIZE, SIMILAR TO FINCHES AND SOFT BILLS AS DETAILED BY THE APPLICANT IN THE APPLICATION FOR COUNCIL APPROVAL.
4. THE PROPOSED AVIARY TO BE USED FOR “HOBBY” AND NOT “COMMERCIAL” PURPOSES.
5. THE TOTAL AREA OF THE AVIARIES ON THE PROPERTY SHALL NOT EXCEED 117 SQM.
6. THE APPLICANT TO MAINTAIN AND COMPLY WITH AN AVICULTURAL LICENCE FOR THE KEEPING OF SMALL BIRDS FROM THE DEPARTMENT OF ENVIRONMENT CONSERVATION.
7. PROVISION OF LANDSCAPING ALONG THE SOUTHERN SIDE BOUNDARY ADJACENT TO THE BIRD AVIARY TO REDUCE THE IMPACT OF THE STRUCTURE ON ADJOINING PROPERTY OWNERS TO THE APPROVAL OF THE MANAGER PLANNING AND DEVELOPMENT SERVICES.
8. THE ENTIRE SOUTHERN WALL OF THE AVIARY TO BE COVERED WITH FIBREGLASS/PLASTIC SHEETING TO THE APPROVAL OF THE MANAGER PLANNING AND DEVELOPMENT SERVICES TO ADDRESS POTENTIAL NOISE AND DUST AMENITY IMPACTS ON THE ADJOINING PROPERTY OWNER.
9. PRIOR TO ANY SALE OF THE SUBJECT PROPERTY TO ANOTHER PARTY, THE BIRD AVIARY IS TO BE REMOVED TO THE APPROVAL OF THE MANAGER PLANNING AND DEVELOPMENT SERVICES.

STANDARD CONDITIONS CONTAINED IN THE RECOMMENDATION (2, 3 AND 4) BE RENUMBERED 10, 11 AND 12 AND THE FOOTNOTE IS TO BE RETAINED.

- B) THE APPLICANT AND ADJOINING OWNERS WHO RAISED OBJECTION TO THE APPLICATION BE ADVISED IN WRITING OF A) ABOVE AND FURTHER THAT COUNCIL WILL UNDERTAKE A COMPLIANCE CHECK ON THE AVIARY WITHIN SIX MONTHS OF THE COMPLETION OF THE DEVELOPMENT TO DETERMINE COMPLIANCE WITH THE APPLICATION AND THIS APPROVAL.

At 7.36pm the Mayor submitted the amendment, which was declared

LOST (4/7)

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**

Amendment 2

At 7.37pm Cr Bennett moved, seconded Cr Phelan that the Standard Condition be amended by adding Item 5 to the Officer Recommendation -

- 5. PROVISION OF LANDSCAPING ALONG THE SOUTHERN SIDE BOUNDARY ADJACENT TO THE BIRD AVIARY TO REDUCE THE IMPACT OF THE STRUCTURE ON ADJOINING PROPERTY OWNERS TO THE APPROVAL OF THE MANAGER PLANNING AND DEVELOPMENT SERVICES.**

At 7.40pm the Mayor submitted the amendment, which was declared

CARRIED (10/1)

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5044) APPROVAL

At 7.41pm Cr Robartson moved, seconded Cr Ceniviva the substantive motion as amended -

- A) THE APPLICATION FOR A BIRD AVIARY AT LOT 836 (47) MACLEOD ROAD, APPECROSS BE APPROVED SUBJECT TO THE FOLLOWING CONDITIONS**

SPECIAL CONDITIONS:

- 1. THE AVIARY USE SHALL BE OPERATED IN ACCORDANCE WITH THE SUBMITTED APPLICATION AND THE APPLICANT SHALL ENSURE THE IMPLEMENTATION OF NECESSARY PRECAUTIONS IN MANAGING NOISE, ODOUR, VERMIN AND RELATED NUISANCES.**

STANDARD CONDITIONS:

- 2. PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION THE COUNCIL REQUIRES THE PROVISION OF A SUITABLE RECEPTACLE FOR THE CONTAINMENT OF WINDBLOWN RUBBISH. THE RECEPTACLE (GENERALLY A WIRE MESH CAGE) SHOULD HAVE MAXIMUM OPENINGS OF 100MM; HAVE A BASE OF 4M² AND A HEIGHT OF 1M AND A HINGED LID. THE RECEPTACLE SHOULD NOT BE ALLOWED TO OVERFILL.**
- 3. THE BUILDING IS NOT TO BE USED FOR HABITABLE OR NON RESIDENTIAL PURPOSES.**
- 4. ROOFING MATERIALS BEING OF A NON-REFLECTIVE MATERIAL (ZINC OR WHITE COLOUR METAL ROOFING MAY ONLY BE PERMITTED THROUGH SPECIAL PLANNING CONSENT).**
- 5. PROVISION OF LANDSCAPING ALONG THE SOUTHERN SIDE BOUNDARY ADJACENT TO THE BIRD AVIARY TO REDUCE THE IMPACT OF THE STRUCTURE ON ADJOINING PROPERTY OWNERS TO THE APPROVAL OF THE MANAGER PLANNING AND DEVELOPMENT SERVICES.**

**P09/5044 - AVIARY ON LOT 836 (47) MACLEOD ROAD, APPECROSS (REC)
(ATTACHMENT)**

FOOTNOTE:

THE PROPOSED DEVELOPMENT SHALL OPERATE IN COMPLIANCE WITH THE PROVISIONS OF THE ENVIRONMENTAL PROTECTION (NOISE) REGULATIONS 1997 AT ALL TIMES.

B) THE APPLICANT AND ADJOINING OWNERS WHO RAISED OBJECTION TO THE APPLICATION BE ADVISED IN WRITING OF A) ABOVE.

At 7.41pm the Mayor submitted the substantive motion, which was declared
CARRIED WITHOUT DISSENT (11/0)

At 7.41pm Mr D Monteiro, Compliance Officer (Environmental Health Services), left the meeting.

The Presiding Member advised Elected Members that the Meeting has now moved out of the Quasi-Judicial phase.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

Ward : Palmyra/Melville/Willagee
 Category : Operational
 Subject Index : Old Melville Primary School Site
 Customer Index : Melville Primary School Redevelopment
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : C04/8011 – 7 September 2004
 CO5/7000 – 5 April 2005
 T06/2007 – 4 July 2006
 Works Programme : FY 08/09
 Funding : \$1,304,100 (balance)
 Responsible Officer : Ian Davis/ John Cameron
 Manager Parks and Environment/ Executive Engineer
 Design & Assets

AUTHORITY / DISCRETION

DEFINITION

<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>

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

The City of Melville prepared an initial Master Plan for the old Melville Primary School site and reported to the Community and Technical Services Committee on 19 December 2006 (T06/2008) indicating cost estimates and a detailed breakdown of the works proposed.

In May 2008 the City subsequently commissioned the preparation of a Crime Prevention through Engineering Design (CPTED) report which highlighted a number of issues including that the location of the proposed playground was inappropriate.

The preparation of a revised Master Plan of the whole site was necessary to incorporate the identified CPTED issues. The City of Melville subsequently commissioned Ecoscape to redesign the Master Plan and relocate the playground from the lower central area to the elevated north west corner which was considered to be a much more appropriate and safer area for a children's playground.

Based on this Master Plan, five development stages for the complete site have been identified and costed.

This item seeks to obtain the Council's endorsement for the staging and funding options proposed to facilitate the construction of the parkland.

BACKGROUND

The City prepared an overall master plan for the Melville Primary School site with the theme of 'Game of Life' following extensive community consultation for the school site.

The Master Plan and indicative costings were presented to the Council in December 2006 and Council resolved the following (inter alia):

- "1. THAT THE MASTER PLAN (5173A1-06PG) FOR THE REDEVELOPMENT OF THE OLD MELVILLE PRIMARY SCHOOL SITE BE ADOPTED FOR DEVELOPMENT."***

At that time the estimated cost of this original Master Plan was \$2.961 million. Ongoing maintenance costs of \$100,000 were also identified at that time. For comparison purposes if 15% escalation was allowed for over the 2 year period concerned the original project cost estimate would increase to \$3.961 million (in terms of a realistic present day cost estimate).

Funding was subsequently provided on the 2006/2007 to 2008/2009 budgets for the staged implementation of the Master Plan.

In 2008 this Master Plan was reviewed as a result of a CPTED (Crime Prevention through Environmental Design) survey and report. The survey identified a number of critical safety and security issues for the site, which had not been addressed within the original Master Plan.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

Consequently the City commissioned Ecoscape to redesign the Master Plan to relocate the playground from the centre of the site to the north western corner of the site where there was an opportunity to increase visibility into the playground from both Kitchener Road and Curtis Road to address the CPTED issues raised. The remainder of the site was redesigned using the original elements from the “Game of Life” theme which was developed from the original public consultation which was carried out.

Council was provided with an update on the CPTED report and the need to relocate the playground at the workshop session held on 22 July 2008. Subsequently, the new Master Plan was presented at the Elected Member Information Forum on 30 September 2008. It was deemed not necessary to take the plan back to the community as it still contained all of the elements identified in the original consultation from November 2005.

Some of the recommendations from the CPTED report have already been acted upon and include the removal of a substantial quantity of the peripheral vegetation thus greatly improving the passive surveillance; the two buildings that comprised the Doris Donovan Education Facility and the undercover assembly area from the old primary school are currently in the process of demolition.

Ecoscape presented the new Master Plan ([2003 Plans 2009.pdf](#)) staging options ([2003 Project Stages 2009.pdf](#)) and indicative costing to the Elected Member Information Session on 30 September 2008.

Ecoscape have now submitted an indicative project program ([2003 Melville Primary School Programme 09.pdf](#)) for the construction of the playground area and are currently working on the detailed design drawings and tender specification documents for the playground which are planned for commencement of construction during the current 2008/2009 budget year. The Design and Development package (to 85% completion) is expected to be provided to the City by 30 January 2009.

DETAIL

To assist in prioritising the community’s aspirations, the site capability and the financial requirement for the project and six design themes have been identified:

1. Creating movement by activating the park and connecting the spaces.
2. Creating a sense of progression through landscapes ‘defined’ precincts.
3. Creating a balance between quality of spaces.
4. Creating a strong ecological connection between the site and its surrounding natural assets.
5. Definition of clear entry points to attract park users and rationalise universal access.
6. Provision of a variety of activities in which all age groups can participate.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

The landscape Master Plan has included the following key elements:

- Re-grading of the site (to maximise visual access, passive surveillance and pedestrian access whilst retaining significant trees).
- Provision of north-south dual-use pathways to encourage cyclists and pedestrians to travel through the park.
- Provision of universal pathways to link and define all areas within the site and connect to the surrounding pedestrian network.
- Location of a playground in the north-west corner that maximises passive surveillance and activates the park as a local and regional facility.
- Creation of themed local identity entry environments.
- Collection of storm water to link the spaces, irrigate vegetation and add aesthetic value throughout the site.
- Extension and enhancement of the remnant bushland to create a habitat link.
- Integration of community art work, barbecue facilities, lighting, furniture and exercise equipment to promote use of the park.
- Extension and resurfacing of the existing Kitchener Road car park.
- Provision of an active multi use area to the south of the playground to allow for future playground extensions and basketball facilities.
- Provision of an active recreational area in the centre of the park.
- Creation of a variety of spaces defined by different landscape treatments and facilities.
- Creation of grassed terraces as informal seating/picnic areas based on existing topography.
- Installation of boardwalks and bridges as interpretive features.
- Provision of a footprint to the south of the existing former library to allow for future community buildings.
- Provision of an area on the western edge to accommodate an amphitheatre, designed to fit into existing topography.

The landscape Master Plan aims to improve the functionality, safety, legibility and accessibility of the site. The design builds on the strengths of the existing site character and addresses the community's aspirations.

The public facilities proposed will provide a vibrant active park for the surrounding community and the design layout will help to eliminate anti-social behaviour by utilising the Crime Prevention through Environmental Design (CPTED) principles.

The park is enhanced with community art, interpretive elements and environmental education principles. These measures will ensure that the park is a destination that visitors can easily access and enhance their physical and spiritual well-being.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)**Proposed Development Stages**

The project has been divided into the following five stages.

Stage 1: Site Preparations

- Clear select vegetation
 - Bulk earthworks
 - Demolish selected buildings
 - Temporary fencing
 - Install sub-base path network
- Estimated cost - \$504,300 (ex GST)

Stage 2: Playground Construction

- Install playground
 - Install fencing, planting, artwork
 - Fully install paths adjacent to playground
 - Extend car parking area and resurfacing
 - Irrigation to new areas
- Estimated cost - \$1,364,200

Stage 3: Parkland Development

- Turf to active areas
 - Fully complete paving to main paths
 - Edging to garden beds
 - Irrigation to turf area
 - Final grade to terraces and swales
 - Install exercise stations (first stage)
 - Install artworks, furniture and lighting (first stage)
- Estimated cost: \$494,900 (ex GST)

Stage 4: Habitat Areas

- Weed control
 - Fine grading and edging to basins
 - Rocks and gravel to dry creek beds
 - Community planting and trees project
 - Install exercise stations (second stage)
 - Install artworks, furniture and lighting (first stage)
- Estimated cost: \$725.300 (ex GST)

Stage 5: Amphitheatre and Community Building

- Terracing to amphitheatre
 - Construction of community building(s)
 - Boardwalk and bridging
 - Arbour walk frame to path area
- Estimated cost: \$748,000

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

Detailed Design, Documentation and Specifications, Contract Supervision all Stages -
Estimated cost: \$304,750.

Total Project Cost Estimate

Based on the stages above and detailed cost estimates prepared:

Total Estimated Cost (all stages) (ex GST)	\$4,141,450
Contingency (10%)	\$414,145
Sub Total	<u>\$4,555,595</u>
Less Budget Allocations (2008/09 Balance)	<u>\$1,304,100</u>
Future funding requirement (ex GST)	<u>\$3,251,495</u>

Funding Options

If the City is to complete all five stages a number of staging and funding opportunities would be possible

Option A

Five year construction/municipal funded. To fully complete stages 1 and 2 as part of the 2009/10 budget. A further \$564,400 budget allocation in 2009/10 would be required.

Following stages could be funded from subsequent budgets and with similar levels of funding each year, say \$671,774 per year the project could be fully completed by 2013/2014.

Option B

Three year construction/municipal funded. To fully complete the project in 3 financial years i.e. by 2011/12. Annual budget commitments of \$1,083,830 p.a. would be required for the 3 budget years from 2009/10 to 2011/12.

Option C

Two year construction/municipal and loan funding to fully complete the project in 2 financial years i.e. 2009/10 to 2010/11 and the remaining \$3,251,495 required to fund the project being from borrowings.

Based on this option, repayments schedules have been obtained from the Western Australian Treasury Corporation for both 10 year and 15 year periods, based on bi-annual repayments. The interest rate quoted are fixed for the term of the loan and are 4.88% for 10 years i.e. repayment \$414,788 pa. and 5.07% for 15 years i.e. repayment \$312,150 pa. The City currently puts 1% from rate revenue into POS reserves (estimated at \$370,000 for 2009/2010). Moving forward this allocation could be used to service the loan repayments.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)**Option D**

Two year construction period utilising existing municipal funds and loan funding similar to Option C, however a portion of land within the old Melville Primary School site being identified for residential development. This option would allow the replenishment of the public open space reserve from the sale of the residential lots.

Discussion on Options

Although the recent history of the City's role in the redevelopment of the Old Melville Primary School site dates back to December 2004, when the business plan for the acquisition of the site was adopted by the Council, resolutions to formally purchase the site were made in May 2006. The site was formally acquired in early 2008. In the intervening period a number of site works, design documents and planning has been carried out. As far as the general community perceptions are a gauge, the overall community sentiment is that little has been done at the site.

Against the background, Option A and Option B are contrasting options, providing for 6 year and 3 year construction programs respectively.

Whilst both options make provision for the completion of stages 1 and 2 during the 2009/10 budget year, Option B would provide for project completion of all stages in a much shorter timeframe - which would help to allay community concerns regarding a lack of progress at the site.

Issues likely to arise from a prolonged construction period would include:

- Community dissatisfaction with prolonged works.
- Inconvenience to local residents as the site will be considered a construction site, with movement of heavy trucks and increased local traffic.
- Increased risk to parents, children and the elderly using the playground and park.
- Additional costs for temporary fencing to secure part of site still under construction. Increased costs of materials and labour associated with delays could lead to increase costs of the project.

Option C would see the completion of the entire project over 2 budget years, this accelerated program being made possible by loan funding. Feasibly, this is the shortest timeframe possible, given the nature of the site and the various works required in each of the 5 stages.

Option D proposes the same construction sequences as Option C with the difference being that the proceeds from the sale of the residential lots would replenish the public open space reserve.

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There are several issues that would need to be carefully considered in relation to this option, namely:

- The land is currently zoned local open space.
- This zoning was adopted by the City based on extensive community consultation carried out in relation to the acquisition of the Old Melville Primary site.
- Residential development on the site would require the development portion of the site to be rezoned urban residential through the scheme amendment process.
- This process could be lengthy in terms of the planning justification required and community sentiment, given the current expectations regarding the redevelopment of the site.
- The amount of land suitable for residential development on the site is limited and would more likely be limited to the eastern boundary of the site and where the topography of the site may not be entirely suitable for housing
- The feasibility of this option would need to be carefully examined in terms of up front servicing costs i.e. roads, infrastructure and the cost for provision of public utilities to the land. Lot yield and the overall viability of this development option would also need to be proven.

In summary, Option B provides for completion of the full development within a 3 year timeframe, whereas Option A is 5 years. Given the general community sentiment that little has progressed at the site to date, from a purely public perception point of view, Option B is preferred, albeit that annual funding requirements are higher with this option - \$1,083,830 pa for 3 years, compared to up to \$671,774 pa with completion in 5 years.

Option C will provide for construction over a 2 year period with funding provided by loans. Option C provides for the shortest and most viable timeframe for a development of this nature. The City currently budgets a POS Reserve funded from 1% of rate revenue each year and these funds could be utilised for loan repayments.

Whilst the feasibility of Option D needs to be carefully considered, it could provide an additional source of funding for the redevelopment of the site and can be considered in conjunction with other options. The area identified for possible residential development in Option D would need to be isolated on the Master Plan so no or little park improvement works would be carried out in that vicinity until the feasibility study was completed.

Whilst these options provide a range of funding and construction timeframes, a combination of options is also possible. This would be combined with a review of the staging and the overall project scope. The recommendations have been formulated on this basis.

It is recommended that Stages 1 and 2 be proceeded with as part of the 2008/2009 and 2009/2010 budgets and that the project scope and staging be reviewed prior to subsequent budgetary commitment being made by the Council.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)**PUBLIC CONSULTATION/COMMUNICATION**

Extensive community consultation, primarily through a “search conference” which was held on Saturday, 5 November 2005 with a representative group from the community, Ward Councillors and officers of the City of Melville to discuss the community desires for this new facility, had already occurred prior to the preparation of the original concept plan, ‘Game of Life’.

The public response to that plan was predominantly positive therefore based on this it was felt that if the new plan was to include similar features whilst incorporating the recommendations of the Crime Prevention Through Environmental Design (CPTED) report, extensive public consultation would not be required. However the new Master Plan would be made available for comment, displayed on site and on the City’s website

Once construction begins the community will be regularly updated with the progress both on and off site on a bi-monthly basis through the Mosaic, the website, eNews, signage and regular media releases. These will all be in accordance with the community consultation procedure and guidelines.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

- Ecoscape
- GHD
- Coffey Environmental

STATUTORY AND LEGAL IMPLICATIONS

Ensure compliance with universal access requirements to site.

FINANCIAL IMPLICATIONS

The financial implications for each of the development options are detailed in this report.

Current development costs for the construction of the Master Plan at the Melville Primary School site are in line with the estimated costs of the works presented to Council in December 2006 based on the typical price escalation indexes for the intervening period.

Depending on the option recommended by Council all Corporate Projects requiring significant financial resourcing in the future would need to be strategically reviewed, given their likely budget impacts and the current world economic situation.

In addition the City has made application for the Federal Government’s Regional and Community Infrastructure Program (RLCIP) scheme for a grant amount of \$2million for the development of the Old Melville Primary School site.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

At this time it is not possible to say if this application would be successful, other than at the present time the availability of funds under this scheme is restricted to \$50M Australia wide. This position could change if the current economic situation was to worsen and if the Government was to initiate further funding opportunities in the future. Other grant opportunities would also be explored in terms of seeking funding sources for developing the community facilities planned for the site.

It should be noted that the total estimated costs for all stages of \$4,141,450 has been provided as a pre-tender estimate and the actual cost post-tender submissions may differ from that above. Should these costs increase significantly; a further report will be prepared and presented to the Council for consideration.

Annual maintenance costs of the fully developed site are expected to be in the vicinity of \$150,000 pa. The playground equipment component of the project have an estimated life of 10 years and these future capital replacement costs would be incorporated in the City's playground asset management planning in keeping with the replacement strategies all other playgrounds throughout the City.

A Business Case outlining the above forms part of the Attachments to this Item.

[2003 Business Case Melville Primary School 09.pdf](#)

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Councillor Support, not agreeing with concept design	Minor Consequence which is unlikely, resulting in a low level of risk	Consultation as part of concept design development
Planning Approval, objections raised	Minor Consequence which is unlikely, resulting in a low level of risk	Consult key stakeholders before submission for planning approval
Objections from utility companies, additional work required to address issues	Minor Consequence which is unlikely, resulting in a low level of risk	Consultation as part of concept design development
Increased costs, cost of works greater than estimated	Moderate consequence which is likely, resulting in a High level of risk	Re-scope project, include contingency as part of project budget, and get more accurate pre tender estimates.
Delays to project due to lack of funding. Project spread over three year period	Moderate consequence which is likely, resulting in a High level of risk	Ensure full funding is available before start of project
Risk of increased ongoing maintenance expenses due to proposed changes in layout, structures and use of the park or facility.	Minor consequences which are almost certain, resulting in a High level of risk	Review use of materials and design plans such that more durable and lower maintenance materials are used. Designate park or facility for only certain uses.

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

POLICY IMPLICATIONS

Nil

OFFICER RECOMMENDATION (2003)

APPROVAL

At 7.42pm Cr Phelan moved, seconded Cr Wieland -

THAT THE COUNCIL:

1. **ENDORSE THE REVISED CONCEPT MASTER PLAN FOR THE OLD MELVILLE PRIMARY SCHOOL SITE, SHOWN IN APPENDIX A OF THE REPORT AS THE BASIS FOR THE POSSIBLE FUTURE DEVELOPMENT OF THE SITE.**
2. **ENDORSE THE IMMEDIATE IMPLEMENTATION OF STAGE ONE WITHIN THE CURRENT FINANCIAL YEAR 2008/2009.**
3. **ENDORSE THE IMPLEMENTATION OF STAGE TWO IN THE 2009/2010 FINANCIAL YEAR AND THE AMOUNT OF \$1,364,200 (INCLUSIVE OF CARRY FORWARD FIGURE FROM 2008/2009) BE INCLUDED AS PART OF THE 2009/2010 TECHNICAL SERVICES CAPITAL IMPROVEMENT BUDGET.**
4. **REQUEST A REVIEW OF THE SCOPE OF CONCEPT STAGES THREE AND FOUR PRIOR TO THE IMPLEMENTATION IN THE 2010/2011 FINANCIAL YEAR TO DETERMINE THE FINANCIAL IMPLICATIONS AND FUNDING CAPABILITY AND THAT A REPORT BE PRESENTED TO THE COUNCIL FOR CONSIDERATION IN DECEMBER 2009.**
5. **REQUEST A REVIEW OF THE SCOPE OF CONCEPT STAGE FIVE PRIOR TO IMPLEMENTATION IN THE 2011/2012 FINANCIAL YEAR TO DETERMINE THE FINANCIAL IMPLICATIONS AND FUNDING CAPABILITY AND THAT A REPORT BE PRESENTED TO THE COUNCIL FOR CONSIDERATION IN DECEMBER 2010.**
6. **REQUEST FURTHER INVESTIGATION WITH RESPECT TO THE RE-ZONING OF A SMALL PORTION OF LAND WITHIN THE OLD MELVILLE PRIMARY SCHOOL SITE FOR RESIDENTIAL DEVELOPMENT AND THAT A FULL BUSINESS CASE ANALYSIS BE UNDERTAKEN AND PRESENTED AT A FUTURE MEETING OF THE COUNCIL FOR CONSIDERATION PRIOR TO THE IMPLEMENTATION OF STAGES THREE AND FOUR.**
7. **REQUEST THAT THE TECHNICAL SERVICES DIRECTORATE IN ASSOCIATION WITH COMMUNITY SERVICES AND STRATEGIC URBAN PLANNING CONDUCT A REVIEW OF ALL CURRENT AND FUTURE MAJOR CAPITAL PROJECTS AND DEVELOPS A PRIORITY MATRIX FOR ASSESSING FUTURE PROJECT PRIORITISATION AND FUNDING REQUIREMENTS AND THAT A REPORT BE PRESENTED TO A FUTURE MEETING OF THE COUNCIL FOR APPROVAL.**

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

8. REQUEST THAT IN JULY EACH YEAR A REVIEW OF THE FUTURE MAJOR CAPITAL PROJECTS BE UNDERTAKEN TO DETERMINE THAT THE PRIORITIES REMAIN CONSISTENT WITH THE CITY'S CORPORATE PLAN AND THAT A REPORT BE PRESENTED TO THE COUNCIL FOR APPROVAL IN AUGUST EACH YEAR.

FOOTNOTE:

WITH RESPECT TO THE FOOTPRINT FOR THE FUTURE PROPOSED COMMUNITY BUILDINGS DETAILED ON THE CONCEPT MASTER PLAN, COMMUNITY SERVICES WILL IMMEDIATELY INVESTIGATE THE POSSIBILITY OF A JOINT VENTURE OR PARTNERSHIP WITH COMMUNITY GROUPS TO FACILITATE THE CONSTRUCTION OF THE BUILDINGS. THE PREFERRED OPTION IS THAT THESE BUILDING WOULD BE CONSTRUCTED BY A COMMUNITY GROUP THROUGH AN EXTERNAL FUNDING SOURCE AND NOT FUNDED BY MUNICIPAL FUNDS.

Amendment 1

At 7.43pm Cr Reynolds moved, seconded Cr Bennett that the Officer's Recommendation be amended as follows:

THAT ITEMS 7 & 8 OF THE OFFICER'S RECOMMENDATION BE DELETED AND BE THE SUBJECT OF A SEPARATE REPORT TO BE PRESENTED TO A FUTURE MEETING OF COUNCIL.

At 7.49pm the Mayor submitted the amendment, which was declared

CARRIED (11/0)

Amendment 2

At 7.49pm Cr Bennett moved, seconded Cr Robartson that Item 3 of the Officer's Recommendation be amended as follows:

3. ***REQUEST A REVIEW OF THE SCOPE OF WORKS FOR THE PLAYGROUND IDENTIFIED IN STAGE 2 PLANNED FOR THE 2009/2010 FINANCIAL YEAR PRIOR TO GOING TO TENDER WITH A VIEW TO REDUCING THE POTENTIAL COSTS TO THE CITY.***

At 8.03 pm the Mayor submitted the amendment, which was declared

CARRIED (11/0)

Amendment 3

At 8.04pm Cr Halton moved, seconded Cr Reynolds that Item 6 of the Officer's Recommendation be replaced as follows:

6. **FOLLOWING ASSETS REVIEW FUTURE STAGES BE FUNDED OVER TIME AS BUDGETS ALLOW.**

At 8.20pm the Mayor submitted the amendment, which was declared

LOST (4/7)

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

Amendment 4

At 8.22pm Cr Halton moved, seconded Cr Bennett that Item 6 be deleted from the Officer's Recommendation:

REQUEST FURTHER INVESTIGATION WITH RESPECT TO THE RE-ZONING OF A SMALL PORTION OF LAND WITHIN THE OLD MELVILLE PRIMARY SCHOOL SITE FOR RESIDENTIAL DEVELOPMENT AND THAT A FULL BUSINESS CASE ANALYSIS BE UNDERTAKEN AND PRESENTED AT A FUTURE MEETING OF THE COUNCIL FOR CONSIDERATION PRIOR TO THE IMPLEMENTATION OF STAGES THREE AND FOUR.

At 8.46pm the Mayor submitted the amendment, which was declared

CARRIED (8/3)

At 8.26pm Cr Bennett left the meeting.

At 8.28pm Cr Bennett returned to the meeting.

At 8.29pm His Worship the Mayor adjourned the meeting for a comfort break. His Worship the Mayor R Aubrey, Cr Wieland, Cr Phelan, Cr Macphail, Cr Ceniviva, Cr Reynolds, Ms C Young, Director Community Development and Ms K Johnson, Executive Manager Organisational Development, left the meeting.

At 8.31pm His Worship the Mayor R Aubrey, Cr Wieland, Cr Phelan, Cr Macphail, Cr Ceniviva, Cr Reynolds, Ms C Young, Director Community Development and Ms K Johnson, Executive Manager Organisational Development, returned to the meeting.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (2003)

APPROVAL

At 8.47pm Cr Phelan moved, Cr Wieland seconded the substantive motion as amended being -

THAT THE COUNCIL:

- 1. ENDORSE THE REVISED CONCEPT MASTER PLAN FOR THE OLD MELVILLE PRIMARY SCHOOL SITE, SHOWN IN APPENDIX A OF THE REPORT AS THE BASIS FOR THE POSSIBLE FUTURE DEVELOPMENT OF THE SITE.***
- 2. ENDORSE THE IMMEDIATE IMPLEMENTATION OF STAGE ONE WITHIN THE CURRENT FINANCIAL YEAR 2008/2009.***
- 3. REQUEST A REVIEW OF THE SCOPE OF WORKS FOR THE PLAYGROUND IDENTIFIED IN STAGE 2 PLANNED FOR THE 2009/2010 FINANCIAL YEAR PRIOR TO GOING TO TENDER WITH A VIEW TO REDUCING THE POTENTIAL COSTS TO THE CITY.***
- 4. REQUEST A REVIEW OF THE SCOPE OF CONCEPT STAGES THREE AND FOUR PRIOR TO THE IMPLEMENTATION IN THE 2010/2011 FINANCIAL YEAR TO DETERMINE THE FINANCIAL IMPLICATIONS AND FUNDING CAPABILITY AND THAT A REPORT BE PRESENTED TO THE COUNCIL FOR CONSIDERATION IN DECEMBER 2009.***

T09/2003 - MELVILLE PRIMARY SCHOOL REDEVELOPMENT (REC) (ATTACHMENT)

- 5. REQUEST A REVIEW OF THE SCOPE OF CONCEPT STAGE FIVE PRIOR TO IMPLEMENTATION IN THE 2011/2012 FINANCIAL YEAR TO DETERMINE THE FINANCIAL IMPLICATIONS AND FUNDING CAPABILITY AND THAT A REPORT BE PRESENTED TO THE COUNCIL FOR CONSIDERATION IN DECEMBER 2010.**

FOOTNOTE:

WITH RESPECT TO THE FOOTPRINT FOR THE FUTURE PROPOSED COMMUNITY BUILDINGS DETAILED ON THE CONCEPT MASTER PLAN, COMMUNITY SERVICES WILL IMMEDIATELY INVESTIGATE THE POSSIBILITY OF A JOINT VENTURE OR PARTNERSHIP WITH COMMUNITY GROUPS TO FACILITATE THE CONSTRUCTION OF THE BUILDINGS. THE PREFERRED OPTION IS THAT THESE BUILDING WOULD BE CONSTRUCTED BY A COMMUNITY GROUP THROUGH AN EXTERNAL FUNDING SOURCE AND NOT FUNDED BY MUNICIPAL FUNDS.

At 8.48 pm the Mayor submitted the substantive motion as amended, which was declared
CARRIED (11/0)

At 8.49 Cr Halton left the meeting.

C09/5039 – SEVERANCE POLICY (REC) (ATTACHMENT)

Ward : All
 Category : Policy
 Subject Index : Policy Manual
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : Not Applicable
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Dean McAuliffe
 Employee Services Coordinator

AUTHORITY / DISCRETION

DEFINITION

<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>

C09/5039 – SEVERANCE POLICY (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- Review of Employee Services Policies and implementation of a new City of Melville Severance Policy which will be applicable to all employees.

BACKGROUND

Annual assessments of policies are required to be undertaken and attached are amended policies.

The review has been undertaken by Employee Services with independent advice from WALGA in respect to the City of Melville's Severance procedure. The review has resulted in a recommendation to change the procedure into a policy to ensure compliance with Section 5.50 of the Local Government Act 1995.

DETAIL

Section 5.50 of the Local Government Act 1995 requires a Local Government to prepare a policy in relation to employees whose employment with the local government is finishing, setting out:

(a) the circumstances in which the local government will pay an employee an amount in addition to any amount to which the employee is entitled under a contract of employment or award relating to the employee; and

(b) the manner of assessment of the additional amount, and cause local public notice to be given in relation to the policy.

PUBLIC CONSULTATION/COMMUNICATION

No public consultation or communication is applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

The City of Melville has sought independent advice from WALGA in respect to compliance with Section 5.50 of the 'Act'. Legal advice through our solicitors has also been obtained.

STATUTORY AND LEGAL IMPLICATIONS

Failure to have a Severance Policy will lead to non compliance with the 'Act' and could also lead to unfair dismissal and denial of contractual benefit claims.

FINANCIAL IMPLICATIONS

There are no up front financial implications for Council in this application.

C09/5039 – SEVERANCE POLICY (REC) (ATTACHMENT)

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Risk of non compliance with Section 5.50 of the Local Government Act 1995.	Low	Implementation of the proposed Severance Policy
Risk of unfair dismissal claims and denial of contractual benefit.	Medium	Current Severance Procedure outlines entitlements for employees

POLICY IMPLICATIONS

There is no Council Policy that relates to the proposed Severance Policy.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil.

CONCLUSION

To ensure compliance with the 'Act' the City is required to have a Severance Policy 10-PL-006 ([5039 Feb 2009.pdf](#)). The proposed policy meets this obligation and provides clarity to all employees to whom it applies.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5039)

APPROVAL

THAT THE PROPOSED SEVERANCE POLICY 10-PL-006 ([5039 Feb 2009.pdf](#)) BE IMPLEMENTED TO COMPLY WITH SECTION 5.50 OF THE LOCAL GOVERNMENT ACT 1995.

At 8.50pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC
WITHOUT DISSENT (11/0)**

**C09/5041 – RECRUITMENT OF THE DIRECTOR URBAN PLANNING (REC)
(ATTACHMENT)**

Ward : All
 Category : Administration
 Subject Index : Recruitment
 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 : Nil
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Dean McAuliffe
 Employee Services Coordinator

AUTHORITY / DISCRETION

DEFINITION

<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

- Confirmation that the selection process for the Director Urban Planning complies with legislative requirements.
- Council to accept or reject the recommended Applicant for the role of Director Urban Planning.

**C09/5041 – RECRUITMENT OF THE DIRECTOR URBAN PLANNING (REC)
(ATTACHMENT)****BACKGROUND**

The role of Director Urban Planning was advertised in the West Australian, with applications closing 11 December 2008. A remuneration package of up to \$181,000 was advertised.

A total of 5 applications were received and were short listed. Interviews were then held with 3 Applicants, followed by completion of reference checks on the preferred Applicant.

The selection panel included the Director Corporate Services, the Employee Services Coordinator, the Manager Strategic Planning and the Chief Executive Officer.

A Confidential Recruitment Report was distributed to Elected Members, under confidential cover (Confidential Attachment A) prior to the Council Meeting of 10 February 2009.

LEGAL/POLICY IMPLICATIONS:

There are a variety of legal and policy requirements as detailed below. The specific relevant documentation that guides this process includes;

- Relevant sections of the Local Government Act 1995 (Sections 5.37, 5.39, 5.40) ;
- Equal Opportunity Act 1984;
- Prevention of Workplace Bullying, Discrimination & Harassment (City of Melville Policy 10-PL-004).
- Employee Appointments (City of Melville Policy 10-PL-005)

The role of Director Urban Planning is deemed within our Employee Appointments Policy to be a senior employee under the Local Government Act.

Section 5.37 (2) of the Local Government Act states that “The CEO is to inform the council of each proposal to employ or dismiss a senior employee and the council may accept or reject the CEO’s recommendation but if the council rejects a recommendation, it is to inform the CEO of the reasons for its doing so.”

It is also noted that, in accordance with the Local Government Act, the value of the remuneration and benefits in the proposed contract cannot be greater than the amount advertised.

**C09/5041 – RECRUITMENT OF THE DIRECTOR URBAN PLANNING (REC)
(ATTACHMENT)**

COMMENTS

To ensure corporate success and business improvement the Director Urban Planning role will focus on management and leadership of the Directorate and developing cross functional approaches with the Executive Management Team.

The recommended applicant has had 24 years experience in Urban Planning having held senior appointments in this area since 1988. The applicant is viewed as having relevant qualifications and is well versed in statutory planning, strategic planning, policy formulation, project management, regional planning and community consultation.

Based on the applicant's experience, knowledge and skills it is viewed that the applicant's appointment will ensure a consistent transition of Director's at the City of Melville.

Public announcement of the Applicant will occur following finalisation of the contract.

FINANCIAL IMPLICATIONS

The cost of the recruitment process is within the current operational budget.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risks with this matter relate to ensuring the recruitment process is seen as professional, confidential, and transparent, attracts and appoints suitable applicants, and complies with legislative requirements.

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Risk of the City of Melville not coordinating a transparent, confidential and professional process that attracts and appoints a suitable applicant	Medium level of risk	Broad advertisement of vacancy. Compliance with standard organisational recruitment processes.

POLICY IMPLICATIONS

Policy 10-PL-005 – Employee Appointments - relates to the appointment of Senior Employees.

**C09/5041 – RECRUITMENT OF THE DIRECTOR URBAN PLANNING (REC)
(ATTACHMENT)****CONCLUSION**

To finalise the recruitment process Council must formally accept the recommended Applicant for the Director Urban Planning. It is again noted that they can reject the Applicant, provided reasons for rejection are detailed.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5041) APPROVAL

- 1. THAT THE RECOMMENDATION FOR THE PREFERRED APPLICANT OUTLINED IN CONFIDENTIAL ATTACHMENT (A), TO THE POSITION OF DIRECTOR URBAN PLANNING, FOR A PERIOD OF FIVE YEARS, IN ACCORDANCE WITH CONTRACT CONDITIONS AGREED TO BY THE CHIEF EXECUTIVE OFFICER, BE ACCEPTED.**
- 2. THAT THE NAME OF THE RECOMMENDED APPLICANT BE PUBLICLY DISCLOSED UPON SIGNING OF THE CONTRACT BY ALL PARTIES.**

At 8.51pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC
WITHOUT DISSENT (11/0)**

C09/5042 – EMPLOYEE APPOINTMENTS POLICY (REC) (ATTACHMENT)

Ward : All
 Category : Policy
 Subject Index : Policy Manual
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : C06/5020 – Employee Appointments – Ordinary Meeting of Council 18th July 2006
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Dean McAuliffe
 Employee Services Coordinator

AUTHORITY / DISCRETION

DEFINITION

<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>
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C09/5042 – EMPLOYEE APPOINTMENTS POLICY (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- Review of Employee Services Policy 10-PL-005 and amendment to the position titles of designated “Senior Employees”.

BACKGROUND

Annual assessments of policies are required to be undertaken and attached is an amended policy to ensure compliance with Section 5.37 of the Local Government Act 1995 on Senior Employees.

DETAIL

In accordance with Section 5.37 of the Local Government Act 1995 the City of Melville has amended Employee Appointments policy 10-PL-005 to reflect the correct position titles of designated Senior Employees.

PUBLIC CONSULTATION/COMMUNICATION

No public consultation or communication is applicable.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

No consultation with other agencies/consultants was applicable.

STATUTORY AND LEGAL IMPLICATIONS

Failure to have a review and as required amend the Employee Appointment Policy will lead to non compliance with the Local Government Act 1995 and may expose the City of Melville to potential breach of contract claim in the event that a current Senior Employee is dismissed by Council.

FINANCIAL IMPLICATIONS

There are no up front or on-going financial implications for Council in relation to this matter.

C09/5042 – EMPLOYEE APPOINTMENTS POLICY (REC) (ATTACHMENT)

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Risk Statement	Level of Risk*	Risk Mitigation Strategy
Risk of non compliance with Section 5.50 of the Local Government Act 1995.	Low	Update of the proposed Employee Appointments Policy
Risk of breach of contract.	Low	Update of the proposed Employee Appointments Policy

POLICY IMPLICATIONS

The Employee Appointments Policy 10-PL-005 ([5042 Feb 2009.pdf](#)) does not currently reflect the number of and correct titles of Senior Employees within the City of Melville.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Nil.

CONCLUSION

To ensure compliance with the 'Act' the City is required review and amend as required the Employee Appointments Policy. The proposed policy meets this obligation and provides clarity to all employees to whom it applies.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5042)

APPROVAL

THAT THE EMPLOYEE APPOINTMENTS POLICY 10-PL-005 ([5042 Feb 2009.pdf](#)) BE AMENDED TO REFLECT THE CORRECT POSITION TITLES OF DESIGNATED SENIOR EMPLOYEES IN ACCORDANCE SECTION 5.37 OF THE LOCAL GOVERNMENT ACT 1995.

At 8.51pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC
WITHOUT DISSENT (11/0)**

**C09/5040 - CITY OF MELVILLE 2009 LOCAL GOVERNMENT ELECTIONS (AMREC)
(ATTACHMENT)**

Disclosure of Interest

Item No.	P09/5040
Councillor/Officer	Mr J Clark
Type of Interest	Closely Associated Persons – s.5.62 (1) (b)
Nature of Interest	Undertakes casual work as a Returning Officer for Western Australian Electoral Commission
Request	Not Applicable
Decision of Council	Not Required

Ward	: All
Category	: Operational
Subject Index	: Elections
Customer Index	: Western Australian Electoral Commission
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: C07/5003 – City of Melville 2007 Local Government Elections
Works Programme	: Not Applicable
Funding	: \$212,000 (budgeted 2009/2010)
Responsible Officer	: Bruce Taylor Manager Information & Corporate Support

AUTHORITY / DISCRETION

DEFINITION

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**C09/5040 - CITY OF MELVILLE 2009 LOCAL GOVERNMENT ELECTIONS (AMREC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

- The local government elections are being held on 17 October 2009 in accordance with the Local Government Act 1995.
- The Local Government Act 1995 requires that prior to formally requesting the Electoral Commissioner to conduct the City of Melville election, the council approve motions regarding;
 - a) the Electoral Commissioner being responsible for the elections and;
 - b) the election being conducted as a postal election**by absolute majority.**

BACKGROUND

The ordinary local government elections were previously held on 20 October 2007.

Prior to requesting the Electoral Commissioner to conduct the City of Melville elections in October 2009, there is a requirement under the Local Government Act 1995 to appoint the Electoral Commissioner and confirm the elections are to be conducted by the postal method.

DETAIL

The City of Melville has successfully undertaken six postal elections (in 1997, 1999, 2001, 2003, 2005 and 2007), and has found postal elections to elicit greater voter response. The voter response in 2007 achieved 37.6% of enrolled persons.

PUBLIC CONSULTATION/COMMUNICATION

Not required.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

The City of Melville has received a written quotation from the Western Australian Electoral Commission (WAEC) to conduct the 2009 ordinary elections as postal elections.

STATUTORY AND LEGAL IMPLICATIONS

In accordance with section 4.20(4) of the Local Government Act 1995, the Electoral Commissioner must agree to be responsible for the conduct of a postal election. Councils can request the Electoral Commission to conduct the election following the passing of two motions by absolute majority;

1. Declare in accordance with section 4.20(4) of the Local Government Act 1995 that the Electoral Commissioner be responsible for the conduct of the 2009 ordinary elections with any other elections or polls which may also be required; and

**C09/5040 - CITY OF MELVILLE 2009 LOCAL GOVERNMENT ELECTIONS (AMREC)
(ATTACHMENT)**

2. Decide in accordance with section 4.61(2) of the Local Government Act 1995 that the method of conducting the election will be as a postal election.

According to the Local Government Act 1995 4.20 (2)(3)(4), the last day for agreement of the Electoral Commissioner to conduct a postal election is eighty days prior to the election (i.e. 29 July 2009).

FINANCIAL IMPLICATIONS

The Western Australian Electoral Commission (WAEC) has quoted \$197,000 plus GST to conduct the City of Melville October 2009 elections. This is an estimate only, and has been based on the following assumptions;

- 67,500 electors
- Response rate of approximately 40%
- 6 vacancies (6 Wards)
- Count to be conducted at the premises of the City of Melville.

The WAEC is required by the Local Government Act 1995 to conduct the local government elections on a full cost recovery basis, so the final cost may vary. The WAEC charge all materials at cost and a margin only on staff time.

There will also be additional costs incurred directly by the City of Melville (for salary costs, non statutory advertising and potential legal expenses). These additional costs have been provisionally estimated at \$15,000.

An allocation for these funds will need to be included in the 2009/10 budget submission.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

The risk of an election being conducted by the Western Australian Electoral Commission and having significant problems is assessed to be low. The risk of an election conducted by the Chief Executive Officer as Returning Officer is increased by the 2 year cycle of elections that do not allow skill levels of many staff to be maintained to the same level as those of the Electoral Commission. The risk of reduced voter participation for an in-person election is acknowledged from previous results.

Risk Statement	Level of Risk*	Risk Mitigation Strategy
The risk of a postal election conducted by WAEC being deemed invalid, is slight.	Moderation consequences which are slight, resulting in a Low level of risk	Close liaison with WAEC to ensure all facilities and staffing provided by the City meet the WAEC requirements.

**C09/5040 - CITY OF MELVILLE 2009 LOCAL GOVERNMENT ELECTIONS (AMREC)
(ATTACHMENT)**

POLICY IMPLICATIONS

Nil.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

There is an alternate option of the Chief Executive Officer conducting the election as Returning Officer. The election would be an in person election (i.e. requiring votes to be cast in person). This may result in a lower cost but experience has indicated also lower voter participation. Should any issues arise in the election period, there is a potential for the future working relationship of the Chief Executive Officer and Elected Members to be effected.

CONCLUSION

The effectiveness and acceptance of a postal election by the community demonstrated by the ongoing greater elector participation supports a continuation of a postal election. It is recommended that the Western Australian Electoral Commissioner conduct the City of Melville 2009 election and for the election to be held as a postal election.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5040)

ABSOLUTE MAJORITY

At 8.51pm Cr Robartson moved, seconded Cr Bennett -

- 1. THAT BY ABSOLUTE MAJORITY DECISION OF THE COUNCIL IN ACCORDANCE WITH SECTION 4.20(4) OF THE LOCAL GOVERNMENT ACT 1995, THE WESTERN AUSTRALIAN ELECTORAL COMMISSIONER BE RESPONSIBLE FOR THE CONDUCT OF THE 2009 ORDINARY ELECTIONS TOGETHER WITH ANY OTHER ELECTIONS OR POLLS WHICH MAY ALSO BE REQUIRED.**
- 2. THAT BY ABSOLUTE MAJORITY DECISION OF THE COUNCIL IN ACCORDANCE WITH SECTION 4.61(2) OF THE LOCAL GOVERNMENT ACT 1995, THE METHOD OF CONDUCTING THE ELECTION WILL BE AS A POSTAL ELECTION.**

At 8.51pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (10/0)

C09/5045 - COUNCIL MEETING CYCLE (REC) (ATTACHMENT)

Ward : All
 Category : Operational
 Subject Index : Schedule of Meetings
 Customer Index : City of Melville
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.
 Previous Items : C06/6022 – Council Committee Structure - 18/7/2006
 C06/5024 Occasional Committee and Portfolios – 19/09/2006
 C08/5019 – Council Meeting Cycle 19/08/2008
 Works Programme : Not Applicable
 Funding : Not Applicable
 Responsible Officer : Jeff Clark
 Governance & Compliance Program Manager

AUTHORITY / DISCRETION

DEFINITION

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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>
<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>

C09/5045 - COUNCIL MEETING CYCLE (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

This report proposes:-

- Changes to the monthly Ordinary Council Meeting cycle to commence in March 2009.

BACKGROUND

Council reviewed the Council Meeting Cycle in August 2008 and resolved to adopt a four weekly meeting cycle whereby the Agenda Briefing Forum was held in the week prior to the Ordinary Meeting of Council. In addition to the Agenda Briefing Forum, there is a provision for two Standing Committees being the Financial Management, Audit, Risk and Compliance Committee and the Governance Committee. Both Committees have a Charter guiding their operation and functions.

The meetings which are open to the public are the Agenda Briefing Forum and the Ordinary Council Meeting. Decision making by Council only takes place at the Ordinary Council meeting.

At a recent Elected Members Workshop, Members indicated their preference for a monthly meeting cycle with the Ordinary Meeting of Council being held on the third Tuesday evening of each month apart from January when Council is in recess and October in the year of a Local Government Election. Members have expressed a preference for the Ordinary Meeting of Council Agenda Briefing Forum being held two weeks prior to the Ordinary Meeting of Council and that when required, an Elected Members Workshop be held on any Tuesday not required for Ordinary Meetings of Council, Ordinary Meeting of Council Agenda Briefing Forums, or meeting of Standing Committees.

DETAIL

An attachment showing the proposed meeting cycle has been prepared to inform Elected Members ([5045 Calendar Feb 2009.pdf](#)). It will be noted that specific dates have been set aside for the Financial Management, Audit, Risk and Compliance Standing Committee and the Governance Committee as the Charter/Terms of Reference for both these Committees requires that they meet at least four times per annum.

Council has indicated that the Ordinary Meeting of Council Agenda Briefing Forum should:-

1. Occur on the Tuesday evening 2 weeks prior to each Ordinary Council Meeting;
2. Be open to the public;
3. Be held in the Council Chambers (when Chambers can accommodate visual displays);
4. Be chaired by the Mayor or his/her delegate;
5. Be subject to the provisions of the Local Government Act 1995 and associated regulations in terms of public question time, deputations and the guidelines for "Agenda Briefing Forums" published by the Department of Local Government and Regional Development; and
6. Be conducted in accordance with the City of Melville Standing Orders Local Law 2003.

C09/5045 - COUNCIL MEETING CYCLE (REC) (ATTACHMENT)

It is also proposed to maintain the current arrangements whereby all evening meetings commence at 6.30 pm and that meals continue to be provided to Elected Members and Officers required to attend the meetings, forums or workshops prior to the meeting.

PUBLIC CONSULTATION/COMMUNICATION

Council inform the public of the dates that meeting will be held through the media, press releases and notices at the Civic Centre, Libraries and website.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Whilst no direct consultation has taken place with other agencies the views of the Department of Local Government and Regional Development as expressed in the Local Government Operational Guideline Number 05 relating to Council Forums operations and procedures have been taken into account in the preparation of this report.

STATUTORY AND LEGAL IMPLICATIONS

Section 5.3. Ordinary and Special Council Meetings of the Local Government Act 1995 provides that:-

- (1) A council is to hold ordinary meetings and may hold special meetings.
- (2) Ordinary meetings are to be held not more than 3 months apart.

Council must formally resolve to amend its meeting schedule, any decision relating to the Agenda Briefing Forum and advertise the times and date for future meetings of Council and the Ordinary Meeting of Council Agenda Briefing Forum. Should Council resolve to adopt the proposed meeting cycle, Section 5.25(1) (g) of the Local Government Act 1995 requires that public notice of meetings is provided. The Local Government (Administration) Regulations 1995 require at Regulation 12(2), that the Local Government give local public notice of any change to advertised meetings date, time dates or place.

FINANCIAL IMPLICATIONS

A provision for the cost of advertising is held in an operational budget cost centre.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

The proposed monthly meeting cycle will revert to the meeting cycle prior to the adoption of a four weekly cycle in August 2008. Matters will be brought to Council on 11 occasions rather than 12 occasions in a year should the current model be maintained.

C09/5045 - COUNCIL MEETING CYCLE (REC) (ATTACHMENT)**POLICY IMPLICATIONS**

Amendments to procedures where appropriate that refer to a meeting cycle will be made administratively.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

It is an option to continue with the current meeting cycle model. The current cycle provides for 12 meetings of Council from February to December. The proposed cycle will provide for 11 meetings. In the event that there are matters that require Council's urgent attention, there is provision to call a Special Meeting of Council.

Additionally a more frequent cycle of Ordinary Council Meetings may be chosen than the current meeting cycle which will have the effect of increasing the amount of decision making opportunities for Council, increase the timeliness of responses to customers awaiting Council decisions but will most probably require the additional of extra staff resources to service.

CONCLUSION

The proposed model of a Council Meeting occurring once each month i.e. a monthly Ordinary Council Meeting cycle, is intended to provide a stable meeting date for all Ordinary Meetings of Council, ie the third Tuesday of each month (apart from January) and a stable date for the Ordinary Meeting of Council Agenda Briefing Forum being the first Tuesday in each month (apart from January)

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5045)**APPROVAL**

At 8.52pm Cr Bennett moved, seconded Cr Phelan -

THAT:

- 1 THE ORDINARY COUNCIL MEETING CYCLE BE CHANGED TO A ONCE EACH MONTH CYCLE COMMENCING IN MARCH 2009, EXCEPT FOR THE MONTH OF JANUARY WHEN COUNCIL WILL BE IN RECESS.**
- 2 THE ORDINARY COUNCIL MEETING BE HELD ON THE THIRD TUESDAY OF EACH MONTH APART FROM JANUARY WHEN COUNCIL WILL BE IN RECESS.**
- 3 THE ORDINARY COUNCIL MEETING AGENDA BRIEFING FORUMS OCCUR ON THE FIRST TUESDAY OF EACH MONTH APART FROM JANUARY AND BE CHAIRED BY THE MAYOR OR HIS/HER DELEGATE.**
- 4 THE ORDINARY COUNCIL MEETING AND ORDINARY MEETING OF COUNCIL AGENDA BRIEFING FORUM WILL BE RESCHEDULED IN OCTOBER OF EACH LOCAL GOVERNMENT ELECTION YEAR TO COMPLETE THE MEETING CYCLE PRIOR TO THE ELECTION DATE.**

C09/5045 - COUNCIL MEETING CYCLE (REC) (ATTACHMENT)

- 5 WORKSHOP FORUMS BE SCHEDULED TO OCCUR ON AS NEEDS BASIS ON ANY TUESDAY EVENINGS THAT ARE NOT REQUIRED FOR ORDINARY MEETINGS OF COUNCIL, ORDINARY COUNCIL MEETING AGENDA BRIEFINGS OR MEETINGS OF STANDING COMMITTEES.**
- 6 IN ORDER TO INFORM THE COMMUNITY ALL CHANGES TO COUNCIL'S MEETING CYCLE BE ADVERTISED.**

At 8.52pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (10/0)

C09/5000 – 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, Technology & Support

AUTHORITY / DISCRETION

DEFINITION

<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.

C09/5000 – 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

Register Reference*	Party	Description	File Reference
242	Stammers Supermarket & City of Melville	Deed : Stammers Verge Drainage	1955999
243	Melville Cares Inc & City of Melville	Management Licence _ Melville Cares Inc	1987450
246	City of Melville & Barlow	Section 70A Notification - Required to fulfil condition of planning approval (246 Riseley Street, Booragoon)	2011405

* Documents relating to register numbers not appearing on the above table did not need to be signed under Common Seal.

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.

C09/5000 – COMMON SEAL REGISTER (REC)

FINANCIAL IMPLICATIONS

Nil.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Not applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

This is a standard report for Elected Members information.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5000)

NOTED

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

At 8.53pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC
WITHOUT DISSENT (11/0)**

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (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	:	Dudley Smith Manager Financial Services

AUTHORITY / DISCRETION

DEFINITION

<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 the investment statements for the month of December 2008 and recommends that the information detailed in the attachments be noted.
- The report highlights significant reductions in the estimated market value of many of Councils' investments and discusses the actions being taken by Council Officers to ameliorate in so far as possible the risk of further losses in value.

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)**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.

DETAIL

The investment of surplus funds is undertaken in accordance with the City of Melville's Investment of Surplus Funds Policy 13-PL-003.

[6000A December 2008.pdf](#) and [6000B December 2008.pdf](#) contain specific details (including estimated market and officer valuations) of the investments held at 31 December 2008. Agenda attachment [6000C December 2008.pdf](#) is a graph showing the total of funds invested and their estimated market valuations at the end of each month over the past financial year.

Elected Members are aware of the continuing uncertainty and extreme volatility in world financial markets and the negative impact that it is having on most classes of investments as well as individuals and corporations. This volatility, and the subsequent lack of an active market for Collateralised Debt Obligations (CDO's), has created a situation whereby it continues to be extremely difficult to arrive at truly meaningful market valuations for the (CDO) element of the investment portfolio. Advice received from the Council's investment advisers, Grove Research & Advisory Pty Ltd, confirms that the valuations provided by Council's former advisor and investment managers, Lehman Brothers up until August 2008, were soundly based. Lehman Brothers ceased operation during September 2008 and valuations are now being assessed in accordance with advice from Grove Research & Advisory Pty Ltd, after taking into account the level of credit events suffered by each CDO and the likelihood of survival of the CDO to maturity. It should be noted that due to the bankruptcy proceedings for Lehman Brothers, the collateral of the five Lehman Brothers arranged CDO's owned by Council is now under the control of trustees and it is expected that on sale of the collateral a capital return in the order of 70% may be returned.

It should be noted that these valuations do not imply that should the Council decide to liquidate the CDO's, the prices received would be in line with these valuations as the valuations are based on an active market being present. As this has not been the case since the advent of the credit crisis in July/August last year, any offers to purchase would likely be at levels commensurate with distressed debt levels and not reflective of underlying value. As the Council is not in the position of requiring these funds at this time, the advice from the Council's investment advisers is to continue to hold these investments and take advantage of the above bank bill interest rate return being earned from them.

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)

Following the modest improvements seen in April and May, June saw a dramatic decline in values, with a small recovery in the July valuations, but followed by a further fall in August. October saw an additional 4 credit events that have affected Council's CDOs, which has lead to substantially lower values as highlighted below. However, there have been no credit events since October 2008.

The estimate based on the officer valuations and valuations provided as at 31 December 2008, is that if it had been possible to dispose of all investments at the end of December, a loss of \$15,548,674 (23.48%, November 20.65%) would have been realised. The market valuation of the CDO element of the investment portfolio at the end of December represented 30.48% (November 37.19%) of its cost figure, with individual valuations ranging between 3% and 70%.

Major credit rating agencies Standard and Poors, Moodys and Fitch have also reviewed their methodology for assessing the credit ratings of CDO's. This has resulted in many of the CDO's being downgraded to levels where they are not, and would never have been, considered appropriate for inclusion in the Council's portfolio of investments. It must be pointed out that some of the CDO's do however continue to retain AA credit ratings. The review by the credit rating agencies of their CDO credit rating models affirms what some commentators were saying many months ago ie: that the models used to rate CDO's were flawed in some respects. This has unfortunately led to inappropriate investment by many Councils and other bodies holding public monies on the mistaken belief that the ratings applied by these agencies were sound. This post event review by the credit rating agencies is therefore of little value to the present situation the Council finds itself in and the Council's focus must remain on recovering from the situation it finds itself in.

Loss mitigation and recovery strategies such as obtaining expert and independent advice and amending the investment policy have already been undertaken and Council officers will continue to pursue other avenues including investigating the possibility of legal action against the Council's former investment advisors and fund managers, Lehman Brothers.

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)

Summary details of investments held at 31 December 2008 are shown in the table below.

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 DECEMBER 2008**

SUMMARY BY FUND	FACE VALUE \$	PURCHASE PRICE \$	ESTIMATED MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL	\$ 40,117,834	\$ 40,164,685	\$ 39,620,419	(\$ 544,266)	-1.36%
RESERVE	\$ 25,098,163	\$ 25,118,250	\$ 10,113,841	(\$ 15,004,409)	-59.74%
TRUST	\$ 784,485	\$ 784,485	\$ 784,485	\$ -	0.00%
CRF	\$ 157,329	\$ 157,329	\$ 157,329	\$ -	0.00%
	\$ 66,157,811	\$ 66,224,749	\$ 50,676,075	(\$ 15,548,674)	-23.48%

SUMMARY BY INVESTMENT TYPE	FACE VALUE \$	PURCHASE PRICE \$	ESTIMATED MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 14,500,000	\$ 14,559,078	\$ 13,871,774	(\$ 687,304)	-4.72%
CDO	\$ 21,220,000	\$ 21,227,860	\$ 6,469,990	(\$ 14,757,870)	-69.52%
CAP GUARANTEED NOTE	\$ 1,150,000	\$ 1,150,000	\$ 1,046,500	(\$ 103,500)	-9.00%
TERM DEPOSIT	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ -	0.00%
11AM	\$ 4,057,166	\$ 4,057,166	\$ 4,057,166	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 66,157,811	\$ 66,224,749	\$ 50,676,075	(\$ 15,548,674)	-23.48%

SUMMARY BY RATING	FACE VALUE \$	PURCHASE PRICE \$	ESTIMATED MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA	\$ 4,012,275	\$ 4,028,985	\$ 2,972,275	(\$ 1,056,710)	-26.23%
AA-	\$ 19,191,814	\$ 19,192,624	\$ 19,019,390	(\$ 173,234)	-0.90%
A+	\$ 5,986,711	\$ 5,987,370	\$ 5,923,415	(\$ 63,955)	-1.07%
A	\$ 7,516,366	\$ 7,520,327	\$ 7,359,409	(\$ 160,917)	-2.14%
BBB+	\$ 5,500,000	\$ 5,536,105	\$ 5,410,961	(\$ 125,144)	-2.26%
BBB	\$ 4,500,000	\$ 4,517,543	\$ 4,249,988	(\$ 267,555)	-5.92%
BBB-	\$ 2,000,000	\$ 2,000,270	\$ 280,000	(\$ 1,720,270)	-86.00%
BB+	\$ 1,800,000	\$ 1,800,072	\$ 450,000	(\$ 1,350,072)	-75.00%
BB	\$ 1,050,000	\$ 1,049,965	\$ 31,500	(\$ 1,018,465)	-97.00%
BB-	\$ 385,000	\$ 385,000	\$ 103,950	(\$ 281,050)	-73.00%
B-	\$ 3,885,000	\$ 3,868,721	\$ 482,750	(\$ 3,385,971)	-87.52%
CCC+	\$ 4,800,000	\$ 4,807,122	\$ 564,000	(\$ 4,243,122)	-88.27%
C	\$ 5,300,000	\$ 5,300,000	\$ 3,597,790	(\$ 1,702,210)	-32.12%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 66,157,811	\$ 66,224,749	\$ 50,676,075	(\$ 15,548,674)	-23.48%

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)**Credit Ratings**

There were no credit rating changes in CDOs during December

Seven credit events impacting on CDOs held by the City have now been recorded. The Companies involved were the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), Lehman Brothers, WaMu, Glitnir, Kaupthing and Landsbanki. The impact on CDOs is shown below:

- Beryl Global Bank Note - Nil credit events. – remaining credit support for 1.0 credit event (Being terminated due to trustee taking control of underlying security).
- Blue Gum - Arranger HSBC Bank US – 7.0 credit events - Freddie Mac, Fannie Mae, Lehman's, WaMu, Glitnir, Kaupthing & Landsbanki – remaining credit support for 2.2 credit events.
- Esperance - Arranger Merrill Lynch International – 1.0 credit event - Lehman's – remaining credit support for 5.0 credit events.
- Glenelg - Arranger Nomura International – 2.0 credit events - Lehman's & Landsbanki – remaining credit support for 7.0 credit events.
- Green - Arranger J.P. Morgan Australia – 4.0 credit events - Lehman's, WaMu, Glitnir & Kaupthing – remaining credit support for 2.4 credit events.
- Henley A - Arranger BNP Paribas – 3.0 credit events – Freddie Mac, Fannie Mae & Lehman's – remaining credit support for 7.0 credit events.
- Kakadu - Arranger J.P. Morgan Australia – 5.0 credit events - Freddie Mac, Fannie Mae, Lehman's, WaMu & Kaupthing – remaining credit support for 6.7 defaults.
- Miami Arranger Lehman Brothers 3.0 credit events - Freddie Mac, Fannie Mae & WaMu – remaining credit support for 12.8 credit events. (Being terminated due to trustee taking control of underlying security)
- Merimbula A – Arranger Lehman Brothers 2.0 credit events - Freddie Mac & Fannie Mae – remaining credit support for 7.9 credit events. (Being terminated due to trustee taking control of underlying security)
- Parkes 1A - Arranger Morgan Stanley – 4.0 credit events - Freddie Mac, Fannie Mae, Lehman's & WaMu – remaining credit support for 5.0 credit events.
- Parkes 11A - Arranger Morgan Stanley – 4.0 credit events - Freddie Mac, Fannie Mae, Lehman's & WaMu – remaining credit support for 3.0 credit events.
- Scarborough - Arranger Merrill Lynch – 5.0 credit events - Freddie Mac, Fannie Mae, Lehman's, Kaupthing & Landsbanki – remaining credit support for 3.0 credit events.
- Torquay - Arranger J.P. Morgan – 4.0 credit events - Freddie Mac, Lehman, Glitnir & Kaupthing – remaining credit support for 4.2 credit events.

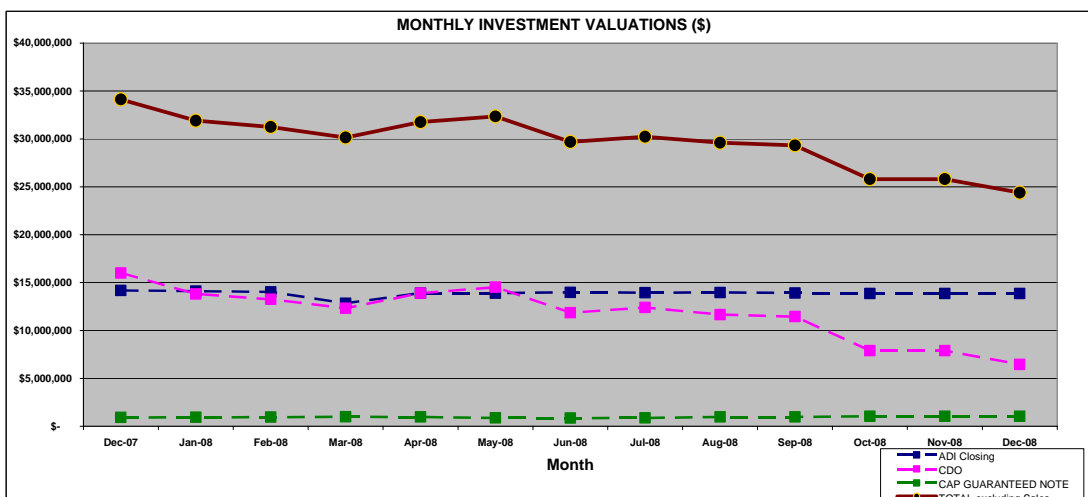
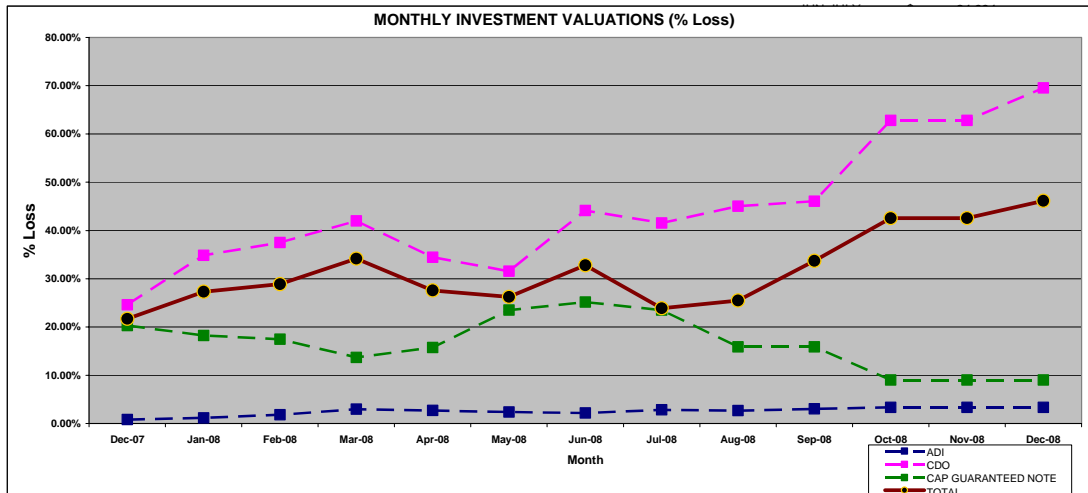
It should be noted that further investment in CDO's is specifically excluded under the current Investment Policy.

Statements 6000A, 6000B and the graph 6000C show the value of the investments based on cost, which is consistent with long standing practice.

Interest rates fell quite substantially in this period, with the rates for 90 day bank bills falling by 0.41% from 4.81% to 4.40%, while the 30 day rates fell by 0.59% from 5.08% to 4.49%.

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)

The graphs below summarise movements in valuation since December 2007.



PUBLIC CONSULTATION/COMMUNICATION

This report is available to the public on the Council's web-site and hard copies of this agenda and attachments are available for viewing at the Council's 5 public libraries.

In addition the Council's bi-monthly newsletter, Mosaic, has contained several articles that highlight this issue. Numerous press articles have also been published on this topic.

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

In line with the decision of the Council at its February meeting, Grove Research and Advisory have been appointed as the City's investment adviser and have reviewed the current investment portfolio with a view to providing strategies to minimise any unnecessary risks.

In 2007 Price Waterhouse Coopers (PWC) was 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. Following the receipt of their report and further clarification, a revised investment policy was adopted.

The Department of Local Government and Regional Development issued Investment Policy Guidelines during February and these are being reviewed with a view to making any necessary changes to the existing Investment Policy adopted by the Council.

STATUTORY AND LEGAL IMPLICATIONS

The following legislation is relevant to this report:

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

FINANCIAL IMPLICATIONS

As at the end of December 2008, total interest excluding Reserve Fund interest earned was \$1,458,738, against a year to date budget of \$1,304,429. This represents a \$154,310 positive variance. The full year budget was revised down from \$2,550,000 to \$1,550,000, which is due to the above and more recent very significant reductions in interest rates.

Reserve Fund interest earned was \$830,300 against a budget of \$800,000, a positive variance of \$30,300. The full year budget is \$1,400,000.

In accordance with the Council's revised Investment Policy any surplus investment returns derived as a result of investing in ADI's & CDO's when compared to Bank Bills or Term Deposits will be credited to the Risk Management Reserve.

The most material current financial implication in relation to the cash position of the Council relates to the book value of investments moving according to the very significant market volatility that has been experienced since July 2007, which has impacted negatively on the market price and saleability of our ADI and CDO investments.

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

The Council's investment policy was constructed to minimise credit risk through investing in highly rated securities and diversification.

Due to the continuing and increasing credit market concerns, the risks associated with the Council's investment portfolio have also increased to levels which are of concern. Whilst the Council continues to earn and be paid interest from its CDO investments, the reassessment by the major rating agencies of their credit risk models used to assess the credit ratings associated with CDO portfolios, has resulted in significant downgrading of CDO investments to credit rating levels that would not meet the Council's investment policy. However, due to the lack of an active or sensibly priced market for CDO's, these investments are being held.

In response to the current market conditions, surplus funds are currently being invested for short periods and only with highly credit rated major Australian banking institutions.

POLICY IMPLICATIONS

Corporate Policy 13-PL-003 – Investment of Surplus Funds.

As resolved at the November 2007 Ordinary Meeting of Council, the policy has been amended to incorporate mechanisms that protect the 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.

C09/6000 - INVESTMENT STATEMENTS DECEMBER 2008 (REC) (ATTACHMENT)**CONCLUSION**

The current position in regards to the Council's investments appears very poor. It should be noted that the CDO's are structured in such a manner so as to provide for a level of defaults of a number of the entities referenced by the CDO's before there is loss of value at maturity of the CDO's themselves. In light of the extreme downturn being experienced in many world economies the risk of defaults of corporations referenced by CDO's owned by the City has however increased significantly. The perceived view at the time of writing is that the economic situation, although appearing to have stabilised somewhat, will result in still further corporate failures some of which may be represented in CDO's owned by the City

It should also be noted however that the concerns with these investments will not impact on the Council's day to day operations or capital works programme as adequate funding is available to carry out the works identified in the Council's 2008/2009 Budget. Due to the long term nature of these investments, future impacts will be determined as the credit market situation becomes clearer.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6000)**NOTING**

At 8.54pm Cr Phelan moved, seconded Cr Ceniviva -

THAT THE INVESTMENT STATEMENTS FOR THE MONTH OF DECEMBER 2008, AS DETAILED IN THE FOLLOWING ATTACHMENTS BE NOTED:

At 8.54pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (10/0)

[6000A December 2008.pdf](#)

[6000B December 2008.pdf](#)

[6000C December 2008.pdf](#)

C09/6001 – SCHEDULE OF ACCOUNTS NOVEMBER 2008 (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 : 2008/2009 Budget
 Responsible Officer : Dudley Smith
 Manager Financial Services

AUTHORITY / DISCRETION

DEFINITION

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C09/6001 – SCHEDULE OF ACCOUNTS NOVEMBER 2008 (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- This report presents details of the payments made to suppliers for the provision of goods and services for the month of November 2008 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 Corporate Services. In accordance with Regulation 13.2 and 13.3 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 Council. The list is to show each payment, payee name, amount and date of payment and sufficient information to identify the transaction.

DETAIL

The Schedule of Accounts for the period ending 30 November 2008, [6001 November 2008.pdf](#) including Payment Registers numbers 63 to 70 were distributed to the Members of Council on 10 February 2009.

Payments in excess of \$50,000 in the month were as follows:-

- Amcom Telecommunications – E012176 – Network connection & Data Centre Rent for 2008/09 - \$138,922.74
- Cary's Electrical Services – 032358 & E012539 – Electrical Services - \$59,518.35
- Dowsing Concrete – E012412 & E012601 Supply & Install Concrete Footpaths - \$57,599.03
- Flexi Staff – E012231 & E0124470 – Temporary Contract Staff for Parks and Environment and Waste Services - \$83,057.33
- WA Hino Sales & Service – E012341 & E012549 – Supply and Delivery of 2 Volkswagen Caddy Maxi Vans - \$72,903.06
- Mowfix Mower & Chainsaw Centre – E012366 & E012572 Garden and Engines Supplies and Service - \$68,793.25
- Southern Metro Regional Council – E012178 – Recycling & Waste Collection - \$691,194.25
- Synergy – 032295 & 032507 - Electricity Usage - \$155,493.55
- Western Power – 032283 & 032506 Progress Payment for Mt Pleasant Underground Power Project - \$827,945.50

C09/6001 – SCHEDULE OF ACCOUNTS NOVEMBER 2008 (REC) (ATTACHMENT)

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 2008/2009 Budget.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Management Procedure 1.8 - Certification of Accounts.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

This is a regular monthly report for Elected Members information.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6001)

NOTING

At 8.55pm Cr Robartson moved, Cr Phelan seconded -

THAT THE SCHEDULE OF ACCOUNTS FOR THE PERIOD ENDED 30 NOVEMBER 2008, AS APPROVED BY THE DIRECTOR CORPORATE SERVICES IN ACCORDANCE WITH DELEGATED AUTHORITY 13-DA-015, AND DETAILED IN ATTACHMENT [6001 November 2008.pdf](#) BE NOTED.

At 8.55pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (10/0)

C09/6001 – SCHEDULE OF ACCOUNTS DECEMBER 2008 (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	:	2008/2009 Budget
Responsible Officer	:	Dudley Smith Manager Financial Services

AUTHORITY / DISCRETION

DEFINITION

<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>

C09/6001 – SCHEDULE OF ACCOUNTS DECEMBER 2008 (REC) (ATTACHMENT)**KEY ISSUES / SUMMARY**

- This report presents details of the payments made to suppliers for the provision of goods and services for the month of December 2008 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 Corporate Services. In accordance with Regulation 13.2 and 13.3 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 Council. The list is to show each payment, payee name, amount and date of payment and sufficient information to identify the transaction.

DETAIL

The Schedule of Accounts for the period ending 31 December 2008, [6001 December 2008.pdf](#) including Payment Registers numbers 69 to 76 were distributed to the Members of Council on 10 February 2009.

Payments in excess of \$50,000 in the month were as follows:-

- Boral Construction – E012605 - Road Resurfacing Programme – \$396,397.87
- City of Cockburn – E012606 & E012882 - Waste Tip Fees – \$111,517.00
- Dickies Tree Service – E012643 & E012888 – Tree Pruning Services - \$75,286.20
- Dowsing Concrete – E012857 & E013049 - Supply & Install Concrete Footpaths - \$82,300.35
- Flexi Staff – E012681, E012869 & E012913 – Temporary Contract Staff for Parks and Gardens and Waste Removal - \$69,048.58
- Southern Metro Regional Council – E012625, E012766 & E012986 – Recycling & Waste Collection - \$1,252,862.50
- Synergy – 032657, 032854 & 032866 - Electricity Usage - \$128,039.00
- Westside Concrete – E012771 – Construction and Maintenance of Footpaths - \$148,745.99

C09/6001 – SCHEDULE OF ACCOUNTS DECEMBER 2008 (REC) (ATTACHMENT)**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 2008/2009 Budget.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Management Procedure 1.8 - Certification of Accounts.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

This is a regular monthly report for Elected Members information.

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6001)**NOTING**

At 8.55pm Cr Robartson moved, seconded Cr Ceniviva -

THAT THE SCHEDULE OF ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2008, AS APPROVED BY THE DIRECTOR CORPORATE SERVICES IN ACCORDANCE WITH DELEGATED AUTHORITY 13-DA-015, AND DETAILED IN ATTACHMENT [6001 December 2008.pdf](#) BE NOTED.

At 8.56pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (10/0)

C09/6002 – FINANCIAL STATEMENTS FOR NOVEMBER 08 (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	:	Dudley Smith Manager Financial Services

AUTHORITY / DISCRETION

DEFINITION

<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 the financial statements to the end of November 2008 and recommends that they be noted by the Council.

C09/6002 – FINANCIAL STATEMENTS FOR NOVEMBER 08 (AMREC) (ATTACHMENT)**BACKGROUND**

The Financial Statements for the end of the month of November 2008 have been prepared and tabled in accordance with the Local Government (Financial Management) Regulations 1996 as amended.

DETAIL

The attached reports have been prepared in compliance with the requirements of the legislation.

It should be noted that the figures reflect the initial phasing of budgets, which need to be further refined as Responsible Officers review their management reports.

Whilst permanent budget variances are generally difficult to determine this early in the financial year, following the completion of the 2007/2008 Annual Financial Statements a negative variance of \$193,800 has been realised. This is in addition to other permanent variances that was the subject of a separate Budget Review report C08/6018 that was submitted on the 16th of December 2008 meeting.

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

Variances

The majority of the following variances are a result of phasing that will be adjusted accordingly.

Revenue

- Health – 30% over budget due mainly to an increase in Health Licensing fees.
- Transport – 11% over budget due mainly to an increase in Parking income.
- Other Property & Services – 13% over budget due mainly to an increase in Insurance Claims on fleet, which is offset by an increase in fleet repair costs.

Expenditure

- Law, Order, Public Safety – 18% under budget due mainly to a reduction in Community Security expenditure.
- Health – 22% under budget due mainly to a reduction in Inspections expenditure.
- Education & Welfare – 16% under budget due mainly to a reduction in Community Services & Development expenditure.
- Transport – 45% over budget due mainly to a difference between budget and actual Fleet recovery rates.
- Other Property & Services – 45% over budget due mainly to Fleet costs not being allocated out to plant items, which will be rectified in February.

C09/6002 – FINANCIAL STATEMENTS FOR NOVEMBER 08 (AMREC) (ATTACHMENT)

The following attachments form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Friday 30th January 2009.

DESCRIPTION	LINK
Statement of Financial Activity – November 2008	<u>6002A November 2008.pdf</u>
Operating Statements by Program for the period ended 30 November 2008	<u>6002B November 2008.pdf</u>
Representation of Working Capital as at November 2008	<u>6002E November 2008.pdf</u>
Reconciliation of Net Working Capital as at 30 November 2008	<u>6002F November 2008.pdf</u>
Notes on Operating Statements for November 2008 reporting on variances of 10% or greater	<u>6002H November 2008</u>
Details of Budget Amendments requested during the month of November 2008	<u>6002J November 2008.pdf</u>
Summary of Rates debtors as at 30 November 2008	<u>6002L November 2008.pdf</u>
Graph showing Rates collections as at 30 November 2008	<u>6002M November 2008.pdf</u>
Summary of general debtors aged 90 days old or greater as at 30 November 2008	<u>6002N November 2008.pdf</u>

C09/6002 – FINANCIAL STATEMENTS FOR NOVEMBER 08 (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
Regulation 34 of the Local Government (Financial Management) Regulations 1996 as amended in March 2005, requires that:

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail -
 - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
 - (b) budget estimates to the end of the month to which the statement relates;
 - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
 - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each statement of financial activity is to be accompanied by documents containing-
 - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) an explanation of each of the material variances referred to in sub-regulation (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.

C09/6002 – FINANCIAL STATEMENTS FOR NOVEMBER 08 (AMREC) (ATTACHMENT)

- (4) A statement of financial activity, and the accompanying documents referred to in sub-regulation (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.

FINANCIAL IMPLICATIONS

Amendments to the 2008/2009 Budget have been included in the budget amendment reports.

Further amendments will be necessary in response to several significant variances that have or are expected to be realised over the course of the financial year.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

Not applicable.

POLICY IMPLICATIONS

Not applicable.

ALTERNATE OPTIONS AND THEIR IMPLICATIONS

Not applicable.

CONCLUSION

The attached reports reflect the financial situation of the City of Melville as at 30 November 2008.

C09/6002 – FINANCIAL STATEMENTS FOR NOVEMBER 08 (AMREC) (ATTACHMENT)

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6002)

ABSOLUTE MAJORITY

At 8.56pm Cr Reynolds moved, seconded Cr Wieland -

- 1. THAT THE STATEMENTS OF FINANCIAL ACTIVITY AND THE OPERATING STATEMENTS FOR THE PERIOD ENDING 30 NOVEMBER 2008 AS DETAILED IN THE FOLLOWING ATTACHMENTS BE ADOPTED:**

DESCRIPTION	LINK
STATEMENT OF FINANCIAL ACTIVITY – NOVEMBER 2008	<u>6002A November 2008.pdf</u>
OPERATING STATEMENTS BY PROGRAM FOR THE PERIOD ENDED 30 NOVEMBER 2008	<u>6002B November 2008.pdf</u>
REPRESENTATION OF WORKING CAPITAL AS AT NOVEMBER 2008	<u>6002E November 2008.pdf</u>
RECONCILIATION OF NET WORKING CAPITAL AS AT 30 NOVEMBER 2008	<u>6002F November 2008.pdf</u>
NOTES ON OPERATING STATEMENTS FOR NOVEMBER 2008 REPORTING ON VARIANCES OF 10% OR GREATER	<u>6002H November 2008.pdf</u>
SUMMARY OF RATES DEBTORS AS AT 30 NOVEMBER 2008	<u>6002L November 2008.pdf</u>
GRAPH SHOWING RATES COLLECTIONS AS AT 30 NOVEMBER 2008	<u>6002M November 2008.pdf</u>
SUMMARY OF GENERAL DEBTORS AGED 90 DAYS OLD OR GREATER AS AT 30 NOVEMBER 2008	<u>6002N November 2008.pdf</u>

- 2. THAT BY ABSOLUTE MAJORITY DECISION, THE BUDGET AMENDMENTS, AS LISTED IN THE BUDGET AMENDMENT REPORTS FOR NOVEMBER 2008, AS DETAILED IN ATTACHMENT [6002J November 2008.pdf](#) BE ADOPTED.**

At 8.56pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (10/0)

C09/6002 – FINANCIAL STATEMENTS FOR DECEMBER 08 (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 : Dudley Smith
 Manager Financial Services

AUTHORITY / DISCRETION

DEFINITION

<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 the financial statements to the end of December 2008 and recommends that they be noted by the Council.

C09/6002 – FINANCIAL STATEMENTS FOR DECEMBER 08 (AMREC) (ATTACHMENT)**BACKGROUND**

The Financial Statements for the end of the month of December 2008 have been prepared and tabled in accordance with the Local Government (Financial Management) Regulations 1996 as amended.

DETAIL

The attached reports have been prepared in compliance with the requirements of the legislation.

To the end of December, a net operating surplus of \$1.99m was recorded. Net capital expenditure remains \$5.04m under expended. It should be noted that the majority of the variances reflect the phasing of budgets, which need to be further refined as Responsible Officers review their management reports.

Whilst permanent budget variances are generally difficult to determine this early in the financial year, following the completion of the 2007/2008 Annual Financial Statements a negative variance of \$193,800 has been realised. This is in addition to other permanent variances that was the subject of a separate Budget Review report C08/6018 that was submitted on the 16th of December 2008 meeting. These permanent variances have been incorporated into the December report.

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

Variances

The majority of the following variances are a result of phasing that will be adjusted accordingly.

Revenue

- Other Property & Services – 23% over budget due mainly to an increase in Insurance Claims on fleet, which is offset by an increase in fleet repair costs.

Expenditure

- General Purpose Funding – 19% over budget due mainly to Mt Pleasant Underground Power cash call. This is a phasing issue and will be rectified in January.
- Law, Order & Public Safety – 16% under budget due mainly to a reduction in Community Security and Swimming Pool Inspections expenditure.
- Health – 21% under budget due mainly to a reduction in Inspections expenditure.
- Education & Welfare – 18% under budget due mainly to a reduction in Community Services & Development expenditure.
- Recreation & Culture – 12% under budget due mainly to below budgeted expenditure at the 3 Recreation Centres and Point Walter Golf Course Grounds.
- Other Property & Services – 47% over budget due mainly to Fleet costs not being allocated out to plant items, which will be rectified in February.

C09/6002 – FINANCIAL STATEMENTS FOR DECEMBER 08 (AMREC) (ATTACHMENT)

The following attachments form part of the Attachments to the Agenda, which was distributed to the Members of the Council on Friday 30th January 2009.

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

C09/6002 – FINANCIAL STATEMENTS FOR DECEMBER 08 (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
Regulation 34 of the Local Government (Financial Management) Regulations 1996 as amended in March 2005, requires that:

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail -
 - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
 - (b) budget estimates to the end of the month to which the statement relates;
 - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
 - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each statement of financial activity is to be accompanied by documents containing-
 - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) an explanation of each of the material variances referred to in sub-regulation (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.

C09/6002 – FINANCIAL STATEMENTS FOR DECEMBER 08 (AMREC) (ATTACHMENT)

- (4) A statement of financial activity, and the accompanying documents referred to in sub-regulation (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.

FINANCIAL IMPLICATIONS

Amendments to the 2008/2009 Budget have been included in the budget amendment reports.

Further amendments will be necessary in response to several significant variances that have or are expected to be realised over the course of the financial year.

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 December 2008.

C09/6002 – FINANCIAL STATEMENTS FOR DECEMBER 08 (AMREC) (ATTACHMENT)

OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6002)

ABSOLUTE MAJORITY

At 8.57pm Cr Macphail moved, seconded Cr Phelan -

- 1. THAT THE STATEMENTS OF FINANCIAL ACTIVITY AND THE OPERATING STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2008 AS DETAILED IN THE FOLLOWING ATTACHMENTS BE ADOPTED:**

DESCRIPTION	LINK
STATEMENT OF FINANCIAL ACTIVITY – DECEMBER 2008	<u>6002A December 2008.pdf</u>
OPERATING STATEMENTS BY PROGRAM FOR THE PERIOD ENDED 31 DECEMBER 2008	<u>6002B December 2008.pdf</u>
REPRESENTATION OF WORKING CAPITAL AS AT DECEMBER 2008	<u>6002E December 2008.pdf</u>
RECONCILIATION OF NET WORKING CAPITAL AS AT 31 DECEMBER 2008	<u>6002F December 2008.pdf</u>
NOTES ON OPERATING STATEMENTS FOR DECEMBER 2008 REPORTING ON VARIANCES OF 10% OR GREATER	<u>6002H December 2008.pdf</u>
SUMMARY OF RATES DEBTORS AS AT 31 DECEMBER 2008	<u>6002L December 2008.pdf</u>
GRAPH SHOWING RATES COLLECTIONS AS AT 31 DECEMBER 2008	<u>6002M December 2008.pdf</u>
SUMMARY OF GENERAL DEBTORS AGED 90 DAYS OLD OR GREATER AS AT 31 DECEMBER 2008	<u>6002N December 2008.pdf</u>

- 1. THAT BY ABSOLUTE MAJORITY DECISION, THE BUDGET AMENDMENTS, AS LISTED IN THE BUDGET AMENDMENT REPORTS FOR DECEMBER 2008, AS DETAILED IN ATTACHMENT [6002J December 2008.pdf](#) BE ADOPTED.**

At 8.57pm the Mayor submitted the motion, which was declared

CARRIED BY ABSOLUTE MAJORITY (10/0)

14. LATE ITEMS

The following late Items were presented for consideration by the Council.

C09/5046 – APPOINTMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (AMREC) (CONFIDENTIAL ATTACHMENT)

Ward	:	All
Category	:	Operational
Subject Index	:	Standing Committees
Customer Index	:	Financial Management, Audit, Risk and Compliance Committee
Disclosure of any Interest	:	Nil
Previous Items	:	Nil
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Kylie Johnson Executive Manager Organisational Development

AUTHORITY / DISCRETION

DEFINITION

<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	the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
<input type="checkbox"/>	Legislative	includes adopting local laws, town planning schemes & policies.
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

KEY ISSUES / SUMMARY

- This report seeks Council approval for the two year appointment of an external member to the Financial Management, Audit, Risk and Compliance Committee.

C09/5046 – APPOINTMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (AMREC) (CONFIDENTIAL ATTACHMENT)

BACKGROUND

At the Council Meeting on the 19 September 2006 a Council resolution was passed by absolute majority decision that established the Financial Management, Audit, Risk and Compliance Committee as per the approved Committee Charter. The Council also approved the payment of an honorarium of up to \$2,500 to be paid quarterly in arrears to the independent member of the Financial Management, Audit, Risk and Compliance Committee.

The Charter for the Committee outlines the following requirements relating to an external member;

3. Membership

- ◆ *In accordance with Section 7.1A (2) of the Local Government Act 1995 members of the Committee will be appointed by absolute majority decision of the Council;*
- ◆ *The Committee will comprise at least four persons of which at least three are to be Elected Members of the City of Melville and one other member who will be an independent person;*
- ◆ *Independent members will have no association with the Council either as a member, an officer or closely associated person;*
- ◆ *Where possible the majority of members shall have experience in business and/or financial and management reporting and risk management;*
- ◆ *The independent member shall be selected on the basis of their skills and experience and ability to fill any gaps in the financial or risk management skills and experience of the Elected Members and shall be paid an honorarium set by Council;*
- ◆ *In accordance with section 5.11 of the Local Government Act 1995 membership of the Committee will be reviewed following each ordinary elections day i.e. once every two years, or upon the cessation of office by any member or the resignation from the committee by a member.*

4. Meetings

- ◆ *Sitting fees may be paid to the independent member in accordance with the amounts as set out in the Local Government Act and Regulations as determined by Council from time to time.*

DETAIL

As per the Financial Management, Audit, Risk and Compliance Committee Meeting Charter membership is to be reviewed every two years. The previous external member to the Committee, Mr Sean Pitt has served for two years, attending his first Financial Management, Audit, Risk and Compliance Committee Meeting in March 2007.

An advertisement was placed in the Melville Community Newspaper in December 2008. Two applications were received and there was a very strong applicant who was selected for interview on 2 February 2009 by the Chairman of the Committee, Cr Ceniviva; His Worship the Mayor and Cr Halton.

C09/5046 – APPOINTMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (AMREC) (CONFIDENTIAL ATTACHMENT)

Attached, is the confidential application from the recommended individual. The applicant has over 30 years domestic experience, and over 10 years international experience, in the public sector auditing and accounting with senior responsibility for the management of auditing and accounting projects in Australia and overseas.

PUBLIC CONSULTATION/COMMUNICATION

Public communication of this position was through advertisement in the Melville Community Newspaper.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable

STATUTORY AND LEGAL IMPLICATIONS

The Committee operates within the Local Government Act 1995 and Regulation requirements that relate to Audit Committees.

FINANCIAL IMPLICATIONS

The honorarium sitting fee is within the operational budget.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

The role of the Financial Management, Audit and Risk Committee has an important role, as outlined in the Committee Charter, with specific responsibilities that include;

- ◆ **Financial reporting**
 - i. Overseeing compliance with statutory responsibilities relating to financial disclosure;
 - ii. Reviewing the adequacy of financial management reporting;
 - iii. Ensuring that Elected Members are provided with financial and non-financial information that is of high quality and relevant to the judgements to be made by them;
 - iv. Reviewing, considering and commenting on the Annual Budget and Forward Financial Plans prior to their adoption by Council;
 - v. Initiating/reviewing the results of costing/pricing investigations and recommending specific actions to Council;
 - vi. Reviewing all funding issues such as fees & charges, rating, loan borrowings and joint venture asset funding arrangements and making recommendations to Council;
 - vii. Reviewing the draft annual financial report and all publicly published financial statements, focusing on:
 - significant changes in accounting policies;
 - significant adjustments to the financial report arising from the audit process;
 - compliance with accounting standards and other reporting requirements.

C09/5046 – APPOINTMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (AMREC) (CONFIDENTIAL ATTACHMENT)

◆ **Accounting Policies**

- i. Reviewing any changes to accounting standards and policies and their impact on financial statements.

◆ **Internal Controls, Risk and Insurance Profile**

- i. Reviewing the City of Melville's enterprise risk management framework and policies;
- ii. Reviewing and assess the City of Melville's approach to the management of risks to ensure that risks are appropriately managed and where economical and practicable to do so, residual risks are appropriately insured;
- iii. Ensuring that opportunities to better manage risks are identified and if feasible, implemented;
- iv. Ensuring business continuity and disaster recovery plans are in place and causing such plans to be tested on a periodic basis;
- v. Ensuring that controls are established and maintained in order to safeguard the City of Melville's financial and physical resources;
- vi. Reviewing and assessing management programs and policies in relation to internal controls over the financial and reporting systems including delegations of authority.

◆ **Audit**

- ii. Providing guidance and assistance to the Council in relation to:
 - The process for the selection and appointment of external auditor;
 - Recommending to the Council the person or firms to be appointed as auditor;
 - Develop and recommend to the Council a written agreement for the appointment of the auditors including conditions;
- ii. Reviewing the annual audit plan with the external and internal auditors to consider its scope and effectiveness;
- iii. Reviewing the information and recommendations provided by external and internal auditors including the responses of management;
- iv. Reviewing any unresolved issues between management and the external and internal auditors and actions planned to obtain resolution;
- v. Reviewing the performance of any contracted external and internal audit firms.

◆ **Compliance**

- i. Ensuring that the procedures established to monitor compliance with statutory requirements, regulations and contractual obligations are appropriate;
- ii. Reviewing the annual Statutory Compliance Return and audit and make recommendations to the Council on acceptance.

POLICY IMPLICATIONS

Not applicable.

CONCLUSION

The recommended applicant to become the external member on the Financial Management, Audit, Risk and Compliance Committee has a strong level of expertise that will assist and enhance the Committee in performing its role as outlined within the Charter.

C09/5046 – APPOINTMENT OF EXTERNAL MEMBER OF FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE (AMREC) (CONFIDENTIAL ATTACHMENT)

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5038)
ABSOLUTE MAJORITY**

At 8.58pm Cr Bennett moved, Cr Robartson seconded -

THAT RICHARD WOODGATE BE APPOINTED TO THE POSITION OF EXTERNAL MEMBER FOR THE FINANCIAL MANAGEMENT, AUDIT, RISK AND COMPLIANCE COMMITTEE FOR 2009 AND 2010, RECEIVING THE HONORARIUM OF TWO THOUSAND, FIVE HUNDRED DOLLARS (\$2,500 PER ANNUM), WITH \$625 TO BE PAID QUARTERLY IN ARREARS.

At 8.58pm the Mayor submitted the motion, which was declared
CARRIED BY ABSOLUTE MAJORITY (10/0)

**C09/5047 – SUPPORT FOR 2009 VICTORIAN BUSHFIRE APPEAL (AMREC)
(ATTACHMENT)**

Ward : All
 Category : Operational
 Subject Index : Council Administration - Donations
 Customer Index : Australian Red Cross
 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 : Chief Executive Officer's Disaster Relief Account - \$3,000 and \$2,000 from the Chief Executive Officer's Community Assistance Account
 Responsible Officer : Dr Shayne Silcox
 Chief Executive Officer

AUTHORITY / DISCRETION

DEFINITION

<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>

**C09/5047 – SUPPORT FOR 2009 VICTORIAN BUSHFIRE APPEAL (AMREC)
(ATTACHMENT)****KEY ISSUES / SUMMARY**

To seek Council's endorsement to provide financial support to the 2009 Victoria Bushfire Appeal Fund and adoption of a delegation to support the secondment of Officers for Disaster Support.

BACKGROUND

The weekend commencing Saturday 7 February 2009, saw communities across Victoria devastated by more than 400 bushfires. In many parts of the state, lives have been lost, people severely injured, houses and possessions lost or wrecked and in some cases whole communities have been destroyed.

At the time of preparing this report the death toll stood at 173 and is expected to rise to 200 plus. These fires are considered to be the worst Australian natural disaster.

On previous occurrences of a National Disaster, urgent requests for support from Officers with particular skills to assist the recovery process have been made by the affected Local Governments or State Local Government peak organisations. Secondments have been made for short periods from the City of Melville and other Western Australian Local Governments.

DETAIL

The Premier of Victoria, John Brumby, has launched the 2009 Victoria Bushfire Fund in partnership with the Red Cross, to assist individuals and communities affected by this disaster.

An independent panel made up of community leaders will oversee the appeal Fund's operation. Criteria for assistance will include the extent of hardship covered and the extent to which a person's livelihood has been impacted.

The City of Perth Lord Mayor's Distress Relief Fund is, under Policy, only activated in the case of a disaster in Western Australia. Contact with the City of Perth has indicated that given the Victorian Government/Red Cross had already launched an appeal the City of Perth does not intend to activate the Fund and is directing all enquires to the Red Cross for donation.

The Chief Executive Officer has an account with a budget of \$3,000 for expenditure to support natural disasters, with some additional funds available in the Chief Executive Officer's Community Assistance budget.

**C09/5047 – SUPPORT FOR 2009 VICTORIAN BUSHFIRE APPEAL (AMREC)
(ATTACHMENT)**

The City of Melville Policy 16-PL-001 permits for a maximum amount of \$5,000 to be donated to an appeal that meets the criteria of the policy. As a National Natural Disaster (Fire) this event qualifies for support from the City of Melville.

It should also be noted that Councillors have indicated their intentions to make personal contributions to the Appeal and staff at the City of Melville will be conducting their own fundraising initiatives to contribute funds to the Appeal.

When requests for Officer Secondment are received, the response time is usually urgent and by providing a Delegation to the Chief Executive Officer, it is possible to offer secondments to appropriate Officers. The condition for secondments is always that there is assessed to be no adverse impact on the operations of the City of Melville.

PUBLIC CONSULTATION/COMMUNICATION

No external consultation has been carried out as this matter is covered by Council Policy 16-PL-001 and Delegation 16-DA-001.

CONSULTATION WITH OTHER AGENCIES / CONSULTANTS

Not applicable.

STATUTORY AND LEGAL IMPLICATIONS

Not applicable

FINANCIAL IMPLICATIONS

An amount of \$3,000 is available in the Chief Executive Officer's Disaster Relief Account (Donations/Contributions/Sponsorship), with additional funding, if required, available from the Chief Executive Officer's Community Assistance Account.

In the event that Officer Secondments were requested, additional funding may be required from operational accounts with the support of Council.

STRATEGIC AND RISK MANAGEMENT IMPLICATIONS

The City of Melville Strategic Plan refers:

- Social - Build a sense of community spirit here people feel part of their neighbourhood (in the context of this item, this is the nation).
- Governance - Visible leadership throughout the organisation and in the community.

**C09/5047 – SUPPORT FOR 2009 VICTORIAN BUSHFIRE APPEAL (AMREC)
(ATTACHMENT)**

POLICY IMPLICATIONS

Disaster Appeals Policy 16-PL-001 applies.

CONCLUSION

The City of Melville has an amount of \$3,000 available for contribution towards Disaster Relief, however, under its Policy it may contribute up to a maximum of \$5,000.

The granting of a Delegation to the Chief Executive Officer to action requests for Officer Secondments will permit an immediate response should a request be received.

OFFICER RECOMMENDATION (5047)

ABSOLUTE MAJORITY APPROVAL

At 8.58pm Cr Robartson moved, Cr Bennett seconded -

- A) THAT COUNCIL DIRECT THE CHIEF EXECUTIVE OFFICER TO CONTRIBUTE AN AMOUNT OF \$5,000 TO THE 2009 VICTORIAN BUSHFIRE APPEAL.
- B) THAT COUNCIL DELEGATE AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO PROVIDE PROFESSIONAL OFFICERS ASSISTANCE IF REQUIRED, TO ASSIST WITH EFFORTS TO RE-ESTABLISH AFFECTED COMMUNITIES, SUBJECT TO NO IMPACT ON THE CITY OF MELVILLE OPERATIONS.
- C) THAT DELEGATION NO. 10-DA-003 “OFFICER SECONDMENT FOR DISASTER SUPPORT” AS ATTACHED BE ADOPTED

Amendment

At 8.58pm Cr Robartson moved, Cr Bennett seconded the following amendment be made to Item B of the Officer Recommendation -

THAT THE WORDS “SUBJECT TO NO IMPACT ON THE CITY OF MELVILLE OPERATIONS.” BE DELETED FROM PART B OF THE OFFICER RECOMMENDATION.

At 8.58pm Cr Halton returned to the meeting.

At 8.59pm the Mayor submitted the amendment, which was declared

CARRIED (11/0)

**C09/5047 – SUPPORT FOR 2009 VICTORIAN BUSHFIRE APPEAL (AMREC)
(ATTACHMENT)**

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5047)
ABSOLUTE MAJORITY APPROVAL**

At 8.59pm Cr Robartson moved, Cr Bennett seconded -

- A) THAT COUNCIL DIRECT THE CHIEF EXECUTIVE OFFICER TO CONTRIBUTE AN AMOUNT OF \$5,000 TO THE 2009 VICTORIAN BUSHFIRE APPEAL.**
- B) THAT COUNCIL DELEGATE AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO PROVIDE PROFESSIONAL OFFICERS ASSISTANCE IF REQUIRED, TO ASSIST WITH EFFORTS TO RE-ESTABLISH AFFECTED COMMUNITIES.**
- C) THAT DELEGATION NO. 10-DA-003 [5047_10DA003_Feb_09.pdf](#) “OFFICER SECONDMENT FOR DISASTER SUPPORT” AS ATTACHED BE ADOPTED**

At 9.01pm the Mayor submitted the substantive motion as amended, which was declared
CARRIED BY ABSOLUTE MAJORITY (11/0)

15. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

16. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL

At 9.02pm Cr Robartson moved, Cr Bennett seconded –

THAT CR MACPHAIL BE PERMITTED TO PRESENT TO COUNCIL A MOTION WITHOUT NOTICE RELATING TO THE AMALGAMATION OF LOCAL GOVERNMENTS AND THE SYSTEMIC SUSTAINABILITY STUDY (SSS).

At 9.03pm the Mayor submitted the motion, which was declared
CARRIED BY ABSOLUTE MAJORITY (11/0)

At 9.03pm Cr Macphail moved, Cr Phelan seconded –

THAT THE WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION BE REQUESTED TO REITERATE ITS SUPPORT FOR THE SYSTEMIC SUSTAINABILITY STUDY (SSS) AND BE GUIDED BY THE SSS IN ITS NEGOTIATIONS AND ADVOCACY DURING THE LOCAL GOVERNMENT REFORM PROCESS WITH THE STATE GOVERNMENT.

At 9.04pm the Mayor submitted the motion, which was declared
CARRIED WITHOUT DISSENT (11/0)

16. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL CONTINUED.

In relation to the above motion the Chief Executive Officer advised that he would extend an invitation to Mr Castrilli, Minister for Local Government and Regional Development, to attend a future Elected Members Information Session to discuss his recent announcement relating to the amalgamation of Local Governments and the restriction on the number of Elected Members.

17. OTHER BUSINESS

Nil

18. EN BLOC ITEMS

At 9.09pm Cr Bennett moved, Cr Reynolds seconded –

THAT THE RECOMMENDATIONS FOR ITEMS C09/5039, C09/5041, C09/5042 AND C09/5000 BE CARRIED EN BLOC.

At 9.09pm the Mayor submitted the motion, which was declared

CARRIED WITHOUT DISSENT (11/0)

19. CLOSURE

There being no further business to discuss the Mayor declared the meeting closed at 9.12pm.