

A G E N D A

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ORDINARY COUNCIL MEETING AGENDA

- 1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**
- 2. DISCLAIMER**
The Chairperson to read the City's Disclaimer
- 3. RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE**
- 4. DECLARATION OF INTEREST**
- 5. PUBLIC QUESTION TIME**
 - 5.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

At the Council meeting held 26 September 2006 the following questions were taken on notice:

5.1.1. Mr Geoff Defrenne, 24 Kennard Street, Kensington
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Summary of Question

In response to my question on the hire of Sir James Mitchell Park land adjacent to No. 180 Mill Point Road, the City responded that it was a 'negotiated fee' as it was over one day hire:

1. Where in the Schedule of Charges does it say that hire in excess of one day is negotiated?
2. If the negotiated fee is an approved fee, will the Council in its published Schedule of Charges make a note that the fees in excess of one day are by negotiation?
3. On what basis was the fee of \$13,500 for the use of 675 sq.metres calculated?
4. Is there a time period that the hire goes for?
5. Is it possible for the building to be substantially commenced without first obtaining a building licence?

Summary of Response

A response was provided by the Chief Executive Officer, by letter dated 6 October, a summary of which is as follows:

1. In the Fees and Charges Schedule under "Sir James Mitchell Park / Commercial Booking > 1 day" the fee is negotiated.
2. It has already been published.
3. It was the amount negotiated between the Chief Executive Officer's representative and the Builder to achieve the objectives of both parties.
4. The time period has expired. The City will be negotiating an extension with the builder.
5. No.

5.1.2. Mr Barrie Drake, 2 Scenic Crescent, South Perth

Summary of Question

At the July 2006 Council Meeting I asked a question about Agenda Item 9.3.6 of the Council Meeting held 23 March 2005. The question related to the home theatre at the 4th level of the apartment block at No. 11 Heppingstone Street, South Perth. This home theatre is 23 sq.metres in area and is fitted with a split system reverse cycle air conditioner, power points, satellite, TV points and free-to-air TV sockets. Your reply to my question about this home theatre was that the 23 sq.metre room at level 4 of this building is a storage area and that there is no evidence that this storage area is being used for human habitation.

1. What evidence do you have about the 23 sq.metre area at level 4 of this building?
2. Have you made any attempt to gather evidence?

Summary of Response

A response was provided by the Chief Executive Officer, by letter dated 3 October, a summary of which is as follows:

1. The space that you refer to is notated as an "Equipment Store" on the approved drawings. As you are aware, and as part of their consideration of this matter, the State Administrative Tribunal ordered that the building be inspected by the town planners retained by each of the parties (yourself, the City and the property owners) to assist with the preparation of a joint statement of evidence by those town planners. This inspection occurred on 4 August 2005, at which time the room was examined and photographed, and it was confirmed that it was used as an equipment store.
2. Refer to response provided for question 1.

5.1.3. Mr Geoff Defrenne, 24 Kennard Street, Kensington

The following questions were provided in writing at the commencement of the meeting. The Mayor read the questions aloud.

Summary of Question

The CEO has advised that he is aware of the requirement to tender for expenditure and payment to an individual company or individual of over \$50,000. In relation to temporary staff the payments of over \$50,000 to separate companies in:

2003/04	three companies, the largest by a factor of more than 5
2004/05	three companies, the largest by a factor of more than 7; and
2005/06	three companies, the largest by a factor of more than 8

1. Has the *Local Government Act 1995*, any other written law or regulation been breached by these excessive payments?
2. If so, what are they?
3. If there has been a breach of any law what are the maximum penalties for such breaches?
4. Who is responsible for such breaches?
5. Since 1 July 2005 what are the staff positions that have been advertised?
6. When were they advertised?
7. When were the positions filled?
8. Last Saturday the City advertised for four golf course grounds persons.
9. Are any of these positions new positions?
10. When did these positions become vacant?

Summary of Response

A response was provided by the Chief Executive Officer, by letter dated 13 October, a summary of which is as follows:

1. The City is not aware that any breach of the *Local Government Act* or any other written law has occurred as a result of the listed payments being made and does not agree with the description 'excessive'. All the listed payments which were made were within budget.
- 2/3/4 Not applicable.
- 5/6/7 As per attached table. **Attachment 5.1.3** refers
8. No.
9. When did these positions become vacant?

Position	Date Position became vacant
Golf Course Maintenance Assistant	23/1/06
Golf Course Maintenance Assistant	17/3/06
Golf Course Maintenance Assistant	15/9/06
Golf Course Maintenance Assistant	19/9/06

5.1.4. Mr Barrie Drake, 2 Scenic Crescent, South Perth

Summary of Question

The State Administrative Tribunal heard a matter which was referred to them by the Minister for Planning and Infrastructure. This referral was as a result of a letter of complaint I sent about the height, size and setback location of the property at No. 11 Heppingstone Street, South Perth. The matter was considered on Appeal and the Minister advised me that I was the Applicant and that the City of South Perth was the Respondent. The matter was heard on 6 - 9 September 2005 and the report and recommendations were handed down on 14 October 2005. It was found that the property owners failed to observe the requirements of the 'Grant of Planning Consent' dated 8 January 2001. My question is:

1. Why hasn't the City of South Perth issued the property owners of No. 11 Heppingstone Street, South Perth with a Section 10 to remedy the breach of the Grant of Planning Consent?
2. With respect to my previous question regarding No. 11 Heppingstone Street, has the City of South Perth paid any legal costs that the property owners have incurred which relate to this matter?
3. Why is the City defending the property owners now that it has been proven that they have committed an offence and that they are in breach of the Grant of Planning Consent?

Summary of Response

A response was provided by the Chief Executive Officer, by letter dated 12 October, a summary of which is as follows:

1. As the building at 11 Heppingstone Street complies with the current Town Planning Scheme No. 6 the City has no reason to issue a notice under section 214 of the *Planning and Development Act 2005*. [Section 214 of the 2005 Act is in the same terms as section 10 of the repealed Act.]
2. No.
3. Refer to Response No. 1.

5.2 PUBLIC QUESTION TIME : 24.10.2006

6. CONFIRMATION OF MINUTES / BRIEFINGS

6.1 MINUTES

6.1.1 Ordinary Council Meeting Held: 26.9.2006

6.1.2 Audit and Governance Committee Meeting Held: 9.10..2006

6.2 BRIEFINGS

The following Briefings which have taken place since the last Ordinary Council meeting, are in line with the 'Best Practice' approach to Council Policy P516 "Agenda Briefings, Concept Forums and Workshops", and document to the public the subject of each Briefing. The practice of listing and commenting on briefing sessions, not open to the public, is recommended by the Department of Local Government and Regional Development's "*Council Forums Paper*" as a way of advising the public and being on public record.

Note: As per Council Resolution 11.1 of the Ordinary Council Meeting held 21 December 2004 Council Agenda Briefings, with the exception of *Confidential* items, are now open to the public.

6.2.1 Agenda Briefing - September Ordinary Council Meeting Held: 19.9.2006

Officers of the City presented background information and answered questions on specific items identified from the September Council Agenda. Notes from the Agenda Briefing are included as **Attachment 6.2.1**.

6.2.2 Concept Forum: Civic Triangle Update and Fringe Benefit Tax Update Meeting Held: 3.10.2006

Officers of the City and John Syme of Syme Marmion and Company jointly presented an update on the Civic Triangle proposal. The Director Financial and Information Services then presented an overview of the operation of Fringe Benefits Tax (FBT) and examined several different strategies for effectively managing the City's Fringe Benefits Tax liability. Questions on both items were raised and responded to. Notes from the Concept Forum are included as **Attachment 6.2.2**

6.2.3 Workshop - CEO's KPI's 2006/2007 Meeting Held: 4.10.2006

Consultants, Kellahan Saunders, attended a Workshop to assist Members in formulating the measurements of the KPI's for the CEO for the year 2006/2007. Notes from the Workshop are included as **Confidential Attachment 6.2.3**

6.2.4 Concept Forum - Underground Power Update and SJMP Capital Works Program Meeting Held: 10.10.2006

Officers of the City presented background information and answered questions on the Como East Underground Power Project and the Capital Works Program scheduled for Sir James Mitchell Park. Questions on both items were raised and responded to. Notes from the Concept Forum are included as **Attachment 6.2.4**

7. PRESENTATIONS

7.1 PETITIONS -

A formal process where members of the community present a written request to the Council

7.1.1. Petition dated 25 September 2006 from Ms Yvette Hawley, 9 Barker Avenue, Como together with 28 signatures objecting to the proposed 23 Single Bedroom Dwellings proposed for Lots 390 and 391 Barker Avenue Como.

Text of Petition (in summary) reads:

- Proposed development not in keeping with current social structure of the area;
- Twenty Three single bedroom dwellings not in keeping with current streetscape;

- Density and Height of proposed development not in keeping with adjacent and surrounding area developments;
- Concerns regarding impact on traffic, noise and parking in immediate vicinity of proposed development;
- Lots 390 and 391 should be treated as separate lots and not a combined development.

RECOMMENDATION

That it be noted that the Petition dated 25 September 2006 received from Ms Yvette Hawley, 9 Barker Avenue, Como together with 28 signatures has been considered in Report Item 9.3.3 of the October Council Agenda, together with other submissions received in relation to the proposed development of 23 Single Bedroom Dwellings at Lots 390 and 391 Barker Avenue Como.

7.2 PRESENTATIONS -	Formal or Informal Occasions where Awards or Gifts may be Accepted by the Council on behalf of the Community.
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7.3 DEPUTATIONS -	A formal process where members of the community may, with prior permission , address the Council on Agenda items where they have a direct interest in the Agenda item.
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7.4 DELEGATE'S REPORTS	Delegate's written reports to be submitted to the Minute Secretary prior to 6 October 2006 for inclusion in the Council Agenda.
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7.4.1. Delegates Report - Perth Airport Noise Management Strategy Committee Meeting Held 4 October 2006.

A report from Mayor Collins summarising a meeting of the Perth Airport Noise Management Strategy Committee Meeting Held 4 October 2006 as it relates to the City of South Perth is at **Attachment 7.4.1.**

RECOMMENDATION

That the Delegate's Report in relation to the Perth Airport Noise Management Strategy Committee Meeting Held 4 October 2006 be received.

8. ANNOUNCEMENTS FROM THE CHAIRPERSON

8.1 Method of Dealing with Agenda Business

9. REPORTS

9.0 MATTERS REFERRED FROM PREVIOUS COUNCIL MEETINGS

9.0.1 Proposed Upgrading of Telephone Booths with Signage Panels

Location:	Various street reserves in commercial centres
Applicant:	The Planning Group
File Ref:	RO/105
Date:	6 October 2006
Author / Reporting Officer:	Steve Cope, Director Strategic & Regulatory Services

Summary

Council considered a report on the upgrading of telephone booths with commercial signage panels at its September 2006 Council meeting and declined to approve the application. The application is re-listed to provide Council with the opportunity to record its reasons for declining to approve the application.

Background

During debate on this item at the September Council meeting the following concerns about the application were raised:

- Advertising of telephone booths impacts on the community
- It is questionable to consider approval of advertising on some telephone booths and not others
- Approval of advertising on some telephone booths could set a precedent
- It would not be consistent to approve telephone booth advertising in areas that have not had streetscape upgrades; if telephone booth advertising is not acceptable in Angelo and Mends Street then it should not be approved elsewhere in the City.

Comment

It is understood that Council's concerns were primarily based on the perceived adverse amenity impact of telephone booth advertising on surrounding areas, particular in view of the fact that once approval is given Council will not have any subsequent control over the nature of advertising.

Accordingly, it would be appropriate for Council to record its refusal of the application on the grounds of Clause 1.6 - Scheme Objectives and Clause 7.5 - Other Matters to be Considered of TPS6.

Consultation

In accordance with Council Policy P104, no neighbour consultation was required in this instance.

Policy and Legislative Implications

Under the City's No. 6 Town Planning Scheme, the proposed signage requires the submission of an application for planning approval. Clause 6.12(6) of TPS6 states that:

“When determining an application for planning approval for a sign, the Council shall examine the application in the light of the objectives of the Scheme and the precinct, and with particular regard to the character, amenity, historic or landscape significance and traffic safety, within the locality.”

Having considered the current proposal against the provisions of Clause 6.12(6), the conclusion reached is that all of the proposed signs should be refused.

Financial Implications

This issue has no impact on this particular area.

Strategic Implications

This matter relates to Goal 3 “Environmental Management” identified within the Council's Strategic Plan. Goal 3 is expressed in the following terms:

To effectively manage, enhance and maintain the City's unique natural and built environment.

OFFICER RECOMMENDATION ITEM 9.0.1
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That pursuant to the provisions of the City of South Perth TOWN Planning Scheme No.6 and the Metropolitan Region Scheme this application for planning approval for proposed commercial advertising signage be **refused** with respect to telephone booths within street reserves adjacent to the properties at:

- 47 George Street, Kensington
- 1 Birdwood Avenue, Como
- 391 Mill Point Road, South Perth
- 39 Walanna Drive, Karawara
- Ley Street (cnr Manning Road), Como
- 25 Preston Street, Como
- 77 Angelo Street, South Perth
- 13 Mends Street, South Perth
- 39 Mends Street, South Perth

on the grounds that:

- (a) the proposal is regarded as incompatible with the amenity of each of the commercial localities for which approval is sought and is therefore contrary to Clause 1.6 Objectives (i) 'The Preservation of the Amenity of the Locality'; and
- (b) the proposal is regarded as incompatible with the amenity of each of the commercial localities for which approval is sought and is therefore contrary to Clause 7.5 - Other matters to be considered of Town Planning Scheme No. 6 sub-clause (i) the preservation of the amenity of the locality.

Important Footnote

If you are aggrieved by aspects of the decision where discretion has been exercised, you may lodge an appeal with the State Administrative Tribunal within 28 days of the Determination Date recorded on this Notice.

9.0.2 Canning Mews SAT Appeal Outcomes (*Item 11.2 referred Council 28.8.06, Item 11.2 referred Special Council 29.8.06, and Item 9.0.1 Council 26.9.06*)

Location:	City of South Perth
Applicant:	Council
File Ref:	N/A
Date:	6 October 2006
Author:	Christian Buttle, Acting Manager, Development Services
Reporting Officer:	Steve Cope, Director, Strategic and Regulatory Services

Summary

To consider a report in relation to appeal outcomes and lessons learned from the Canning Mews Council Agenda Items and the subsequent SAT Appeal.

Background

At the Council meeting held 25 July 2006 Council resolved at Item 11.1 as follows:

“That....

- (a) Council prepare a report on Outcomes and Lessons Learned from the Canning Mews Council Agenda Items and the subsequent SAT appeal;*
- (b) the report shall include a grid layout containing but not limited to:*
 - (i) text from the CEOs memorandum dated 25 July 2005;*
 - (ii) blank or Tick from the CEOs memorandum dated 25 July 2005;*
 - (iii) tick, cross or blank representing the SAT outcome;*
 - (iv) a text description of the SAT outcome; and*
 - (v) lessons learned.*
- (c) the report shall include other details that make the outcomes and lessons learned readily identifiable at a high-level and with suitable content to explain the outcomes and lessons learned and how they are to be managed;*
- ~~*(d) the lessons learned and a Management Plan be established in an internal Workshop; and*~~ **part (d) revoked as per Council Resolution Item 7.1 (Part 1) of the Special Council Meeting Held: 29 August 2006**
- (e) the report shall be on the Council meeting Agenda no later than the September 2006 Ordinary Council meeting.”*

The date of Tuesday 29 August 2006 was set for the Workshop. However there was some disagreement as to the interpretation of the expression “internal workshop” and as a result Cr Jamieson lodged a Notice of Motion for consideration by Council at the Meeting held on 22 August 2006. This matter was subsequently deferred at the August Ordinary Council Meeting for consideration at the Special Council Meeting held 29 August 2006.

At the Special Council Meeting held 29 August 2006 Council resolved as follows:

“That....

- (a) consideration be given to revoking Item 11.1 part (d) as follows, insofar as it relates to the Minutes of the Ordinary Council Meeting dated 25 July 2006:*
 - (d) the lessons learned and a Management Plan be established in an internal Workshop;***
- (b) Item 11.1 part (d) insofar as it relates to the Minutes of the Ordinary Council Minutes dated 25 July 2006 be revoked; and*
- (c) no further action be taken in respect to the holding of a Facilitated Workshop on the Canning Mews SAT appeal outcomes.”*

Comment

As specified in Council's resolution, the following table has been prepared using:

- (i) Text from the CEO's memorandum dated 25 July 2005;
- (ii) Ticks from the CEO's memorandum dated 25 July 2005;
- (iii) Tick, cross or blank representing the SAT outcome;
- (iv) A text description of the SAT outcome; and
- (v) Lessons learned - although this has been more appropriately named 'action taken'.

The introductory information contained in the CEO's Memorandum has been provided in the form of an attachment to the report. **Confidential Attachment 9.0.2(a)** refers.

The table or 'check list' of SAT Outcomes/Comments and Lessons Learned has been provided as **Attachment 9.0.2(b)**

In addition to the matters referred to in the table, the CEO's memo dated 25 July 2005 also made reference to the following points. They fall into categories of:

- Internal procedural matters; and
- Personal opinion.

Owing to the nature of the matters contained in the second table, they were not specifically addressed in the consideration of this matter by the SAT or in the final report that was prepared by the SAT.

It is noted that the contents of the CEO's Memorandum was based on established City practices at the time, generally accepted industry practices and legal advice.

As outlined in Table 1 **Attachment 9.0.2(b)**, modified practices have been implemented by City Officers, where appropriate, as a result of the appeal.

McLeods Advice

In advising the Council of the outcome of this appeal, McLeods made the point that the decision on this appeal established something of a landmark in recognising the ongoing significance of amenity issues, regardless of a developments compliance with the acceptable development standards of the R-Codes.

In order to further supplement this position, Denis McLeod briefed Councillors at the Concept Forum held on 4 July 2006. At this time he confirmed that the consideration of amenity is fundamental to local councils' administration of "Planning" powers, and noted that the SAT, by virtue of decisions that have been handed down in recent times, has taken a greater account of amenity than there had been in the past. As noted in the tables provided in **Attachment 9.0.2(b)**, officers of the City have now placed a greater emphasis on the need to consider amenity matters when dealing with applications for planning approval.

Consultation

This issue has no impact on this particular area.

Policy and Legislative Implications

This issue has no impact on this particular area.

Financial Implications

There are no financial implications.

Strategic Implications

This matter relates to Goal 3 “Environmental Management” identified within the Council’s Strategic Plan. Goal 3 is expressed in the following terms: *To effectively manage, enhance and maintain the City’s unique natural and built environment.*

OFFICER RECOMMENDATION ITEM 9.0.2
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That the report on the Canning Mews SAT Appeal Outcomes be received and that this matter now be closed.

9.0.3 Tenders for the Como Beach Reserve Landscape Upgrade (*item 9.3.6 refers from Council meeting 22.8.06*)

Location: Como Beach Reserve
Applicant: Council
File Ref: PR/519
Date: 6 October 2006
Author: Mark Taylor, Manager City Environment
Reporting Officer: Glen Flood, Director Infrastructure Services

Summary

Council adopted the Como Beach Landscape Upgrade concept in February 2005. Following lengthy consultation with Swan River Trust and the indigenous community. Tenders for construction of the project were originally called in July 2006 and were the subject of a report to Council at the August meeting, where they were not accepted.

A more detailed specification was written and tenders were again called and closed on 22 September. Four tenders were received. One of the tenders (the lowest price submitted) was ruled non-compliant due to the tenderer not attending a compulsory site meeting. The three remaining compliant tenders have submitted prices which are considered too high for officers to recommend acceptance.

It is recommended that:

- Council again not accept tenders;
- The project be re-advertised with a reduced scope to better reflect the suggested project budget of \$500,000.

Background

Tenders were originally called for this project in July 2006 and were considered at the August meeting. Tendered prices were in excess of the pre-tender estimate and the City's budget for the project. A review of the tender process was undertaken and the following comments were made in the officer's report:

- a lack of detail in the pricing schedules may have created difficulties for tenderers to accurately price the work required;
- lack of a requirement for tenderers to include detailed quantities in their submissions. These can be used to determine whether the tenderers have correctly interpreted the tender documents; and
- the need for a compulsory on-site meeting during the tender period. The site has to be accessed off the Kwinana Freeway which creates logistical difficulties and this may have resulted in prices being weighted to reflect this "risk". The onsite meeting will also clarify works that are not included in the tender such as the river wall and drainage groyne stone works. It is thought that these may have been included and raised the tender bids.

Subsequently, at the August meeting, Council resolved the follow in regard to this project:

That:...

- (a) the tenders submitted for the Como Beach Landscape Upgrade project not be accepted;*
- (b) the tender documentation be reviewed and re-advertised to complete the landscape upgrade and*
- (c) a report be prepared for the earliest possible Council meeting reviewing tenders and recommending options to deliver the project.*

The project specification was subsequently re-written to include more detail in the pricing schedules and quantities.

Comment

Tenders were advertised in the West Australian newspaper and closed at the City Administration Offices at Sandgate Street, South Perth at 10.00 am on Friday 22 September 2006.

At the close of the tender period four tenders had been received. The prices submitted are listed below (see table).

Tenderer	Price (ex GST)
TSG Key Group	\$1,069,068.60
Landscapes WA	\$1,067,689.90
Works Infrastructure	\$840,294.24
Environmental Industries	\$642,286.23

All tenders were deemed compliant in every aspect of the requirements except for the bid by Environmental Industries. This was because a representative from that company did not attend the compulsory site meeting as specified in the tender documents.

The City has sought legal advice about whether the meeting non-attendance would deem the Environmental Industries bid non-complaint. The advice received is that it would, therefore that tender has been removed from further consideration.

Analysis of the remaining 3 tenders shows the Works Infrastructure bid to be the lowest priced and best value. The question remains however as to whether this represents an acceptable price to implement the project?

The officer's report to the August meeting of Council suggested an amount of \$500,000 to be an acceptable price to pay for the landscape upgrade project. To reduce the Works Infrastructure bid to around \$500,000 would result in a significant reduction in project scope.

The City could accept the Works Infrastructure bid and then enter into negotiations with that company to reduce the scope of the project as allowed in the Local Government (Functions and General) Regulations 1996 (*Part 4-Tenders for providing goods or services (s 3 57) 20. Variation of requirements before entry into contract*). However, the Regulations discuss "minor variations". A reduction of over one third of the project cost would not be a minor variation and indeed may not be acceptable to the company.

As a result, officers believe that the remaining prices submitted are too high and therefore recommend to Council that:

- tenders again not be accepted;
- tenders be re-advertised with reduced scope to ensure that tendered prices in the vicinity of \$500,000 can be considered.

This is unfortunate as it has delayed the project, however officers believe it important that the City accepts tenders that best meet its requirements and that the project can be delivered without significantly reducing its scope.

Consultation

Public tenders were invited in accordance with the *Local Government Act 1995*.

Policy and Legislative Implications

Under Section 3.57 of the *Local Government Act 1995*, it is a requirement to call publicly and statewide for tenders for goods and services in excess of \$50,000.

The value of this tender is above the amount that the Chief Executive Officer has delegated powers to accept, and as a result, the tender is referred to Council, in this case, with a recommendation not to accept.

Financial Implications

A total of \$202,000 (unspent) has been carried forward from the 2005/2006 Capital Program for the Como Beach Project. Combined with the additional \$20,000 currently provided in the 2006/2007 budget, this gives an approved project budget of \$222,000.

It is considered that a project budget in the order of \$500,000 is required to do justice to such an iconic site that has played such a big part in the City's history.

It is important to acknowledge that the City had previously received a \$250,000 Developer Contribution towards this project, of which \$48,000 has been expended on indigenous consultation, hydrology reports and design and documentation. Therefore, even under the revised proposal, the City's net contribution to the project would be less than \$300,000 in total.

Strategic Implications

This item is consistent with Strategy 3.3 of Goal 3 *Environmental Management* of the City's Strategic Plan - *“Ensure future development and current maintenance of the river foreshore, wetlands, lakes, bushlands and parks is properly planned and sustainable and that interaction with the built environment is harmonious and of benefit to the community”*.

OFFICER RECOMMENDATION 9.0.3.

That:....

- (a) the tenders submitted for the Como Beach Landscape Upgrade project not be accepted;
- (b) tenders be re-advertised with a reduced scope to better reflect the suggested project budget and
- (c) a report be prepared for the earliest possible Council meeting reviewing tenders and recommending options to deliver the project.

9.1 GOAL 1 : CUSTOMER FOCUS
Nil

9.2 GOAL 2: COMMUNITY ENRICHMENT

9.2.1 Community Sport and Recreation Facility Funding Program (CSRFF) - Annual Grants Consideration
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Location:	City of South Perth
Applicant:	Council
File Ref:	GS/109
Date:	10 October 2006
Authors:	Neil Kegie, Manager Community Culture and Recreation Mark Taylor, Manager City Environment
Reporting Officer:	Steve Cope, Director Strategic and Regulatory Services

Summary

To consider applications for the Community Sporting and Recreation Facilities Fund (CSRFF).

Background

The Department of Sport and Recreation (DSR) annually invites applications, on behalf of the Western Australian Government, from Community Groups and Local Government Authorities to provide funding assistance for the development of sport and recreation facilities.

The funding is available in one of two grant categories applicable to groups in the City of South Perth area:

(a) Annual Grant

These grants will be given to projects of a less complex nature, which have a project total of between \$7,500 and \$270,000 (exclusive of GST). Grants given in this category must be claimed in the following financial year, ie 2006/2007.

(b) Forward Planning Grant

These grants will be given to projects of a more complex nature, which have a project total of greater than \$270,000 (excluding GST) and require a planning period of one (1) to three (3) years. Grants given in this category can be applied for and funded in either or all of the next three (3) financial years, ie 2007/2008 - 2009/2010.

The types of projects which will be considered for funding include:

- upgrading and additions to existing facilities where they will lead to an increase in physical activity or a more rational use of facilities
- the construction of new facilities to meet sport and recreation needs.
- floodlighting projects; and
- new, replacement or resurfacing of synthetic playing pitches or courts.

The maximum grant awarded by the Department of Sport and Recreation will be no greater than one-third of the total cost of the project. The CSRFF Grant must be at least matched by the applicants own cash contribution, with any remaining funds being sourced as required by the applicant. In some cases, funds provided by the Department do not equate to one-third of the project costs, and the applicants are advised that they are expected to fund any such shortfall.

There is no obligation on the part of a local government authority to make any contribution to a community project, but in the past the City has matched the contribution by the Department of Sport and Recreation of up to one-third of the total cost of successful projects.

As stated in the CSRFF guidelines and in accordance with the City's funding guidelines, annual grants for this round of applications must be claimed in the next financial year, being 2007/2008. It is also important to note that the City's inclusion of funds for consideration on the 2007/2008 Draft Budget does not guarantee funds should the club be successful in its application to the Department of Sport and Recreation.

All sporting clubs in the City were informed of the current round of CSRFF funding through a direct mail out and through promotion in the Southern Gazette. One application was received from the South Perth United Football Club

As a Local Government Authority the City is also eligible to apply through the program. An opportunity exists to seek funding through the CSRFF program that would assist with the upgrading of the WCG Thomas Pavilion situated on Richardson Park, Amherst Street South Perth

Comment

The two submissions, one from the South Perth United Football Club and the City of South Perth have been assessed and rated by a panel comprising the City's Manager Community Culture and Recreation, Manager City Environment and Acting Recreation Development Coordinator according to the following broad based criteria set by the Department of Sport and Recreation;

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

South Perth United Football Club

This proposal is to install lighting at Challenger Reserve to meet the increase in junior and senior numbers of playing members at the club. Total cost of the project is \$67,500 with \$22,500 sought from the Department of Sport and Recreation and \$22,500 sought from the City.

In 2002 South Perth United Football Club had 60 members and currently has over 300 with approximately 95% residents of the City of South Perth. Consistent with the national trend the popularity and membership of the club is expected to continue into the future.

The need for lighting has been identified by the club as necessary to enable more junior and senior training sessions to be scheduled as numbers increase.

Should the project proceed, strict conditions would apply as is standard for all projects involving the installation of reserve lighting within the City. These conditions include the applicant's requirement to:

- Submit further detailed specifications to the City
- Obtain appropriate approvals
- Liaise with the City at all stages of the project
- Forward a letter to all residents in streets adjacent to areas affected by the proposed lighting advising that as part of the ongoing development of the reserve further floodlighting towers would be installed and that the towers would be positioned so that there is no light spillage on adjacent properties; and
- Bear all pre site and installation costs and reach agreement with the City regarding ongoing maintenance and operational costs

CSRFF Grant sought	\$22,500
City's contribution	\$22,500
Club contribution	\$22,500
Estimated Total Project Cost	\$67,500

This project has been rated '*D - Needed by applicant, more planning required*'. In making this assessment the panel noted;

- The project benefits one user club with additional flow on benefits to the wider community
- Some technical aspects of the proposal require clarification
- The project is aimed at meeting increased demand due to the ongoing increase in popularity of soccer in the community
- The proposed upgrade is consistent with the Sporting Facilities Needs Study undertaken on behalf of the City in March 2006

City of South Perth

As part of its ongoing facilities maintenance program the City is anticipating a major upgrade of the WCG Thomas Pavilion located on Richardson Park in 2007/08. An amount of \$600,000 has been allocated in the forward capital works budget for the upgrade subject to endorsement of the City's 2007/08 annual budget. A maximum of one third the total project cost or \$300,000 may be sought from the Department of Sport and Recreation under the CSRFF program which would compliment the City's allocation allowing for a more significant upgrade to what is one of the City's premier sporting facilities.

The WCG Thomas Pavilion was built in 1966 and subsequently upgraded in 1989. Currently the South Perth Cricket Club, Wesley South Perth Hockey Club and South Perth Women's Hockey Club operate from the pavilion which is utilised all year round. The support of the City is recognised by the user clubs as excellent with regard to maintenance of the grounds, however the pavilion presents as 'tired' with substantial amount of work required on the building itself.

A recent study undertaken on behalf of the City (Sporting Facilities Needs Study March 2006) of 16 City owned community based sporting facilities identified the following points regarding the WCG Thomas Pavilion:

- Downstairs change rooms are in very poor condition
- In 2005 a ceiling collapsed in a change room shower
- Water damage is present in the ladies toilets
- Upstairs change room no. 1 is well used; however change room 2 is not used. Floor in this room requires resurfacing
- Inadequate storage (upstairs and downstairs)
- No outside cover for spectators

- Kitchen is in poor condition with electrical problems occurring
- Improvements are required to address accessibility issues and ensure the building complies with Australian Standards AS 1428.1-1993 (and supplements) for disabled person's access

The report recommended the following actions be undertaken;

- Renovation and upgrading of the toilet and change room facilities
- Renovation and upgrading of the kitchen
- Repair and upgrading of electrical and plumbing systems
- Increased internal and external storage areas
- Provision of a covered outdoor spectator area overlooking the grounds
- Improved layout of the downstairs administration and meeting facilities
- Improved access to comply with current Australian Standards for disabled persons access

With the abovementioned improvements, the building would be more multipurpose and better able to accommodate the needs of existing sporting club user groups, as well as a range of non - sporting groups and occasional private functions.

The City has undertaken some preliminary design work on the proposed upgrade with input from each of the user clubs identifying key priority areas. Of the three clubs, the South Perth Cricket Club has the most significant requests of the upgrade with preliminary estimates indicating a final cost of their preferred model at approximately \$1.3 million. This includes an enlarged interior social area and a substantial outdoor viewing area. Discussion is ongoing with this club regarding a contribution from them towards the project to enable all of their requests to be met. Notwithstanding an upgrade of approximately \$900,000 as proposed would enable priority areas to be covered and would result in a very sound facility that would be adequate for the playing needs of the user clubs while providing opportunities for usage by non sporting community groups.

It is the intention of this report to seek endorsement to cap the City's commitment to the project at \$600,000 through an allocation in the 2007/08 capital works program and then to add to the total value of the project with additional funding such as through the CSRFF program or from the clubs themselves.

CSRFF Grant sought	\$300,000
City's contribution	\$600,000 (included in 2007/08 draft capital works budget)

Estimated Total Project Cost \$900,000

This project has been rated '*A-Well planned and needed by municipality*'. In making this assessment the panel noted;

- The WCG Thomas Pavilion is a showcase facility for the City
- The upgrade project benefits the three user clubs with additional potential flow on effects for non sporting community groups
- Comprehensive consultation has been undertaken with the user clubs to ascertain and prioritise needs
- The proposed upgrade is consistent with the Sporting Facilities Needs Study undertaken on behalf of the City in March 2006

Contributions to project costs would ordinarily be sought proportionately from the sporting and recreational groups using the facility, in this case the South Perth Cricket Club, Wesley South Perth Hockey Club and South Perth Women’s Hockey Club. The WCG Thomas Pavilion is considered a significant sporting facility within the locality, on occasion attracting international sporting teams for use as a practice ground (e.g. English Cricket Team). For this reason the City is moving forward with the upgrade of WCG Thomas Pavilion, however it continues negotiations with the clubs using the facility for contributory funding towards the project. The City will work with the clubs for an appropriate outcome to this project and should the clubs require works in excess of the City’s requirements to bring the facility up to acceptable standards, they will be required to meet the difference in costs.

Consultation

Consultation has been undertaken with local sporting clubs by way of the City conducting a direct mail-out to local clubs informing them of the funding program, how to obtain guidelines and inviting applications; potential applicants liaising with appropriate City Officers; and continued liaison with the Department of Sport and Recreation.

City officers have liaised with the South Perth Cricket Club, Wesley South Perth Hockey Club and South Perth Women’s Hockey Club regarding the WCG Thomas upgrade project and with the South Perth United Football Club regarding the application for additional lighting on Challenger Reserve.

Policy and Legislative Implications

This report relates to Policy P222 - Support and Community & Sporting Groups.

Financial Implications

\$600,000 has been included in the draft 2007/2008 capital works budget for an upgrade of the WCG Thomas Pavilion subject to endorsement of the 2007/2008 budget. Success with the CSRFF application will add up to a further \$300,000 towards this upgrade.

Although under no obligation to contribute funds to compliment CSRFF submissions Local Government Authorities historically support applications to varying degrees. Support of the South Perth United Football Club’s submission will require \$22,500 to be included for consideration in the 2007/2008 draft budget.

Included below is a table indicating funding sought and received from 2003 - 2006

	Total of all project costs	Total sought from COSP	Total granted by COSP	Total sought from DSR	Total granted by DSR
2003/04	\$986,023	\$328,340	\$17,331	\$328,340	\$16,373
2004/05	\$706,259	\$234,751	\$13,033	\$235,085	\$72,942
2005/06	\$739,992	\$246,663	\$171,266	\$246,663	\$160,786

Strategic Implications

This report is complimentary to Goal 2: Community Enrichment, Strategy 2.2:

‘Develop community partnerships that will be mutually beneficial with stakeholder groups including educational institutions, service clubs, the business community and other organisations’.

as well as Goal 2: Community Enrichment, Strategy 2.7:

‘Develop strategic direction for events, arts including public arts, leisure, recreation and heritage that encourages a vibrant and participative community. This includes initiatives relating to the George Burnett Leisure Centre, libraries, parks, river, Fiesta and other community programs’.

It is also complimentary to Goal 6: Financial Viability, Strategy 6.2:

'Maximise community benefit and value for money from City expenditures and the use of our assets'.

OFFICER RECOMMENDATION ITEM 9.2.1
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That...

- (a) the applications for funding for the Community Sporting Recreation Facilities Funding (CSRFF) be submitted to the Department of Sport and Recreation together with the comments from the officer report and the following ranking and ratings:

Applicant	Ranking	Rating
City of South Perth	1	A
South Perth United Football Club	2	D

- (b) an amount of \$600,000 as the City's contribution for the WCG Thomas Pavilion upgrade be included for consideration in the 2007/2008 Draft Capital Works Budget; and
- (c) an amount of \$22,500 be included for consideration in the 2007/2008 draft budget for installation of lighting on Challenger reserve for the South Perth United Football Club, subject to the application being successful with the Department of Sport and Recreation and subject to the City's standard conditions regarding the installation of floodlighting on reserves within the City

9.3 GOAL 3: ENVIRONMENTAL MANAGEMENT

9.3.1 Network City and Planning for the South Perth and Canning Bridge Railway Stations
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Location: South Perth and Canning Bridge train station precincts
Applicant: Council
File Ref: LP/201
Date: 5 October 2006
Author/Reporting Officer: Steve Cope, Director, Strategic and Regulatory Services

Summary

During 2005/06 the City applied for and was awarded three separate Network City - Communities Program grants for:

- (a) South Perth Station and Peninsula Area Strategy
- (b) Canning Bridge Station Precinct Area Strategy
- (c) Waterford Triangle Urban Design Review

The objective of these community engagement projects is the preparation of a specific local area planning strategy for each precinct. The projects are being undertaken in collaboration with the Department of Planning and Infrastructure and are expected to be completed by November 2006.

It is proposed that the study consultants will present each of the final reports to Council briefings on completion.

This report considers what further action should be taken by Council to plan for the railway stations proposed in conjunction with the Southern Suburbs Railway following receipt of the Network City Communities Program project reports.

It is recommended that Council proceed with a further detailed planning phase to develop urban design concepts and development guidelines for the South Perth and Canning Bridge train station precincts.

Further collaboration with the WA Planning Commission is proposed to ascertain funding available under the foreshadowed Network City Stage 2 funding round.

As this report addresses the impact of the proposed railway on the City, it necessarily focuses on precinct planning for the Canning Bridge and South Perth train stations but not the Waterford Triangle.

Background

The review of Town Planning Scheme 5 and the preparation of Town Planning Scheme 6 were undertaken between 1992 and 2000. Town Planning Scheme 6 (TPS6) was eventually gazetted in 2003. During the preparation of TPS6 the South Perth and Canning Bridge train stations were not planned or envisaged.

The construction of the Canning Bridge railway station and the proposed construction of the South Perth train station requires consideration of planning for the surrounding precinct within 800m radius.

The scope of the South Perth Railway Station and Peninsula Area Strategy and the Canning Bridge Railway Station Precinct Area Strategy funded under the Network City Communities Program is in summary:

- (a) South Perth Station and Peninsula Area Strategy
- The State Government via Minister for Planning and Infrastructure has committed to the development of a South Perth Station.
 - Council has endorsed a proposal for an area strategy to be prepared for the Peninsula area taking into account the proposed South Perth Station.
 - The scope of Stage 1 project is to examine:
 - Pedestrian/vehicular linkages within the precinct.
 - Appropriate development mix including density and form of development and types of land uses.
 - Integration of proposed rail station within the precinct.
- (b) Canning Bridge Station Precinct Area Strategy
- The City of South Perth Strategic Plan 2004 -2008 endorses the development of a specific local area planning strategy for the area surrounding the Canning Bridge Station and Council has separately endorsed a proposal for an area strategy to be prepared for this area.
 - The scope of the Stage 1 project is to examine:
 - Appropriate development mix, density and form.
 - Pedestrian and vehicular linkages.
 - Public transport connections (e.g. Curtin University).

The project area for the South Perth station and Peninsula Area Strategy extends from Judd Street to Richardson Street and from the Freeway to the South Perth Esplanade including the Civic Triangle and the Mends Street commercial precinct.

The project area for the Canning Bridge Station Precinct Area Strategy extends in a radius of 800m from the newly constructed station.

The objective of these community engagement projects is the preparation of a local area planning strategy taking into account the community vision for each precinct.

A broad four stage methodology has been employed to generate the community vision as follows:

- Key stakeholder interviews
- Focus groups
- Community forum
- Community survey

The community survey for the South Perth and Canning Bridge train station precinct studies is being undertaken during October and the final project reports are expected during November. It is important that the second stage of consultation occur after the completion of the first stage.

The study brief for the South Perth Network City Communities Program projects anticipated that a second stage, to be undertaken after the results of the current community engagement projects had been completed, would focus on the planning strategy and future proposals for the area.

Comment

It is proposed that the City proceed to undertake further more detailed planning for the South Perth and Canning Bridge train station precincts building on the results of the first stage. There may be opportunity for the City and the WA Planning Commission to undertake this further precinct planning in partnership; City officers will liaise with DPI to investigate the opportunities in this regard.

It is considered that a statement of the City's objectives should be prepared to guide further planning activity. Draft project objectives will be presented via a report to a subsequent Council meeting.

Consultation

It is likely that community consultation would be undertaken in conjunction with further precinct planning however the nature of community consultation remains to be determined.

Policy and Legislative Implications

Total funding required for further planning associated with the South Perth and Canning Bridge rail station precincts is likely to exceed \$50,000; therefore selection of consultants would occur via a tender process in accordance with the *Local Government Act*.

Financial Implications

To be determined when results of tenders are known.

City officers will investigate the availability of funding under the WA Planning Commission Network City initiative (Stage 2).

Strategic Implications

The City's Strategic Financial Plan 2004-2008 and Environmental Strategy 3-6 incorporates the following:

“Develop Precinct Planning Strategies for the Mill Point and Canning Bridge areas to guide future development taking into account the Southern Suburbs Railway and the stations planned for those locations”

OFFICER RECOMMENDATION ITEM 9.3.1
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That Council

- (a) endorse preparation of a brief for the development of further detailed planning strategies for the South Perth and Canning Bridge train station precincts;
- (b) authorise the initiation of a tender process to select a suitable consultant(s) to conduct stage 2 of the Precinct studies; and
- (c) endorse investigation of a collaborative approach and/or partnership with the WA Planning Commission on the preparation of precinct planning strategies.

9.3.2 Proposed Outbuilding Addition to Single House. Lot 95 (No. 6) Lansdowne Road, Kensington

Location: Lot 95 (No. 6) Lansdowne Road, Kensington
 Applicant: Arc Seven.1 on behalf of:
 Mr K J Williams and Ms A Milligan
 File Ref: 11/6642; 11.2006.261.1; LA5/6
 Date: 4 October 2006
 Author: Lisette Turkington, Planning Officer
 Reporting Officer: Steve Cope, Director, Strategic and Regulatory Services

Summary

The application for planning approval relates to a proposed outbuilding on Lot 95 (No. 6) Lansdowne Road, Kensington. After attempts with the applicant and property owners to modify the proposed development to comply with the provisions of the Residential Design Codes 2002 were unsuccessful, the application was finally refused under delegated authority on 11 September 2006. The applicant has requested that the matter be referred to a Council meeting in order that the delegated decision can be reviewed. The Officer’s report recommends that the original decision for refusal be upheld.

Background

The development site details are as follows:

Zoning:	Residential
Density coding:	R15
Lot area:	544 sq. metres
Building Height Limit:	7.0 metres
Development Potential:	1 Single House

This report includes the following attachments:

- **Confidential Attachment 9.3.2(a):** Plans of the proposal;
- **Attachment 9.3.2(b):** Notice of delegated determination dated 11 September 2006; and
- **Attachment 9.3.2 (c):** Letter dated 4 August 2006 from owners of No. 6 Lansdowne Road to adjoining property owners.

In accordance with normal practice, the delegated determination included the following footnote:

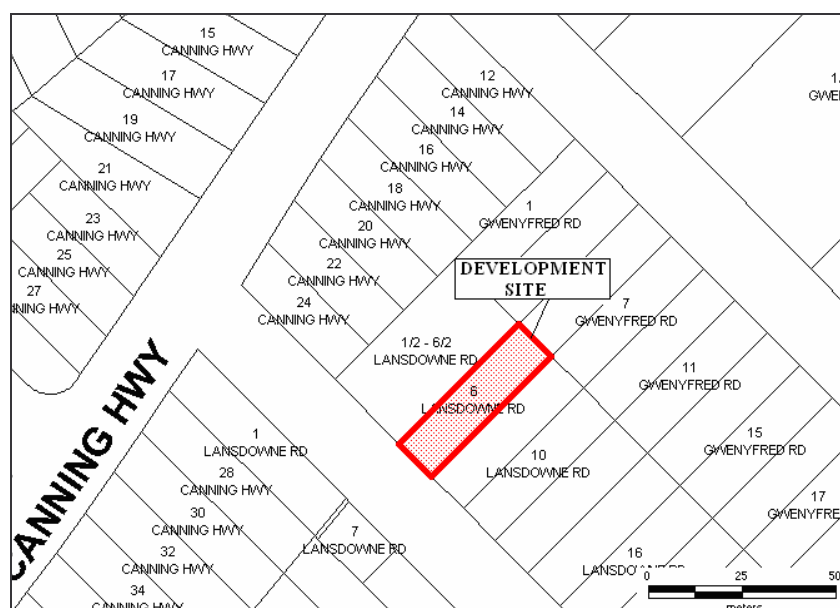
“The above decision has been made by a duly assigned officer under delegated authority conferred by the Council in order to expedite the decision-making process. If you are aggrieved by aspects of the decision where discretion has been exercised, you may either:

- (i) submit a letter to the City requesting that the matter be reviewed at a Council meeting;*
or
- (ii) lodge an appeal with the State Administrative Tribunal within 28 days of the Determination Date recorded on this Notice.*

There are no rights of appeal in relation to aspects of the decision where the Council cannot exercise discretion.”

The proponents have taken the opportunity to request that the decision be reconsidered at a Council meeting.

The location of the development site is shown below. It is adjoined by other residential development on each of its side and rear boundaries.



Comment

An application for planning approval for additions and alterations to the existing single house was lodged on 12 July 2005. Planning Approval was subsequently granted on 21 July 2005, with the principal elements of this application being:

- (i) Rear additions incorporating a bathroom, ensuite, laundry, sitting room, dining room, kitchen and verandah; and
- (ii) New colorbond roof, cladding and weatherboard to match existing dwelling

No outbuilding was proposed as part of this application.

The construction of an outbuilding at the property was brought to the attention of the City’s Planning Department as the result of a complaint from an adjoining property owner on 24 April 2006. A review of the property history identified that an application for planning approval had neither been lodged nor approved for this outbuilding. Subsequently, the owners of 6 Lansdowne Road were instructed that work on the unauthorised structure was to cease until such time as all necessary approvals had been obtained.

The property owners subsequently lodged an application for retrospective planning approval and this application was refused on 11 September 2006 under delegated authority for the following reasons:

- “(1) *The proposed outbuilding does not meet the minimum setback requirement of 1.0 metre from the north-western boundary prescribed by Clause 3.3.1 “Building Set Back from the Boundary” of the Residential Design Codes (R-Codes) [Refer also to Important Note (a)].*
- (2) *The proposed outbuilding exceeds the wall height of 2.4 metres prescribed by Clause 3.10.1 “Outbuildings” of the R-Codes.”*

The determination also included the following explanatory footnote:

“The setback of the outbuilding is 250mm from the north-western lot boundary. This setback does not meet either the Acceptable Development standards or the Performance Criteria of the R-Codes. The wall is also in conflict with the provisions of the City’s Policy P376_T “Residential Boundary Walls”, as it will adversely affect the amenity of the adjoining dwellings by:

- *Reducing the amount of winter sunshine being admitted to the active outdoor living area of the adjoining property;*
- *Limiting the outlook from habitable room windows and the active outdoor living area on the adjoining lot;*
- *Imposing excessive building bulk on the adjoining property; and*
- *Causing glare due to the reflective value of the zincalume surface of the wall.”*

In conjunction with the refusal of planning approval, the owners were also instructed to remove the partially constructed outbuilding. The owners have requested that the delegated decision be reconsidered at a Council meeting. In light of this request, Officers have confirmed that enforcement action will not be commenced in advance of Council’s consideration of the matter.

(a) Description of the Proposal

The proposed development comprises an outbuilding located to the rear of the existing residence on Lot 95 (No. 6) Lansdowne Road, Kensington.

The outbuilding has a length of 6.9 metres and a width of 3.6 metres. It is set back 250mm from the side property boundary and 4.10 metres from the rear property boundary. The walls of the outbuilding are 2.55 metres in height with the pitched roof above having a maximum ridge height of 3.7 metres. Both the walls and the roof of the outbuilding are proposed to be constructed of custom colorbond cladding.

The proposal complies with all of the requirements of the No. 6 Town Planning Scheme (TPS6), the Residential Design Codes (R-Codes) and relevant Council Policies with the exception of the variations discussed below.

(b) Setbacks

The Acceptable Development provisions contained within clause 3.3.1 of the R-Codes prescribe a 1.0 metre minimum setback from the side property boundary for the development as opposed to the 250mm setback that has been proposed.

The proposed setback has also been assessed against the relevant Performance Criteria contained within clause 3.3.1 of the R-Codes) Buildings Set Back from the Boundary) which is shown below:

“P1 Buildings set back from boundaries other than street boundaries so as to:

- *provide adequate direct sun and ventilation to the building;*
- *ensure adequate direct sun and ventilation being available to adjoining properties;*
- *provide adequate direct sun to the building and appurtenant open spaces;*
- *assist with protection of access to direct sun for adjoining properties;*
- *assist in ameliorating the impacts of building bulk on adjoining properties; and*
- *assist in protecting privacy between adjoining properties.”*

The proposed reduced setback is not deemed to meet the relevant Performance Criteria for the reasons identified on the refusal of planning approval.

(c) **Clause 3.10.1 of the Residential Design Codes 2002 “Outbuildings”**

Clause 3.10.1 of the R-Codes prescribes various requirements applicable to the development of outbuildings. One of the requirements identified is a maximum wall height of 2.4 metres. The proposed outbuilding incorporates a wall height of 2.55 metres, exceeding the maximum height allowed under the Acceptable Development provisions of the Codes.

Although not specifically requested by the applicant, the proposed 2.55 metre wall height was assessed against the relevant Performance Criteria as follows:

P1 Outbuildings that do not detract from the streetscape or the visual amenity of residents or neighbouring properties.

The proposed outbuilding is to be constructed of corrugated metal sheet. The reduced setback coupled with the additional height will reflect glare and heat into the adjoining grouped dwellings. Additionally, the wall height variation is not deemed to meet the relevant Performance Criteria as it will adversely impact the outlook and thereby the visual amenity of the residents on the adjoining property. Accordingly, the proposed wall height meets neither the Acceptable Development standards or the Performance Criteria provisions of the R-Codes.

(d) **Scheme Objectives: Clause 1.6 of No. 6 Town Planning Scheme**

Scheme Objectives are listed in Clause 1.6 of TPS6. The proposal has been assessed according to the listed Scheme Objectives, as follows:

(1) *The overriding objective of the Scheme is to require and encourage performance-based development in each of the 14 precincts of the City in a manner which retains and enhances the attributes of the City and recognises individual precinct objectives and desired future character as specified in the Precinct Plan for each precinct.*

Of particular relevance is objective (f) within clause 1.6 which states:

Objective (f) *Safeguard and enhance the amenity of residential areas and ensure that new development is in harmony with the character and scale of existing residential development;*

The above objective indicates that the amenity impact on surrounding residential areas is paramount in the Council’s consideration of any application. Due to the expected adverse impact upon the amenity of the adjoining grouped dwellings, it is considered that the proposed development does not meet objective (f) set out above. The following comments are made with respect to the particular adverse amenity impact that the development is seen to have:

- Reducing the amount of winter sunshine being admitted to the active outdoor living area of the adjoining property;
- Limiting the outlook from habitable room windows and the active outdoor living area on the adjoining lot;
- Imposing excessive building bulk on the adjoining property; and
- Causing glare due to the reflective value of the construction materials.

(e) **Other Matters to be Considered by Council: Clause 7.5 of No. 6 Town Planning Scheme**

In addition to the issues relating to technical compliance of the project under TPS6, as discussed above, in considering an application for planning approval, the Council is required to have due regard to, and may impose conditions with respect to, other matters listed in clause 7.5 of TPS6 which are, in the opinion of the Council, relevant to the proposed development. Of the list of 24 listed matters, the following are particularly relevant to the current application and require careful consideration:

- (c) *the provisions of the Residential Design Codes and any other approved Statement of Planning Policy of the Commission prepared under Section 5AA of the Act;*
- (j) *all aspects of design of any proposed development, including but not limited to, height, bulk, orientation, construction materials and general appearance;*
- (w) *any relevant submissions received on the application, including those received from any authority or committee consulted under clause 7.4;*

It is considered that the proposed development does not fully meet the Council's expectations in relation to these matters, having regard to the concerns expressed elsewhere in this report.

Consultation

(a) **Neighbour Consultation**

Neighbour Consultation has been undertaken for this proposal to the extent and in the manner required by Policy P104 'Neighbour and Community Consultation in Town Planning Processes'. The owners of dwellings at Units 1-6 No. 2 Lansdowne Road were invited to inspect the application and to submit comments during a 14-day period. A total of 6 neighbour consultation notices were mailed to individual property owners and occupiers. During the advertising period, 4 submissions were received, all objecting to the proposal. The comments of the submitters, together with Officer responses, are summarised as follows:

Submitter's Comment	Officer Response
<p><u>Objection</u> The set back of 250 mm may potentially allow accumulation of dead plant matter in the narrow gap unable to be cleaned posing a potential fire hazard.</p>	<p>The proposed 250 mm setback is in conflict with the R-Codes and with Clause 3.7 "Fire Safety" of the Building Codes of Australia. In accordance with the Building Codes of Australia a separation distance of 900 mm between walls is required to ensure that non-combustible materials do not pose a fire hazard.</p> <p>The comment is UPHELD</p>
<p><u>Objection</u> The galvanised steel construction will reflect light and heat in the property, potentially causing discomfort and damage to interior surfaces.</p>	<p>Even though the reflectivity of the galvanised steel surface diminishes in a few years time, it is better to either install a material with reduced degree of reflectivity or adequately treat the surface of the proposed material. The reduced setback is considered to aggravate the situation further.</p> <p>The comment is UPHELD</p>
<p><u>Objection</u> The slope of the roof coupled with the proximity of the structure to the side boundary will potentially lead to rain water runoff on to the adjoining property.</p>	<p>The concern regarding water run-off will be addressed while assessing the building licence application.</p> <p>The comment is NOTED.</p>

No comments in favour of the proposal were received. The comments objecting to the proposal can be categorised into the following general topics:

- Visual impact of outbuilding set back 250 mm from boundary;
- The reduced setback creating a fire hazard;
- The reduced setback creating the opportunity for stormwater run-off into adjoining properties.

(b) Consultation with the Applicant

The concerns with respect to the proposed development have been discussed with the applicant and the owner. It has been explained that the reduced setback and proposed height of the structure were the key reasons for refusal of the application. Being aware of the reasons for refusal, the applicants have stated that they still wish to pursue approval based upon the current design.

Policy and Legislative Implications

Comments in relation to various relevant provisions of TPS6, the R-Codes and Council policies have been provided elsewhere in this report.

Financial Implications

This issue has no impact on this particular area.

Strategic Implications

This matter relates to Goal 3 “Environmental Management” identified within the Council’s Strategic Plan. Goal 3 is expressed in the following terms:

To effectively manage, enhance and maintain the City’s unique natural and built environment.

OFFICER RECOMMENDATION ITEM 9.3.2
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That, in respect to the refusal of planning approval for an outbuilding addition to a Single House on Lot 95 (No. 6) Lansdowne Road, Kensington, the applicant be advised that Council is not prepared to overturn the refusal issued under delegated authority for the reasons explained in the Planning Officer report, Item 9.3.2 of the October 2006 Council Agenda..

9.3.3 Proposed 23 Single Bedroom Dwellings. Barker Avenue, cnr Park Street, Como.

Location: Lots 390 and 391 (Nos. 3 and 5) Barker Avenue corner Park Street, Como
 Applicant: Hassell Limited, architects for Andersoncooke Pty Ltd & Sealcrest Pty Ltd
 File Ref: 11.2006.372.1 BA3/3 & 5 (Application lodged 9 August 2006)
 Date: 4 October 2006
 Authors: Rajiv Kapur, Acting Senior Planning Officer and Christian Buttle, Acting Manager, Development Services
 Reporting Officer: Steve Cope, Director Strategic and Regulatory Services

Summary

The application for planning approval relates to a proposed residential development comprising 23 Single Bedroom Dwellings. The recommendation is for approval, subject to a number of standard and special conditions.

Background

This report includes the following attachments:

- **Confidential Attachment 9.3.3(a):** Plans of the proposal
- **Attachment 9.3.3(b):** Letter from Hassell Limited, architects, dated 27 September 2006

The development site details are as follows:

Zoning:	Highway Commercial
Density coding:	R80
Lot area:	2077 sq. metres + corner truncation
Building Height Limit:	10.5 metres
Development Potential:	25 Single Bedroom Dwellings

In accordance with Council Delegation DC342, the proposal is referred to a Council meeting because it falls within the following categories described in the Delegation:

- (a) **Large Scale Development proposals**
- (i) Proposals involving buildings 9.0 metres high or higher based upon the No. 6 Scheme definition of the term “height”. This applies to both new developments and additions to existing buildings resulting in the building exceeding the nominated height.
 - (ii) Proposals involving 10 or more dwellings.

The location of the development site is shown below. On the northwest side, across the right-of-way are shops on regional road reserve / highway commercial zoned lots with an overlaid R80 density coding, and dwellings on regional road reserve / residential zoned lots with an R60 density coding. On the north-eastern side, across Barker Avenue, are highway commercial zoned lots with an overlaid R80 density coding. On the south-eastern side, across Park Street, are residential zoned lots with an R20 / R30 density coding. The site is adjoined on the south-west side boundary by residential zoned lots with an R20 / R30 density coding.



Comment

(a) Description of the Proposal

The proposed development comprises 23 Single Bedroom Dwellings, over three levels, arranged in a multiple dwelling configuration. Vehicular access to the development has been provided from the existing right-of-way (known as Poppy Lane) which is accessed from Barker Avenue. The applicant’s letter, **Attachment 9.3.3(b)**, describes the proposal in detail, in addition to providing justification with respect to some of the planning issues that were raised during the assessment of the application.

From a streetscape perspective, the proposed development fronts two separate “focus” areas. The Barker Avenue focus area is situated between Brittain Street / Park Street and Canning Highway. This section of Barker Avenue comprises a number of commercial properties and the South Perth Bridge Club. There is not seen to be an identifiable streetscape within this focus area within which the proposed development must fit.

The smaller side of the development site fronts Park Street, which is different in character than Barker Avenue. Whereas the relevant section of Barker Avenue has a commercial focus, Park Street is residential in nature. Although other properties in Park Street have a different character by virtue of the lower density code and building height that they have been assigned, the proposed development is also seen to be appropriate within the Park Street focus area, noting that the development site acts as a transition between the surrounding residential neighbourhood and the commercial node adjacent to Canning Highway.

The proposal complies with all of the requirements of the No. 6 Town Planning Scheme (TPS6), the Residential Design Codes (R-Codes) and relevant Council Policies with the exception of the variations discussed below. In respect of some of the variations, it is recommended that Council discretion be exercised, while in relation to others, it is recommended that the applicant’s drawings be amended to achieve compliance with normal requirements.

(b) Density

In accordance with Table 1 of the R-Codes, the minimum site area requirement per dwelling for a multiple dwelling development on the subject R80 density coded lots is 125 sq. metres. However, having regard to Clauses 3.1.3 “Variation to the Minimum

Site Area Required” and 4.1.3 “Single Bedroom Dwellings” of the R-Codes, the minimum site area for a Single Bedroom Dwelling may be reduced by up to one third, i.e. to 83.33 sq. metres per dwelling.

To ascertain the total site area for the purpose of calculating allowable dwelling density, an additional 20 sq. metres has been added to the site area of 2077 sq. metres in accordance with Clause 3.1.2 “Additional Site area Requirements / Concessions” of the R-Codes as lot 391 is a corner lot. Thus, on the basis of a total site area of 2097 sq. metres and a minimum site area requirement of 83.33 sq. metres per single bedroom dwelling, potentially 25 dwellings could have been proposed.

Therefore, the proposed development for 23 single bedroom dwellings complies with the density requirement of the R-Codes, on the basis of Council granting the ‘density bonus’ accommodated by the Codes.

The State Administrative Tribunal is of the view that the density bonus is discretionary, as evidenced by their findings in the Canning Mews case.

The density bonus does not generate excessive building bulk as the development complies with the maximum plot ratio of 1.0 as prescribed by the R-Codes. Furthermore, the proposed 23 Single Bedroom Dwellings will actually generate less traffic movements than an alternative development comprising 16 two or three bedroom dwellings. This alternative would require 32 occupiers’ car bays compared with the proposed 23 bays. With the greater number of vehicles on the site in this alternative situation, the daily vehicle movements would be greater.

(c) Land Use

Single Bedroom Dwellings are a “D” or Discretionary Use on lots zoned Highway Commercial in accordance with Table 1 “Zoning - Land Use” of TPS6. As defined under Clause 3.3 “Land Use Control within Zones” of TPS6, “D” means that the Use is not permitted unless the Council has exercised its discretion by granting planning approval.

The proposed single bedroom dwellings are seen to be an appropriate land use for this location. The subject lots adjoin the high density commercial / retail / residential strip along Canning Highway and are zoned Highway Commercial. They act as a buffer between the high density commercial lots and surrounding low - medium density residential lots. In the past, the site was used for the non-residential uses of a trailer hire facility and a petrol station. Unlike the past land uses, a residential use has been proposed for these lots with a view to achieve social and urban design compatibility with the adjoining residential uses and maximise the potential of the site.

The proposed 23 single bedroom dwellings aim to cater for the growing demand for smaller and economically viable dwellings based upon the changing demography and family structures in most cities. Such a development is seen to be sustainable due to its proximity to public transport routes, thus reducing the reliance on private cars; and within easy travel distance to the City centre, Curtin University, local shops and other community facilities. When considered in the context of the wider community, the proposed development assists in achieving a mix of different types and sizes of dwellings.

(d) Dwelling Size

The Acceptable Development provisions of the R-Codes prescribe a maximum 60 sq.metre plot ratio floor area for Single Bedroom Dwellings. The associated Performance Criteria states: “*Dwellings that provide limited accommodation, suitable for one or two persons*”.

The proposed dwellings contain an average plot ratio floor area of approximately 87 sq.metres, but are seen to comfortably satisfy the provisions of the Performance Criteria as the dwellings contain only one room that could be utilised as a bedroom.

(e) Car Parking

The R-Codes establish vehicle parking requirements for single bedroom dwellings that include a plot ratio area less than 60.0 sq. metres of 0.75 bays per dwelling of which 10% need to be provided for the exclusive use of visitors.

However, since the proposed single bedroom dwellings average approximately 87.0 sq. metres plot ratio floor area, the Acceptable Development provisions contained within clause 3.5.1 of the Codes require 38 car parking bays to be provided (10% of which are to be reserved for the use of visitors).

The applicant has attempted to justify the provision of 23 car parking bays for occupiers and a further 3 bays for visitors (26 in total) as satisfying the associated Performance Criteria which requires:

“Adequate car parking provided on-site in accordance with projected need related to:

- *The type, number and size of dwellings;*
- *The availability of on-street and other off-site parking;*
- *The location of the proposed development in relation to public transport and other facilities.”*

The proponent has presented the following justification in relation to car parking provision:

“The proposed development provides for 1 car bay per residential unit and 3 visitor car bays. It is considered that this provision is appropriate and satisfies the performance criteria of the R-Codes considering these are 1 bed units and each has a private bay, there is on street parking nearby and there are public transport facilities (buses) servicing the area. Furthermore, taking into account the wider issues of sustainability it is considered that 1 car bay per unit is appropriate in this inner city location. We note the R-Code establishes the vehicle parking requirement for single bedroom apartments (area considerations aside) as being 0.75 bays per dwelling of which 10% would be required to be visitor bays. On this understanding the level of car parking accommodation should be considered appropriate.”

Officers support the applicants justification, and note that:

- The dwellings clearly provide limited accommodation for one or two persons only;
- The dwellings are conveniently located adjacent to a major public transport corridor (Canning Highway); and
- The dwellings are conveniently located within close proximity of goods and services (Canning Highway / Barker Avenue and approx 750m walking distance to Preston Street shopping precinct).

(f) Right-of-Way (Poppy Lane)

Vehicular access to the development site is confined solely to the existing right-of-way which is approximately 5 metres in width. There will be no vehicular access to the development from either Park Street or Barker Avenue. Having regard to the proposed increase in the volume of traffic that will be utilising the right-of-way, it is recommended that its width be increased from 5 metres to 6 metres to comfortably accommodate two way vehicle movement. The increased width will be achieved by excising a 1 metre ‘strip’ of land from the north-western side of the development site, and a condition of approval has been formulated accordingly.

(g) **Open space**

Having regard to Clause 3.4.1 “Open Space Provision” of the R-Codes, 60% open space is required to be provided for the development as against 51% open space that has been proposed. Justification has been provided by the applicant under the performance criteria provisions of the R-Codes.

The associated Performance Criteria requires:

“Sufficient open space around buildings:

- *To complement the building;*
- *To allow attractive streetscapes;*
- *To suit the future needs of the residents, having regard to the type and density of the dwelling.”*

The proponent has presented the following justification in relation to open space provision:

“The site is zoned ‘Highway Commercial’ and has a history of commercial use on the site. As discussed in our meeting, the development criteria for the site allow for commercial development achieving a minimal 15% open space requirement. Whilst the proposed development is slightly under in terms of the amount of open space to be provided through a strict interpretation of the R-Codes, in our view the development achieves a level of open space that is appropriate to multiple dwelling sites within a mixed commercial / residential context. Additional to this point, we advise that the proposal provides additional generous areas of private open space in the form of balconies (and courtyard spaces) which have not been counted within the necessary calculations. We also note that the proposal exceeds the requirement for communal open space which has been provided as a contiguous high quality, landscaped area with northerly aspect as encouraged by the Design Advisory Committee. With the above in mind we believe the provision of open spaces far exceeds the expectation for that of a commercial development on the site and successfully achieves the aspirations for a residential development of this nature. We therefore seek a variation and request that the City allow some flexibility to enable this high quality residential development to occur.”

Officers support the argument that has been put forward by the proponent, and make the following comments:

- Although the proposed development is not non-residential in nature, it is situated on a site that is zoned “Highway Commercial” and forms somewhat of a transition between a commercial precinct and the surrounding residential locality. Open space expectations are somewhat different for this site than perhaps they may be for a property that was situated within a purely residential locality;
- Each of the dwellings have been provided with larger private open spaces (courtyards for ground level dwellings or balconies for upper level dwellings) than prescribed by the R-Codes;
- Communal open space for the dwellings has been provided in accordance with the provisions of the R-Codes;
- More than 50% of the site will be maintained as open space; and
- The performance criteria of the R-Codes are satisfied.

To further support the provision of an attractive streetscape, Officers recommend that the proponent upgrade the open space (verge) areas adjoining the development site by meeting the full cost of:

- removing the existing crossovers;
- replacing the footpaths; and
- planting trees within the portions of Barker Avenue and Park Street adjoining the site in accordance with the City's Street Tree Management Plan.

(h) Side Setback

The proposed carports and bin store along the south-western boundary are required to have a minimum setback of 1.5 metres in accordance with Clause 3.3.1 “Buildings Set Back from the Boundary” of the R-Codes. However, a side setback of 650 mm has been proposed which is a variation from the Acceptable Development standards. The proposed lesser setback meets the Performance Criteria provisions as the proposed carport and bin store abut a driveway, a garage, an outbuilding and an extensive rear garden on the adjoining property at No. 1 Park Street. The lesser setback does not adversely impact upon the amenity of the adjoining property in terms of reducing the amount of direct sunlight and ventilation to active habitable spaces. The single storey structures have been designed in a manner that the wall of the carport on the boundary is 1.8 metres high, which is no higher than a standard 1.8 metre high boundary fence, and the roof is recessed 650 mm away from the boundary. Since the proposed bin stores have not been shown on the side elevation, it is not possible to ascertain the height of this structure. However, working on the basis of the maximum acceptable wall height of 2.4 metres required for outbuildings or sheds, the wall being 5.0 metres long and standing against the extensive back garden on the adjoining lot, no adverse amenity impacts have been identified. Therefore, Council discretion is sought with respect to the proposed setback variation adjacent to the side property boundary.

(i) Essential Facilities: storage areas

Having regard to Clause 3.10.3 “Essential Facilities” of the R-Codes, each Multiple Dwelling needs to be provided with an enclosed, lockable storage area constructed in a design and material matching the dwelling, accessible from outside the dwelling, with a minimum dimension of 1.5 metres and an internal area of at least 4.0 sq. metres.

Some of the stores are of a lesser area than 4 sq.metres, and a condition has been formulated in order that the area of these particular stores is increased to a minimum of 4 sq.metres. Some of the stores also incorporate slightly lesser internal dimensions than the 1.5 metre minimum specified by the Codes (generally 1.4 metres), but it is recommended that these lesser dimensions be accepted, as the stores have been designed with doors strategically positioned to allow for the greatest possible storage capacity. This design feature is seen to more than offset the slightly deficient internal width dimension.

(j) Scheme Objectives: Clause 1.6 of No. 6 Town Planning Scheme

Scheme Objectives are listed in Clause 1.6 of TPS6. The proposal has been assessed according to the listed Scheme Objectives, as follows:

- (1) The overriding objective of the Scheme is to require and encourage performance-based development in each of the 14 precincts of the City in a manner which retains and enhances the attributes of the City and recognises individual precinct objectives and desired future character as specified in the Precinct Plan for each precinct.*

The proposed development is considered to meet this overriding objective. The proposal has also been assessed under, and has been found to meet, the following relevant general objective listed in clause 1.6(2) of TPS6:

- Objective (a)* Maintain the City's predominantly residential character and amenity;
- Objective (c)* Facilitate a diversity of dwelling styles and densities in appropriate locations on the basis of achieving performance-based objectives which retain the desired streetscape character and, in the older areas of the district, the existing built form character; and
- Objective (f)* Safeguard and enhance the amenity of residential areas and ensure that new development is in harmony with the character and scale of existing residential development.

(k) Other Matters to be Considered by Council: Clause 7.5 of No. 6 Town Planning Scheme

In addition to the issues relating to technical compliance of the project under TPS6, as discussed above, in considering an application for planning approval, the Council is required to have due regard to, and may impose conditions with respect to, other matters listed in clause 7.5 of TPS6 which are, in the opinion of the Council, relevant to the proposed development. Of the list of 24 listed matters, the following are particularly relevant to the current application and require careful consideration:

- (i) the preservation of the amenity of the locality;*
- (j) all aspects of design of any proposed development, including but not limited to, height, bulk, orientation, construction materials and general appearance;*
- (k) the potential adverse visual impact of exposed plumbing fittings in a conspicuous location on any external face of a building;*
- (n) the extent to which a proposed building is visually in harmony with neighbouring existing buildings within the focus area, in terms of its scale, form or shape, rhythm, colour, construction materials, orientation, setbacks from the street and side boundaries, landscaping visible from the street, and architectural details;*
- (p) any social issues that have an effect on the amenity of the locality;*
- (s) whether the proposed access and egress to and from the site are adequate and whether adequate provision has been made for the loading, unloading, manoeuvre and parking of vehicles on the site;*
- (t) the amount of traffic likely to be generated by the proposal, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety;*
- (u) whether adequate provision has been made for access by disabled persons;*
- (v) whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved;*
- (w) any relevant submissions received on the application, including those received from any authority or committee consulted under clause 7.4;*

The proposed development is considered to be satisfactory in relation to all of these matters.

Consultation

(a) Design Advisory Consultants' Comments

In addition to preliminary proposals being considered by the City's Design Advisory Consultants at their meetings held in April and June 2006 in order to maximise streetscape compatibility of the development, the design of the formal submission was considered at their meeting held on 21 August 2006. The proposal was favourably received by the Consultants. Their more specific comments are summarised below:

- (i) The Advisory Architects considered the proposed development with respect to streetscape compatibility; car parking provisions for residents and visitors; proposed setbacks from boundaries; and the location of rubbish bins storage area.
- (ii) The Advisory Architects noted that while the proposed building will be larger and higher than the neighbouring commercial buildings, the design is satisfactory in relation to the streetscape. It was also noted that adequate number of visitors car parking bays needed to be provided outside the security gates and access through the security gate is functional without disruption to other traffic. The accessibility to collection vehicles needed to be demonstrated as being satisfactory. Details of the design of the fencing along both street frontages needed to be submitted for consideration. Modifications were required in order to achieve 1.5 metre × 1.5 metre truncations on either side of the driveway where it meets the right-of-way.

(Note: The drawings have subsequently been modified to address the abovementioned recommendations)

- (iv) The Advisory Architects supported the proposed setback variations on No. 1 Park Street side noting that the lesser setback of the proposed carports does not have an adverse amenity impact on the adjoining property. As observed during the assessment, the lesser setback is along the side which has an existing driveway, a garage and extensive rear garden on the adjoining lot. In accordance with the recommendation that the roof of the carport be set back not less than 500mm from the lot boundary, the drawings have now been modified to provide a 650mm setback.

(b) Neighbour Consultation

Neighbour Consultation has been undertaken for this proposal to the extent and in the manner required by Policy P104 'Neighbour and Community Consultation in Town Planning Processes'. The owners of properties within 'Area 2' (as defined by the Policy) were invited to inspect the application and to submit comments during a 14-day period which closed on 1 September 2006. A total of 11 neighbour consultation notices were mailed to individual property owners. During the advertising period, 10 submissions were received out of which 8 submissions objected to the proposed development. However, 2 submissions, while generally supporting the proposal, have asked the Council to carefully consider the adequacy of visitor car parking provision. The comments of the submitters, together with Officer responses, are summarised as follows:

On 26 September, almost four weeks after the close of the neighbour consultation period, the City received a petition signed by 28 people objecting to the proposed development. An inspection of the petition reveals that the majority of concerns listed have been separately responded to in the table below. The petition will also be listed separately on the meeting agenda.

Submitter's Comment	Officer Response
Streetscape compatibility	
<p>A three-storey development is not compatible to the existing streetscape and needs to be reduced to two storeys.</p>	<p>A maximum permissible building height limit of 10.5 metres under the current Town Planning Scheme No. 6 allows a three-storey development on the subject Lots 390 & 391 Barker Avenue. These height limits are consistent with those for lots in the proximity of development sites, abutting Canning Highway as well as lots on the north-east side, opposite Barker Avenue.</p> <p>Bearing in mind that the adjoining lots which are zoned residential along Park Street, Barker Avenue and Brittain Street have a maximum height limit of 7.0 metres or two storeys, when developed to their full potential, the height of the proposed development is seen as compatible with the streetscape. Additionally, the roof over the built form has been kept as low as possible to minimise the impact of building bulk as perceived from the street.</p>
Compatibility with the existing social structure	
<p>The development is not in keeping with the current social structure of the area. The residential properties in the immediate vicinity are family homes made up of single or two level houses the bulk of which are two, three and four bedroom dwellings. The current housing in the immediate vicinity creates a social structure based on family units. The proposed development does not reflect this mix and is not best for the area.</p> <p>A family oriented development that involves a mix of one, two and three bedroom dwellings would be more appropriate for the area.</p>	<p>The appropriateness of the land use in relation to the surrounding existing development has been discussed in detail under the "Comments" section.</p> <p>The subject lots act as a buffer between the high density commercial lots and low - medium density residential lots. Unlike past land uses, a residential use has been proposed for these lots with a view to achieve social and urban design compatibility with surrounding residential uses and maximise the potential of the site.</p> <p>The proposed single bedroom dwellings aim to cater for the growing demand for smaller and economically viable dwellings based upon the changing demography and family structures in most cities. Such a development is also seen to be sustainable due to its proximity to public transport routes, the City centre, Curtin University, local shops and other community facilities.</p> <p>When seen in the broad context of the Como Precinct in its entirety, the proposed development does assist in achieving a mix of different types and sizes of dwellings.</p>

Traffic, car parking and vehicular movement	
<p>The proposed high density development will lead to issues such as increased traffic and noise in the area causing further congestion on Poppy Lane (the right-of-way), Barker Avenue, Park Street and Brittain Street, especially during peak traffic hours. A lack of parking bays will also lead to people parking in the right-of-way, thus blocking movement of other vehicles.</p>	<p>The car parking requirement has been discussed in detail under the "Comments" section. As discussed, 23 car parking bays, one for each dwelling and an additional 3 visitors parking bays is seen to meet the car parking demand for the proposed development.</p> <p>It is recommended that the R.O.W. be widened and upgraded to accommodate the additional traffic volumes, and the surrounding road network will adequately cater with traffic volumes generated by the proposed development.</p>
<p>To cater for an increase in the traffic volume on the right-of-way as well as the safety of the pedestrians using it, Poppy Lane needs to be widened and truncated where it meets Barker Avenue.</p>	<p>Having regard to the proposed increase in the volume of vehicular traffic in the right-of-way Poppy Lane, the existing poppy lane is proposed to be widened from 5.0 metres to 6.0 metres to allow for vehicular movement in both directions. As advised by the City's Engineering Infrastructure Department, the right-of-way will need to be resealed by the developer as a part of the development process. To ensure adequate visibility for vehicles entering and leaving the right-of-way, more than the required 3.0 metre x 3.0 metre visual truncation has been provided at the junction of Barker Avenue.</p> <p>The comments are NOTED and UPHELD.</p>
<p>There is insufficient space for the vehicles departing from the visitors' parking bays to take a U-turn.</p>	<p>Lot 383 (No. 370A) Canning Highway has a portion allocated for car parking abutting the right-of-way. Presently, the vehicles parked in the visitors' bays for the development will take a U-turn while utilising the adjoining open parking area. In the event of Lot 383 Canning Highway being developed in the future, the vehicles parked in these visitors' bays will need to drive up to the entrance gates to the residents' parking, and, then make a three point turn to finally enter Barker Avenue in forward gear.</p> <p>The comments are NOTED.</p>
<p>Provision of visitors' parking bays away from the main entrance to the development will lead to these bays being mistaken for parking meant for retail outlets in the vicinity. This could add to the issue of parking.</p>	<p>In addition to the designated visitor parking bays being clearly identified on site by means of a signs bearing the words "Visitors' Parking Only" in accordance with the requirements of clause 6.3 (11) of Town Planning Scheme No. 6, words could be added to these signs stating "for the visitors of Nos. 3 & 5 Barker Avenue".</p> <p>The comments are NOTED.</p>
<p>In the past, a lack of visitors' parking for the surrounding existing developments has lead to the occupation of parking bays meant for use by customers to the businesses along Barker Avenue. A larger adverse impact on these businesses could potentially be felt due to the proposed high density development. Parking signs with a time limit need to be placed clearly stating that these parking bays are solely for use by customers to the shops.</p>	<p>The subject car parking bays are located in the Barker Avenue road reserve. These comments have been conveyed to the City's Engineering Infrastructure Department for appropriate action and will be dealt with separately.</p> <p>The comments are NOTED.</p>

Setback from Poppy Lane, the right-of-way	
<p>The 10.0 metre high wall proposed to be built on the boundary abutting the right-of-way will be overpowering and will have a significantly adverse impact on the amenity of the area in terms of scale of the existing developments.</p>	<p>In accordance with Clause 3.3.1 “Buildings Set Back from the Boundary” of the R-Codes, setbacks of 2.5 metres for the ground and first floors, and, a setback of 2.9 metres for the second floor are required from the right-of-way. As the clause further states, the stated setback distances may be reduced by half the width of an adjoining right-of-way, pedestrian access way or battleaxe access leg, to a maximum reduction of 2.0 metres. Half the width of the existing 5.0 metre right-of-way is 2.5 metres. Therefore, applying a maximum reduction of 2.0 metres and deducting it from the required setback of 2.9 metres, we are left with a figure of 0.9 metres as the required setback from the right-of-way. The proposed development has been set back 1.0 metre from the right-of-way to achieve this requirement. This 1.0 metre wide strip is being added to the right-of-way to increase its width from 5.0 metres to 6.0 metres.</p> <p>Therefore, the development is seen to comply with the provisions of the R-Codes.</p> <p>The comments are NOTED.</p>
Issues with respect to rubbish bins	
<p>The location of the rubbish bins storage area directly opposite townhouses facing Poppy Lane area cause for concern from the points of view of:</p> <p>Rubbish odours and wind blown litter; and</p> <p>Movement of the rubbish truck in the 4.0 metre wide lane and noise generated while handling bins and while reversing out.</p>	<p>Comments provided by the City’s Environmental Health Department in this respect are as follows:</p> <p>In relation to rubbish odours and wind blown litter, both litter and odour can be controlled by ensuring that residents wrap their rubbish prior to disposal and ensure that bin lids are kept closed. Furthermore all bin enclosures are required by the City of South Perth Health Local Laws to provide a tap for the cleaning of bins. Often in these types of developments the caretaker or strata manager is responsible for ensuring bins are cleaned on a regular occasion.</p> <p>In relation to movement of the rubbish truck in the lane and noise generated while handling bins and while reversing out, the Environmental Protection (Noise) Regulations 1997 controls noise emitted from various sources. In particular Regulation 7 sets noise limits (dB) for various times of the day/night. Should a noise complaint be received concerning the collection of rubbish this matter would be investigated and followed up accordingly.</p> <p>As explained earlier in the report, the widening of the right-of-way from 5.0 metres to 6.0 metres will assist in convenient vehicular movement. In addition, the bin store has been provided with a setback of 1.2 metres from the 6.0 metre wide right-of-way while also incorporating landscaping in this area.</p> <p>The comments are NOTED.</p>

The comments in favour of the proposal generally do not provide any particular reasons for doing so. However, the comments objecting to the proposal can be categorised into the following general topics:

- Streetscape incompatibility of the proposed three storey development in relation to the existing single and two storey developments;
- Social incompatibility of the proposed single bedroom dwellings with existing family oriented development;
- Increased traffic, lack of car parking and insufficient manoeuvring space for vehicles;
- Insufficient setback from the right-of way; and
- Issues with respect to the location of rubbish bins stores.

(c) **Manager, Engineering Infrastructure**

The Manager, Engineering Infrastructure, was invited to comment on a range of issues relating to car parking and traffic, arising from the proposal. His comments are as follows:

- *“The City would require that section of the ROW used as access from Barker Avenue to development entrance to be resealed as part of the development process.*
- *The existing crossovers that are not in use to be removed and the verge and kerbing shall be reinstated to the satisfaction of the Director, Infrastructure Services.*
- *Crossovers are to be constructed in accordance with the City’s SP30 specifications. Paths to be continuous through the crossover and no higher or lower than the existing level of the verge.*
- *Property line levels are to be higher than the top of the kerb and set by the existing in-situ concrete path.*
- *Stormwater drainage is to be designed in accordance with the requirements of Policy P415 and the associated Management Practice for the Como Precinct. A drainage design is to be submitted by a Hydraulics Engineer detailing the system including on-site storage. The ability to store stormwater run off from the design event on site for re-use is encouraged. The stormwater drainage system is to be designed for a 1:10 year Annual Recurrence Interval (ARI). Soak wells can be included in design.”*

The Manager, Engineering Infrastructure has also advised that the surrounding road network can accommodate the additional traffic loads that will be generated by the proposed development. The detailed commentary with respect to the capacity of the surrounding road network to accommodate the additional traffic demands is provided hereunder:

Barker Avenue is classified under the Metropolitan Functional Road Hierarchy as a local distributor road. As a local distributor the maximum desirable volume is 6,000 vehicles/day. The criteria for a local distributor and district distributor B are very similar particularly in the older more established areas where the historic network has evolved to its current status.

The expectation particularly in inner urban local governments would have the following ranges for the Functional Road Hierarchy:

- Local Distributor 3,000 vpd to 8,000 vpd
- District Distributor B 6,000 vpd to 12,000 vpd
- District Distributor A 8,000 vpd to 20,000 vpd
- Primary Distributor 15,000 vpd to 40,000 vpd

The most recent counts for Barker Avenue, Brittain Street to Canning Highway in 2002 with average daily trips (ADT) of 5,638 vehicles per day (VPD).

It is interesting to note that counts in 1992 returned an ADT of 5,042 vpd. Ten years later the count at 5,638 vpd represents approximately a 1.2% increase per annum. The percentage increase is consistent with forecast traffic across the metropolitan area. The traffic count today is likely therefore to be approximately 6,000 vpd and is well within the historic values for roads of this classification.

With appropriate traffic management along the street and controlled by traffic signals the capacity of Barker Avenue is well within the limit expected of the higher classified District Distributor B. It would not be unreasonable for an upper limit of 8,000 vpd to be assigned to this street without unduly affecting the service level of the street. With the exception of the morning peak and certain times during the day the service level expected through the intersection would be level D i.e. prolonged delay, extended queues, missed signal changes, however at all other times the roadway would function with a level C or higher i.e. infrequent delays, relative free flowing traffic.

The site was previously occupied by a Service Station and Equipment Hire business. If the proposed development were approved the addition of 23 single bedroom apartments to Barker Avenue is likely to increase overall traffic volumes in Barker Avenue by about 115 vehicles/day i.e. 5 trips per apartment (compared to 8 trips per single residential development). This volume of traffic would not exceed that of the previous land use.

Accepting that 20% of the trips are generated in the morning peak with 100% of the movements westbound to Canning Highway the introduction of an additional 23 vehicles to Barker Avenue will peak at 370 vph i.e. up from 347. It should be noted for the preceding hour traffic volume in Barker Avenue was 202 vph and for the hour following the peak fell to 184 vph. At 370 vph the volume is well under the generally accepted upper lane volume (300 vph per lane) through a signal controlled intersection. With two available lanes at Canning Highway the theoretical volume of the intersection is 600 vph at a service level D.

The introduction of a further 23 vehicles at the morning peak should have negligible impact on the operation of Barker Avenue already experiencing a service level D at the morning peak time. This service level would be consistent with the signalised intersections along Canning Highway at South Terrace and Douglas Avenue and Mill Point Road at both Labouchere Road and Mends Street.

(d) Environmental Health Department

The application was also referred to the City's Environmental Health Department. The following comments were provided:

- *“The bin area size and location has been reviewed and is considered satisfactory. An access gate of no less than 1.5 metres width is to be provided to ensure that bulk bins can be utilised if required for waste management.*
- *The swimming pool must comply with the Health Act Regulations 1964. Upon submission of a building licence application, documentation will be required to confirm that an application has been lodged with the Department of Health for the public swimming pool.”*

(e) Consultation with the Applicant

The planning issues arising from an assessment of the originally submitted drawings were discussed with the applicant. This resulted in a series of amended drawings which have resolved most of the issues that had originally been raised by the City.

Policy and Legislative Implications

There are no specific provisions within the draft Precinct Plan for the locality which apply to the development site. The development is also consistent with other general provisions within the relevant draft Precinct Plan.

Comments in relation to various relevant provisions of the No. 6 Town Planning Scheme, the R-Codes and Council policies have been provided elsewhere in this report.

Financial Implications

This issue has no impact on this particular area as the required Planning Fee has already been paid by the applicant.

Strategic Implications

This matter relates to Goal 3 “Environmental Management” identified within the Council’s Strategic Plan. Goal 3 is expressed in the following terms:

To effectively manage, enhance and maintain the City’s unique natural and built environment.

OFFICER RECOMMENDATION ITEM 9.3.3

That pursuant to the provisions of the City of South Perth Town Planning Scheme No. 6 and the Metropolitan Region Scheme, this application for planning approval for proposed residential development comprising 23 single bedroom dwellings on Lots 390 and 391 (Nos. 3 and 5) Barker Avenue corner Park Street **be approved**, subject to:

(a) Standard Conditions

352, 353, 354, 361, 362, 376, 377, 393, 427, 445, 455, 456, 457, 458, 470, 471, 509, 550, 577, 631, 660.

Footnote: A full list of Standard Conditions and Important Notes is available for inspection at the Council Offices during normal business hours.

(b) Specific Conditions:

- (i) Revised drawings shall be submitted, and such drawings shall incorporate the following:
 - (A) The plans and elevations drawings to provide consistent information when read in conjunction with each other.
 - (B) The wall height of the proposed rubbish bins stores to be no higher than 2.4 metres in accordance with Clause 3.10.1 of the R-Codes.
 - (C) The internal area of private storerooms shall be a minimum of 4 sq.metres.
- (ii) Lot 390 Barker Avenue shall be subdivided to create a 1.0 metre wide lot along the length of the right-of-way (ROW). This newly created lot shall be amalgamated with the ROW for the purpose of its widening. The applicant will be required to follow the necessary procedures in this regard in order to create the new Certificates of Titles to be issued.
- (iii) The developer shall meet the full cost of reinstating the existing crossovers, replacing the footpath and planting trees within the portions of Barker Avenue and Park Street adjoining the site. These street trees within the verge area adjoining the development site shall be provided in accordance with the City’s Street Tree Management Plan.

(c) Standard Important Footnotes

641, 642, 645, 646, 647, 648, 651.

Footnote: A full list of Standard Conditions and Important Notes is available for inspection at the Council Offices during normal business hours.

9.3.4 Proposed Flood Lighting to Ernest Johnson Oval

Location: Ernest Johnson Oval, Lot 2 South Terrace / Sandgate Street and Hensman Street, South Perth
 Applicant: South Perth Junior Football Club INC
 File Ref: AL3/L387; 11.2006.401.1
 Date: 4 October 2006
 Author: Jordan Ennis, Planning Officer
 Reporting Officer: Steve Cope, Director, Strategic and Regulatory Services

Summary

The application for planning approval relates to proposed flood lighting for Ernest Johnson Oval. The recommendation is for approval, subject to a number of standard and special conditions.

Background

This report includes the following attachment:

- **Attachment 9.3.4:** Plans of the proposal

The development site details are as follows:

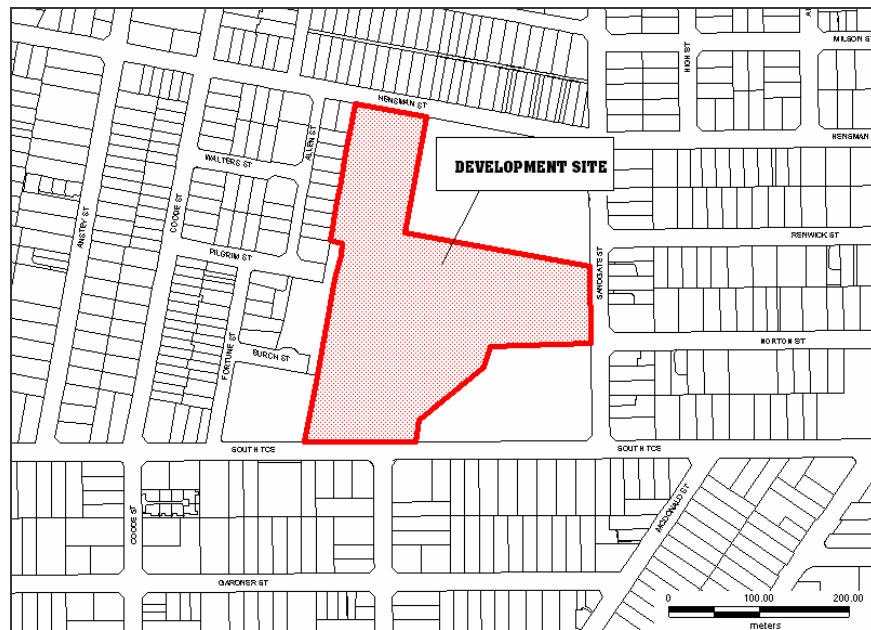
Zoning:	Parks & Recreation Reserve
Density coding:	Not applicable
Lot area:	59253 sq. metres
Building Height Limit:	7.0 metres

In accordance with Council Delegation DC342, the proposal is referred to a Council meeting because it falls within the following categories described in the Delegation:

1. Amenity Impact

In considering any application, the delegated officers shall take into consideration the impact of the proposal on the general amenity of the area. If any significant doubt exists, the proposal shall be referred to a Council meeting for determination.

The location of the development site is shown below. It is bounded by South Terrace, Sandgate and Hensman Streets and the rear boundary of properties fronting Allen Street. It is also adjoined by the City of South Perth Civic Centre, South Perth Hospital and the Como Bowling Club.



Comment

(a) Description of the Proposal

The proposed development incorporates the installation of four new light poles and additional lighting on an existing light pole. The proposed new light poles are labelled P5 - P8 on **Attachment 9.3.4**, while additional lighting will be added to the existing pole labelled P3 on the same attachment. The new lighting is proposed so as to allow the football club to continue training into the evening during the winter months.

Each of the poles has a height of approximately 20 metres and new underground cabling will be required in order to connect to the electricity supply.

It is proposed that the lights for poles P3, P5 and P8 will be operated by a key lockable switch located on the existing switchboard near the lesser hall car park. The lights will be on a timer that can turn the lights off automatically after use.

The lights for poles P6 and P7 will be started by a key lockable switch located on the existing switchboard near the ablution block adjacent to the bowling club car park. The lights will be on a timer that can turn the lights off automatically after use.

Ernest Johnson Oval is already serviced by flood lighting, so the proposed development will not generate significant change for local residents from the situation that currently exists. The existing lighting is provided in the following manner:

- The pole identified as Pole “P3” already exists;
- A similar pole to that identified as “P3” is situated between Pole “P3” and Pole “P8” (immediately in front of the library);
- A row of four smaller light poles are situated in the vicinity of the existing clubrooms; and
- A pole exists where the proposed Pole “P7” will be located.

(b) Scheme Objectives: Clause 1.6 of No. 6 Town Planning Scheme

Scheme Objectives are listed in Clause 1.6 of TPS6. The proposal has been assessed according to the listed Scheme Objectives, as follows:

- (1) *The overriding objective of the Scheme is to require and encourage performance-based development in each of the 14 precincts of the City in a*

manner which retains and enhances the attributes of the City and recognises individual precinct objectives and desired future character as specified in the Precinct Plan for each precinct.

The proposed development is considered to meet this overriding objective. The proposal has also been assessed under, and has been found to meet, the following relevant general objective listed in clause 1.6(2) of TPS6:

Objective (h) *Utilise and build on existing community facilities and services and make more efficient and effective use of new services and facilities.*

(c) Other Matters to be Considered by Council: Clause 7.5 of No. 6 Town Planning Scheme

In considering an application for planning approval, the Council is required to have due regard to, and may impose conditions with respect to, other matters listed in clause 7.5 of TPS6 which are, in the opinion of the Council, relevant to the proposed development. Of the list of 24 listed matters, the following are particularly relevant to the current application and require careful consideration:

- (g) in the case of land reserved under the Scheme, the purpose of the reserve;*
- (i) the preservation of the amenity of the locality;*
- (p) any social issues that have an effect on the amenity of the locality;*
- (w) any relevant submissions received on the application, including those received from any authority or committee consulted under clause 7.4;*
- (x) any other planning considerations which the Council considers relevant.*

Consultation

(a) Neighbour Consultation

Neighbour Consultation has been undertaken for this proposal to the extent and in the manner required by Policy P104 'Neighbour and Community Consultation in Town Planning Processes'. As a large number of properties face Ernest Johnson Oval, extensive consultation was undertaken to ensure that all potentially affected landowners had an opportunity to submit comments in relation to the proposed development. All of the property owners facing Ernest Johnson Oval on South Terrace, Sandgate Street, Hensman Street and Allen Street were invited to inspect the application and to submit comments during a 14-day period. A total of 94 neighbour consultation notices were mailed to individual property owners. During the advertising period, one written submission was received which objected to the proposed development. The comments of the submitter, together with an Officer response, are summarised as follows:

Submitter's Comment	Officer Response
<ul style="list-style-type: none"> Proposed flood lighting will increase traffic volume. 	It is not anticipated that traffic volumes will increase. As the flood lighting will allow the duration of training times to increase, the main change to traffic movement is anticipated to be a larger time frame between the time of arrival and the time of departure.
<ul style="list-style-type: none"> Football players are anti-social, and bring anti-social behaviour to the area. 	The oval is already used by the proponents and there is no evidence to suggest that there will be an increased level of anti-social behaviour resulting from approval of the proposed development.
<ul style="list-style-type: none"> Football players often consume alcohol at the oval, increased flood lighting will allow people to continue this activity into the evening. 	The proposed flood lighting is for a junior football club to allow players to train later hours during the winter months. Members are not of an age to consume alcohol.
<ul style="list-style-type: none"> Increased rubbish will result from floodlighting & the football club. 	There is no evidence to suggest that there will be an increased amount of rubbish resulting from approval of the proposed development.

(b) Manager, Community, Culture and Recreation

The Manager, Community, Culture and Recreation was invited to comment on funding arrangements relating to the proposed flood lighting. His comments are as follows:

“South Perth Junior Football Club applied to the City for funding in the 2005 round of the Community Sport and Recreation Facilities Fund (CSRFF) which is administered by the Department of Sport and Recreation (DSR).

The DRS makes funds available annually for sporting organisations to upgrade facilities through the CSRFF. Sporting organisations submit applications to Local Government Authorities who rank projects according to criteria set by the DSR and then following a resolution of council, forward the results to the DSR for their assessment. The DSR will fund up to one third of a project's total cost with applicant organisations required to fund at least one third of the cost. LGAs may also consider funding up to one third of a project cost, however are under no obligation to contribute to projects even if they are supported by the DSR.

The South Perth Junior Football Club application was considered by Council in October 2005 along with applications from four other community based sporting clubs. The total cost of the project was \$73,560 with one third, or \$24,520 sought from the DRS and a further third, or \$24,520 sought from the City. The Club committed to funding the remaining one third of the project.

The application was ranked fourth of the five received and considered, according to criteria set by the Department of Sport and Recreation and endorsed by Council as ‘needed by the applicant with more planning required’. The DSR subsequently confirmed their commitment to meet one third of the project cost. It was intended that City Officers work with the South Perth Junior Football Club to resolve a number of outstanding issues and then resubmit an application in the 2006 round. A significant issue identified for this project is the impact of the additional lighting on the supply required for the City's Civic Centre. City Officers are currently liaising with electrical professionals to determine if the power supply is adequate for the Civic Centre and the additional lighting.

Following representation from the South Perth Junior Football Club the City has expedited the review process and is in a position to present this planning application for consideration by council.

There are no funds allocated in the 2006/07 budget to contribute to the project however, given the commitment by the DSR to contribute funds, City Officers can seek to identify potential funding options as part of the current budget review. Electrical power supply issues have now also been resolved.”

(c) Manager, Environmental Health

The Manager, Environmental Health, was invited to comment in relation to the lighting and the potential impact on the surrounding residents, arising from the proposal. His comments are as follows:

“Lighting will be directed toward residential premises on the boundary from two light towers only, P3 & P7. From the attached spill light information, light from these two towers would likely not cause an adverse issue to the residents of neighbouring properties. Buffering, in the form of existing mature trees, also forms a visual barrier between the light towers and neighbouring properties”.

(d) Manager, City Environment

The Manager, City Environment, was invited to comment in relation to the lighting and the potential impact on the park, arising from the proposal. His comments are as follows:

“The park is used for active sports such as junior football and WA Football Commission Umpire training in Winter. In Summer it is used by junior and senior cricket as well as junior athletics. The park is also utilised for passive recreational activities such as off lead dog exercise. The park is currently gazetted as an off lead dog exercise area.

There have been recent instances of conflict between dog owners and active sporting activities, particularly during training sessions and there is concern by City officers about the conflict between dogs off lead and active sport.

The City has been approached by dog owners concerned about the potential impact of the extra lights which could mean that active sport will be spread further across the reserve and for a longer time. Officers believe that these activities can continue to co-exist harmoniously with conciliation from both sides. It is noted that there are still many hours each day when the reserve is free of active sport. The new lights could prove to be an added benefit as they could be left on for exclusive dog exercise after training has completed.

Policy and Legislative Implications

Comments in relation to various relevant provisions of the No. 6 Town Planning Scheme have been provided elsewhere in this report.

Financial Implications

The issue has some impact on this particular area, to the extent of:

- (a) Council financing a third of the total cost of the project; and
- (b) the club being required to make an appropriate contribution towards the ongoing operational and maintenance costs (including power usage), taking into account other potential users of the lighting.

Strategic Implications

This matter relates to Goal 3 “Environmental Management” identified within the Council’s Strategic Plan. Goal 3 is expressed in the following terms:

To effectively manage, enhance and maintain the City’s unique natural and built environment.

Conclusion

Having regard to all of the discussion elsewhere in this report, it is considered that approval should be granted. The proposed flood lighting is considered to satisfy the relevant objectives stipulated under Clause 1.6 ‘Scheme Objectives’ and Clause 7.5 ‘Matters to be considered by Council’ of TPS6. The development will enhance the amenity of the oval allowing the public to utilise the grounds for longer hours during winter months. The flood lighting is also considered to provide a range of secondary benefits such as increased safety and promotion of the oval as a place of interest for other sporting groups.

OFFICER RECOMMENDATION ITEM 9.3.4

That pursuant to the provisions of the City of South Perth Town Planning Scheme No. 6 and the Metropolitan Region Scheme, this application for planning approval for the proposed flood lighting on Ernest Johnson Oval, Lot 2 South Terrace / Sandgate Street and Hensman Street, South Perth **be approved**, subject to:

(a) **Standard Condition**

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Footnote: A full list of Standard Conditions and Important Notes is available for inspection at the Council Offices during normal business hours.

(b) **Specific Conditions**

(i) The City shall take ownership of the flood lights.

(ii) The City reserves the right to determine the hours within which the flood lighting shall operate.

(c) **Standard Important Footnotes**

648, 651.

Footnote: A full list of Standard Conditions and Important Notes is available for inspection at the Council Offices during normal business hours.

(d) confirmation by expert opinion that the additional power required for the proposed lighting will not compromise the supply required for the City’s Civic Centre; and

(e) the City agreeing to contribute \$24,520 towards the project and that this amount be included in a future Budget review.

9.4 GOAL 4: INFRASTRUCTURE

9.4.1 Annual Tender for Supply and Delivery of PVC and Polythene Associated Fittings and Sprinklers

Location: City of South Perth
Applicant: Council
File Ref: Tender No. 17/2006
Date: 5 October 2006
Author: Mark Taylor, Manager City Environment
Reporting Officer: Glen Flood, Director Infrastructure Services

Summary

Tenders were invited and have been received for the supply and delivery of PVC and polythene associated fittings and sprinklers. The tender is for a two year period terminating on 31 October 2008.

This report outlines the assessment process and recommends the preferred tenderer.

Background

Request for Tender 17/2006 was advertised in the West Australian newspaper on 15 July 2006 and closed at the Civic Administration Centre, Sandgate Street, South Perth on 31 July 2006.

The tender is a Schedule of Rates Tender to supply and deliver PVC and polythene associated fittings and sprinklers.

The tender called for approximately 600 different items comprising various sizes and models of PVC and polythene associated fittings and sprinklers, which are used within the City on an as and when needed basis.

The contract period is for 2 years terminating on 31 October 2008.

Tender documents were collected by twelve companies operating in the Perth Metropolitan area.

Comment

At the close of the tender period two tenders had been received.

Tenders were opened at the Civic Centre by officers from the Financial Services department. Although specifically permitted by the *Local Government Act* there were no members of the public in attendance for the opening of the tender.

Included within the documentation provided to each tenderer were the tender evaluation criteria, as well as the formula to be used in determining the weighted scores, to be used for the assessment of the offers.

The evaluation criteria and appropriate weightings were:

- Price: 85%
- Demonstrated ability to perform the task as set out in the specification: 5%
- Works record and experience: 5%
- Referees: 5%

The Contract value as reflected below is based on estimated consumption for the duration of the contract.

The tender submitted by Total Eden is fixed for the duration of the contract, whereas the tender submitted by Hugall and Hoile reflect increases in year two.

Weighted scores of complying tenders received:

Tenderer	Contract Value \$	Weighted Score
Total Eden	400,000	9.6
Hugall and Hoile	402,252	8.65

The contract documentation required that all schedules be completed to be a complying tender. Both companies complied with this condition.

Both companies who submitted tenders have been satisfying the City's PVC and polythene associated fittings and sprinkler needs over many years and have extensive experience in Western Australia.

Consultation

Public tenders were invited in accordance with the *Local Government Act*.

Policy and Legislative Implications

Section 3.57 of the Local Government Act 1995 (as amended) requires a local government to call tenders when the expected value is likely to exceed \$50,000. Part 4 of the Local Government (Functions and General) Regulations 1996 sets regulations on how tenders must be called and accepted.

Financial Implications

Each year the Council includes into the annual budget for the supply and delivery of PVC and polythene associated fittings and sprinklers.

Strategic Implications

This proposal is consistent with Goal 4 - Strategy 4.1:

“Develop plans, strategies and management systems to ensure Public Infrastructure Assets (roads, drains, footpaths, river wall, community buildings etc) are maintained to a responsible level”.

OFFICER RECOMMENDATION ITEM 9.4.1
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That the tender of Total Eden for the supply and delivery of PVC and polythene associated fittings and sprinklers for the two year period terminating on 31 October 2008 be accepted.

9.5 GOAL 5: ORGANISATIONAL EFFECTIVENESS

9.5.1 Local Government Accountability
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Location:	City of South Perth
Applicant:	Council
File Ref:	GR/205 V2
Date:	12 October 2006
Author/Reporting Officer:	Cliff Frewing, Chief Executive Officer

Summary

The purpose of this report is to propose that a submission be made to the Western Australian Local Government Association in response to its invitation for submissions to be made to a report prepared by the Public Accounts Committee, (a sub committee formed under authority of the Legislative Assembly of the WA Parliament) into Local Government Accountability.

Background

The Public Accounts Committee released its findings and recommendations on Local Government accountability on 28 September 2006. The Government must now respond to the Committee report, and the Western Australian Local Government Association, (WALGA) will seek discussions with the Minister on the form and timing of that response. WALGA will also be making a response and seeks Member Council comment by 31 October so that an industry submission can be made.

Comment

WALGA will develop a response to the Public Accounts Committee Report and has requested Member Council responses to enable it to compile a submission.

The Committee report is some 89 pages in total and makes 16 Findings and six Recommendations. The focus of the Inquiry was on the potential for the State Auditor General to become more involved in Local Government Audits. The Findings, which are largely for noting, are contained in *Attachment 9.5.1*), together with the Executive Summary of the Report. The Recommendations and proposed responses to WALGA are as follows:

RECOMMENDATIONS

Recommendation 1

The Department of Local Government and Regional Development should, in conjunction with key stakeholder groups, conduct a review of the Compliance Audit Return to address concerns about its complexity and relevance.

Comment

Agreed.

The annual compliance audit return has become increasingly bulky, detailed and complex over time and its usefulness is questionable. A review of its importance and relevance is supported.

Recommendation 2

The Public Accounts Committee strongly recommends that the Auditor General conduct the audit of the local government sector in Western Australia. The State Government should examine the benefits of involving the Auditor General in the audit of local government in line with the Queensland model.

Comment

The City supports the recommendation that the Office of the Auditor General should be the overseeing body for the conduct of audits in the Western Australian local government sector. It recognises that existing financial accountability mechanisms in local government tend to focus more on basic financial checks (transaction and account balance checking) rather than on auditing of outcomes achieved and the inputs consumed relative to the outputs achieved.

Permitting the Office of the Auditor General to oversee the conduct of all local governments would allow a more structured and comparable approach to be taken in local governments rather than individual customised audit approaches as currently occurs. However, the real value-add lies in having a single agency reviewing the relative performance of all local governments and developing a meaningful set of comparative indicators and benchmarks for the sector (or at least comparable segments of it). This will allow timely recognition of emerging issues or threats to financial sustainability - providing an opportunity for timely and appropriate remedial action where required.

The overseeing agency could also use these performance indicators to assess whether the local community is receiving value for money from inputs consumed - and ensure that actions being undertaken by the local government are consistent with the local government's financial capacity and strategic direction.

The single overseeing agency would have to be appropriately resourced and have demonstrated expertise in performance auditing. It is the City's view that the Office of the Auditor General would appear to be best placed (and suitably experienced) to perform this function.

Recommendation 3

The Public Accounts Committee recommends that the Auditor General should audit no more than 15 per cent of councils on a rotating basis, with the remainder to be tendered out to the private sector.

Comment

Accepting that the Office of the Auditor General is the preferred agency to oversee all local government audits, the issue then becomes one of the level of available resources. Recognising that the Office of the Auditor General is unlikely to have adequate resources to directly undertake all audits in the local government sector, the challenge is then to find the best model to achieve the desired outcome.

The City is of the view that the Queensland model which has the Office of the Auditor General responsible for conducting say 15% of local government audits each year (on a rotational basis) and the remainder being put out to contract by the private sector has some merit. The Auditor General's Office could focus some of its efforts on identified 'concerns' and the remainder on randomly selected local governments.

One area of concern to the City of the approach of the Office of the Auditor General controlling all local government audits by putting them out to tender is the need to recognise that some continuity of audit field staff is essential - so that system understanding and knowledge of site-specific business activities such as retirement villages, cemeteries or airports etc is retained wherever possible. It is neither desirable or practical to have to re-educate new field auditors each year about the particular engagement. Indeed this issue is one of the major benefits of the current audit term contracts used by local governments.

Another area of concern is cost. Unless there are savings from economies of scale, audits are likely to cost more even if the scope of the audit does not change. This is because the Auditor General will presumably be required to recover its costs (such as initial audit scope, auditor appointment, supervision and review costs) associated with the conduct of local government audits.

Recommendation 4

The parameters of audit for the Western Australian local government sector should be set by the State Auditor General to ensure consistency of reporting across the State.

Comment

Agreed.

The role and responsibility for this function currently rests with the Department of Local Government and Regional Development where there is a specialist State Government Department that currently performs this role. The expertise of the State Auditor General's office should be used. There appears to be no logical reason why Local Government should not use the services of the Auditor General to set the audit parameters.

Recommendation 5

The Auditor General should ensure there is an annual, comprehensive comparative report of each Local Government in Western Australia to facilitate transparency and provide an accurate assessment of the performance of individual Local Governments.

Comment

Agreed.

If the role of the Auditor General is to be enhanced to include responsibility to control Local Government audits, it should be given the opportunity to be responsible for reporting activities such as those contained in this recommendation.

Recommendation 6

In recognition of the problems of financial sustainability in local government, the State Government should ensure the overall compliance burden on individual local governments does not unduly increase. The overall cost impost should be recognised by the State.

Comment

Agreed

The Public Accounts Committee has recognised the significant cost of compliance in WA Local Government and is recommending that the cost of compliance is not further increased for Local Government.

Consultation

WALGA is seeking submissions from Member Councils on the recommendations of the Public Accounts Committee report on Local Government Accountability.

A full copy of the report has been placed in the Councillors' lounge for information, alternatively an electronic copy of the report can be found at www.parliament.wa.gov.au.

Policy and Legislative Implications

Nil at this time

Financial Implications

Nil at this time

Strategic Implications

Nil at this time

OFFICER RECOMMENDATION ITEM 9.5.1
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That the responses to the Recommendations of the Public Accounts Committee report on Local Government Accountability be endorsed and forwarded to WALGA for its consideration.

9.5.2	Changes to Local Government Voting System
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Location:	City of South Perth
Applicant:	Council
File Ref:	GR/205 Vol 2
Date:	13 October 2006
Author/Reporting Officer:	Cliff Frewing, Chief Executive Officer

Summary

The purpose of this report is to seek Council's direction to the contents of the recent amendments contained in the Local Government Amendment Bill 2006 which was tabled in Parliament on 27 September 2006.

The Bill contained anticipated amendments relating to changes to the election date (ie from May to October) in every second year and other minor amendments relating to electoral matters. An unexpected section of the Amendment Bill related to the change in the method of election from "first past the post" to one of "proportional-preferential" method. No consultation has occurred with local government in relation to this proposal.

Background

An amendment to the Local Government Act tabled in Parliament on 27 September 2006, 'proposes the current first past the post' voting system used in Local Government elections be changed to a proportional-preferential voting system.

This is contrary to both the expressed wishes of the Western Australian Local Government Association, the majority of its member Councils and the recommendations of the Local Government Advisory Board (LGAB).

Council may recall that earlier this year when giving consideration to a number of questions posed by the LGAB it supported the current 'first past the post' voting system. It is understood that of the Councils who responded to the questionnaire, 90% supported the retention of this system.

WALGA is concerned that the Local Government Amendment Bill contains legislation proposals, ie the proportional-preferential voting system that has not first been discussed with the local government industry and this is contrary to the provisions of the Local Government Partnership Agreement and Communication and Consultation Agreement. The State/Local Government Partnership Agreement was signed in December 2002 by the then Premier, Hon Dr Geoff Gallop, the Minister for Local Government and Regional Development, Tom Stephens, the President of WALGA, Cr Clive Robartson and the City's Chief Executive Officer, Mr Cliff Frewing who was President of the WA Division of Local Government Managers Australia at that time.

The overarching principle of this Agreement is 'A commitment to improving co-operation between State and Local Government to enhance sustainable social, environmental and economic development of Western Australia through consultation, communication, participation, co-operation and collaboration at both strategic and project levels.'

Later, in June 2004 the parties entered into a subsequent agreement entitled 'Partnership Agreement on Communication and Consultation' and one of the purposes of this Agreement was 'to develop a shared understanding of what constitutes effective communication and consultation. The Agreement will also focus on continuing to promote the culture within both State and Local Government to both value and support effective consultation and communication.

Specifically in the key area of issues relating to State/Local Government partnership, there is a clear commitment between the parties to consult 'when developing or reviewing State policy or legislation that may affect Local Government'. Clearly the State Government has not complied with its own commitments with respect to communication and consulting the Local Government industry for this proposed legislation. In addition, it has also ignored the results of the survey conducted by the LGAB which clearly indicated that the vast majority of Councils preferred the existing 'first past the post' system.

Comment

The matter was initially discussed at the Central Metropolitan Zone of WALGA held on 28 September at the City of South Perth when the following resolution was carried unanimously:

'That the Zone deplores the high handedness of the State Government in introducing the proposed changes to the current method of voting in Local Government elections without any consultation or communication with Local Government.

1. *The Central Metropolitan Zone is totally opposed to the proposed changes.*
2. *That all Councils immediately write to the Minister for Local Government, local MPs and members of the Legislative Council opposing the changes and the actions of the government.*
3. *That WALGA conduct a media campaign (including newspaper advertising) to raise community awareness about the implications of the proposed changes.*
4. *That the proposed changes will politicise Local Government elections and are contrary to the good governance of local communities.*
5. *That the State Government immediately justify the reasons for proposing the change and why the amendment has been introduced with such urgency, when it is contrary to the expressed wishes of the Western Australian Local Government Association, the majority of its member Councils and the recommendation of the Local Government Advisory Board (LGAB).'*

As a consequence of this resolution, the Mayor issued a press release on 29 September 2006.

At its meeting of 4 October, the WALGA State Council resolved;

'That:

1. *The Western Australian Local Government Association (WALGA) deplores the high handedness of the State Government in introducing the proposed changes to the current method of voting in Local Government elections without any consultation or communication with Local Government.*
2. *WALGA remains totally opposed to the proposed changes.*
3. *The proposed changes will politicise Local Government elections and are contrary to the good governance of local communities.*
4. *All Councils are encouraged to immediately write to the Minister for Local Government, local Members of the Legislative Assembly and Members of the Legislative Council opposing the changes and the actions of the State Government.*
5. *WALGA conduct a media campaign (including newspaper advertising) to raise community awareness about the implications of the proposed changes.*

- 6 *The State Government immediately justify the reasons for proposing the change and why the amendment has been introduced with such urgency, when it is contrary to the expressed wishes of WALGA, the majority of its member Councils and the recommendations of the Local Government Advisory Board.*
7. *All necessary Association resources be diverted towards campaigning to bring about a successful outcome to this issue.'*

The Association has now begun an intense advocacy campaign directed at the State Government's unilateral decision to impose proportional-preferential voting on Local Government elections. The campaign includes advertising in all three media forms, meetings with key parliamentary players, and the engagement of legal and professional advice.

WALGA has advised that one of the key aspects of the campaign is for Local Governments to express a lack of confidence in the Minister's handling of this issue. To this end WALGA seeks that council debates and considers the proposed "NO CONFIDENCE MOTION", set out below.

Councils are also asked to write directly to the Premier, the Minister for Local Government & Regional Development and their local Members of Parliament, expressing their discontent with the Government's decision and asking that corrective action be taken..

DRAFT MOTION OF NO CONFIDENCE

"We, the elected councillors of the City of South Perth hereby express our concern and alarm at the unilateral decision of the State Government to include provisions in the Local Government Amendment Bill 2006 to impose and apply a proportional-preferential voting system to Local Government elections.

We believe that the proposed changes to the voting system will lead to factionalism and party politics in Local Government, will result in decreased voter turnout, increased informal votes and will impose substantially higher election costs on our communities.

We believe that the proposed changes to the voting system have been developed in contravention of the State Local Government Partnership Agreement and effectively contravene the intent of the tripartite Inter Governmental Agreement recently signed by the Commonwealth, all State and Territory Governments and the Australian Local Government Association.

We believe these actions to be unacceptable to the Local Government sector and to the Western Australian community at large and that the Minister for Local Government must be held accountable for them.

Therefore, we declare that we have no confidence in the Hon. Jon Ford JP MLC to continue to represent the local Government portfolio."

Consultation

WALGA has requested that the City supports its campaign to require the State Government to effectively communicate on the proposed legislation change.

Policy and Legislative Implications

If passed, the provisions of the Local Government Amendment Bill will become law and the new voting system effective from the date of the next Local Government elections.

Financial Implications

Unknown at this time, but it is reasonably anticipated that costs of conducting Local Government elections will increase, because of the complexity of the election count. It may be that the Electoral Commission will require specific computer programs to be written and used in Local Government elections.

Strategic Implications

As detailed in the report.

OFFICER RECOMMENDATION ITEM 9.5.2
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That....

- (a) Council give consideration to adopting the Motion of 'No Confidence' in the State Government detailed as follows:

We, the elected councillors of the City of South Perth hereby express our concern and alarm at the unilateral decision of the State Government to include provisions in the Local Government Amendment Bill 2006 to impose and apply a proportional-preferential voting system to Local Government elections.

We believe that the proposed changes to the voting system will lead to factionalism and party politics in Local Government, will result in decreased voter turnout, increased informal votes and will impose substantially higher election costs on our communities.

We believe that the proposed changes to the voting system have been developed in contravention of the State Local Government Partnership Agreement and effectively contravene the intent of the tripartite Inter Governmental Agreement recently signed by the Commonwealth, all State and Territory Governments and the Australian Local Government Association.

We believe these actions to be unacceptable to the Local Government sector and to the Western Australian community at large and that the Minister for Local Government must be held accountable for them.

Therefore, we declare that we have no confidence in the Hon. Jon Ford JP MLC to continue to represent the local Government portfolio."

Note: As the City's CEO is a signatory to the State/Local Government Agreements referred to in this report and is the author of this report, he has declared an Impartiality Interest.

9.6 GOAL 6: FINANCIAL VIABILITY

9.6.1 Monthly Financial Management Accounts – Sept 2006

Location: City of South Perth
Applicant: Council
File Ref: FM/301
Date: 7 October 2006
Author / Reporting Officer: Michael J Kent, Director Financial and Information Services

Summary

Monthly management account summaries compiled according to the major functional classifications compare actual performance against budget expectations. These are presented to Council with comment provided on the significant financial variances disclosed in those reports.

Background

Local Government (Financial Management) Regulation 34 requires the City to present monthly financial reports to Council in a format reflecting relevant accounting principles. A management account format, reflecting the organisational structure, reporting lines and accountability mechanisms inherent within that structure is considered the most suitable format to monitor progress against the Budget. Information provided to Council is a summary of the detailed line-by-line information supplied to the City's departmental managers to enable them to monitor the financial performance of the areas of the City's operations under their control. This format is consistent with the structure of the budget information provided to Council and published in the 2006/2007 Annual Budget.

Combining the Summary of Operating Revenues and Expenditures with the Summary of Capital Items gives a consolidated view of all operations under Council's control and it measures actual financial performance against budget expectations.

Regulation 35 of the Local Government (Financial Management) Regulations requires significant variances between budgeted and actual results to be identified and comment provided on those identified variances. The City has adopted a definition of 'significant variances' of \$5,000 or 5% of the project or line item value - whichever is the greater. Whilst this is the statutory requirement, the City provides comment on a number of lesser variances where it believes this assists in discharging accountability.

To be an effective management tool, the 'budget' against which actual performance is compared is phased throughout the year to reflect the cyclical pattern of cash collections and expenditures during the year rather than simply being a proportional (number of expired months) share of the annual budget. The annual budget has been phased throughout the year based on anticipated project commencement dates and expected cash usage patterns. This provides more meaningful comparison between actual and budgeted figures at various stages of the year. It also permits more effective management and control over the resources that Council has at its disposal.

The local government budget is a dynamic document and will necessarily be progressively amended throughout the year to take advantage of changed circumstances and new opportunities. This is consistent with principles of responsible financial cash management. Whilst the original adopted budget is relevant at July when rates are struck, it should, and indeed is required to, be regularly monitored and reviewed throughout the year. Thus the Adopted Budget evolves into the Amended Budget via the regular (quarterly) Budget Reviews.

For comparative purposes, a summary of budgeted revenues and expenditures (grouped by department and directorate) is provided throughout the year. This schedule reflects a reconciliation of movements between the 2006/2007 Adopted Budget and the 2006/2007 Amended Budget - including the introduction of the capital expenditure items carried forward from 2005/2006.

A monthly Balance Sheet detailing the City's assets and liabilities and giving a comparison of the value of those assets and liabilities with the relevant values for the equivalent time in the previous year is also provided. Presenting the Balance Sheet on a monthly, rather than annual, basis provides greater financial accountability to the community and provides the opportunity for more timely intervention and corrective action by management where required.

Comment

The major components of the monthly management account summaries presented are:

- Balance Sheet – **Attachments 9.6.1(1)(A) and 9.6.1(1)(B)**
- Summary of Operating Revenue and Expenditure (for all departments except for Infrastructure Services) – **Attachment 9.6.1(2)**
- Summary of Operating Revenue and Expenditure for Infrastructure Services - **Attachment 9.6.1(3)**
- Summary of Capital Items – **Attachment 9.6.1(4)**
- Schedule of Significant Variances – **Attachment 9.6.1(5)**
- Reconciliation of Budget Movements - **Attachment 9.6.1(6)**

Operating Revenue to 30 September 2006 is \$23.99M which represents 101% of the Year to Date Budget of \$23.85M. The small favourable variance is due to slightly higher than budgeted rates revenue, investment revenue and parking revenue. Revenue from the Collier Park Hostel is also ahead of budget due to higher Commonwealth subsidies from the increased RCS levels at present. Planning and building revenues are also slightly in advance of budget - but these are considered to be only timing differences rather than additional revenues. Comment on the specific items contributing to the variances may be found in the Schedule of Significant Variances. **Attachment 9.6.1(5).**

Operating Expenditure to 30 September 2006 is \$7.15M - which represents 95% of the Year to Date Budget of \$7.54M. Operating Expenditure is around 6% favourable in the Administration area - and 4% favourable in the Infrastructure Services area.

The favourable variance in the Administration area is related to several smaller favourable variances which are of a timing nature and a number of staff positions that remain vacant due to either extended leave or resignations. The Planning, Finance, Engineering, Recreation and Human Resources areas are all affected by this issue in the short term - but this is not unique to our organisation. Rather it is a reflection of the prevailing economic climate. Overall, the salaries budget (including temporary staff where they are being used to cover such vacancies) is 6.4% under the allocation for the 210 FTE staff positions approved by Council in the budget process.

The other significant variance at this time results from FESA again failing to bill ESL on all City buildings. We are currently trying to resolve this issue with FESA.

The favourable timing differences in the Infrastructure area are now slowly reversing as detailed maintenance programs for activities such as parks maintenance, streetscape maintenance, building maintenance and environmental maintenance commence in earnest.

Programs for other infrastructure activities such as drainage, roads and path maintenance are also underway now as contractors become available. Corrective actions introduced to rectify previously identified concerns with allocations of overheads and charge out for plant items are already showing signs of positive improvement and will continue to be regularly monitored. Comment on the specific items contributing to the operating expenditure variances may be found in the Schedule of Significant Variances. **Attachment 9.6.1(5)**.

Capital Revenue is disclosed as \$0.55M at 30 September against a budget of \$0.28M. However, a large portion of the apparent variance relates to an ingoing contribution for a unit at the Collier Park Village that has yet to be transferred to Reserve Funds rather than appearing as revenue. The remaining small favourable variance relates to revenue received for contributions towards the car park at South Perth Community Hospital. The Q1 Budget Review in October will recognise this revenue and provide for the associated expenditure.

Capital Expenditure at 30 September is \$1.94M against a year to date budget of \$2.11M. This represents a pleasing 92% of the year to date budget and 12.3% of the full year capital program including the Underground Power Project (UGP). Excluding the UGP project, which is to be separately delivered by Western Power rather than through City resources, we have currently completed around 18% of the full year's program. The executive management team is closely monitoring the progress of the City's various departments in delivering the capital program throughout the year.

A summary of the progress of the capital program (including approved carry forward works) by directorate is provided below:

Directorate	YTD Budget	YTD Actual	% YTD Budget	Total Budget
CEO / Financial and Info Services	1,115,000	1,133,765	102%	1,852,000
Corp and Community Services	148,500	62,750	42%	1,301,454
Strategic and Reg Services	21,300	6,381	30%	86,500
Infrastructure Services	814,000	736,333	90%	7,636,549
Underground Power	20,000	4,215	21%	4,820,000
Total	2,118,800	1,943,444	92%	15,696,503

Further comment on the variances relating to Capital Revenue and Capital Expenditure items may be found in **Attachment 9.6.1 (5)** .

Consultation

This financial report is prepared to provide financial information to Council and to evidence the soundness of the administration's financial management. It also provides information and discharges financial accountability to the City's ratepayers.

Strategic Implications

This report deals with matters of financial management which directly relate to the key result area of Financial Viability identified in the City's Strategic Plan – *'To provide responsible and sustainable management of the City' financial resources'*.

Policy and Legislative Implications

In accordance with the requirements of the Section 6.4 of the *Local Government Act* and *Local Government Financial Management Regulations 34 and 35*.

Financial Implications

The attachments to this report compare actual financial performance to budgeted financial performance for the period.

OFFICER RECOMMENDATION ITEM 9.6.1
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That

- (a) the monthly Balance Sheet and Financial Summaries provided as **Attachment 9.6.1(1-4)** be received; and
- (b) the Schedule of Significant Variances provided as **Attachment 9.6.1(5)** be accepted as having discharged Councils' statutory obligations under Local Government (Financial Management) Regulation 35.
- (c) the Summary of Budget Movements and Budget Reconciliation Schedule for 2006/2007 provided as **Attachment 9.6.1(6)(A)** and **9.6.1(6)(B)** be received.

9.6.2 Monthly Statement of Funds, Investments and Debtors at 30 Sept 2006

Location: City of South Perth
Applicant: Council
File Ref: FM/301
Date: 7 October 2006
Authors: Michael J Kent and Deborah M Gray
Reporting Officer: Michael J Kent
Director Financial and Information Services

Summary

This report presents to Council a statement summarising the effectiveness of treasury management for the month including:

- The level of controlled Municipal, Trust and Reserve funds at month end.
- An analysis of the City's investments in suitable money market instruments to demonstrate the diversification strategy across financial institutions.
- Statistical information regarding the level of outstanding monies pertaining to Rates and General Debtors.

Background

Effective cash management is an integral part of proper business management. Responsibility for management and investment of the City's cash resources has been delegated to the City's Director Financial and Information Services and the Manager Financial Services. These officers also have responsibility for the management of the City's Debtor function and oversight of collection of outstanding debts.

In order to discharge accountability for the exercise of these delegations, a monthly report is presented detailing the levels of cash holdings on behalf of the Municipal and Trust Funds as well as the funds held in "cash backed" Reserves. Significant holdings of money market instruments are involved so an analysis of cash holdings showing the relative levels of investment with each financial institution is provided. Statistics on the spread of investments to diversify risk provide an effective tool by which Council can monitor the prudence and effectiveness with which the delegations are being exercised. Finally, a comparative analysis of the levels of outstanding rates and general debtors relative to the equivalent stage of the previous year is provided to monitor the effectiveness of cash collections.

Comment

(a) Cash Holdings

Total funds at month end of \$32.9M compare very favourably to \$29.38M at the equivalent stage of last year. This is due to a number of factors including the very good cash collections from rates levied in July (0.5% ahead of last year) but is mainly due to the positive cash flow implications of the City changing the way in which it remits its ESL collections to FESA (we will now be making pre-determined quarterly remittances rather than the 'actual' monthly collections remittance approach used in previous years). This means that our cash position will be positively impacted early in the year but less favourably impacted in the later months of the year.

After adjusting for the ESL cash flow impact - and the lesser level of funds quarantined for carry forward capital works compared to last year, the net position is still slightly improved relative to September 2005. Monies taken into the new year and those collected subsequently are invested in secure financial instruments to generate interest until those monies are required to fund operations or projects later in the year as capital initiatives progress.

Excluding the 'restricted cash' relating to cash-backed Reserves and monies held in Trust on behalf of third parties; the cash available for Municipal use currently sits at \$16.2M (compared to \$13.8M in 2005/2006). **Attachment 9.6.2(1)**. The major reason for the much higher level of funds held compared to last year is the ESL cashflow impact and the positive impact of the City being able to prepare and lodge a large pension rebate claim with State Treasury much earlier than in previous years. This is a consequence of an process improvement made by the Financial Services team this year.

(b) Investments

Total investment in short term money market instruments at month end is \$32.6M compared to \$29.3M last year. The difference again relates to improved cash collections and the timing implications of the changed ESL remittance arrangements – despite the City having considerably less funds held for carry forward works than the figure at the same time last year.

Funds held are responsibly spread across various institutions to diversify risk as shown in **Attachment 9.6.2(2)**. Interest revenues (received and accrued) for the year to date total \$0.40M, which is up from \$0.38M at the same time last year. This is primarily attributable to higher cash holdings and the higher interest rates available at this time.

The average rate of return for the year to date is 6.08%. The anticipated yield on investments yet to mature is currently 6.18%- reflecting astute selection of investments after considering our cash flow management needs. The City actively manages its treasury funds to pursue responsible, low risk investment opportunities that generate interest revenue to supplement its rates income.

(c) Major Debtor Classifications

The level of outstanding rates relative to the equivalent time last year is shown in **Attachment 9.6.2(3)**. Rates collections to the end of September 2006 represent 63.3% of total rates levied compared to 62.8% at the equivalent stage of the previous year (3 instalments remaining). This is the City's best ever rates collection result as at the end of September - and suggests that the 2006/2007 rating strategy and the communication strategy supporting our rates notice and budget were both very successful.

The City again offered a range of appropriate, convenient and user friendly payment methods in 2006/2007. The rates collections to date provide convincing evidence that the early payment incentive scheme (generously sponsored by local businesses) has again had a very positive impact on rates collections this year.

General debtors stand at \$1.0M at 30 September 2006 compared to \$0.9M at the same time last year following the receipt of significant values of pension rebates and other debtors amounts during the month. The debtors category with a larger outstanding balance than at the same time last year is infringements – this is due to a larger value of infringements being issued and some technical issues resulting from changes in the way that DPI and FER process their parts of the infringement process. Because of the FER (Fines Enforcement Registry) involvement in the process, through the suspension of driver's licenses for non payment, the debts are regarded as largely collectible although they can take some time to collect.

Consultation

This financial report is prepared for Council and the City's management to evidence the soundness of financial management being employed by the administration. It also provides information that discharges accountability to our ratepayers. Community consultation is not a required part of these responsibilities.

Strategic Implications

This report deals with matters of financial management which directly relate to the key result area of Financial Viability identified in the City's Strategic Plan – *'To provide responsible and sustainable management of the City' financial resources'*.

Policy and Legislative Implications

Consistent with the requirements of Policy P603 - Investment of Surplus Funds and Delegation DM603. The provisions of Local Government Financial Management Regulation 19 are also relevant to the content of this report.

OFFICER RECOMMENDATION ITEM 9.6.2
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That the 30 September 2006 Statement of Funds, Investment and Debtors comprising:

- Summary of All Council Funds as per **Attachment 9.6.2(1)**
- Summary of Cash Investments as per **Attachment 9.6.2(2)**
- Statement of Major Debtor Categories as per **Attachment 9.6.2(3)**
be received.

9.6.3 Warrant of Payments Listing

Location:	City of South Perth
Applicant:	Council
File Ref:	FM/301
Date:	8 September 2006
Authors:	Michael J Kent and Deborah M Gray
Reporting Officer:	Michael J Kent ,Director Financial and Information Services

Summary

A list of accounts paid by the CEO under delegated authority between 1 September 2006 and 30 September 2006 is presented for information to the 26 October Council meeting.

Background

Local Government Financial Management Regulation 11 requires a local government to develop procedures to ensure the proper approval and authorisation of accounts for payment. These controls relate to the organisational purchasing and invoice approval procedures documented in the City's Policy P605 - Purchasing and Invoice Approval.

They are supported by Delegation DM605 which sets the authorised purchasing approval limits for individual officers. These processes and their application are subjected to detailed scrutiny by the City's Auditors each year during the conduct of the Annual Audit. Once an invoice has been approved for payment by an authorised officer, payment to the relevant party must be made from either the Municipal Fund or the Trust Fund and the transaction recorded in the City's financial records.

Comment

A list of payments made since the last list was presented is prepared and is presented to the next ordinary meeting of Council and recorded in the minutes of that meeting. It is important to acknowledge that the presentation of this list (Warrant of Payments) is for information purposes only as part of the responsible discharge of accountability. Payments made under this delegation can not be individually debated or withdrawn.

Consultation

This is a financial report prepared to provide financial information to Council and the City's administration to provide evidence of the soundness of financial management being employed by the administration. It also provides information and discharges financial accountability to the City's ratepayers.

Strategic Implications

This report deals with matters of financial management which directly relate to the key result area of Financial Viability identified in the City's Strategic Plan – *'To provide responsible and sustainable management of the City's financial resources'*.

Policy and Legislative Implications

Consistent with the requirements of Policy P605 - Purchasing and Invoice Approval and supported by Delegation DM605.

Financial Implications

Payment of authorised amounts within existing budget provisions.

OFFICER RECOMMENDATION ITEM 9.6.3

That the Warrant of Payments for the month of September 2006 as detailed in the Report of the Director Financial and Information Services, **Attachment 9.6.3**, be received.

9.6.4 Statutory Financial Statements for Quarter ended 30 September 2006

Location: City of South Perth
Applicant: Council
File Ref: FM/301
Date: 8 October 2006
Author/Reporting Officer: Michael J Kent, Director Financial and Information Services

Summary

In accordance with statutory requirements, an Operating Statement is provided for the period ended 30 September 2006. The revenues and expenditures classified by program and also presented by nature and type classification. Statutory schedules relating to Rating Information and General Purpose Revenue that compare actual performance to budget for the period are also provided.

Background

The Local Government (Financial Management) Regulations 1996 require the City's Administration to produce quarterly financial statements in the specified statutory format and to submit those statements to Council for adoption.

The statutory Operating Statement emphasises Council's operations classified by the programs specified in the Appendix to the Local Government Financial Management Regulations - rather than on Capital Expenditures.

Although the monthly management accounts presented in departmental format are believed to be the most effective mechanism for both the City's Administration and Council in monitoring financial progress against the budget; the highly summarised, program classified statutory Operating Statement is mandated by the legislation because it provides comparability across Councils. The Department of Local Government, Australian Bureau of Statistics and Grants Commission regard local government comparability as being very important.

The statutory (AAS 27) format Operating Statement is required to be accompanied by a Schedule of General Purpose Revenue and supported by a supplementary Schedule of Rating Information for the corresponding period. Although not mandated by the legislation, a Statement of Financial Position as at the end of the period is included to provide a more complete and accountable set of financial reports.

Comment

The total AAS 27 Operating Revenue for the period of \$24.54M compares favourably with the year to date Budget of \$24.12M. This represents 102% of the year to date Budget. The principal variances disclosed are the favourable variances in the General Purpose Funding, Law and Order, Housing and Transport programs. General Purpose Funding is favourably impacted by additional rates revenue from slightly higher than expected GRVs at rates strike and extra interest revenue generated from excellent investment performance (as discussed at Item 9.6.2). The favourable variance in the Law and Order program relates to the continued strong performance on parking management and successful prosecutions under the Dog Act. The Housing Program appears to be ahead of budget – but this is really due only to monies received for a unit at the Collier Park Village that are yet to be transferred to Reserve Funds. Such a transfer will largely eliminate the apparent variance. The Transport program is ahead of budget due to contributions from the South Perth Hospital for car park works to be undertaken on their behalf by the City.

The remainder of the programs are close to budget expectations for the year to date with significant variances being separately identified and addressed by appropriate management action or by the items being included in the Q1 Budget Review.

Operating Expenditure (classified according to AAS 27 principles) to 30 September 2006, totals \$7.39M and compares favourably to a year to date Budget of \$7.96M. Most programs have small variances with the most significant being in the Governance, Recreation and Culture and Transport programs. Favourable variances in the Governance program relate mainly to salary savings due to vacant staff positions as discussed at Item 9.6.1.

Staff vacancies and a lesser requirement for legal fees in the Planning area have contributed to the small favourable variance in the Community Amenities program. Timing differences on golf course maintenance activities (which are expected to correct later in the year) and parks maintenance have all impacted favourably on the Recreation and Culture program - as have significant salary savings (from vacant positions) and delayed expenditures in the Library and at the George Burnett Leisure Centre. The Transport program is favourably impacted by timing differences in expenditures on underground power and the Preston St upgrade. These will correct later in the year.

Analysing the operating items by nature and type, employee costs are under budget (as expected due to the vacant positions) and materials and contracts are under budget for the year to date - although this is expected to correct in later months.

The Schedule of Rating Information shows that as at 30 September 2006, the City had levied some \$18.26M in residential and commercial rates compared to a year to date budget of \$18.20M. Interim rates growth has been marginally more than anticipated but it is not proposed to recognise this at this time as there is still some way to go to achieve the full year target.

Salaries are around 6.4% below budget expectations to date – but this is distorted by some extended vacancies in the Engineering, Planning, Finance, Recreation, Golf Course and Library areas. Other areas such as Community Services, Health Services and the Collier Park Village have been distorted by senior staff taking long service leave which is paid from cash backed provisions accumulated in prior years rather than from the normal cost centres. Most other areas are relatively close to budget expectations.

The Statement of Financial Position provides a comparison of asset and liability categories at 30 September 2006 and at an equivalent time in the 2005/2006 financial year. Current Assets stand at \$41.63M as at 30 September 2006 compared to \$39.29M in September 2005. The major aspects of this change are the much higher level of investment funds resulting from the changed ESL payment regime and quarantined cash backed reserves plus funds held for significant construction projects later in the year. Receivables are much lower than 2005/2006 due to excellent rates collections and the very timely processing and recovery (from state government) of pensioner rebate entitlements and other debtors.

Non Current Assets of \$174.67M compare with \$172.16M at September 2005. This increase reflects the higher valuation of buildings and infrastructure assets. Non current receivables relating to self supporting loans have also reduced slightly relative to last year.

Current Liabilities are disclosed as \$5.67M compared to a balance of \$3.30M at 30 September 2005. The reason for this increase is the higher level of creditor invoices outstanding from suppliers at balance date – particularly one invoice relating to the civic building project of more than a half a million dollars. The other very significant item is the recognition that the City has collected some \$1.5M more of ESL levies than have been forwarded to FESA at this date. However, it is considered prudent to recognise the liability to forward this money at this time as these are not City monies. Employee entitlements accrued and cash backed in accordance with statutory requirements are some \$0.15M higher than at the equivalent time last year.

Non-Current Liabilities stand at \$24.53M at 30 September 2006 compared with \$23.91M last year. This is attributable to a higher holding of refundable monies for the leaseholder liability at the Collier Park Complex this year (an additional \$0.9M). City borrowings undertaken as part of the overall funding package are \$0.3M lower than at the same time last financial year.

Consultation

As this is a comparative financial information report primarily intended to provide management information to Council in addition to discharging statutory obligations, community consultation is not a relevant consideration in this matter.

Policy and Legislative Implications

Actions to be taken are in accordance with Section 6.4 of the *Local Government Act* and the Local Government Financial Management Regulations.

Financial Implications

The attachments to this Report compare actual financial activity to the year to date budget for those revenue and expenditure items.

Strategic Implications

This report deals with matters of financial management which directly relate to the key result area of Financial Viability identified in the City's Strategic Plan Goal 6 –

'To provide responsible and sustainable management of the City' financial resources'.

OFFICER RECOMMENDATION ITEM 9.6.4

That Council receive the statutory Quarterly Financial Statements for the period ending 30 September 2006 comprising:

- | | |
|---------------------------------------|---|
| • Operating Statement | Attachment 9.6.4(1)(A) and 9.6.4(1)(B) |
| • Schedule of General Purpose Funding | Attachment 9.6.4(2) |
| • Schedule of Rating Information | Attachment 9.6.4(3) |
| • Statement of Financial Position | Attachment 9.6.4(4)(A) |
| • Statement of Change in Equity | Attachment 9.6.4(4)(B) |

9.6.5 Budget Review for the Quarter ended 30 September 2006
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Location:	City of South Perth
Applicant:	Council
File Ref:	FM/301
Date:	8 October 2006
Author/Reporting Officer:	Michael J Kent, Director Financial and Information Services

Summary

A review the 2006/2007 Adopted Budget for the period to 30 September 2006 has been undertaken within the context of the approved budget programs. Comment on identified variances and suggested funding options for those identified variances are provided. Where new opportunities have presented themselves or where these may have been identified since the budget was adopted, they have also been included – providing that funding has been able to be sourced or re-deployed.

The Budget Review recognises two primary groups of adjustments

- those that increase the Budget Closing Position
(new funding opportunities or savings on operational costs)
- those that decrease the Budget Closing Position
(reduction in anticipated funding or new / additional costs)

The underlying theme is to ensure that a ‘balanced budget’ funding philosophy is retained. Wherever possible, those service areas seeking additional funds to what was originally approved for them in the budget development process are encouraged to seek / generate funding or to find offsetting savings in their own areas.

Background

Under the Local Government Act 1995 and the Local Government (Financial Management) Regulations, Council is required to review the Adopted Budget and assess actual values against budgeted values for the period at least once a year – after December. This requirement recognises the dynamic nature of local government activities and the need to continually reassess projects competing for limited funds – to ensure that community benefit from available funding is maximised. It should also recognise emerging beneficial opportunities and react to changing circumstances throughout the financial year.

The City chooses to conduct a Budget Review at the end of the September, December and March quarters each year – believing that this approach provides more dynamic and effective treasury management than one half yearly review.

Comments are made on variances that have either crystallised or are quantifiable as future items but not on items that reflect a timing difference (scheduled for one side of the budget review period but not spent until the period following the budget review).

Comment

The Budget Review is presented in three parts :

- Amendments resulting from normal operations in the quarter under review **Attachment 9.6.5(1)**

These are items which will directly affect the Municipal Surplus. The City's Financial Services team critically examine recorded revenue and expenditure accounts to identify potential review items. The potential impact of these items on the budget closing position is carefully balanced against available cash resources to ensure that the City's financial stability and sustainability is maintained. The effect on the Closing Position (increase / decrease) and an explanation for the change is provided for each item.

- Items funded by transfers to or from existing Cash Reserves are shown as **Attachment 9.6.5(2)**.

These items reflect transfers back to the Municipal Fund of monies previously quarantined in Cash-Backed Reserves or planned transfers to Reserves. Where monies have previously been provided for projects scheduled in the current year, but further investigations suggest that it would be prudent to defer such projects until they can be responsibly incorporated within larger integrated precinct projects identified within the Strategic Financial Plan (SFP), they may be returned to a Reserve for use in a future year. There is no impact on the Municipal Surplus for these items as funds have been previously provided.

- Cost Neutral Budget Re-allocation **Attachment 9.6.5(3)**

These items represent the re-distribution of funds already provided in the Budget adopted by Council on 11 July 2006 .

Primarily these items relate to changes to more accurately attribute costs to those cost centres causing the costs to be incurred. There is no impact on the Municipal Surplus for these items as funds have already been provided within the existing budget.

Where quantifiable savings have arisen from completed projects, funds may be redirected towards other proposals which did not receive funding during the budget development process due to the limited cash resources available.

This section also includes amendments to “Non-Cash” items such as Depreciation or the Carrying Costs (book value) of Assets Disposed of. These items have no direct impact on either the projected Closing Position or cash resources.

Consultation

External consultation is not a relevant consideration in a financial management report although budget amendments have been discussed with responsible managers where appropriate prior to the item being included in the Budget Review.

Policy and Legislative Implications

Nil

Financial Implications

The amendments contained in the attachment to this Report will result in a change to the projected 2006/2007 Budget Closing Position of \$86,822. Changes recommended in the Q1 Budget Review for 2006 will result in the revised (estimated) 2006/2007 Closing Position becoming \$52,322.

The impact of the proposed amendments in this report on the financial arrangements of each directorate is disclosed in the table below. The figures shown in Table 1 below apply only to amendments contained in the attachments to this report.

The table includes only items directly impacting on the Closing Position and excludes the transfers to and from Reserves. Wherever possible, directorates are encouraged to contribute to their own budget adjustments by sourcing new revenues or adjusting proposed expenditures.

TABLE 1 :

Directorate	Increase Surplus	Decrease Surplus	Net Impact
Office of CEO	0	(10,000)	(10,000)
Corporate and Community	10,000	(27,000)	(17,000)
Financial and Information	80,000	(15,000)	65,000
Strategic and Regulatory	60,000	(87,500)	(27,500)
Infrastructure	80,000	(125,000)	(45,000)
Accrual and Opening Position	0	0	0
Total	230,000	264,500	(34,500)

A positive number in the Net Impact on Surplus column reflects a contribution towards improving the Budget Closing Position by a particular directorate.

Strategic Implications

This report deals with matters of financial management which directly relate to the key result area of Financial Viability identified in the City's Strategic Plan Goal 6 –

'To provide responsible and sustainable management of the City' financial resources'.

OFFICER RECOMMENDATION ITEM 9.6.5
--

That following the detailed review of financial performance for the period ending 30 September 2006, the budget estimates for Revenue and Expenditure for the 2006/2007 Financial Year, (adopted by Council on 11 July 2006 - and as subsequently amended by resolutions of Council to date), be amended as per the following attachments, appended hereto and forming part of these Minutes.

- Amendments identified from normal operations in the Quarterly Budget Review; **Attachment 9.6.5(1)**;
- Items funded by transfers to or from Reserves; **Attachment 9.6.5(2)**; and
- Cost neutral re-allocations of the existing Budget **Attachment 9.6.5(3)**.

(* *Note: An Absolute Majority is Required*)

9.7 MATTERS REFERRED FROM THE AUDIT AND GOVERNANCE COMMITTEE

9.7.1 Standing Orders Local Law 2006 (*Item 4.3 of the Audit and Governance Committee Meeting 9.10.06*)

Location: City of South Perth
Applicant: Council
Date: 10 October 2006
Author: Sean McLaughlin, Legal and Governance Officer
Reporting Officer: Cliff Frewing, Chief Executive Officer

Summary

The current Standing Orders Local Law 2002 has been extensively reviewed over the past 15 months resulting in a new draft local law which is presented to Council for adoption. The proposed draft has been considered by both Council and the Audit and Governance Committee on a number of occasions and the revised draft as recommended by the Committee at its meeting on 9 October 2006 is now ready for adoption. Once adopted, the local law making procedures of section 3.12 of the *Local Government Act 1995* may be initiated.

Background

In October 2005, Council adopted the recommendation of the Audit & Governance Committee that all the proposed changes be consolidated into a draft document for consideration by the City's legal advisers (Minter Ellison) prior to it being presented to Council for adoption.

A revised draft which incorporated significant changes to the format so as to include reference to the relevant sections of the *Local Government Act 1995* (the Act) and the *Local Government (Administration) Regulations 1996* was received in January 2006 and the Committee considered the revised draft at its meeting on 27 February 2006, recommending further minor changes prior to a final draft being presented to the next meeting of the Committee.

A further revised draft was presented to the Committee at its meeting on 8 May 2006 which, with the incorporation of some further minor drafting changes, recommended that the revised draft be presented to Council for adoption.

This revised draft was presented to Council for adoption in June but was referred back to the Committee for further consideration.

The Committee subsequently met on two occasions, 16 August and 9 October, and now recommends a revised draft which is at **Attachment 9.7.1**.

Comment

In addition to changes to the content of the proposed new standing orders, there is also a significant change to the format. The rationale behind the recommended format change lies in the fact that the laws affecting the City's meeting procedures are governed by three different laws which are not presently consolidated in one place. These are:

- (i) the *Local Government Act 1995*;
- (ii) the *Local Government (Administration) Regulations 1996*; and,
- (iii) the City of South Perth Standing Orders Local Law 2002.

The purpose of the changed format, which incorporates the relevant provisions of the Act and the Administration Regulations is to:

- (a) ensure consistency between the Standing Orders and the legislation;
- (b) eliminate clauses which deal with similar or overlapping matters and which were internally inconsistent; and,
- (c) provide for clearer layout and organisation of clauses to make it easier to read and find the relevant provision.

By this revised format, which has now been adopted by a number of local governments, it is intended that the proposed Standing Orders will result in:

- (i) better decision-making by Council and committees;
- (ii) the orderly conduct of the business of meetings;
- (iii) better understanding of the process of conducting meetings; and
- (iv) the more efficient and effective use of time at meetings.

Procedural Requirements for the making of a local law

Section 3.12 of the Act and regulation 3 of the *Local Government (Functions & General) Regulations 1996* set out the procedural requirements for the making of a local law.

Purpose and effect

At a council meeting the person presiding is to give notice to the meeting of the purpose and effect of the proposed local law by ensuring that the purpose and effect of the proposed law is included in the agenda for that meeting; and, the minutes of the meeting of council include the purpose and effect of the proposed local law.

The purpose of the proposed Standing Orders Local Law is to provide rules and guidelines for the orderly conduct of meetings of Council, committees and other meetings as prescribed.

The effect of the proposed Standing Orders Local Law is that all council meetings, committee meetings and other meetings as prescribed, shall be governed by these standing orders, unless otherwise provided by the Act, regulations or other written law.

Public consultation

Section 3.12(3) of the Act requires the City to:

- (a) give State-wide public notice stating that:
 - (i) the City proposes to make a local law the purpose and effect of which is summarised in the notice;
 - (ii) a copy of the proposed local law may be inspected or obtained at any place specified in the notice; and
 - (iii) submissions about the proposed local law may be made to the City before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given.
- (b) as soon as the notice is given, give a copy of the proposed local law and a copy of the notice to the Minister and, if another Minister administers the Act under which the local law is proposed to be made, to that other Minister; and
- (c) provide a copy of the proposed local law, in accordance with the notice, to any person requesting it.

A notice under subsection (3) is also to be published and exhibited as if it were a local public notice.

After the last day for submissions, the City is to consider any submissions made and may make the local law as proposed or make a local law that is not significantly different from what was proposed.

Consultation

In accordance with the October 2005 Council resolution the consolidated draft document was forwarded to Minter Ellison for comment and advice in November 2005. Further consultation occurred in February 2006 in preparation for the Audit and Governance Committee meeting.

Public consultation will be conducted as described above in accordance with the Act.

Policy and Legislative Implications

The policy and legislative implications are as described above.

Financial Implications

N/A

Strategic Implications

Consistent with the Strategic Plan: **Goal 5 - Organisational Effectiveness:**

To be a professional, effective and efficient organisation.

OFFICER RECOMMENDATION ITEM 9.7.1
--

That the proposed Standing Orders Local Law 2006, **Attachment 9.7.1**, be adopted for the purpose of initiating the local law making procedure in accordance with section 3.12 of the *Local Government Act 1995*.

9.7.2 Policy Review (*Item 4.4 referred from Audit and Governance Committee meeting held 9.10.2006*)

Location: City of South Perth
Applicant: Council
File Ref: GO/108
Date: 10 October 2006
Author: Sean McLaughlin, Legal and Governance Officer
Reporting Officer: Cliff Frewing, Chief Executive Officer

Summary

The City has a practice of reviewing its policies at regular intervals to consider the continuing relevance of the policy and to assess whether the policy needs updating as a result of legislative or other changes. This report presents a review of policies undertaken by City officers, which the Audit & Governance Committee has recommended for adoption by Council.

Background

In line with contemporary organisational best practice, the City's Governance Framework aligns policies with the Strategic Goals contained within the City's Strategic Plan 2004 - 2008.

The review procedure involves consideration, firstly by the custodian department which has the relevant technical expertise in relation to the policy content, and subsequently by the Policy Review Committee which is made up of officers who represent each of the City's directorates.

The process of review assesses the continuing relevance of the policy and the need to update it in light of legislative, demographic, economic, environmental or other relevant changes. The review may identify a need to revise or delete the policy or it may conclude that the policy does not require alteration.

Comment

The Policies reviewed in this report are aligned to **Goal 5 - Organisational Effectiveness;** and **Goal 6 - Financial Viability.**

A summary of the review follows:

P518 Management of Corporate Records

This policy was deferred by the Committee/Council earlier in the year on the basis that the Committee queried (i) whether the policy satisfactorily covered the issue of electronic data storage; and (ii) whether the City's Record Keeping Plan was current. The answer to both those inquiries is yes. The text of the policy has been revised so as to clarify the central role and purpose of the Record Keeping Plan and the legislative framework within which the City's record keeping procedures operate.

Otherwise minor textual changes have been made to correct typographical errors, improve grammar and readability; and minor format changes have been made to improve layout and presentation.

P519 Legal Representation

This policy has been comprehensively re-written in order to tighten the criteria upon which representation costs may be paid, to clarify its application generally and to bring it into line with the Departmental Guideline No. 14 - Legal Representation. The revised policy is based on and consistent with the Departmental Guideline. The fundamentals of the policy itself are otherwise unchanged.

P523 Submission of Annual Returns

This policy reads like a management practice rather than a policy. It does no more than set out administrative procedures designed to facilitate compliance with the statutory requirements relating to Annual Returns (and omits any reference to Primary Returns). It is recommended that this policy be deleted and that it be substituted by a management practice which is based on a revised version of the current policy document.

P606 Openness, Accountability and Disclosure of Interests [Continuous Disclosure of Financial Interests]

It is arguable that this policy is redundant in light of the provisions of the LGA which require disclosure of interests (financial or otherwise) at any time which may impact on or influence (or be perceived to) an elected member's decision-making or an officer's preparation of advice on a matter concerning the City's affairs.

However because the same proposition may be made in relation to the LGA provisions on financial interest returns generally, it is recommended that the policy be retained but with minor textual revision to improve its clarity and the effectiveness of its application. The policy has been renamed to more accurately reflect its intent.

The revised policies are collected at **Attachment 9.7.2.**

Consultation

The reviewed policies have been the subject of consultation within the relevant custodian department (in this case the Office of the CEO and Financial Services) and have been presented to the Policy Review Committee and the Executive Management Team for feedback and endorsement.

The reviewed policies were considered by the Audit and Governance Committee at its meeting on 9 October 2006.

Policy and Legislative Implications

The Council may determine the City's policies in accordance with section 2.17 of the *Local Government Act*.

Financial Implications

Nil.

Strategic Implications

The process of review is consistent with Strategy 5.10 of the Strategic Plan encompassed in - Goal 5 - Organisational Effectiveness -

To be a professional, effective and efficient organisation.

COMMITTEE RECOMMENDATION ITEM 9.7.2
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That Council:

- (a) adopts revised Policies:
 - P518 “Management of Corporate Records”
 - P519 “Legal Representation”; and
 - P606 “Continuous Financial Disclosure”as set out in **Attachment 9.7.2**; and
- (b) deletes Policy P523 “Submission of Annual Returns”

9.7.3 Presentation of Annual Audit Report and Management Letter. *(Item 4.1 referred from Audit and Governance Committee Meeting Held 9.10.2006)*

Location: City of South Perth
Applicant: Council
File Reference: KM/302
Date: 5 October 2006
Author / Reporting Officer: Michael J Kent, Director Financial and Information Services

Summary

To present the Auditors Report in relation to the annual audit of the City's financial statements for 2005/2006.

Background

In accordance with Section 7.9 of the *Local Government Act*, the Audit Opinion (Report) arising from the conduct of the annual audit of the City's financial records is to be presented to the Council, CEO and Minister for Local Government before 31 December each year. The Audit Report, **Attachment 9.7.3(a)** also is to be included in the publicly available Annual Report as part of our discharge of accountability to the community.

Audit regulations provide for a further more detailed report (identifying business improvement opportunities) known as the Management Letter, to be prepared and submitted to the CEO. This Management Letter is not a public document and is a *confidential* communication between the City's Auditors, the Chief Executive Officer, Council and the Minister for Local Government. Accordingly, it is made available as **Confidential Attachment 9.7.3(b)**.

Comment

The City has again received an audit report without qualification (no identified deficiencies) for the year ended 30 June 2006. The audit opinion indicates that there were no errors detected, nor matters which disclosed significant adverse trends in the City's financial position or practices. In addition, there were no significant matters of non-compliance with relevant legislation were detected in the conduct of the audit.

In conducting their field work, the City's Auditors have acknowledged the integrity of the City's financial management systems and procedures. In presenting the City's annual financial statements and full supporting documentation in line with a best practice reporting timeframe, the City has again set a benchmark to which other local governments must aspire.

Financial statements reflecting International Financial Reporting Standards (IFRS) were required for the first time in 2005/2006. Given the absence of any definitive guidance on how to prepare fully compliant IFRS financial statements for a local government and with the City being one of the first local governments to finalise their 2005/2006 financial statements, the City's financial staff have researched and developed the new format statements with all necessary disclosures and supporting schedules without access to external professional guidance. To have achieved this outcome in such a timeframe without any audit issues is a very satisfying outcome.

Financial Statements were completed and made available for audit on 18 August 2006. The audit was undertaken in the second half of August with the final sign off on the Audit Report occurring on 13 September 2006.

In the detailed analysis of all financial procedures by the Auditors, four specific minor recommendations were made in the Management Letter. These items related to the following:

- Investigating monies held in the pre-paid rates account to establish how these should now be treated;
- A minor discrepancy was detected in the discounting rate used in Net Present Value (NPV) calculations for employee entitlements in one year of the 10 year model (the financial effect of this is immaterial and the City's allocation of funds for this purpose errs slightly on the side of prudence).
- The City has, for a number of years, adopted a practice of apportioning the fee paid to the Valuer General's Office for the triennial property valuation across the 3 years that the valuation data is used to generate rates. This treatment is in accordance with the 'matching principle' of matching revenues and the costs associated with deriving them. The Auditors have suggested that under IFRS the City should expense the full amount of the next triennial revaluation in full (in 2008) rather than apportioning it across the next 3 years.
- The stock take sheets for the nursery greenstock, whilst properly completed, were not signed by those undertaking the stock count.

These issues are regarded as only minor matters and have been considered by senior management who have provided appropriate responses in relation to proposed actions arising from these observations. A summary of these observations and the City's responses were included in **Confidential Attachment 9.7.3(b)**.

Consultation

Consultation has occurred between the City's senior Financial Services staff, the CEO and Stanton Partners Chartered Accountants (auditors).

Strategic Implications

This report deals with matters of financial management which directly relate to the key result area of Financial Viability identified in the City's Strategic Plan – '*To provide responsible and sustainable management of the City's financial resources*'.

Policy and Legislative Implications

In accordance with the requirements of the Section 7.9 of the *Local Government Act*, Department of Local Government Guidelines, relevant Australian Accounting Standards and the Local Government (Financial Management) Regulations.

Financial Implications

Nil – this reports relates to the validation of previously reported information about the City's financial performance and financial position.

OFFICER AND COMMITTEE RECOMMENDATION ITEM 9.7.3
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That

- (a) the Audit Report for the 2005/2006 financial year as submitted by the City's Auditors, Stanton Partners Chartered Accountants, **Attachment 9.7.3(a)**, be received;
- (b) the Management Letter for the 2005/2006 financial year as submitted by the City's Auditors, Stanton Partners Chartered Accountants **Confidential Attachment 9.7.3(b)** be received ; and
- (c) the proposed actions in response to the matters identified in the Management Letter be noted and endorsed.

10. APPLICATIONS FOR LEAVE OF ABSENCE

11. COUNCIL MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

<p>11.1 Proposed Investigation into Audi Recording of all Council Meetings. Cr Doherty 11.10.06</p>
--

I hereby give notice that I intend to move the following Motion at the Council Meeting to be held on 24 October 2006:

That....

- (a) an investigation be undertaken by Council Officers into the audio recording of all Council meetings. This investigation to include, but not limited to the following:
 - (i) primary purpose of audio recording meetings;
 - (ii) ascertain the cost of audio recording meetings;
 - (iii) assess the technical requirements;
 - (iv) detail a realistic timeframe for the implementation of audio recording meetings;
 - (v) ensure audio recording reflects the provisions of the *Local Government Act*;
 - (vi) identify required changes to *Standing Orders*;
 - (vii) usage of appropriate signage in the Council Chambers for the general public;
 - (viii) wording to be used by meeting Chair informing members of the public that meetings are being audio recorded; and
- (b) a report outlining the outcomes and the recommendations of this investigation be submitted to the Council for their consideration at the December 2006 meeting.

MEMBER COMMENTS

With the recent move to the refurbished Council Chambers, in my view it is timely to examine closely the recommendations from the Inquiry into the City of South Perth that refers to:

“The City of South Perth gives consideration to the audio taping of Council meetings of the City as an aid to the written recording of minutes.”

The primary purpose of recording Council meetings is to ensure the minutes of the meeting are a complete and accurate record, a requirement under Section of the Local Government Act. The recording will primarily be a ‘working document’ made in order to achieve an administrative end, rather than an act performed with the purpose of collecting personal information.

Due to the increasing complexity of issues considered by Council, the audio recording of meetings is a reasonable necessity where verifying the accuracy of Minutes are required.

CEO COMMENT

In accordance with Clause 3.6(d)(iii) of Standing Orders Local Law the Chief Executive Officer supports the proposal for an investigation into the audio recording of all Council meetings.

11.2 Monthly Report from Register of Delegations - Cr Doherty 11.10.06

I hereby give notice that I intend to move the following motion at the Council Meeting to be held on 24 October 2006:

MOTION

That Council receive a monthly report as part of the Agenda, commencing at the November 2006 meeting, on the:

- (a) use of the Common Seal – listing seal number; date sealed; department; meeting date/item number and reason for use; and
- (b) exercise of Delegated Authority from Development Services under Town Planning Scheme No. 6 – as currently provided in the Councillor’s Bulletin.

MEMBER COMMENT

To provide a monthly listing of those documents executed by means of affixing the Common Seal for noting by the Council; and on the number and nature of development applications considered under Delegated Authority.

Delegation is an optional tool under the *Local Government Act 1995* that a Council can use to reduce the amount of routine business submitted on the Agenda leaving more time for Elected Members to study and consider the impact on the community of big issues and policy matters.

Trust plays a major part in effective delegation. For Council to delegate powers and duties successfully it is necessary for a system to provide for effective communication to Elected Members for the decisions that have been made and the rationale used.

While delegations of the Council are reviewed at least once in each financial year, Elected Members should be aware that where they have delegated a power or duty to the CEO then a record must be kept of times when the delegation is exercised. This record while forming part of the records management system of the administration is a means to ensuring the Elected Members are kept informed of when delegation is exercised, similarly when the Common Seal is used and for what purpose.

The reason for placing monthly reports on the exercise of Delegated Authority under the Scheme on the Agenda, is to ensure that this information is in the public domain.

CEO COMMENT

In accordance with Clause 3.6(d)(iii) of Standing Orders Local Law the Chief Executive Officer comments as follows:

Common seal

Clause 19.1 of the City’s Standing Orders Local Law 2002 provides that the CEO is responsible for the safe custody and proper use of the common seal. In addition, clause 19.1 requires the CEO to record in a register:

- (i) the date on which the common seal was affixed to a document;
- (ii) the nature of the document; and
- (iii) the parties to any agreement to which the common seal was affixed.

The register is maintained on an electronic data base and is available for inspection.

Monthly report on exercise of Delegations in Development Services

A list of decisions made under delegated authority by officers in Development Services is currently published in the Councillors Bulletin each month.

<p>11.3 Proposal for on-site measuring of building 21 South Perth Esplanade and under-construction building 12-14 Stone Street, South Perth..... Cr Smith 11.10.06</p>

I hereby give notice that I intend to move the following motion at the Council Meeting to be held on 24 October 2006:

MOTION

That....

- (a) the Chief Executive Officer, City of South Perth, Mr C Frewing, be directed to ASAP, arrange for suitably qualified surveyors to go on site and measure:
- (i) the height;
 - (ii) the setbacks; and
 - (iii) the plot ratio
- at No. 21 South Perth Esplanade, South Perth and the other building which is under construction is 'Millstream' located at Nos. 12 - 14 Stone Street, South Perth; and
- (b) an independent witness will be required to oversee these measurements and I will move that Mr Graham Partridge, ex Chief Executive Officer of the Town of Cambridge be employed in that role as his knowledge and experience is ideally suited for the situation.

CEO COMMENT

In accordance with Clause 3.6(d)(iii) of Standing Orders Local Law the Chief Executive Officer comments as follows:

No. 21 South Perth Esplanade

The development incorporates 4 Multiple Dwellings in a five level building. Planning Approval was granted by Council in March 2004. A Building Licence was issued by the City on 16 August 2004.

The building licence drawings received a planning check and subsequent 'planning' clearance which confirmed that the drawings were compliant with the approved sketch plans and conditions of planning approval in relation to height, setbacks and plot ratio.

The development is complete. The City's Building Services inspected the completed development, ascertained that the development had been completed in a manner that was consistent with the approval and issued a certificate of classification on 2 May 2006.

The City administration has no reason to believe that the development is not compliant with the planning approval granted by Council in March 2004. Council has no material before it which provides grounds for believing that the development is non-compliant with the planning approval.

A local government's powers to enter private land are limited. In the absence of reasonable grounds, the City would be acting unlawfully if it attempted to implement the proposed action with respect to No. 21 South Perth Esplanade.

On the basis of the above matters, it is considered that the proposed direction is beyond the power of Council, would be unlawful and could not be lawfully implemented.

No. 12-14 Stone Street

The development incorporates 26 Multiple Dwellings in an eight storey building. Planning Approval was granted by Council in July 2004. A Building Licence was issued by the City on 28 June 2005.

The building licence drawings received a planning check and subsequent 'planning' clearance which confirmed that the drawings were compliant with the approved sketch plans and conditions of planning approval in relation to height, setbacks and plot ratio.

The development is currently under construction. As such, Building Services is yet to undertake a final inspection to confirm that the development has been completed in accordance with the approved building licence drawings and associated conditions.

In these circumstances it would be premature at this stage to undertake the proposed action.

In discussions with Cr Smith, the Administration, as an alternative course of action to that proposed in the motion, offered to conduct an audit of the two properties as it has done previously with the list of properties supplied by the Kensington Community Association. Although the offer was declined, the Administration remains of the view that it provides a more appropriate approach to the issue.

This being the case, the Administration would be pleased to prepare a review of the matters and provide the results to Councillors when completed.

11.4 Tender - City's Legal Services
--

Cr Wells 17.10.06

I hereby give notice that I intend to move the following motion at the Council Meeting to be held on 24 October 2006:

MOTION

That...

- (a) prior to the expiry date of the current legal service to the City, the Chief Executive Officer advertise, by open tender, for the City's legal service;
- (b) suitable candidates be the subject of a report to Council; and
- (c) the selection of a suitable firm be a decision of Council.

MEMBER COMMENT

Open and transparent government showing that this City does not show favouritism toward any particular firm.

CEO COMMENT

In accordance with Clause 3.6(d)(iii) of Standing Orders Local Law the Chief Executive Officer comments as follows:

In January 2004, as a result of a public tendering process for the provision of legal services, the City entered into a contractual arrangement with four law firms - McLeods, Minter Ellison, Mullins Handcock and Kott Gunning.

The contract expires at the end of December 2006 however there is an option to renew for a further period of two years.

The Administration considers that under these contractual arrangements it has generally obtained timely and accurate advice at a reasonable cost to the City.

The City's requirements for legal advice are of course specific to the needs of local government and relate in the main to planning (including SAT review applications), miscellaneous governance issues (eg. Standing Orders & Code of Conduct), statutory compliance and enforcement, employment and general contracts, leasing and licensing matters. Because of the particular requirements of the City, only firms which specialise in these areas are used by the City. It is considered that with the range of firms on the current panel the City is well served in those areas for which advice is required.

It is noteworthy that over the period of the past two and a half years legal costs have been steadily reducing. The annual cost of obtaining external legal advice in 2004-2005 was approximately \$302,000. The Carcione matter accounted for \$110,000 of this, whilst the removal and appointment of a CEO accounted for \$90,000. In 2005-2006 the figure dropped to \$150,000 out of which Canning Mews accounted for \$41,000. For the first quarter of the current financial year, the City has expended approximately \$36,000 out of which \$20,000 is in relation to the Supreme Court action for unfair dismissal taken by a former CEO, David Moylan, against the City.

Whilst there is no statutory requirement to go to tender for the provision of legal services, the Administration considers that it is a good practice which should be continued. Given that the existing contractual arrangements provide for the contracts to be extended for up to two years, without letting new tenders, there may be merit in extending the existing contractual arrangements (subject to reaching agreement on fee structure) with the firms currently on the City's panel.

It is proposed to prepare a report on this general issue for Council's consideration at its November meeting. It is therefore suggested that the subject be considered at that time with the benefit of an officer's report.

12. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

13. MEETING CLOSED TO PUBLIC

13.1 Matters for which the Meeting May be Closed.

13.1.1 Aged Care Services Review	CONFIDENTIAL REPORT
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Location:	City of South Perth
Applicant:	Council
File Ref:	CS/501/4
Date:	4 October 2006
Author/Reporting Officer:	Cliff Frewing, Chief Executive Officer

Confidential

The CEO has designated this report as ***Confidential*** under the *Local Government Act* Sections 5.23(2)(a), and (c) as it relates to a contract that may be entered into by the local government and to a matter affecting employees to be discussed at the meeting.

Note: *Confidential* Report will be circulated Separately

13.2 Public Reading of Resolutions that may be made Public.

14. CLOSURE