



TOWN OF CLAREMONT

ORDINARY COUNCIL MEETING

MINUTES

TUESDAY 21 JULY, 2015

Les Crichton

ACTING CHIEF EXECUTIVE OFFICER

Date:

DISCLAIMER

Would all members of the public please note that they are cautioned against taking any action as a result of a Council decision tonight until such time as they have seen a copy of the Minutes or have been advised, in writing, by the Council's Administration with regard to any particular decision.

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TOWN OF CLAREMONT
ORDINARY COUNCIL MEETING
21 JULY, 2015
MINUTES

1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

His Worship the Mayor, Mr Jock Barker, welcomed members of the public, staff and Councillors and declared the meeting open at 7:00 PM.

2 RECORD OF ATTENDANCE/APOLOGIES

ATTENDANCE

Mayor Barker

Cr Karen Wood

West Ward

Cr Peter Browne

West Ward

Cr Peter Edwards

West Ward

Cr Chris Mews

South Ward

Cr Bruce Haynes

East Ward

Cr Anita Lorenz

East Ward

Mr Les Crichton (Acting Chief Executive Officer)

Ms Julia Kingsbury (Manager Planning)

Ms Katie Bovell (Governance Officer)

Two members of the public

Two members of the press

APOLOGIES

Cr Alastair Tulloch – Leave of Absence

Cr Jill Goetze - Leave of Absence

Cr Paul Kelly – Apology

Mr Stephen Goode - Apology

3 DISCLOSURE OF INTERESTS

NIL

4 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

NIL

5 PUBLIC QUESTION TIME

Ms Vivienne Yap, re: Item 13.1.2, Lot 5 (Shop 2, 53) Bay View Terrace, Claremont - Proposed Change of use to 'Office', Internal Fitout and Signage for 'LJ Hooker'.

Question:

Ms Yap asked if Council will approve her application?

Answer:

The Mayor answered that Council could not consider this application until a report has been prepared for Council. The item was withdrawn from this agenda by the Acting CEO to enable administration to obtain further information relating to the application.

6 PUBLIC STATEMENT TIME

NIL

7 APPLICATIONS FOR LEAVE OF ABSENCE**7.1 APPLICANT: CR BROWNE**

Moved Cr Wood, seconded Cr Edwards

That Cr Browne be granted Leave of Absence for Ordinary Council Meeting 18 August 2015.

**CARRIED(127/15)
(NO DISSENT)**

8 PETITIONS/DEPUTATIONS/PRESENTATIONS

NIL

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Moved Cr Haynes, seconded Cr Browne

That the minutes of the Ordinary Meeting of Council held on 7 July 2015 be confirmed.

**CARRIED(128/15)
(NO DISSENT)**

10 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETING MAY BE CLOSED TO THE PUBLIC

NIL

11 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

NIL

12 REPORTS OF COMMITTEES

NIL

13 REPORTS OF THE CEO

13.1 PLANNING AND DEVELOPMENT

13.1.1 LOTS 1, 2, 51 - 53, 89, 90 AND 93 (356) STIRLING HIGHWAY, CLAREMONT - PROPOSED AMENDMENT TO JUNIOR SCHOOL REDEVELOPMENT FOR METHODIST LADIES' COLLEGE

File Ref:	A-3740/DA2015.00093
Attachments – Public	Location Map Photo
Attachments – Restricted	Plans Main Roads WA Comments
Responsible Officer:	David Vinicombe Executive Manager Planning and Development
Author:	Julia Kingsbury Manager Planning
Proposed Meeting Date:	21 July 2015
Date Prepared:	7 July 2015
Due Date:	20 August 2015
Property Owner:	Methodist Ladies' College
Submitted By:	Methodist Ladies' College and CODA Architecture and Urban Design
Area of Lot:	64,750m²
Zoning:	Education
Enabling Legislation:	<i>Planning and Development Act 2005 (PDA)</i> <i>Town Planning Scheme No. 3 (TPS3)</i> <i>Residential Design Codes (RDC)</i>

Summary

- Revised application for planning approval received for the demolition of existing buildings on the site and the construction of a new Methodist Ladies' College (MLC) Junior School.
 - The amendment relates to:
 - Deletion of the east-west orientated two level building and the construction of a single level amenities building and a new landscaped area
 - Additions to the north-south orientated two level building, including construction of an additional part level to accommodate the proposed 'out of hours' care facility relocated from the separate building which is no longer proposed to be constructed
 - Minor reconfiguration of the internal building spaces
-

- Reconfiguration of the layout of the temporary transportable buildings located in the north-west corner of the site.
- No changes are proposed to the class sizes, or student/staff numbers or approved parking or access arrangements.
- Application is recommended for approval, subject to relevant conditions.

Purpose

For Council to consider the application to amend the Metro West Joint Development Assessment Panel (JDAP) approval for the proposed MLC Junior School development at 356 Stirling Highway, Claremont.

Background

The following table outlines key dates regarding this proposal:

Date	Item/Outcome
7 April 2015	Council supports Planning Application for MLC addition and alteration to Junior School
16 April 2015	JDAP approves Planning Application for MLC addition and alteration to Junior School
23 June 2015	Revised Planning Application received by Council
24 June 2015	Application undergoes internal DCU assessment
8 July 2015	Report prepared for Council

Past Resolutions

Ordinary Council Meeting 7 April 2015, Resolution No. 47/15:

THAT Council:

1. *Request of the Executive Manager Planning and Development to modify part 1 of the officer report to the Metro West Joint Development Assessment Panel so that the intent of the proposed condition 3 regarding student enrolment limitations is clarified so as to indicate that the limitations are required to satisfy parking requirements of Town Planning Scheme No. 3.*
2. *In all other respects support the officer recommendation to the Metro West Joint Development Assessment Panel for the proposed Methodist Ladies' College (MLC) Junior School Development at Lots 1 – 2, 51 – 53, 89 – 90 and 93 (356) Stirling Highway, Claremont.*
3. *Authorise the Executive Manager Planning and Development to forward a report on the application to the Metro West Joint Development Assessment Panel.*

**CARRIED
(NO DISSENT)**

At its meeting held on 16 April 2015 the JDAP resolved to approve the demolition of existing buildings on the site and the construction of a new Methodist Ladies' College (MLC) Junior School in accordance with TPS3 subject to the following conditions and advice notes:

1. *In all other respects, development is to occur in accordance with the drawings submitted with the application for planning approval (Planning Application 2014.00241), as amended by these conditions.*

2. *This approval is valid only if the development is commenced within 24 months of the date of approval.*
3. *In order to satisfy the car parking requirements of TPS3, student enrolments not exceeding the School's stated cap of 1,300 students based on 65 classes and the Preferred Education Model of 20 students per class for the Claremont campus without the prior approval of the Town of Claremont.*
4. *The temporary buildings located in the north-west corner of the site to be removed and the grassed area reinstated within three months of the completion and occupation of the proposed Junior School to the satisfaction of the Town of Claremont.*
5. *Detailed landscaping and reticulation plan for any proposed areas of landscaping and open space to be submitted as part of the application for Building Permit and approved by the Town of Claremont.*
6. *Prior to the occupation of the proposed development a pedestrian footpath is to be installed along Corry Lynn Road in front of the right angled car parking bays connecting to the existing Stirling Highway footpath, at the cost of the owner/developer to the specifications of the Town of Claremont.*
7. *Details of the design, materials, colours and finishes to be submitted as part of the application for Building Permit and approved by the Town of Claremont.*
8. *All stormwater is to be contained on site to the satisfaction of the Town of Claremont. Details are to be submitted with an application for a building permit.*
9. *Details of the proposed location of all service equipment, air conditioner unit enclosures and storage areas including details of the proposed screening of all services from view of the street is to be submitted as part of the application for Building Permit and approved by the Town of Claremont.*
10. *A Site, Construction and Traffic Management Plan for tradespersons and delivery vehicles including access to the temporary Junior School buildings is to be submitted and approved as part of the application for Building Permit by the Town of Claremont and implemented for the duration of construction.*
11. *Potentially affected street trees adjacent to the property are to be fenced off for the duration of construction works within a 2.4m x 2.4m area constructed from temporary fence panels. No materials are to be stored within these areas and trees are to be protected to the satisfaction of the Town of Claremont.*

Advice Notes:

- (i) *This is not an approval to commence development. A building permit must be obtained from the local government's Building Services prior to the commencement of any building works.*
- (ii) *The applicant/owner is advised of the following health requirements from the Town's Health Services. For further information please contact the Town's Health Services on 9285 4300.*
 - *The development and use of the land is required to comply with the Environmental (Noise) Regulations 1997.*
 - *The applicant is required to remove any hazardous materials encountered during construction/demolition at their own expense and in*

accordance with the Code of Practice on Safe Removal of Asbestos (NOHSC: 2002(1988) as stipulated by the Occupational Health and Safety Regulations 1996, and disposed of in accordance with the Health (Asbestos) Regulations 1992 and the Environmental Protection (Controlled Waste) Regulations 2004.

- *All plant and machinery (such as air-conditioners and pool pumps) are to be suitably sound proofed to comply with the requirements of the Environmental Protection (Noise) Regulations 1997 and so as not to cause an adverse impact on the amenity of any adjoining residential properties.*
 - *Under the Environmental Protection (Noise) Regulations 1997 no work is to be permitted or suffered to be carried out:*
 - a) *Before 7.00am or after 6.00pm Monday to Saturday inclusive; or*
 - b) *On a Sunday or on a public holiday.*
 - *The development is required to be registered as a public building under the Health (Public Buildings) Regulations 1992. Please contact the Town of Claremont's Health Department for more information.*
- (iii) If the applicant is aggrieved by this determination a right of review may exist under the Planning and Development Act 2005. A review must be lodged with the State Administrative Tribunal (www.sat.justice.wa.gov.au) within 28 days of the determination.*

As the subject site is located partially within the Swan River Trust (SRT) Development Control Area (DCA) the JDAP also resolved to approve the to approve the demolition of existing buildings on the site and the construction of a new Junior School under the Metropolitan Region Scheme (MRS) subject to conditions recommended by the Western Australian Planning Commission (WAPC).

Statutory Considerations

Development Assessment Panel

In accordance with Regulation 17 of the *Planning and Development Act (Development Assessment Panels) Regulations 2011* (DAP Regulations), a landowner/applicant may apply to the JDAP to amend or delete any condition of approval or amend an aspect of the development approved provided it will not substantially change what was approved.

In this instance the applicant has lodged a Form 2 for approval for an amendment to the approved development.

Metropolitan Regions Scheme

As the subject site is partially located within the Swan River Trust (SRT) Development Control Area the application is referred to the Department of Planning (DoP) for determination under the MRS by the WAPC. The DoP are responsible for preparing a Form 2 report for the JDAP to issue a dual MRS and TPS3 determination.

Heritage

'Burnside House' and the 'Centenary Building', located on the site are listed in the Town of Claremont Local Government Inventory and the TPS3 Register of Heritage Places. It is noted that neither building is affected by the proposed redevelopment. The buildings are also classified by the National Trust and the site as a place warranting assessment for possible entry in the State Register of Heritage Places.

The original application was referred to the National Trust and the State Heritage Office for comment. Both external referral agencies advised that the proposed works will have no impact on the significant buildings on the site, therefore no objection to the proposal was received. As the proposed amendment does not propose any alterations that would impact on the significant buildings or otherwise impact on the previous heritage considerations, the revised application was not referred to the National Trust of State Heritage Office in this instance.

Consultation

The revised application was not advertised to adjoining landowners as the application does not propose any significant alterations from the original proposal that could potentially impact on the adjoining landowners/occupants. It is noted that no submissions were received in response to the public consultation period for the original application considered by the Council and approved by the JDAP at its meeting held on 16 April 2015.

Metropolitan Region Scheme Metropolitan Region Scheme - Main Roads WA (MRWA) Referral

The site is located partially within a MRS reserve for 'Primary Regional Road' (PRR). Under the *Planning and Development Act 2005* (PDA) MRS Instrument of Delegation (Del 2011/02), the Council has delegated authority to approve development within or adjacent to the Stirling Highway MRS reservation subject to any decision being consistent with the comment and recommendation of MRWA.

The revised application has been referred to MRWA for comment. MRWA advised that they have no objection to the revised application (detailed comments attached).

If Council supports this application, it is recommended that any approval be conditioned to comply with the previous MRWA conditions and the additional advice notes submitted in regards to the revised application.

Discussion

Description

The application proposes modifications to the approval for the construction of a new Junior School at MLC on the corner of Stirling Highway and Corry Lynn Road (adjacent Bray Road), Claremont.

The original proposal included:

- The demolition of the existing 'Bosisto Hall', the pre kindergarten buildings and existing additions to the 'Summerhayes' and 'Barclay House' buildings.

- Refurbishment of the remaining Junior School buildings including a two level addition to the east of the 'Summerhayes' building.
- Construction of two, two level buildings to the south of the remaining buildings with a new central courtyard.
- Temporary construction of four single level, painted steel frame transportable buildings to be located on the grassed area in the north-west corner of the site whilst the construction of the proposed Junior School occurs.

The revised proposal includes the following modifications:

- Deletion of the east-west orientated two level building and the construction of a single level amenities building and a new landscaped area.
- Additions to the north-south orientated two level building, including construction of an additional part level to accommodate the proposed 'out of hours' care facility from the building no longer proposed to be constructed.
- Minor reconfiguration of the internal building spaces.
- Reconfiguration of the layout of the temporary transportable buildings located in the north-west corner of the site.

No changes are proposed to the student, staff or car parking numbers approved as part of the original application.

Use

The site is located in the 'Educational' zone under TPS3. An 'Educational Establishment' is defined as *a school, college, university, technical institute, kindergarten, academy or other educational centre*. An Educational Establishment is a Permitted 'P' use in the Educational Zone. The proposal includes the construction of a new Junior School Precinct to replace the existing development which is a combination of additions to previous buildings, transportable and outdated facility building. It is considered that the proposal is consistent with the Scheme definition and compatible with the existing use of the site.

Division VI of TPS3 states the following objectives of the Educational zone:

- (a) the maintenance of the park-like appearance of the school grounds visible to the public;*
- (b) the preservation of all buildings referred to in Clause 78.*

As discussed in the Heritage section of this report, the proposed works do not adversely impact the existing heritage listed buildings on the site relative to cl.78 of TPS3. It is also proposed to enhance the existing open space areas surrounding the new and existing buildings of the Junior School.

The revised configuration of the proposed temporary classroom use of the grassed area in the north-west corner of the site is considered incidental to the development. Any approval should be conditioned to require the removal of the temporary buildings and the grassed area reinstated within three months of the completion and occupation of the proposed Junior School.

Compliance

The revised application complies with landscaping, setback and car parking requirements of TPS3. The revised proposal generally complies with the 9m height requirement with the exception of a portion of the addition to the proposed building to accommodate the proposed 'out of hours care' facility. The addition exceeds the 9m height limit by up to 2.97m along a portion of the eastern facade and up to 2.57m along a portion of the southern facade. In accordance with cl.40(10) of TPS3, the height of an Educational Building may increase to 12m where it is not considered to adversely impact on the amenity of the Educational zone.

In this instance the highest points of the proposed building is generally restricted to the stair well and lift shaft providing access to upper level of the proposed building. This section and the area of the 'out of hours care' facility are contained in the south-west section of the proposed building setback from both street frontages. It is considered that the proposed height variation will not adversely impact on the Educational zone, the Corry Lynn Road or Stirling Highway streetscapes or the immediate locality, and can accordingly be supported.

Building Design

The revised proposal is consistent with the design intent of the approved development, responding to the position and significance of 'Barclay House' as the original primary school and kindergarten building on the site. Significant intrusive additions are proposed to be demolished and the building to the east will open up onto a new courtyard area central to the new Junior School.

It is proposed to integrate the new building with the existing buildings to be retained (with the exception of 'Barclay House') by use of external perforated aluminium decorative screens. These screens also provide sun shelter to the buildings.

It is proposed to use durable, low maintenance materials, finishes and colours that are appropriate for the civic qualities of the Junior School. Any approval should be conditioned to require the final submission of materials, colours and finishes to the satisfaction of the Town of Claremont.

Officer Recommendation to JDAP

As this application is to be determined by the JDAP, Council is required to submit its recommendation and accompanying report to the JDAP. The officer's recommendation to the JDAP is as follows:

That the Metro West JDAP resolve to:

1. **Accept** that the DAP Application reference DAP/15/00719 as detailed on the DAP Form 2 dated 22 June 2015 is appropriate for consideration in accordance with Regulation 17 of the *Planning and Development (Development Assessment Panels) Regulations 2011*.
2. **Approve** the DAP Application reference DAP/15/00719 as detailed on the DAP Form 2 dated 22 June 2015 and accompanying plans in accordance with the provisions of Town Planning Scheme No. 3, for the proposed minor amendment to the approved Methodist Ladies College Junior School Redevelopment at Lots

1,2, 51 – 53, 89, 90 and 93 (356) Stirling Highway, Claremont, subject to the same conditions and advice notes (other than modified Main Road WA advice notes) as follows:

1. In all other respects, development is to occur in accordance with the drawings submitted with the application for planning approval (Planning Application 2015.00093), as amended by these conditions.
2. This approval is valid only if the development is commenced within 24 months of the date of approval.
3. In order to satisfy the car parking requirements of Town Planning Scheme No. 3, student enrolments not exceeding the School's stated cap of 1,300 students based on 65 classes and the Preferred Education Model of 20 students per class for the Claremont campus without the prior approval of the Town of Claremont.
4. The temporary buildings located in the north-west corner of the site to be removed and the grassed area reinstated within three months of the completion and occupation of the proposed Junior School to the satisfaction of the Town of Claremont.
5. Detailed landscaping and reticulation plan for any proposed areas of landscaping and open space to be submitted as part of the application for Building Permit and approved by the Town of Claremont.
6. Prior to the occupation of the proposed development a pedestrian footpath is to be installed along Corry Lynn Road in front of the right angled car parking bays connecting to the existing Stirling Highway footpath, at the cost of the owner/developer to the specifications of the Town of Claremont.
7. Details of the design, materials, colours and finishes to be submitted as part of the application for Building Permit and approved by the Town of Claremont.
8. All stormwater is to be contained on site to the satisfaction of the Town of Claremont. Details are to be submitted with an application for a building permit.
9. Details of the proposed location of all service equipment, air conditioner unit enclosures and storage areas including details of the proposed screening of all services from view of the street is to be submitted as part of the application for Building Permit and approved by the Town of Claremont.
10. A Site, Construction and Traffic Management Plan for tradespersons and delivery vehicles including access to the temporary Junior School buildings is to be submitted and approved as part of the application for Building Permit by the Town of Claremont and implemented for the duration of construction.
11. Potentially affected street trees adjacent to the property are to be fenced off for the duration of construction works within a 2.4m x 2.4m area constructed from temporary fence panels. No materials are to be stored within these areas and trees are to be protected to the satisfaction of the Town of Claremont.

Advice Notes:

- (i) This is not an approval to commence development. A building permit must be obtained from the local government's Building Services prior to the commencement of any building works.
- (ii) The applicant/owner is advised of the following health requirements from the Town's Health Services. For further information please contact the Town's Health Services on 9285 4300.
 - The development and use of the land is required to comply with the *Environmental (Noise) Regulations 1997*.
 - The applicant is required to remove any hazardous materials encountered during construction/demolition at their own expense and in accordance with the Code of Practice on Safe Removal of Asbestos (NOHSC: 2002(1988) as stipulated by the *Occupational Health and Safety Regulations 1996*, and disposed of in accordance with the *Health (Asbestos) Regulations 1992* and the *Environmental Protection (Controlled Waste) Regulations 2004*.
 - All plant and machinery (such as air-conditioners and pool pumps) are to be suitably sound proofed to comply with the requirements of the *Environmental Protection (Noise) Regulations 1997* and so as not to cause an adverse impact on the amenity of any adjoining residential properties.
 - Under the *Environmental Protection (Noise) Regulations 1997* no work is to be permitted or suffered to be carried out:
 - a) Before 7.00am or after 6.00pm Monday to Saturday inclusive; or
 - b) On a Sunday or on a public holiday.
 - The development is required to be registered as a public building under the *Health (Public Buildings) Regulations 1992*. Please contact the Town of Claremont's Health Department for more information.
- (iii) Applicant to note and comply with Main Roads WA requirements as attached.
- (iv) If the applicant is aggrieved by this determination a right of review may exist under the *Planning and Development Act 2005*. A review must be lodged with the State Administrative Tribunal (www.sat.justice.wa.gov.au) within 28 days of the determination.

Conclusion

Based on the above, it is recommended that approval be granted subject to the conditions in the officer's recommendation.

Voting Requirements

Simple majority decision of Council required.

Officer Recommendation

THAT Council:

1. Receive the officer report.
2. Note the officer recommendation to the Metro West Joint Development Assessment Panel for the revised proposal for Methodist Ladies' College Junior School Development at Lots 1, 2, 51 - 53, 89, 90 and 93 (356) Stirling Highway, Claremont.

ALTERNATIVE MOTION

Moved Cr Haynes, seconded Cr Mews

THAT Council:

1. Receive the officer report.
2. Support the officer recommendation to the Metro West Joint Development Assessment Panel for the revised proposal for Methodist Ladies' College Junior School Development at Lots 1, 2, 51 - 53, 89, 90 and 93 (356) Stirling Highway, Claremont.

Reason: To signal Council's support of the officer recommendation for the revised proposal.

**CARRIED(129/15)
(NO DISSENT)**

13.1.2 LOT 5 (SHOP 2, 53) BAY VIEW TERRACE, CLAREMONT - PROPOSED CHANGE OF USE TO 'OFFICE', INTERNAL FITOUT AND SIGNAGE FOR 'LJ HOOKER'

File Ref: A-0474 / DA2015.00092

Attachments - Public: [Location Plan](#)
[Photograph](#)

Attachments – Restricted: [Plans](#)

Responsible Officer: David Vinicombe
Executive Manager Planning and Development

Author: Julia Kingsbury
Manager Planning

Proposed Meeting Date: 21 July 2015

Date Prepared: 14 July 2015

60 Days Due Date: 22 August 2015

Property Owner: Rosalie Edwards

Submitted By: Ben Linnenbank Constructions

Area of Lot: 703m²

Zoning: Town Centre and Metropolitan Region Scheme Reserve (Primary Regional Roads)

Enabling Legislation: *Planning and Development Act 2005 (PDA)*
Town Planning Scheme No. 3 (TPS3)
Local Law Relating to Signs (LLRS)
Town Centre Signage Policy - PS202

Item 13.2.1 was withdrawn by the Acting CEO.

13.2 CORPORATE AND GOVERNANCE

Items 13.2.1 to 13.2.3 were carried en bloc.

13.2.1 MONTHLY STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDING 31 MAY 2015

File Ref:	FIM/0062-02
Attachments:	Statement of Financial Activity for period ending 31 May 2015 Infrastructure Assets – 2014-15 Schedule of Works
Responsible Officer:	Les Crichton Executive Manager Corporate and Governance
Author:	Hitesh Hans Finance Manager
Proposed Meeting Date:	21 July 2015

Purpose

For Council to note the Statement of Financial Activity for the month ending 31 May 2015.

Background

The MFR is presented in accordance with the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996* and is made up of:

- Statement of Financial Activity.
- Infrastructure Assets 2014-15 Schedule of Works.

The comments on variances compare actual expenses and revenue against the 2014-15 Budget revised as part the mid-year budget review. The Revised 2014-15 Budget was adopted by Council on 17 February 2015.

Discussion

The closing surplus of \$3,857,550 is \$1,713,233 above the projected surplus of \$2,144,318. This variance is mainly due to timing differences (actual expenditure to date above or below planned expenditure), increased revenue, and timing on reserve fund transfers.

Further review of the 2014-15 Closing Surplus (and above variance) was conducted as part of the 2015-16 budget process. During this process additional savings of \$169,942 was identified which was incorporated into the 2015-16 Budget. Also identified were carry forwards projects (works more likely to be completed in 2015-16 than the current year).

Historically, the last months of the financial year have significantly higher volumes of expenditure as all the invoices of the financial year are received and processed. Any further savings along with carry forwards from operation will be identified and presented within the end of year (June 2015) financial report.

Operating revenue - \$277,774 above budget

- Fees & Charges - \$177,829 above budget due to increased fines and penalties revenue \$31K, Parking Fees \$36K and aquatic centre admission and hire fees \$124K. However the Leased Premises unit is under the budget by \$44K as all invoices are issued in June 2015 with most finalising lease renewal this year.
- Interest Earning - \$68,437 above budget due timing and higher interest income derived by better cash management and increased cash holdings.
- Reimbursements - \$37,062 above budget mainly due to reimbursement of legal expenses, utility expenses (leased premises), and other minor reimbursements.

Operating expenditure - \$715,210 (excluding non cash items) below budget

- Materials and Contracts - \$634,101 due to timing differences across all business units with the more significant variances within;
 - Infrastructure - \$268K under budget (roads, drainage, street tree, verge maintenance, plant operations (timing & savings) and administration services (Carry forward)
 - Environmental Health and Ranger Services - \$92K under budget in parking signs, VMS, IT expenses, education program due to timing and savings
 - Administration & Governance – \$21K above budget. \$86k under budget in office expenses, materials and contracts and building maintenance due to timing & savings) & \$107K over budget on consultancy cost to defend ATO audit on GST on land sales. This is offset by overall organisational savings.
 - Planning and Building services - \$59K under budget of which \$36K is identified as savings and \$23K is timing related.
 - Waste Management - \$114K under budget due to timing of the invoices.
 - Pool & Golf - \$56K under budget of which \$13K is savings and \$43k is timing related.
- Employee Costs - \$93,418 under budget due to timing across training, recruitment, OSH (\$33K), insurance (\$16K) and superannuation (\$56K). However FBT expenses are \$27K over the budget due to increase in FBT rates and gross taxable value of the vehicles.
- Other Expenditure – \$29,933 over budget mainly due to increase in parking commission of which \$21K is offset by increase parking income. Debt collection expense is over \$17K, offset by increase in reimbursement of legal charges along with under allocation of overheads.

Capital expenditure – \$734,667 under budget

As detailed within the capital works schedules, the capital expenditure comprises;

- \$503,991 under budget in infrastructure works. Attachment 2 provides further detail on the projects and variance explanation.
- \$165,310 under budget on land, building, plant and equipment capital expenditure due to timing. Note 10 of Attachment 1 provides a breakdown of these items.
- \$65,366 under budget on transfers to reserves due to timing of interest income on reserve investment.

Capital income - \$74,693 under budget

- \$40,000 under due to timing on budgeted proceeds from sale of asset.
- \$148,581 under due to timing on Grants, Subsidies and Contributions receipts.
- \$117,880 above budget as result of transfer from reserve processed ahead of budget timing.

Investments

Current investment holdings are outside Council's Investment Policy LG511 with 44% and 40% held with NAB and ANZ respectively. The policy limits funds with one institution at 35%. This variance was the result of significant interest rate benefit available. The risk was considered low given both NAB and ANZ have A-1+ credit rating.

A separate report on proposed amendments to the Investment Policy will provide greater opportunity to maximise short term investments returns while maintaining a low risk profile and adherence to policy requirements.

Past Resolutions

Ordinary Council Meeting 16 June 2015, Resolution 108/15:

That Council note the Financial Statement of Activity for the period 1 July 2014 to 30 April 2015.

Financial and Staff Implications

Resource requirements are in accordance with existing budgetary allocation.

Policy and Statutory Implications

Local Government Act 1995.

Local Government (Financial Management) Regulations 1996.

Publicity

N/A

Strategic Community Plan

Governance and Leadership

We are an open and accountable local government that encourages community involvement and strives to keep its community well informed.

- Provide and maintain a high standard of governance, accountability, management and strategic planning.
- Maintain long term financial stability and growth.

Urgency

N/A

Voting Requirements

Simple majority decision of Council required.

Moved Cr Haynes, seconded Cr Edwards**That Council**

1. **Notes the Financial Statement of Activity for the period 1 July 2014 to 31 May 2015.**
2. **Acknowledges and endorses the variation to Policy LG511.**

**CARRIED(130/15)
(NO DISSENT)**

13.2.2 LIST OF PAYMENT 1-30 JUNE 2015

File Ref:	FIM00062
Attachments:	Schedule of Payments 1 – 30 June 2015 NAB Purchase Card - May 2015
Responsible Officer:	Les Crichton Executive Manager Corporate and Governance
Author:	Edwin Kwan Finance Officer
Proposed Meeting Date:	16 July 2015

Purpose

For Council to note the payments made in June 2015.

Background

Council has delegated to the CEO the exercise of its power to make payments from the Municipal Fund or Trust Fund. The CEO is then required to prepare a list of accounts, for recording in the Minutes, detailing those payments made since the last list was presented.

Discussion

Attached is the list of all accounts paid totalling \$2,205,516.41 during the month of June 2015.

The attached schedule covers:

• Municipal Funds electronic funds transfers (EFT)	\$	1,578,202.17
• Municipal Fund vouchers (39351-39363)	\$	23,684.82
• Municipal Fund direct debits	\$	554,612.64
• Trust Fund electronic funds transfer (EFT)	\$	49,016.78
• Trust Fund vouchers	\$	0.00

All invoices have been verified, and all payments have been duly authorised in accordance with Council's procedures.

Past Resolutions

Ordinary Council Meeting 16 June 2015, Resolution 109/15:

THAT Council notes all payments made for May 2015 totalling \$1,480,736.79 comprising;

The attached schedule covers:

• <i>Municipal Funds electronic funds transfers (EFT)</i>	<i>\$</i>	<i>964,240.89</i>
• <i>Municipal Fund vouchers (39339-39350)</i>	<i>\$</i>	<i>34,013.95</i>
• <i>Municipal Fund direct debits</i>	<i>\$</i>	<i>405,687.15</i>
• <i>Trust Fund electronic funds transfer (EFT)</i>	<i>\$</i>	<i>76,794.80</i>
• <i>Trust Fund vouchers</i>	<i>\$</i>	<i>0.00</i>

Financial and Staff Implication

Resource requirements are in accordance with existing budgetary allocation.

Policy and Statutory Implications

Regulations 12- 13 of the *Local Government (Financial Management) Regulations* 1996.

Town of Claremont Delegation Register Item 37.

Publicity

N/A

Urgency

N/A

Voting Requirements

Simple majority decision of Council required.

Moved Cr Haynes, seconded Cr Edwards

THAT Council notes all payments made for June 2015 totalling \$2,205,516.41 comprising;

Municipal Funds electronic funds transfers (EFT)	\$	1,578,202.17
Municipal Fund vouchers (39351-39359)	\$	23,684.82
Municipal Fund direct debits	\$	554,612.64
Trust Fund electronic funds transfer (EFT)	\$	49,016.78
Trust Fund vouchers	\$	0.00

**CARRIED(130/15)
(NO DISSENT)**

13.2.3 INVESTMENTS POLICY LG511

File Ref:	COM/00032
Attachments:	Investment Policy LG511
Responsible Officer:	Les Crichton Executive Manager Corporate and Governance
Author:	Hitesh Hans Manager Finance
Proposed Meeting Date:	21 July 2015

Purpose

For Council to adopt amended Investments Policy LG511.

Background

The Investment Policy is intended to provide a firm guide to investment decisions with a significant review completed in 2010. Subsequent reviews have been undertaken since this time to address changes to legislative requirements and/or respond to the economic environment at the time.

The most recent review in June 2015 recognised the requirement to limit cash holdings for periods no greater than 12 months (19C of *Local Government [Financial Management] Regulations 1996*).

Discussion

After further review of the policy, the following changes are proposed to provide greater clarity around Council's investment management;

- Financial institutional risk rating
- Short term rating
- Diversification through risk management guidelines
- Delegation
- Benchmarking.

Financial Institutional Risk Rating

While the current policy permits investments to be deposited with Australian Authorised Deposit-Taking Institutions (ADI's) with ratings of AA or higher, it is silent on which credit rating agency's ratings to apply.

The policy now references use of the Standards & Poor (S & P) ratings. S & P are one of the three large credit rating agencies, the others being Moody's Investor Services and Fitch Ratings. Most credit agency ratings within Australia reference the S & P model.

It is proposed within the policy that only upper medium investment grade or higher S & P ratings be applied. Upper medium grade relates to long term rating of A and short term rating of A-2. Current examples of these financial institutions with these ratings include short term Bendigo(A-2) and Suncorp (A-1). Long term AA & short

term A-1+ are classified high investment grade institutions and include ANZ and NAB who are both rated AA & A-1+. No Australian banks currently hold a prime AAA rating.

Short Term Rating

Among other restrictions, Clause 19C of the *Local Government (Financial Management) Regulations 1996* prohibits fixed term deposits for periods greater than 12 months.

However the current policy references the AA rating or higher which is the long term rating for (greater than 12 month) investment period.

The policy revision proposes inclusion of the S & P short term risk rating which enables the risk profile to match the allowable deposit period.

Diversification

The investment diversification strategy is further enhanced with introduction of the Risk Management Guidelines. These detail the Portfolio Credit Framework (overall spread), Counterparty credit framework (investment within one institution), and Maturity framework. Both the Portfolio and Counterparty framework specifically include Standard & Poor's (S&P) short term and long term ratings. Further information on the S & P rating description is detailed within Appendix 1.

- (a) Portfolio Credit Framework – Limits overall credit exposure of the portfolio to S & P-rated banking institutions as follows:

<i>S&P Long-Term Rating</i>	<i>S&P Short-Term Rating</i>	<i>Direct Investment Maximum%</i>
AAA	A-1+	100%
AA	A-1	100%
A	A-2	30%

- (b) Counterparty credit framework (diversification) - the amount invested with any one institution* should not exceed the following percentages (restricted by the institution's credit rating) so that single entity exposure is limited:

* *institution is defined as including wholly owned subsidiaries*

<i>S&P Long-Term Rating</i>	<i>S&P Short-Term Rating</i>	<i>Direct Investment Maximum %</i>
AAA	A-1+	45%
AA	A-1	35%
A	A-2	10%

- (c) Term of Maturity Framework

The investment portfolio is to be invested within the following maturity constraints:

Overall Portfolio Return to Maturity		
Portfolio % <1 year	Min 40%	Max 100%
Portfolio % >1 year ≤ 3 years	Min 0%	Max 60%

Delegation

The amended policy enables the CEO to delegate day-to-day management of Council's investments. Guided by the policy, and reported monthly to Council, this task would typically be managed by the Finance Manager.

Past Resolutions

Ordinary Council Meeting 2 June 2015, Resolution 99/15 – restriction of term deposits to less than twelve months (Clause 19C).

Ordinary Council Meeting 7 August 2012, Resolution 133/12 – deletion of commercial paper from authorised investments, reduction of investment levels within one institution, deletion of land holdings and property development from authorised investments.

Ordinary Council Meeting 21 September 2010, Resolution 205/10 – adoption of *RCR227 Investment Policy*.

Financial and Staff Implications

The policy will be implemented by officers under the authority of the Chief Executive Officer. External expert advice may be obtained when prudent.

An effective investment policy should ensure opportunities to generate funding for the Town's activities.

Policy and Statutory Implications

Local Government Act 1995 - s. 6.14

Trustees Act 1962 - s. 8(1)(a)

Local Government (Financial Management) 1996 – Reg. 19C.

The policy is intended to provide a firm guide to investment decisions and that it would be extremely rare for Council to decide to invest outside the policy framework. The policy provides that such a decision would not be implemented until the proposal to vary Council's policy has been advertised.

Publicity

No publicity required.

Strategic Community Plan

Governance and Leadership

We are an open and accountable local government that encourages community involvement and strives to keep its community well informed.

- Provide and maintain a high standard of governance, accountability, management and strategic planning.

- Maintain long term financial stability and growth.

Urgency

Nil.

Voting Requirements

Simple majority decision of council required.

Moved Cr Haynes, seconded Cr Edwards

That Council adopt the amended Investment Policy LG511 as presented.

**CARRIED(130/15)
(NO DISSENT)**

14 ANNOUNCEMENTS BY THE PRESIDING PERSON

NIL

15 ELECTED MEMBERS' MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

NIL

16 NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE PERSON PRESIDING OR BY DECISION OF MEETING

NIL

17 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

NIL

18 FUTURE MEETINGS OF COUNCIL

Ordinary Council Meeting 4 August 2015.

19 DECLARATION OF CLOSURE OF MEETING

There being no further business, the presiding member declared the meeting closed at 7:16 pm.

Confirmed this day of 2015.

PRESIDING MEMBER