

# TOWN OF COTTESLOE



## STRATEGIC PLANNING COMMITTEE MINUTES

MAYOR'S PARLOUR, COTTESLOE CIVIC CENTRE  
109 BROOME STREET, COTTESLOE  
6.00 PM, WEDNESDAY, 18 FEBRUARY 2015

**CARL ASKEW**  
Chief Executive Officer

19 February 2015

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# STRATEGIC PLANNING COMMITTEE

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**1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS**

The Presiding Member announced the meeting opened at 6:00 PM.

**2 DISCLAIMER**

The Presiding Member drew attention to the town's disclaimer.

**3 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION****4 PUBLIC QUESTION TIME****4.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil.

**4.2 PUBLIC QUESTIONS**

Nil.

**5 PUBLIC STATEMENT TIME**

Nil.

**6 ATTENDANCE****Present**

Mayor Jo Dawkins  
Cr Peter Jeanes  
Cr Robert Rowell  
Cr Katrina Downes

**Officers Present**

Mr Carl Askew  
Mr Mat Humfrey  
Mr Andrew Jackson  
Mr Doug Elkins  
Ms Lydia Giles

Chief Executive Officer  
Manager Corporate & Community Services  
Manager Development Services  
Manager Engineering Services  
Executive Officer

**6.1 APOLOGIES**

Nil.

**Officer Apologies**

Nil.

**6.2 APPROVED LEAVE OF ABSENCE**

Nil.

**6.3 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**7 DECLARATION OF INTERESTS**

Nil

**8 CONFIRMATION OF MINUTES**

**Moved Cr Rowell, seconded Cr Downes**

[Minutes August 20 2014 Strategic Planning Committee.docx](#)

**The Minutes of the Ordinary meeting of the Strategic Planning Committee, held on 20 August 2014 be confirmed.**

**Carried 4/0**

**9 PRESENTATIONS**

**9.1 PETITIONS**

Nil.

**9.2 PRESENTATIONS**

Nil.

**9.3 DEPUTATIONS**

Nil.

The Presiding Member considered the reports as per the published order of the agenda.

## 10 REPORTS

### 10.1 GENERAL

#### 10.1.1 ANNUAL ELECTORS MEETING 2015 – CONFIRMATION OF MINUTES

**File Ref:** SUB/1949  
**Attachments:** [Minutes Annual Electors Meeting 2014](#)  
**Responsible Officer:** Carl Askew  
Chief Executive Officer  
**Author:** Carl Askew  
Chief Executive Officer

**Proposed Meeting Date:** 18 February 2015  
**Author Disclosure of Interest** Nil

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#### SUMMARY

A recommendation is made that Council receive the minutes of the Annual General Meeting of Electors held on Wednesday 28 January 2015 and note that there was one question taken on notice which required follow up action by administration which has been undertaken.

#### BACKGROUND

Council at its meeting on 15 December 2014 accepted the Annual Report and resolved to hold its Annual General Meeting (AGM) on Wednesday 28 January 2015.

Aside from the Mayor, Councillors and Senior Staff, 18 electors attended the AGM held in the Town's War Memorial Town Hall.

#### STRATEGIC IMPLICATIONS

##### Objective 7: Organisation Development

*To effectively manage Council's resources and work processes.*

- Deliver high quality professional governance and administration

#### POLICY IMPLICATIONS

Nil

#### STATUTORY ENVIRONMENT

The relevant sections of the *Local Government Act 1995* read as follows:

##### *5.27. Electors' general meetings*

- (1) A general meeting of the electors of a district is to be held once every financial year.
  - (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
-

- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

**5.28. *Electors' special meetings***

- (1) A special meeting of the electors of a district is to be held on the request of not less than —
- (a) 100 electors or 5% of the number of electors —whichever is the lesser number; or
  - (b)  $\frac{1}{3}$  of the number of council members.
- (2) The request is to specify the matters to be discussed at the meeting and the form or content of the request is to be in accordance with regulations.
- (3) The request is to be sent to the mayor or president.
- (4) A special meeting is to be held on a day selected by the mayor or president but not more than 35 days after the day on which he or she received the request.

**5.29. *Convening electors' meetings***

- (1) The CEO is to convene an electors' meeting by giving —
- (a) at least 14 days' local public notice; and
  - (b) each council member at least 14 days' notice,
- of the date, time, place and purpose of the meeting.
- (2) The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.

**5.30. *Who presides at electors' meetings***

- (1) The mayor or president is to preside at electors' meetings.
- (2) If the circumstances mentioned in section 5.34(a) or (b) apply the deputy mayor or deputy president may preside at an electors' meeting in accordance with that section.
- (3) If the circumstances mentioned in section 5.34(a) or (b) apply and —
- (a) the office of deputy mayor or deputy president is vacant; or
  - (b) the deputy mayor or deputy president is not available or is unable or unwilling to perform the functions of mayor or president,

then the electors present are to choose one of the councillors present to preside at the meeting but if there is no councillor present, able and willing to preside, then the electors present are to choose one of themselves to preside.

**5.31. *Procedure for electors' meetings***

The procedure to be followed at, and in respect of, electors' meetings and the methods of voting at electors' meetings are to be in accordance with regulations.

**5.32. *Minutes of electors' meetings***



The CEO is to —

- (a) cause minutes of the proceedings at an electors' meeting to be kept and preserved; and
- (b) ensure that copies of the minutes are made available for inspection by members of the public before the council meeting at which decisions made at the electors' meeting are first considered.

### **5.33. Decisions made at electors' meetings**

- (1) All decisions made at an electors' meeting are to be considered at the next ordinary council meeting or, if that is not practicable —
  - (a) at the first ordinary council meeting after that meeting; or
  - (b) at a special meeting called for that purpose,whichever happens first.
- (2) If at a meeting of the council a local government makes a decision in response to a decision made at an electors' meeting, the reasons for the decision are to be recorded in the minutes of the council meeting.

**Regulations 15 of the *Local Government (Administration) Regulations, 1996* requires that:**

#### **15. *Matters for discussion at general electors' meetings — s. 5.27(3)***

For the purposes of section 5.27(3), the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.

### **FINANCIAL IMPLICATIONS**

The cost to produce, print and distribute the Annual Report and report summary is approximately \$12,500 and is accommodated within 2013/14 Budget as is the cost of catering to host the AGM.

### **STAFFING IMPLICATIONS**

Nil

### **SUSTAINABILITY IMPLICATIONS**

The Annual Report summary is printed on recycled paper.

### **CONSULTATION**

The Annual Report summary is printed and delivered to all residential properties within the Town.

### **STAFF COMMENT**

Section 5.32 of the *Local Government Act 1995* requires the CEO to “...cause minutes of the proceedings at an electors' meeting to be kept and preserved; and ensure that copies of the minutes are made available for inspection by members of the public before the council meeting at which decisions made at the electors' meeting are first considered.”

Minutes of the AGM held on the 28 January 2015 are attached to this report for consideration and receipt.

*Section 5.33 of the Local Government Act 1995 requires that all decision made at an electors meeting are to be considered at the next ordinary Council meeting where practicable. If Council makes a decision in response to a decision made at an electors meeting, then the reasons for the decision are to be recorded in the minutes of the Council meeting.*

One question at the meeting from Mrs Marchant was also taken on notice for follow up and the response has been provided direct to her from the Principal Environmental Health Officer.

### **VOTING**

Simple Majority

### **OFFICER & COMMITTEE RECOMMENDATION**

**Moved Mayor Dawkins, seconded Cr Downes**

**THAT Council receive the minutes of the Annual General Meeting of Electors held on 28 January 2015 as submitted to the Strategic Planning Committee on 18 February 2015.**

**Carried 4/0**

**10.1.2 COMPLIANCE AUDIT RETURN FOR 2014**

**File Ref:** SUB/1859  
**Attachments:** [Compliance Audit Return 2014](#)  
**Responsible Officer:** Carl Askew  
Chief Executive Officer  
**Author:** Carl Askew  
Chief Executive Officer

**Proposed Meeting Date:** 18 February 2015  
**Author Disclosure of Interest** Nil

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**SUMMARY**

A recommendation is made to adopt the Compliance Audit Return for 2014 and authorise the Mayor and CEO to certify same so that it may be returned to the Department of Local Government.

**BACKGROUND**

Each year the Department of Local Government issues a Statutory Compliance Audit return that covers a wide range of mandatory actions required of staff, elected members and the Council as a whole under the provisions of the *Local Government Act (1995)*.

**STRATEGIC IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**STATUTORY ENVIRONMENT**

Section 7.13 of the *Local Government Act (1995)* provides, in part, that

*Regulations may make provision-*

- (1) *Requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are –*
- (i) *Of a financial nature or not; or*
  - (ii) *Under*

Regulation 13 of the *Local Government (Audit) Regulations 1996* sets out the specific areas that are subject to audit.

Regulation 14 of the *Local Government (Audit) Regulations 1996* reads as follows:

**14. Compliance audit return to be prepared**

- (1) *A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.*

- (2) *After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.*
- (3) *A compliance audit return is to be –*
- (a) Presented to the council at a meeting of the council;*
  - (b) Adopted by the council; and*
  - (c) Recorded in the minutes of the meeting at which it is adopted.*

**FINANCIAL IMPLICATIONS**

None Known

**STAFFING IMPLICATIONS**

Nil

**SUSTAINABILITY IMPLICATIONS**

Nil

**CONSULTATION**

Nil

**STAFF COMMENT**

The Compliance Audit Return (CAR) for 2014 has been completed and it is recommended that Council adopt the CAR and authorise the Mayor and CEO to certify the same so that it can be forwarded to the Department of Local Government and Communities.

**VOTING**

Simple Majority

**OFFICER & COMMITTEE RECOMMENDATION**

**Moved Cr Rowell, seconded Cr Jeanes**

**THAT Council adopt the Compliance Audit Return for 2014 as submitted to the Strategic Planning Committee on 18 February 2015 and authorise the Mayor and CEO to certify same so that it may be returned to the Department of Local Government.**

**Carried 4/0**

**10.1.3 REVIEW OF THE LONG TERM FINANCIAL PLAN**

**File Ref:** SUB/1827  
**Attachments:** [Attachment 1 Revised 10 Year Financial Plan](#)  
**Responsible Officer:** Carl Askew  
Chief Executive Officer  
**Author:** Mat Humfrey  
Manager Corporate & Community Services

**Proposed Meeting Date:** 18 February 2015  
**Author Disclosure of Interest:** Nil

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**SUMMARY**

Council is being asked to consider endorsing a review of the 10 Year Financial Plan.

**BACKGROUND**

In February 2014, Council was presented with its first 10 Year Financial Plan. Since this time, Council has adopted a strategy to allocate the funds from the sale of the former works depot and some economic conditions have changed. These changes have required amendments to the 10 Year Financial Plan.

The Town, as a part of the State's Integrated Planning and Reporting Framework (IPRF), is required to consider its financial position when examining either the Corporate Business Plan or the Strategic Community Plan. It is recommended that a financial plan, of not less than 10 years, be used for such considerations.

**STRATEGIC IMPLICATIONS**

While there are many estimations and forecasts required for the compilation of the 10 year plan, it does show the trend for Cottesloe is positive. The recent sale of the depot will allow several strategic projects to proceed, while reducing the interest burden on the operating statement.

One note of caution the plan does raise though is that with the improvements expected at the foreshore and town centre, there will be a corresponding increase in the amount of depreciation the Town records each year. The Department provides guidance that the ratio should remain above 0.9, or alternatively, the amount of money spent on asset replacement each year should be more than 90% of the depreciation expense for that year.

The Town's asset replacement ratio exceeds the level required for this ratio (significantly) in the first five years of the plan, but then dips slightly below the required level in the second half. This is logical, in that in the first half of the plan, the renewal works undertaken well and truly exceed the level of depreciation, however, they add to the depreciation expense in the second half, where the Town has little renewal works left to do.

The Town's officers will make representations to the Department that the ratio could be improved by including nett reserve transfers to the asset renewals, as recently

renewed assets don't generally need further works, but money should be set aside for their renewal when required.

### **POLICY IMPLICATIONS**

Nil

### **STATUTORY ENVIRONMENT**

Nil

### **FINANCIAL IMPLICATIONS**

Overall, the Town finances for the next 10 years are looking positive. Rate increases are kept to a minimum while the major strategic projects are able to be achieved.

In the first five years of the plan, there will be a shift in the Town's finances, as debt is removed and only replaced when needed. This will result in much lower interest expenses overall, and will allow the Town to take any strategic opportunities that may present themselves.

The plan has been prepared on the basis of the information available at present, including any funding. If State grants or assistance were to become available for any of the large projects within the plan, the flow on effect to the Town's overall position would be significant. The lower the replacement loans can be kept, the stronger the position the Town will be in.

### **STAFFING IMPLICATIONS**

Nil

### **SUSTAINABILITY IMPLICATIONS**

*Local Government Act 1995*

### **CONSULTATION**

Nil

### **STAFF COMMENT**

Overall, the plan shows that the Town is able to progress major strategic projects, while reducing its debt burden.

The Town currently has two significant loans, being the loans for the combined library and the refurbishment of the Civic Centre. The plan, as presented, shows the loan for the combined library being paid out in the first year of the plan – which reduces the Town's loan payments by \$446,000 per annum. Every year the loan is not replaced, the Town has an additional \$446,000 to allocate with no additional rates pressure. In year six, the second loan for the Civic Centre will come to an end, adding another \$207,000 to the budget each year, with no additional rates.

As such, if the Town can use reserves or structure payments on large capital projects for later in the plan, the amount required to be borrowed will be reduced, and the capacity to make payments will increase.

The 10 year plan shows a surplus in the final three years. While this could be allocated to projects, any costing would be uncertain and Council hasn't committed to any further projects at this stage. Noting what has been said under the Strategic Implications with regards to depreciation and asset replacement costs, it would be prudent to ensure these funds are either allocated to asset replacements, or reserves for future asset replacements.

When considering average rate increases for such plans, we are mindful of what economic conditions could be like in 5 to 10 years time. At present, inflation is low, commodity prices are low and interest rates are low. The prospect of all three of these factors remaining at their record lows for the next 10 years is small. In reality, the current economic conditions are unusual, and in all likelihood, will change in the next 5 to 10 years, which will have an impact on the Town's expenses, and hence rates.

The average rate increase across the plan is set at 3.5%. This figure is the midpoint of the Reserve Bank's target for inflation plus 1%. Given there is a surplus in the out years, the Town is reducing its debt burden and progressing major projects, this figure could be re-examined on an annual basis during budget preparation. In all likelihood, the actual rate increase will likely be lower in the first few years of the plan and then slightly higher in the second half of the plan, as economic conditions change. Officer have used averages for these calculations (for all figures) to show that if conditions remain within the normal ranges, the Town's finances will remain strong.

### **VOTING**

Simple Majority

### **COMMITTEE COMMENTS**

The Mayor and Councillors commended and congratulated Mat Humfrey and Wayne Richards for the comprehensive and substantial Long Term Financial Plan which will provide a useful tool for Councillors in forward financial planning and is a document that is based upon future rating levels which all residents should appreciate.

### **OFFICER & COMMITTEE RECOMMENDATION**

**Moved Mayor Dawkins, seconded Cr Downes**

**THAT Council endorse the 10 Year Financial Plan as presented to the Strategic Planning Committee on 18 February 2015.**

**Carried 4/0**

**10.1.4 POLICY REVIEW – UNIFORM**

**File Ref:** POL/70  
**Attachments:** [Policy Uniforms](#)  
**Responsible Officer:** Carl Askew  
**Chief Executive Officer**  
**Author:** Carl Askew  
**Chief Executive Officer**

**Proposed Meeting Date:** 18 February 2015  
**Author Disclosure of Interest** Nil

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**SUMMARY**

This report recommends that Council note that a review of the Uniform Policy has been undertaken and there are no changes proposed to the policy.

**BACKGROUND**

A process of review and update for all Council policies has been implemented by the Administration and policies are being presented to Council as they are reviewed for endorsement. A copy of Uniform Policy is attached which provides background information.

**STRATEGIC IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

The policy was last reviewed in June 2012

**STATUTORY ENVIRONMENT**

Nil

**FINANCIAL IMPLICATIONS**

Uniform allowance is accommodated within existing budget provisions.

**STAFFING IMPLICATIONS**

Nil

**SUSTAINABILITY IMPLICATIONS**

Nil

**CONSULTATION**

Nil

**STAFF COMMENT**

This policy has now been reviewed to ensure it is relevant to the Town of Cottesloe's current working environment.



**VOTING**

Simple Majority

**OFFICER & COMMITTEE RECOMMENDATION**

**Moved Cr Rowell, seconded Cr Downes**

**THAT Council**

1. **note that a review of the Uniform Policy has been undertaken and no changes are recommended;**
2. **adopt the Uniform Policy tabled at the Strategic Planning Committee 18 February 2015 and schedule a further review on June 2019.**

**Carried 4/0**

- 11 ELECTED MEMBERS' MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN
- 12 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING BY:
  - 12.1 ELECTED MEMBERS
  - 12.2 OFFICERS
- 13 MEETING CLOSED TO PUBLIC
  - 13.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED
  - 13.2 PUBLIC READING OF RECOMMENDATIONS THAT MAY BE MADE PUBLIC
- 14 MEETING CLOSURE

The Presiding Member announced the closure of the meeting at 6:25 PM.

CONFIRMED MINUTES OF 18 February 2015 PAGES 1 – 16 INCLUSIVE.

PRESIDING MEMBER:  
POSITION:

.....

DATE: ..... / ..... / .....