

MINUTES

Policy Committee

MINUTES OF THE POLICY COMMITTEE MEETING

HELD ON

MEETING DATE



TUESDAY 25 MARCH 2008

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City of
Joondalup

CITY OF JOONDALUP

MINUTES OF THE POLICY COMMITTEE MEETING HELD IN CONFERENCE ROOM 3, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON TUESDAY 25 MARCH 2008

ATTENDANCE

Committee Members:

Cr Kerry Hollywood	<i>Presiding Person</i>	North Ward
Cr Trona Young	<i>Deputy Presiding Person</i>	North Central Ward
Cr Marie Macdonald		Central Ward
Mayor Troy Pickard		

Officers:

Mr Ian Cowie	Director Governance and Strategy	
Mr Mike Tidy	Director Corporate Services	<i>to 1835 hrs</i>
Mr Clayton Higham	Director Planning and Community Development	
Mr Mike Smith	Manager Marketing Communications and Council Support	<i>to 1930 hrs</i>
Ms Janet Harrison	Administrative Services Coordinator	

DECLARATION OF OPENING

The Presiding Person declared the meeting open at 1806 hrs.

APOLOGIES/LEAVE OF ABSENCE

Leave of absence - Cr Mike Norman
Apology - Mr Garry Hunt, CEO

CONFIRMATION OF MINUTES

MINUTES OF THE POLICY COMMITTEE MEETING HELD ON 11 DECEMBER 2007

MOVED Mayor Pickard SECONDED Cr Young that the minutes of the meeting of the Policy Committee held on 11 December 2007 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard

ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

Nil

DECLARATIONS OF INTEREST

Nil

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY SIT BEHIND CLOSED DOORS

Nil

PETITIONS AND DEPUTATIONS

Nil

REPORTS

The Policy Committee considered Item 8 at this point.

**ITEM 8 REVIEW OF INVESTMENTS POLICY 8-9 -
 [19136]**

WARD: All

RESPONSIBLE Mr Mike Tidy
DIRECTOR: Corporate Services

PURPOSE

To consider a report and make a recommendation to Council on the review of the City's Investment Policy 8-9.

EXECUTIVE SUMMARY

Policy 8-9 relates to investments of funds by the City. The current policy arose out of a major review of all policies undertaken and subsequently adopted by Council in June of 1999. The policy has subsequently been reviewed on five occasions, the last in October 2007 with only relatively minor changes being made.

Due to the current investment environment and following requests from Elected Members it was considered appropriate to review the policy to ensure that it best supports and preserves the City's cash assets.

It is recommended that the Policy Committee RECOMMENDS to Council that it:

- 1 *REVOKES the current Policy 8-9 Investment forming Attachment 1 to this Report;*
- 2 *ADOPTS a new Policy 8-9 Investment forming Attachment 3 to this Report.*

BACKGROUND

The City's Policy 8-9 Investment was discussed at the Strategic Financial Management Committee Meeting held on 26 February 2008 and it was resolved that the SFMC recommends that Council:

- 1 REVOKES the current Policy 8-9 Investment forming Attachment 1 to this Report;
- 2 ADOPTS a new Policy 8-9 Investment forming Attachment 3 to this Report;
- 3 REFERS the new Policy 8-9 Investment forming Attachment 3 to this Report to the Policy Committee for comment prior to final adoption by Council.

The current City Policy 8-9 Investment was adopted in June 1999 following a major review of the entire Policy Manual. The policy has been reviewed on a number of occasions since then without substantial change.

There has been significant turmoil in investment markets in recent times and a number of local governments across Australia have investments that have been caught in that turmoil. Also there have been a number of enquiries from Elected Members relative to the exposure of the City to the current investment turmoil and the adequacy of the City's investment policy. It is considered appropriate therefore to undertake a review of the investment policy.

It's important to understand firstly the broad types of investments that local government are involved in and how these are exposed to the market.

The traditional investments for local government have been interest bearing deposits and bank accepted/endorsed commercial bills. The key features are:

- are usually backed by major banks,
- have a high credit rating due to the backing for the investment being clearly known and understood,
- are relatively short term,
- are very secure,
- the value of the investment at any time is known,
- the return on the investment and when it will be received is known, and
- if there is a need to break the investment before its maturity this may result in a penalty.

Because of this they generally offer a conservative rate of return relative to benchmarks.

In the last decade local government has been more involved in investing in managed funds. These come in many permutations but essentially they involve pooling investors funds and then reinvesting those funds across a range of investment types. The key features are:

- offered by many institutions some have major bank backing but many do not and there can be more than one institution involved,
- are generally longer term not short term investments,
- are investing in a variety of securities such as cash based investments, equities, mortgages etc,

- in some cases specialise in investing in certain types of securities,
- exposed to the market fluctuations particularly affecting the types of underlying securities that the fund has invested in and therefore do not provide a predetermined return on the investment,
- exiting a managed fund prior to maturity means selling in the market at prevailing market rates, and
- while they have credit ratings (in some cases quite high ratings) these can be confusing because it doesn't mean that the underlying securities that the fund has invested in all have the same rating and the relationship between the securities and their potential impact on the whole fund can be complex and not readily understood.

The biggest issue with managed funds is having a clear understanding of what the managed fund is investing in. In many cases this can be clear and transparent and the risks of the investment can be determined. As the investment instruments become more and more complex however it can be very difficult to determine the risk and exposure. Relying on rating agencies to rate the investment also can be risky. Some of the funds that have been hardest hit were rated relatively highly.

The investment market turmoil of recent times has hit managed funds hard. In some cases such as the sub prime mortgage market problems it is because the fund has direct exposure to these types of investments. In other cases it is simply because of general market conditions and the exposure to equity markets generally.

It should be noted that while a lot of focus is currently on the poor performance of managed funds the traditional interest bearing deposits and bank accepted/endorsed commercial bills are performing very well. Twelve months ago it was the reverse.

DETAILS

Issues and options considered:

The existing Policy 8-9 Investment is included as attachment 1. The policy sets out the:

- investment objectives,
- risk profile of the City,
- delegated authority to invest,
- types of authorised investments,
- limitations on direct investments in terms of quotations, terms of maturity, liquidity requirements etc,
- prudential requirements where investments are made with fund managers, and
- policy guidelines in terms of diversification of risk etc.

There is also a section dealing with financial reporting and the current practice is to provide a comprehensive investment report with each financial report put to Council on a monthly basis.

There are several perspectives from which the policy needs to be viewed.

The first is does the policy adequately cover all of the issues that ought to be addressed in an appropriate investment policy and does it support prudent and effective management of the City's investments with appropriate levels of governance. The Department of Local Government and Regional Development has been developing a local government operational guideline for investment policy and in December 2007 released a draft of that guideline a copy of which is at attachment 2. A key element of that guideline is the establishment of appropriate investment policies and what should comprise those policies. The draft guideline canvasses a wide range of issues for consideration in an investment policy and is considered a valuable reference point.

The elements proposed in the draft guideline comprise;

- Objectives
- Legislative Requirements
- Delegations of Authority to CEO
- Prudent Person Standard
- Ethics and Conflicts of Interest
- Approved Investments
- Prohibited Investments
- Risk Management Guidelines
- Investment Advisor
- Measurement
- Benchmarking
- Reporting and Review

Many of these elements are encapsulated in the City's existing policy although not necessarily under the same heading. A sample investment policy is included in the draft guideline.

In examining the issues covered by the draft guideline there are a number of areas where the City's existing policy is quite adequate but others where there could be improvements. In some cases its just improvements to the wording but in others the specific intent of the policy can be improved. The key changes proposed are:

- 1 The City's current policy has objectives however they also include references to legislation and benchmarking which would both be better referred to separately. The wording of the suggested objectives in the draft guideline also better articulate the objective of an investment policy.
- 2 The City's current policy under the heading Risk Profile has an extensive list of all of the issues that are to be considered when considering an investment decision. Many of these are covered by other parts of the policy and some are really about process and not policy. There is no equivalent of this in the draft guideline. It is proposed to delete this section.
- 3 The draft guideline contains a section dealing with ethics and conflicts of interest. This issue however is not exclusive to the area of investment and applies right across all activities of the City. The City's Code of Conduct and other policy provisions and statutory provisions under the Local Government Act all cover issues of ethics and conflict of interest and to include a specific section would only be duplication. It is not considered therefore that such specific reference is warranted in the investment policy.

- 6 The draft guideline has both an approved investments section as well as a prohibited investments section. By comparison the existing City policy has only an authorised investments section. It could be argued that if the policy spells out what is authorised then all else is unauthorised and it shouldn't be necessary to also spell these out. Unfortunately with the vast array of investment instruments that exist there are many shades of grey which could leave open to some interpretation whether a certain investment is authorised or not. While the interpretation of the City's current authorised investments means that no investment would be made in the sought of investments listed in the draft guidelines prohibited investment list it is considered that there is merit in spelling this out in the policy. It makes a clear statement about the type of investment that the City does not want to make.
- 7 The City's existing policy in regard to risk management guidelines is not adequate. The existing policy uses a single percentage to define the spread between financial institutions and the credit rating. These would be better set out separately. The City has been examining this for some time and has determined a separate set of limits for overall portfolio and the counterparty credit framework. This also includes separating direct investments from managed funds. The draft guideline uses the same breakdown. The percentage spreads that are recommended by administration however are more conservative than those proposed under the draft guideline. By way of example the draft guideline suggests that up to 50% of the entire investment portfolio could be invested with a single AAA rated managed fund. It is proposed in the City's case that this be limited to 25% to achieve a more conservative spread of risk. The proposed term to maturity framework is also more conservative than that suggested in the draft guideline. Maximum term proposed is 36 months for a maximum of 10% of the portfolio.
- 9 The draft guideline suggests the inclusion of the requirements of an investment advisor. There are no specific requirements that a local government has to have an independent investment advisor. The City of Joondalup does have such an advisor and has used one for quite some time. It is proposed to include a new section to cover the provisions relating to an investment advisor.

The second perspective is once having a policy that covers the issues that are believed be required can the policy be applied in practice and deliver on its objectives.

Although there are quite a number of changes that are proposed many of these are already current practice even though they may not have been clearly spelt out in the policy. For example:

- The City does not invest in any of the type of investment instruments referred to in the proposed prohibited investments, and
- Although the current policy permits up to 50% of the portfolio to be invested with a single AAA rated investment the City doesn't do this in practice.

It is felt therefore that the policy as now proposed has practical application as well as ensuring prudent and effective management of the City's investments with appropriate levels of governance

The proposed new City Policy 8-9 Investment incorporating the above points is at attachment 3.

Link to Strategic Plan:

Organisational Development

4.1 To manage the business in a responsible and accountable manner

Legislation – Statutory Provisions:

The requirements governing local government investments are covered by:

- Local Government Act 1995 – Section 6.14;
- The Trustees Act 1962 – Part III Investments;
- Local Government (Financial Management) Regulation 1996 – Regulation 19, Regulation 28, and Regulation 49
- Australian Accounting Standards

Risk Management considerations:

There are significant risk implications in managing the City's investment portfolio. Policy 8-9 Investment sets out provisions for compliance and governance that are designed to mitigate these risks. In addition to the policy there are internal processes and procedures governing investment transactions and these are subject to both internal and external audit.

Financial/Budget Implications:

As most of the proposed changes to Policy 8-9 Investment represent current actual practice there will not be any financial impact from adopting the new policy.

Policy Implications:

This report proposes the replacement of the existing policy with a new Policy 8-9 Investment.

Regional Significance:

Not Applicable.

Sustainability Implications:

Financial sustainability is absolutely critical to the future growth and development of the City of Joondalup. The policy in relation to the City's investments is a critical element to this long-term financial sustainability.

Consultation:

Not Applicable.

COMMENT

The existing Policy 8-9 Investment has served the City well and the proposed changes in the new policy really represent a fine tuning and not radical change. The changes tighten the policy in particular more clearly defining the types of investments and the spread of risk. The proposed policy represents a relatively conservative approach to investment that is felt to be appropriate to the needs of the City and for the market conditions.

ATTACHMENTS

- | | |
|--------------|------------------------------------------------------------------------------------------------------------------------|
| Attachment 1 | Existing Policy 8-9 Investment |
| Attachment 2 | Department of Local Government and Regional Development Draft Investment Policy Local Government Operational Guideline |
| Attachment 3 | Proposed new Policy 8-9 Investment |

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the Policy Committee RECOMMENDS to Council that it:

- 1 REVOKES the current Policy 8-9 - Investment forming Attachment 1 to this Report
- 2 ADOPTS a new Policy 8-9 - Investment forming Attachment 3 to this Report

The Director Corporate Services provided an overview of the report.

MOVED Cr Young SECONDED Mayor Pickard that the Policy Committee RECOMMENDS to Council that it:

- 1 **REVOKES the current Policy 8-9 - Investment forming Attachment 1 to this Report**
- 2 **ADOPTS a new Policy 8-9 - Investment forming Attachment 3 to this Report, subject to the following changes:**
 - (a) **Clause 5: the words "Commercial paper" to be deleted;**
 - (b) **Clause 7(b): Last sentence, the words "approved by Council" to be deleted;**
 - (c) **Clause 7(c): Last line of the table to be deleted;**

Discussion ensued.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard

ITEM 1 POLICY FOR THE OPERATION OF CIRCUSES IN THE CITY OF JOONDALUP – [18058]

WARD: All

**RESPONSIBLE
DIRECTOR:** Mr Ian Cowie
Governance and Strategy

PURPOSE/ EXECUTIVE SUMMARY

At the Council Meeting on 16 October 2007, Council decided to amend the draft City Policy – “Statement on Circuses” and to refer the amended document back to the Policy Committee for further consideration.

BACKGROUND

Following a request received from the Policy Committee Meeting of 14 August 2007 a report and a draft City Policy – “Statement on Circuses” was duly presented at the next meeting of the Committee on 8 October 2007.

When the Minutes of the Policy Committee (which included the report and the draft policy) were presented at Council on 16 October 2007, it was determined that further amendments were required and that the amended document should be referred back to the Policy Committee for their consideration.

DETAILS

The original draft of the policy specifically identified the following animals: lions, tigers, elephants, bears and monkeys. At the 16 October 2007 meeting, Council suggested inclusion of the following additional animals: leopards, other great cats, giraffes, and apes together with the statement “*or any type of animal which in the opinion of the local government is either dangerous or wild by nature.*”

Issues and options considered:

There are 2 options open to the Policy Committee

- Option 1 Retain the original draft City Policy as is (Attachment 1)
- Option 2 Approve the revised draft City Policy which includes additional animals and the statement noted previously (Attachment 2)
- Option 3 Further amend the draft City Policy as required

Link to Strategic Plan:

Key Focus Area: Community Wellbeing

Objective: To meet the cultural needs and values of the community

Legislation – Statutory Provisions:

Not Applicable.

Risk Management considerations:

Neither policy will be fully in alignment with either the Code of Practice for the Conduct of Circuses in Western Australia or the RSPCA Policy on Performing Animals and therefore may not receive the endorsement of either organisation if approached.

Financial/Budget Implications:

Not Applicable.

Policy Implications:

Possible amendment to Policy Manual

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

Not Applicable.

COMMENT

Extending the number of animals referred to in the policy is not strictly necessary as the original draft policy included the words “including (but not restricted to).” However, the extension will help to clarify those animals which are considered exotic and is therefore supported.

ATTACHMENTS

Attachment 1	Original Draft Circus Policy
Attachment 2	Revised Draft Circus Policy

VOTING REQUIREMENTS

Simple Majority

The Director Governance and Strategy provided an overview of the report.

MOVED Mayor Pickard SECONDED Cr Macdonald that the Policy Committee RECOMMENDS that Council ADOPTS the draft City Policy – Statement on Circuses forming Attachment 2 to this Report.

Discussion ensued.

AMENDMENT MOVED Cr Young **SECONDED** Mayor Pickard that the following words be added to the end of the Motion:

“..., subject to deleting the words “*wild by nature*” and inserting “*not domesticated*” in their place.”

The Amendment was Put and

CARRIED (3/1)

In favour of the Amendment: Crs Young, Macdonald, Mayor Pickard **Against the Amendment:** Cr Hollywood

The Original Motion as amended, being:

That the Policy Committee RECOMMENDS that Council ADOPTS the draft City Policy – Statement on Circuses forming Attachment 2 to this Report, subject to deleting the words “*wild by nature*” and inserting “*not domesticated*” in their place.

Was Put and

CARRIED (3/1)

In favour of the Motion: Crs Young, Macdonald, Mayor Pickard **Against the Motion:** Cr Hollywood

ITEM 2 REVISED CODE OF CONDUCT - CITY OF JOONDALUP - [08166, 09358]

WARD: All

RESPONSIBLE DIRECTOR: Mr Ian Cowie
Governance and Strategy

PURPOSE/EXECUTIVE SUMMARY

For the Committee to consider a revised Code of Conduct.

BACKGROUND

A new Code of Conduct was considered at the Policy Committee meeting on 11 December 2007. At this meeting, a range of additions to the draft Code were suggested. These additions were made and the revised draft Code was then presented to the Strategy Session in February 2008. At this meeting, further changes to the Code were suggested. As a result of the suggestions, the Code has been further revised and these recent revisions are highlighted in Attachment 1.

DETAILS**Issues and options considered:**

The options available are:

- To accept the revised Code (attached) that reflects changes to legislation and additional points;
- To not accept the changes to the Code; or
- To make further amendments to the revised Code.

Link to Strategic Plan:

Not Applicable.

Legislation – Statutory Provisions:

The Local Government Act 1995 (the Act) was amended by the Local Government (Official Conduct) Amendment Act 2007. The amendments to the Act allowed for the Local Government (Rules of Conduct) Regulations 2007 to subsequently be gazetted.

Section 5.103 of the Local Government Act 1995 states:

Codes of conduct

1. Every local government is to prepare or adopt a code of conduct to be observed by council members, committee members and employees.
2. *[repealed]*
3. Regulations may prescribe codes of conduct or the content of, and matters in relation to, codes of conduct and any code of conduct or provision of a code of conduct applying to a local government under subsection (1) is of effect only to the extent to which it is not inconsistent with regulations.

As part of these legislative changes, the Local Government (Administration) Regulations 1996 were also amended pertaining to employees.

Risk Management considerations:

The failure to amend the City's Code of Conduct will result in a breach of the legislation.

Financial/Budget Implications:

Not Applicable.

Policy Implications:

The City's current Code of Conduct is a Council Policy. The proposed revised Code of Conduct will replace the existing Code and will remain as a Council policy.

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

When amending the legislation and introducing the new conduct regulations, the Department of Local Government consulted with the industry.

COMMENT

Following the ordinary local government elections held on 20 October 2007, changes to legislation came into effect that relate to the conduct of council members.

The Official Conduct Amendment Act only applies to council members and it establishes a disciplinary framework to deal with misconduct by any local government council member. The framework involves using a statewide standards panel to handle complaints about minor breaches of rules and empowering the State Administrative Tribunal (SAT) to review the conduct of members where the Act or regulations have been breached.

Council members found to be in minor breach of rules may face penalties ranging from public censure and a public apology through to an order to undertake training. The SAT has additional powers to suspend a member for up to six months or bar a member from holding office in any local government for up to five years.

The *Local Government (Rules of Conduct) Regulations 2007* came into operation in conjunction with the amendments to the Act.

The regulations prescribe uniform rules of conduct for council members in relation to:

- standards of general behaviour
- behaviour at council or committee meetings
- misuse of local government resources
- relations with local government employees
- use of information
- securing unauthorised advantages or disadvantages
- disclosing certain interests (not financial)
- restrictions on receiving, and disclosure of, certain gifts.

In addition to the amendment to the Act and the introduction of the regulations that govern the conduct of council members only, the Local Government (Administration) Regulations 1996 were amended to include certain provisions to be included in the Code of Conduct relating to employees.

The revised Code of Conduct will apply to council members, committee members and employees and has been drafted to reflect the same rules that are contained within the Local Government (Rules of Conduct) Regulations 2007. However, the revised Code also includes some elements of Council's current Code of Conduct and a couple of new elements suggested by Elected Members.

It should be noted that the three ethical standard definitions in the last draft have been deleted because the issues of respect, fairness and integrity are all specifically covered by the general principles and the document does not define other concepts contained within the general principles.

ATTACHMENTS

Attachment 1 Revised Code of Conduct.

OFFICER'S RECOMMENDATION

That the Policy Committee RECOMMENDS that Council DELETES its existing Policy 4-1 – Code of Conduct and ADOPTS the revised Policy 4-1 - Code of Conduct forming Attachment 1 to this Report.

The Director Governance and Strategy provided an overview of the report.

MOVED Cr Young SECONDED Cr Macdonald that the Policy Committee RECOMMENDS that Council DELETES its existing Policy 4-1 – Code of Conduct and ADOPTS the revised Policy 4-1 - Code of Conduct forming Attachment 1 to this Report, subject to amending Clause 3.4(k) to read:

(k) **be a member of at least one Council committee consisting of Council members only and prepare for, attend and actively participate in its meetings.**

Discussion ensued.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard

ITEM 3 REVIEW OF POLICIES 8-2 AND 8-3 - ELECTED MEMBERS - [06574]

WARD: All

RESPONSIBLE Mr Ian Cowie
DIRECTOR: Governance and Strategy

PURPOSE / EXECUTIVE SUMMARY

To review the way Policy 8-2 deals with equipment which is provided to Elected Members. This report suggests a new approach which would mean that, rather than being entitled to a long listing of items which can or will be provided, equipment of the Elected Member's choice will be reimbursed to a maximum amount.

It also addresses the Elected members training allowance in Policy 8-2, and Ward Councillor availability and Elected Members dinners in Policy 8-3.

BACKGROUND

City Policy 8-2 covers Elected Member allowance. Part 2 of this Policy relates to the issue and return of Council equipment and Part 4 relates to conferences and training.

The equipment and items listed in this part are extremely specific in the main. Examples of this specificity include references to a 4 pin power board and an Elected Member lounge key. Only in one case is a degree of generality encountered. This is the reference to 'appropriate stationery' in section 2.4. Part 4 details the amount allocated to each Elected Member and describes the conferences and training that may be undertaken.

Policy 8-3 covers various general issues that impact on Elected Members from use of Civic facilities to speaking to the media.

DETAILS

Policy 8-2 – Issuing of Equipment

The specificity of Part 2 of Policy 8-2 can create difficulties. That is, there are many pieces of office equipment which are not covered in the detailed listings but which could be important in assisting an Elected Member to undertake his or her role. Examples include an office chair (a computer desk can be issued but no chair to go with it); a foot rest; a carpet protector to place below the office chair; and appropriate desk lamp; a larger computer screen; wireless equipment and the like. This can create the unhelpful situation where an Elected Member is entitled to a filing cabinet which he or she does not want but is not entitled to a new office chair, for example, which he or she does want.

The *Local Government Act 1995* is specific about the nature of payments which can be made to the Elected Members (see the section headed 'Legislation'). This limits a local government's autonomy to make payments to Elected Members and the following comments need to be considered in this light.

Policy 8-2 adopts two different approaches in supporting the operations of Elected Members. The first is to specifically detail items which are to be issued to Elected Members. This is the approach taken in Part 2 which relates to the issuing of office and other equipment. The second is to reimburse expenses to a maximum amount. This is the approach taken in Part 4 where Elected Members are provided with an allocation to attend conferences and training and the cost of attendance and associated expenses are reimbursed.

There would appear to be three options open to Council in relation to the constraints imposed by the detailed listing in Part 2.

First, Council could expand the number of items included in the list to pick up additional items such as those listed earlier in this section. The advantage of this approach is that it is comparatively simple to expand the lists of items under Part 2. However, the disadvantage is the same as that which is associated with all listing approaches. That is, a piece of equipment which may be legitimately desired could be left out of the list and, consequently, can not be provided.

Second, Council could adopt the approach used for conference and training expenses. This would involve replacing the listings in Part 2 with a statement that Elected Members are entitled to be reimbursed for the purchase of specified equipment and associated business items to a maximum amount.

The advantage of this approach is that it provides discretion and flexibility for Elected Members in terms of the type of products acquired. However, this approach raises a range of issues which will require consideration. These include:

- Should this approach apply only to office furniture equipment (ie. delete items such as computer desks from the list) to all office equipment (ie. delete items like computers from the list as well as office furniture) and/or to clothing (ie. satchel, jacket, etc)?

There is no right or wrong answer to this question and it would clearly be possible to leave a listing for certain items and provide reimbursement for other items. However, the substance of the argument for reimbursement of one type of item (ie. office furniture equipment) will also apply to other types of items (ie. office computer equipment).

- Some items such as the lounge key, security card and vehicle number plates will need to remain listed as these items are not available for purchase outside of the City.
- In keeping with Local Government (Administration) Regulation 32, payments can only be reimbursed by a local government if the expense is incurred by the Elected Member in performing a function in his or her capacity as a Council Member. Consequently, any reimbursement would need to be tied to an item which meets the requirements of this Regulation. This could be achieved through a declaration by an Elected Member that the item for which reimbursement is sought meets this condition.
- Moving to a system of reimbursement alters entitlements for Elected Members. That is, under a reimbursement system, the purchase price is reimbursed and the item remains the property of the Elected Member. Under the current listing system, section 2.6 of Policy 8-2 requires equipment less than three years old and any lease equipment provided to be returned.
- What should be the maximum amount allowable for reimbursement?

The third option is to make no changes and leave the system as it is. This has the advantage of stability but does not allow the opportunity to provide additional pieces of equipment which may be appropriate.

Policy 8-2 - Training

Part of the policy also relates to the provision of an amount to allow Elected Members to attend various conferences and training to assist them in their professional development as an Elected Member.

The allowance is applicable on an annual basis, with the period commencing from an ordinary election, which now occurs in October. With the date of the ordinary

election moving from May to October in 2007, a part allocation was made to Elected Members to cover any training costs during this period.

Clause 4.9 (4) of the policy states that Elected Members will forfeit any unspent funds following an ordinary election.

With the change of ordinary election dates, there are a number of Elected Members who did not have the opportunity to expend their funds.

It is suggested that Part 4.9(4) of the policy be waived for the October 2007 election, and Elected Members carry forward any unspent funds into the annual period October 2007 to October 2008. However, the clause is to be applied to Elected Members following the ordinary election in October 2009.

It is also proposed to amend the policy to delete the requirement for Elected Members to advise of carrying forward funds, and that this occur as a matter of process during non-election years.

Policy 8-3 – Ward Councillor Availability

This part of the policy provides the opportunity for Ward Councillors to meet with residents to discuss various issues of concern.

That part of the policy does not specifically deal with issues relating to:

- Use of Council owned venues; and
- Costs associated with use of various venues.

It also refers to the term 'Councillors' and not 'elected members'.

The policy has been amended to provide more clarity.

Policy 8-3 – Elected Members Dinners

As part of the 2006/07 half yearly budget review, an allocation was made to allow for elected members to host various people at a dinner within the Council lounge. This budget allocation was provided for in the 2007/008 budget.

This was not formalised in the policy and it is proposed to include the details of such dinners as part of Policy 8-3.

Link to Strategic Plan:

Not Applicable.

Legislation – Statutory Provisions:

Division 8 of Part 5 of the *Local Government Act 1995* provides the basis for payments to Elected Members. Section 5.98(6) specifically states:

“A local government cannot –

- (a) make any payment to; or*
- (b) reimburse an expense of,*

a person who is a council member or a mayor or president in that person's capacity as council member, mayor or president unless the payment or reimbursement is in accordance with this Division."

Consequently, there is limited autonomy for local governments with regard to payments to Elected Members.

Division 8 enables:

- Elected members to receive a meeting attendance fee or annual allowance in lieu of this;
- Elected Members to be reimbursed for certain expenses as of right;
- Elected Members to be reimbursed for certain expenses determined by the local government;
- An allowance to be paid to the Mayor;
- An allowance to be paid to the Deputy Mayor;
- Allowances to be paid to Elected Members in lieu of the reimbursement of expenses.

Local Government (Administration) Regulation 32(1)(c) specifically allows a local government to reimburse "an expense incurred by a Council member in performing a function in his or her capacity as a Council member". The departmental guideline on fees and charges explains this provision in the following terms:

"Reimbursement of other expenses incurred by an Elected Member in performing a function in his or her capacity as an Elected Member are covered by Regulation 32(1)(c). The types of expenses or the functions performed are not specified in the regulation. This provides local governments with discretion to reimburse Elected Members for a wide range of expenses incurred by the member in performing a function. Local governments that have identified expenses under this category should set them in a policy so that it is clear to members and future members that claims for certain types of expenses are acceptable subject to submission of satisfactory documentary evidence of the expense".

Risk Management considerations:

A change to the approach by which equipment is provided could be controversial.

Financial/Budget Implications:

This report suggests an alternative way of providing equipment to Elected Members. The overall financial impact of such a change is likely to be negligible.

Policy Implications:

An amendment to Policy 8-2 and Policy 8-3 is considered.

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

Not Applicable.

COMMENT

This report presents three options for dealing with the provision of equipment and other items to Elected Members. The current listing approach is considered constraining and consequently, the concept of reimbursement to a maximum amount is favoured.

Should Elected Members support this approach, consideration will need to be given as to what items should be eligible for reimbursement and what maximum amount will apply.

The waiving of the clause relating to training expenses in Policy 8-2 overcomes a difficulty created by transitional arrangements, while the amendments to Policy 8-3 are designed to clarify situations.

ATTACHMENTS

Attachment 1 Policy 8-2 - with revisions highlighted
Attachment 2 Policy 8-3 – with revisions highlighted

OFFICER'S RECOMMENDATION

That the Policy Committee:

- 1 SUPPORTS the reimbursement approach for pieces of equipment and other items, CONSIDERS which items this approach should apply to and SUGGESTS a maximum amount for reimbursement payments;
- 2 WAIVES the requirements of Clause 4.9(4) of Policy 8-2 for the 2007 ordinary election only;
- 3 AGREES to amend Clauses 4.9(3) and (4) of Policy 8-2 as detailed in Attachment 1 to this Report;
- 4 AGREES to adopt the changes to Policy 8-3 as detailed in Attachment 2 to this Report.

The Director Governance and Strategy provided an overview of the report.

MOVED Cr Young SECONDED Mayor Pickard that the Policy Committee RECOMMENDS that Council ADOPTS:

1 Policy 8-2 - Elected Members Allowances as detailed in Attachment 1 to this Report, subject to the following amendments:

(a) Within Clause 2.2 - Equipment:

- 4-pin power board to be deleted;
- Briefcase to be deleted;
- Clause to be amended to reflect that computer and printer is to be new;

(b) Within Clause 2.4 - Other items:

- Computer desk to be deleted;
- Filing cabinet to be deleted;
- Paper shredder to be deleted;

(c) Inclusion of the following words as part of Clause 2.4:

“Each elected member is entitled to be reimbursed to a maximum amount of \$1,000 following every ordinary election, or where an elected member is elected as a result of an extraordinary election, for the purchase of relevant office furniture/equipment to assist them to perform their role as an elected member and to be used for Council related purposes.

The amount allocated for reimbursement will be inflated annually as from 1 July 2008 based on the CPI rate of Australia, and rounded to the nearest \$100.”

(d) Within Clause 4.9 - Guidelines for Conference and Training Attendance, typographical error to be amended to read “commence”;

2 Policy 8-3 - Elected Members - General, subject to the following amendments:

(a) Elected Member Dinners:

First paragraph to be deleted and replaced with:

“To provide an avenue to facilitate networking possibilities and for Elected Members to undertake discussions with various representatives of the community, the Council has agreed to host Elected Member dinners.”

(b) Elected Member Dinners:

Third paragraph, second sentence be deleted and replaced with:

“Where a Ward member confirms he/she is unable or unwilling to host part of all of his/her allocated dinners, the fellow Ward member, in the first instance, or the Mayor or another Elected Member may host these unused dinners, however, total number of dinners must not exceed the annual allocation of twelve (12).”

Discussion ensued.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard

ITEM 4 LIGHT VEHICLE REPLACEMENT POLICY - [28469]

WARD: All

**RESPONSIBLE
DIRECTOR:** Mr Mike Archer
Infrastructure Services (Acting)

PURPOSE

To consider the options for a Light Vehicle Replacement Policy.

EXECUTIVE SUMMARY

To ensure that the City minimises costs and maximises the performance of its fleet, it must ensure that whole of life costs are minimised. This is achieved by replacing items at the ‘optimal replacement period’ which is determined by whole of life costing.

This report discusses the process for determining whole of life costs and this optimal replacement period for the different items in the City’s fleet. While flexibility will be retained for the majority of the fleet, the attached policy recommends regular advice on the Light Fleet (passenger and light commercial vehicles) from specialist Fleet Management consultants.

BACKGROUND

In 2000, the City commissioned the Western Australian Municipal Association (WAMA) to report on various fleet issues relating to light vehicles, such as;

- Ownership Structure i.e. Lease, Buy, Rent or Hire
- Salary Packaging & Novated Leasing
- Optimal Replacement Criteria

Following on from this report, at its meeting on 22 May 2001, Council resolved (CJ133 -05/01 refers)

“2 *RETAINS its 6 and 8 cylinder vehicles for 4 years or 90,000 km whichever is the sooner....”*

At its meeting on 11 June 2002 Council resolved (CJ121-06/02 refers) to change the replacement criteria for Officer passenger vehicles to the sooner of 3 years or 60,000km and to 12 months or earlier for the Mayor’s and CEO’s vehicles.

Subsequently, ‘Policy 8-2 – Elected Members – Allowances’ was changed to state the mayor’s vehicle will be changed over in accordance with the City’s general management of its light vehicle fleet.

At its meeting on 14 August 2007, the Policy Committee resolved (CJ161-08/07 refers) to request that a report be submitted to the Policy Committee on Vehicle replacement.

DETAILS

The City owns and maintains a fleet of light passenger vehicles, commercial utilities, vans, trucks and various earthmoving and parks maintenance equipment that deliver a variety of services to the community. In doing so, the City must ensure these assets are managed in a way that maximises performance for the lowest whole of life cost. Minimising these costs should be a key determinant of any policy on the replacement of fleet assets.

Predicting whole of life costs for the passenger and light commercial vehicles is relatively straight forward as most vehicles in the class behave similarly and it is only necessary to undertake a small number of costings to review the entire class. However, these costs change regularly and require constant review to ensure they are minimized. The attached policy proposes that this advice be sought regularly from specialist Fleet Management consultants and this will guide decision making in this regard.

Life Cycle Costing

The decision on when to changeover City fleet is guided by the changing life cycle costs of the item and is known as the ‘optimum changeover period’. Life cycle costs vary depending on a variety of factors and it is recommended that the City review these costs regularly.

Life cycle costs include:

- Depreciation (purchase cost less expected resale value at disposal)
- Cost of fuel used
- Scheduled logbook servicing
- Tyre replacement
- Insurance
- Registration

For the most part, these costs can be predicted to determine the 'whole of life' cost of a particular vehicle. The most significant contributor to these costs is the actual depreciation of the vehicle during the ownership period. This varies due to changes in the tax system as they occur (for example FBT and GST) and changing demand for certain vehicles based on such things as petrol prices (for example, second hand car prices for larger vehicles tends to drop as petrol prices rise if other factors remain equal).

Replacing a vehicle at its optimal replacement period minimises whole of life costs by lowering the annualised cost differential between purchase and disposal values and the cost of any scheduled servicing.

Approaches adopted elsewhere

The City of Swan has a Motor Vehicle Policy that states, amongst other things, that *'All vehicles are to be replaced at the optimum period for changeover, in order to achieve the lowest possible operating costs for each vehicle and as per the City's plant and equipment replacement program and budgets'*.

The City of Gosnells' Vehicle Policy states *'The Executive Team will determine vehicle allocations and vehicle use status applicable to employees or positions taking into consideration whole of life costings and current industry and market trends. In doing so they shall adopt a flexible approach to the changeover of Council's Light Vehicle Fleet with particular emphasis being given to the make and model of vehicle, and the kilometers traveled to ensure the most costs effective outcome at any given time'*.

The City of Perth Council Vehicle Policy states *'Light Vehicles to be replaced under the most cost effective changeover practices, based on market conditions'*.

The City of Stirling currently operates under a 2003 Council resolution and replace passenger vehicles at 2 years/40,000km and light commercials at 3 years/60,000km.

RAC advised verbally that their current policy is to change passenger vehicles over every 3 years or 80,000km. They keep their 'yellow vans' (vehicle service light commercials) for a period of 5 years, primarily due to the specific 'build' of them, that is, installation of compressors and other specialist equipment.

The Contract Manager for the State Government's Motor Vehicle Fleet Services 'Common Use Contract' advises that most Government fleet managers are now keeping their passenger vehicles for 3 years/60,000km although there is a movement to increase this period to 4 years.

Issues and options considered:

The Policy Committee could agree to:

- Endorse the draft policy
- Amend the draft policy
- Reject the draft policy

Link to Strategic Plan:

This item has a direct link to achievement of the City's Vision: *"A sustainable City and community that are recognised as innovative, unique and diverse."*

Legislation – Statutory Provisions:

Not Applicable.

Risk Management considerations:

This policy has an objective to minimise risk through a co-ordinated approach to fleet management.

Financial/Budget Implications:

This policy will generally minimise City expenditure on fleet management.

Policy Implications:

City Policies are drafted by Officers for administrative and operational imperatives and have an internal focus. They require Policy Committee and Council endorsement. Council may also direct that the policy be advertised for public comment prior to adoption.

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

Not Applicable.

COMMENT

The regular replacement of items in the fleet is assessed as part of the annual budget and items replaced and due for disposal are sold through auction or a tender process. The market for used vehicles and plant can change depending on supply and demand and the financial return on disposal can fluctuate greatly. The disposal price has the greatest impact on whole of life costs and costs should be reviewed regularly to ensure that they are minimised.

This report recommends the City seek independent specialist Fleet Management advice on both the optimal changeover period and recommended fleet composition to ensure whole of life costs are minimised.

The proposed policy will enable the City to retain flexibility in the changeover of its fleet to maximise the financial return to the City. These changeover intervals will be reviewed regularly by either external consultants or staff, depending on the fleet class.

ATTACHMENTS

Attachment 1 Draft Policy – Fleet Replacement Policy

VOTING REQUIREMENTS

Simple Majority

The Director Governance and Strategy provided an overview of the report.

MOVED Mayor Pickard SECONDED Cr Young that the Policy Committee RECOMMENDS the attached Light Vehicle Replacement Policy to Council forming Attachment 1 to this Report.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard

**ITEM 5 CLOSE OF ADVERTISING OF PROPOSED
AMENDMENTS TO POLICY 7-5 - ALFRESCO
DINING - JOONDALUP CITY CENTRE – [03360]**

WARD: All

RESPONSIBLE Mr Clayton Higham
DIRECTOR: Planning and Community Development

PURPOSE

The purpose of this report is for Council to consider submissions received during the advertising period and decide whether to adopt the proposed amendments to Policy 7-5 – Alfresco Dining - Joondalup City Centre, without modification.

EXECUTIVE SUMMARY

Council resolved at its meeting on 28 August 2007 to initiate public advertising of proposed amendments to Policy 7-5 – Alfresco Dining – Joondalup City Centre. The amendments expand the policy to cover alfresco activities associated with all licensed premises within the City and allow the consumption of alcohol without a meal, subject to patrons sitting on chairs at tables, in accordance with recent amendments to the Liquor Licensing Act 1988. As a consequence of these changes, renaming of Policy 7-5 was proposed. Clarification in terms of application of the policy and planning approval requirements were also included.

No submissions were received during the advertising of the amendments to the Policy. It is recommended that Council adopts the proposed amendments to the current policy, as Policy 7-5 – Alfresco Activities.

BACKGROUND

The City adopted an Alfresco Dining Policy in 1994 to guide dining in public spaces such as footpaths, principally as an extension of existing restaurants and cafés. The Policy reflected the desire for operators to be able to provide patrons in the City centre with outdoor areas. It was also necessary to ensure the appropriate use of public space for pedestrians and other users with respect to access, safety and aesthetics whilst maintaining the amenity of adjacent properties.

The Policy has been reviewed three times since its inception. Policy 7-5 Alfresco Dining – Joondalup City Centre has applied since October 2005. Notwithstanding the title of the policy, it applies to the whole of the City of Joondalup.

The City also adopted a Trading in Public Places Local Law at this time that deals with the environmental health aspects of outdoor dining.

DETAILS

Council resolved at its meeting on 28 August 2007 to initiate public advertising of proposed amendments to Policy 7-5 – Alfresco Dining – Joondalup City Centre for a period of twenty one (21) days (CJ161-08/07 refers).

A summary of the proposed amendments is provided below:

- Amending the title of the Policy to cover all alfresco activities in the City of Joondalup;
- Amending the definition of ‘alfresco dining’ to ‘alfresco activities’ to include the consumption of alcohol in outdoor areas, when seated at chairs and tables; and
- Clarification of approval requirements, and improvement to the wording of the document.

Advertising closed on 4 October 2007 and no submissions were received.

Issues and options considered:

The options available to Council are:

- Adopt the draft amendments to Policy 7-5
- Refuse to adopt the proposed amendments to Policy 7-5
- Adopt the draft amendments to Policy 7-5, with modifications.

Link to Strategic Plan:

The following objectives and strategies in the City’s Strategic Plan 2003-2008 are applicable to this report.

Objective 3.2 To develop and promote the City of Joondalup as a tourist attraction.

Strategy 3.2.1 Create and promote cultural tourist attractions.

Objective 3.1 To develop and maintain the City of Joondalup’s assets and built environment.

Strategy 3.1.2 Facilitate the safe design, construction and approval of all buildings and facilities within the City of Joondalup.

Legislation – Statutory Provisions:

Clause 8.11 of the City of Joondalup's District Planning Scheme No 2 enables Council to prepare, amend and add to local planning policies that relate to any planning and development matter within the Scheme area.

Risk Management considerations:

Not Applicable.

Financial/Budget Implications:

Not Applicable.

Policy Implications:

Not Applicable.

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

The proposed amendments to Policy 7-5 were advertised for a period of 21 days from 13 September 2007 to 4 October 2007. Advertising was in the form of an advertisement placed in the Joondalup Times for 2 consecutive weeks, and also on the City's website.

Upon closure of advertising, no submissions had been received.

COMMENT

The proposed amendments to Policy 7-5 will clarify that the consumption of alcohol without a meal is acceptable in alfresco situations where patrons are seated at chairs and tables only. The policy has been renamed to cover all alfresco activities in the City of Joondalup. The wording of the document has been improved and updated without altering the intent or provisions of the current Policy, resulting in a clearer and more effective policy document.

It is therefore recommended that Council adopt the proposed amendments, as Policy 7-5 – Alfresco Activities.

ATTACHMENTS

Attachment 1 Policy 7-5 Alfresco Activities

VOTING REQUIREMENTS

Simple Majority

The Director Planning and Community Development provided an overview of the report.

Discussion ensued. Details of advertising undertaken was requested to be provided to Elected Members.

MOVED Cr Hollywood SECONDED Mayor Pickard that the Policy Committee RECOMMENDS that Council, in accordance with Clause 8.11 of the City of Joondalup's District Planning Scheme No 2, ADOPTS Policy 7- 5 Alfresco Activities, forming Attachment 1 to this Report.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard.

ITEM 6 DRAFT AMENDED POLICY 3-1 CHILD CARE CENTRES – [85510]

WARD: All

RESPONSIBLE DIRECTOR: Mr Clayton Higham
Planning and Community Development

PURPOSE

The purpose of this report is for the Policy Committee to consider draft amendments to Policy 3-1 Child Care Centres, including required minor modifications.

EXECUTIVE SUMMARY

Recent development applications for Child Care Centres have attracted public interest and raised issues regarding the current Policy 3-1 Child Care Centres. Review and clarification of aspects of Policy 3-1 Child Care Centres to bring it in line with current community expectations is considered appropriate. This would also assist in the assessment of applications for this land use.

The issues of amenity, appropriate location, traffic and car parking, noise attenuation, operating hours and location of outdoor play areas are included in the draft policy. Due to the number of elements of the policy that are proposed to be amended, and the difficulty of clearly showing these on the existing policy, a new draft policy document is provided.

The Policy Committee considered the new draft policy at its meeting on 8 October 2007 and suggested minor modifications, which have been completed. The modifications involve clarifying wording in relation to adverse impacts, residential zones and screening of outdoor play areas, more discussion on hours of operation, and inclusion of a noise attenuation section.

It is recommended that the Policy Committee supports the draft amended Policy 3-1 Child Care Centres to enable initiation of public advertising for a period of thirty five (35) days.

BACKGROUND

When the City of Joondalup was formed on 1 July 1998, Council adopted the former City of Wanneroo's planning policy manual under District Planning Scheme No 2 (DPS2) (CJ213-06/99 refers). This included adoption of (then) Policy 3.3.1 – Child Care Centres.

A review of policies was conducted in 2001 when minor amendments were made to Policy 3.3.1 (CJ318-09/01 refers). All policies were reviewed in 2005 under a new policy framework and Policy 3.3.1 was designated as a Council policy, known thereafter as Policy 3-1 Child Care Centres (CJ2076-10/05 refers).

The operation of Child Care Centres is regulated by the Child Care Centres (Child Care) Regulations 2006 and the Child Care Centres Regulations 2007.

The draft amended Policy 3-1 Child Care Centres was considered at the Policy Committee held on 8 October 2007. It was suggested at this meeting that minor modifications be made to the draft and a further report provided for consideration. The modifications included the following:

- clarification of wording in relation to the avoidance of adverse impacts;
- application of the policy in residential zones;
- screening of outdoor play areas;
- elaboration of comments on hours of operation; and
- an additional section relating to noise attenuation measures.

The suggested changes have been included in the draft policy.

DETAILS

Planning approval is required for the development of a Child Care Centre and Policy 3-1 Child Care Centres provides guidance to the location and development of those centres.

The following summary identifies issues that require review in the current Policy 3-1:

- Increased focus on amenity issues,
- Building setback requirements to be consistent with District Planning Scheme No 2,
- Clarification of where Child Care Centres where suitable in terms of the road hierarchy.
- Car parking and access requirements to be clarified and expanded;
- Additional provisions relating to operating days and hours, and outdoor play areas to be included;

Issues and options considered:

The options available to Council are:

- Adopt the draft amended Policy 3-1 Child Care Centres for the purposes of public advertising,
- Adopt the draft amended Policy 3-1 Child Care Centres, with modifications, for the purposes of public advertising,
- Not adopt the draft amended Policy 3-1 Child Care Centres.

Link to Strategic Plan:

The following objective and strategy of the City's Strategic Plan 2003-2008 are applicable to this report:

Objective 3.3 To continue to meet changing demographic needs.

Strategy 3.3.2 integrate plans to support community and business development.

Legislation – Statutory Provisions:

Clause 8.11 of the City of Joondalup's District Planning Scheme No 2 enables Council to prepare, amend and add to local planning policies that relate to any planning and development matter within the Scheme area.

Should Council adopt a draft a policy, or amendment to an existing policy, the proposal is required to be advertised for a period of not less than twenty one (21) days. Advertising is undertaken by way of a notice published once a week for two consecutive weeks in a local newspaper, as well as on the City's website, giving notice where the draft policy or amendment may be inspected.

Risk Management considerations:

Not Applicable.

Financial/Budget Implications:**Policy Implications:**

Not Applicable.

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

In the event that Council adopts the draft amendment to the policy for advertising, in view of the fact that applications for Child Care Centres attract public interest, advertising of the proposal for a period of thirty five (35) days is recommended. Upon completion of advertising, Council is required to consider all submissions and proceed to either adopt, modify or refuse the amendment to the policy.

COMMENT

Issues identified in the existing policy that are proposed in the draft amended policy are discussed below:

Amenity

The current objective of Policy 3-1 refers to maintaining a high level of amenity in residential areas. Additional wording has been added to emphasise this objective, including the requirement for a Traffic and Road Safety Impact Report and a Noise Impact Assessment to be submitted with the application.

Location

The preferred location of Child Care Centres in relation to the road hierarchy in Policy 3-1 is contradictory in some circumstances, and requires clarification. The draft amended policy clearly states that Local Distributor roads are the preferred location for Child Care Centres.

Building Setbacks

Child Care Centres are non-residential buildings to which are subject to the generic setback provisions for all non-residential buildings as prescribed in DPS2. The current policy, however, indicates the Child Care Centres in residential areas should comply with the R-Codes. The policy provision promotes development of buildings in keeping with the residential zone, however, Council is required to exercise discretion in terms of the DPS2 standards. The inclusion of statements addressing the relationship of the Policy to the DPS2 provisions is proposed.

Car Parking

Car parking requirements in the policy do not extend to include large Child Care Centres, with more than 72 children, and differs according to different car park and access arrangements. That is, fewer bays are required for smaller Centres catering for up to 56 children where a flow-through access and parking arrangement is provided.

It is proposed to expand the car parking provision table to cater for centres of up to 104 children. It is also proposed to simplify the required provision of car parking by not differentiating between car park access arrangements.

Additional Provisions

The current policy does not offer any guidance regarding days or hours of operation for Child Care Centres. Child Care Centres policies adopted by other metropolitan local authorities in general include limitation on hours of operation to weekdays and Saturday mornings. Some exceptions include not specifying any hours for weekend operation or all day on both weekend days. The website for one of the larger child care providers (ABC Learning Centres) indicates that they do not open on weekends. In the absence of public input on the matter, suggested days and hours for weekdays and Saturdays are proposed.

Outdoor play areas are high use areas that have the potential to generate significant noise and disturbance to surrounding properties. Additional guidance regarding location of these areas is proposed. In addition, the provision of cover over a portion of these areas to give protection from the weather, in particular from the sun, is included.

Conclusion

The proposed amended Policy 3-1 will clarify suitable locations for Child Care Centres, setbacks, car parking and access requirements, amenity and Council's exercise of discretion. It will also include car parking requirements for large Centres, operating days and hours, additional provisions relating to outdoor play areas to improve the safety of the children, clarification of policy application in the residential zones, noise attenuation measures and avoidance of adverse impacts.

ATTACHMENTS

Attachment 1	Draft Amended Policy 3-1 -Child Care Centres
Attachment 2	Existing Policy 3-1 Child Care Centres

VOTING REQUIREMENTS

Simple Majority

The Director Planning and Community Development provided an overview of the report.

MOVED Cr Hollywood SECONDED Mayor Pickard that the Policy Committee RECOMMENDS that Council, in accordance with Clause 8.11 of the City of Joondalup's District Planning Scheme No 2, ADVERTISES the draft amended Council Policy 3-1 - Child Care Centres, forming Attachment 1 to this Report, for public comment for a period of thirty five (35) days.

Discussion ensued.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard

Link to Strategic Plan:

The Access and Inclusion Plan is linked to the Strategic Plan through the following:

Strategic Plan	Access and Inclusion Plan 2008-2011
<u>Strategy 1.3.1:</u> Provide leisure and recreational activities aligned to community expectations, incorporating innovative opportunities for today's environment	<u>Strategy 1.1:</u> Ensure that all events offered by the City, or events taking place in public areas, are organised so that they are accessible and inclusive.
<u>Strategy 1.3.2:</u> Provide quality of life opportunities for all community members	<u>Strategy 1.2:</u> Ensure that all services are delivered in an accessible and inclusive manner
<u>Strategy 3.3.2:</u> Integrate plans to support community and business development	<u>Strategy 1.3:</u> Develop links between the AIP and other City plans and strategies, and the budget planning
<u>Strategy 4.3.1:</u> Provide effective and clear community consultation	<u>Strategy 6.1:</u> Improve access for people with disabilities to the established consultative processes of the City
<u>Objective 4.3.2:</u> Provide accessible community information	<u>Strategy 3.3:</u> Improve community awareness that all City information can be made available in alternative formats upon request

Legislation – Statutory Provisions:

The WA Disability Services Act 1993 (amended 2004) requires state and local government authorities to develop and implement Disability Access and Inclusion Plans (DAIP). The Draft Amended Policy 5.1 Access and Equity supports the implementation of the City's AIP.

Risk Management considerations:

The Disability Services Act 1993 (amended 2004) requires that public authorities develop and implement a DAIP.

Not supporting the implementation of the AIP through City Policies could present risks for the City resulting from action by i.e. Disability Services Commission and other authorities. Community members from CaLD background who may be disadvantaged by not being included in opportunities to access the City's services, activities, events, programs and information, may have a grievance with the City if their needs are not met.

Financial/Budget Implications:

Not Applicable.

Policy Implications:

Change to the City of Joondalup Policy 5 -1: Access and Equity

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

Not Applicable.

COMMENT

The Draft Amended Policy 5.1 Access and Equity reflects and acknowledges current universal disability, access and inclusion issues and concepts, relevant for the diverse community that makes up the City of Joondalup.

ATTACHMENTS

Attachment 1	Draft Amended Policy 5.1 Access and Equity
Attachment 2	Existing Policy 5.1 Access and Equity

VOTING REQUIREMENTS

Simple Majority

The Director Planning and Community Development provided an overview of the report. Information on State Government compliance with access and equity requirements was provided to Elected Members.

MOVED Cr Young SECONDED Mayor Pickard that the Policy Committee RECOMMENDS that Council ADOPTS the draft Council Policy 5-1 – Access and Equity forming Attachment 1 to this Report.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard.

**ITEM 8 REVIEW OF INVESTMENTS POLICY 8-9 -
[19136]**

This item was considered earlier in the meeting.

**ITEM 9 POLICY 5-3 THE CITY'S ART AND
MEMORABILIA COLLECTIONS – POLICY
REVIEW - [07084]**

WARD: All

RESPONSIBLE Mr Clayton Higham
DIRECTOR: Planning & Community Development

PURPOSE

To review Policy 5-3 The City's Art and Memorabilia Collections.

EXECUTIVE SUMMARY

Policy 5-3, The City's Art and Memorabilia Collections, directs the City's approach to art and collections for the Joondalup community. The policy covers Public Art, Art Collection, Acquisition and Management and Archive and Memorabilia Collection.

In 2006, Policy 5-3 was amended to reflect a local content and context theme. This amendment has directed the City in its approach to the purchase of artwork and more specifically the management of the City's Community Art Exhibition and Invitation Art Award.

It is recommended that some minor amendments to Policy 5-3 be incorporated to ensure the City continues to develop an artwork collection that comprises local, quality and contemporary pieces which continues to appreciate in value.

The proposed changes to the Policy 5-3 have been summarised below.

- 1 Amend the Policy 5-3 to reflect the establishment of an Art Collection and Advisory Committee of the Council, with delegated authority to acquire art works over \$7,500 and within the adopted budget limitations.
- 2 The City's art acquisitions reflect a multi criteria approach which supports both local content and context and also acquisitions that represent high quality contemporary art produced by Western Australian Artists.
- 3 The Community Art Exhibition entry criteria be extended to allow members of recognised City of Joondalup arts organisations who are not City residents to enter.

- 4 The ability for the Art Collection and Advisory Committee to commission an art work to recognise a special milestone or event for the City, further to the existing acquisitions program, be established whereby an artist might be commissioned to create a work reflecting a Joondalup context or content.

BACKGROUND

The City of Joondalup provides a diverse mix of cultural and art experiences to assist in the development of the City's identity, diversity, heritage and tourism activity. This includes a strong visual arts component, encompassing the management of the City's Art Collection and its two annual art exhibitions.

The City of Joondalup's Art Collection was established following the separation of the City of Joondalup from the City of Wanneroo in 1997. Upon separation, the Art Collection was divided equally by value, with the City of Wanneroo retaining the historical collection, the regional landscapes and the indigenous collection and the City of Joondalup acquiring the contemporary Art Collection.

The objectives listed below were developed at the time of separation to guide the direction of arts within the City.

- To support contemporary Western Australian art and artists.
- To provide Joondalup citizens with free access to high quality, contemporary art.

Since 1997, the City has continued to build a high quality contemporary Art Collection. Through implementing a careful acquisition program, based on the principles of contemporary art, the City has built a large collection, which currently holds 195 artwork pieces.

The majority of works are paintings in a variety of mediums including oil, acrylic, pastel, ink, and mixed media on canvas, board and paper. There are a small number of photographs, drawings, prints, small ceramic, mixed media and bronze sculptures. A handful of works are textiles and larger sculptures.

In 2002, the total estimated value of the Collection was \$206,787. The Art Collection was again reviewed in December 2007 with the current value estimated at \$346,810.

In October 2005, Council adopted a new Policy Manual including Policy 5-3 "Cultural Development". In November 2006, Policy 5-3 was renamed "The City's Art and Memorabilia Collections" and was amended to reflect the Council's new regional focus for the Art Collection. The current policy is shown at Attachment 1; the key change was to focus arts activities on works reflecting local content and context for 2007.

A review of a number of other Local Government Art Policies was undertaken in the preparation of this report. A summary of this review is provided at Attachment 2.

DETAILS

Policy 5-3, The City's Art and Memorabilia Collections, directs the City's approach to art and collections for the Joondalup Community. Policy 5-3 covers Public Art, Art Collection, Acquisition and Management and Archive and Memorabilia Collection. Outlined below is a summary of each category included in Policy 5-3.

Public Art

Policy 5-3 refers to the City utilising the State Government's Percent for Art Policy for new public buildings and extensions over the value of \$100,000. Policy 5-3 directs the City to provide reports to Council, where possible, identifying the public art commitments of such projects.

Art Collection, Acquisitions and Management

Policy 5-3 recommends that acquisitions to the City's Collection will be for artworks that represent a local content or context, as recommended by a professional arts consultant or through the Community and Invitation Art Awards.

The City's annual calendar of events holds a strong visual arts component, including two long standing art exhibitions:

- City of Joondalup Invitation Art Award:
(An acquisitive award, held in October for selected professional artists)
- City of Joondalup Community Art Exhibition:
(A non-acquisitive exhibition, held in June and open to all residents of the City)

The City automatically acquires the winning work from the Invitation Art Award for the \$10,000 prize money and traditionally purchases several additional works from both exhibitions, based on artistic merit, the quality of the artwork and the link to the City's Art Collection.

Policy 5-3 recommends that the display, valuation and recommendation for acquisitions of artwork is managed by a professional arts consultant.

Archive and Memorabilia Collection

Policy 5-3 outlines that some of the collection is jointly owned between the City of Joondalup and Wanneroo, managed through a memorandum of understanding. The collection includes unique and significant resources, which relate to the natural and made environment and the history of the area. The City currently shares a large and diverse collection, which includes plaques, honour boards, costumes, the local studies collection plus items from the Jinan Sister Cities relationship. Items from the collection are displayed and promoted in the City's Administration, Library and Council Chambers.

COMMENT

Review and Options

A review of each category of the Policy 5-3 has been provided below, which outlines any issues or options that can be considered to ensure Policy 5-3 accurately reflects the intent of Council.

Public Art

No changes are recommended to the public art section of Policy 5-3.

Art Collection, Acquisitions and Management

The City's Art Collection is a valuable asset that contributes to the cultural identity of the City through quality contemporary art. The City's approach to its Art Collection over the last ten years has resulted in a significant and valuable collection being established.

The local content and context component of Policy 5-3 was introduced in 2007 and had a direct impact on both the Community and Invitation Art Award. Most significantly, the impact was highlighted in the Invitation Art Award where a number of artists chosen through the submission process to exhibit withdrew prior to developing a piece of artwork and many used artwork that was translated to reflect the local content and criteria theme. This had a direct impact on the number of artists participating and the overall quality of works in the exhibition.

When the City's art collection was assessed in December 2007 the valuer's comments noted that the City has a significant contemporary Art Collection of excellent financial and cultural value. Overall, selections have been made in order to build a collection of high artistic and financial value (see Attachment 3).

However, the valuer also noted that the collection has a number of low-value works which are considered a detriment to the collection as a whole and which have depreciated, representing a negative investment for the City. Generally, those works, which were purchased purely on the basis of "local content", or due to a preference for traditional mediums, were noted by the valuer as an unfortunate weakness in the collection (Attachment 4 refers).

In summary, the valuer advises that to limit the collection to works that display "Joondalup content and context" is incompatible with creating a collection of strong artistic merit and appreciating financial value.

It is therefore appropriate for the Council to make a determination on the "focus/style" of the collection.

In considering the future direction of Policy 5-3 there are three options to consider which include:

- 1 Remain with status quo. This option will provide the direction that the City's Art Collection, acquisitions and awards are focussed on local content and context.

- 2 Remove any reference to local content and context for the City's Art Collection, acquisitions and awards.
- 3 Develop a multi-criteria approach to the City's Art Collection, acquisitions and awards, which should include, but not be limited to, local content and context.

A detailed analysis of these options is shown at Attachment 5.

PROPOSED CHANGES

Art Collection content and context

It is recommended that the Policy 5-3 be updated to reflect the multi-criteria approach at option 3. This approach will ensure that the City's collections continue to acquire quality contemporary art work pieces that will appreciate in cultural and financial value. It will also ensure that the City can continue to provide prestigious awards that offer categories to exhibit contemporary arts and local content and context artwork pieces.

Art Awards and Exhibitions

It is proposed that the multi-criteria approach also be applied to the Community Art Exhibition and the Invitation Art Award. With regard to the Community Art Exhibition, it has been clearly stated in the past in the conditions of entry that entrants must be residents of the City of Joondalup. This creates a challenge because non-residential members of any Joondalup visual arts associations, such as the Joondalup Community Arts Association, may wish to enter the competition. Members of these associations are part of the City's art community, contributing to its variety and vibrancy, and feel as if they are valid entrants to the exhibition, regardless of their residential address.

It is therefore suggested that the entry requirements be amended to enable non City residents who are members of Joondalup arts groups to enter the Community Arts Exhibition.

Management and Acquisition

The existing policy establishes an Art Collection Reference Group, including the Mayor and up to four Councillors plus the Chief Executive Officer. It is suggested that while the membership remains the same, the group be re-established as the Art Collection and Advisory Committee. It is proposed that this Committee have delegated authority from the Council to acquire art works over \$7,500 and within the adopted budget limitations. City Officers and the Art Consultant would provide written advice to the Art Collection and Advisory Committee. For acquisitions up to \$7,500, it is proposed that the current delegated authority arrangement to the Chief Executive Officer continue. The process for the acquisition for art works is detailed in Attachment 6.

It is also suggested that the Terms of Reference and the delegation to the Art Collection and Advisory Committee enable the Committee to commission an artwork for specific milestones or events, such as the 10th anniversary of the City. Such projects and cost should be established in the City's annual budget.

Archive and Memorabilia Collection

No changes are recommended to the archive and memorabilia section of Policy 5-3.

SUMMARY

Improvement in the management and quality of the City's artwork collection can be achieved by making changes to the existing Policy 5-3.

The proposed changes to the Policy 5-3 have been summarised below.

- 1 Amend the Policy 5-3 to reflect the establishment of an Art Collection and Advisory Committee of the Council, with delegated authority to acquire art works within budget limitations.
- 2 The City's art acquisitions reflect a multi criteria approach which supports both local content and context and also acquisitions that represent high quality contemporary art produced by Western Australian Artists.
- 3 The Community Art Exhibition entry criteria be extended to allow members of recognised City of Joondalup arts organisations who are not City residents to enter.
- 4 The ability for the Art Collection and Advisory Committee to commission an art work to recognise a special milestone or event for the City, further to the existing acquisitions program, be established whereby an artist might be commissioned to create a work reflecting a Joondalup context or content.

The suggested revised policy is shown at Attachment 7 and the proposed Terms of Reference for the Art Collection and Advisory Committee is shown at Attachment 8.

ATTACHMENTS

Attachment 1	Current Policy 5-3
Attachment 2	Arts Policy – Industry Review
Attachment 3	Art Collection High Value Pieces
Attachment 4	Art Collection Low Value Pieces
Attachment 5	Policy 5-3 Implications and Options
Attachment 6	Art Acquisition Process
Attachment 7	Proposed Policy 5-3
Attachment 8	Terms of Reference

OFFICER'S RECOMMENDATION

That the City's Policy Committee SUPPORTS the amendments suggested in Attachment 7 - Proposed Policy 5-3 - The City's Art and Memorabilia Collections and RECOMMENDS the new policy to Council.

The Director Planning and Community Development provided an overview of the report.

MOVED Cr Hollywood SECONDED Cr Macdonald that the Policy Committee:

- 1 SUPPORTS the amendments suggested in Attachment 7 - Proposed Policy 5-3 - The City's Art and Memorabilia Collections and RECOMMENDS the new policy to Council, subject to the following amendments:**
 - (a) the Art Collection and Advisory Committee to comprise five (5) Elected Members and the CEO;**
 - (b) Acquisitions up to \$7,500 may be approved by the CEO or the Art Collection and Advisory Committee;**
 - (c) the Community Art Exhibition to include a special category for local content and context;**
 - (d) the City of Joondalup to have first right to purchase artworks entered in the Community Art Exhibition;**
 - (e) the Community Art Exhibition winning artwork may be considered for purchase by the Art Collection and Advisory Committee. The purchase price to be in addition to the prize given;**
 - (f) the Terms of Reference for the Art Collection and Advisory Committee to include "to review the criteria established to determine the award winners;"**
- 2 RECOMMENDS that Council REQUESTS the CEO to display the City's memorabilia collection in the civic centre and City libraries on a rotational basis.**

Discussion ensued.

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Crs Hollywood, Young, Macdonald, Mayor Pickard

MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION

Nil.

CLOSURE

There being no further business, the Presiding Person declared the Meeting closed at 2100 hrs; the following Elected Members being present at that time:

Cr Kerry Hollywood
Cr Trona Young
Cr Marie Macdonald
Mayor Troy Pickard