

# minutes

## Strategic Financial Management Committee

MEETING HELD ON **TUESDAY 3 MARCH 2015**

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## CITY OF JOONDALUP

### MINUTES OF THE STRATEGIC FINANCIAL MANAGEMENT COMMITTEE MEETING HELD IN CONFERENCE ROOM 2, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON TUESDAY 3 MARCH 2015.

#### ATTENDANCE

##### Committee Members

Cr Geoff Amphlett, JP      *Presiding Member*  
Mayor Troy Pickard  
Cr Brian Corr  
Cr Russ Fishwick, JP  
Cr Christine Hamilton-Prime  
Cr Tom McLean, JP  
Cr Philippa Taylor      *Deputising for Cr Sam Thomas*

##### Observer

Cr Mike Norman      *from 5.59pm*

##### Officers

Mr Garry Hunt	Chief Executive Officer	
Mr Mike Tidy	Director Corporate Services	
Ms Dale Page	Director Planning and Community Development	<i>Absent from 6.12pm to 6.13pm</i>
Mr Brad Sillence	Manager Governance	
Mr Blignault Olivier	Manager City Projects	
Mr Alan Ellingham	Senior Financial Analyst	<i>to 6.14pm</i>
Mr John Byrne	Governance Coordinator	
Mr Scott Collins	Senior Projects Officer	
Mrs Lesley Taylor	Governance Officer	

#### DECLARATION OF OPENING

The Presiding Member declared the meeting open at 5.45pm.

## DECLARATIONS OF INTEREST

### Disclosures of Financial / Proximity Interest

Nil.

### Disclosure of interest affecting impartiality

Elected Members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

<b>Name/Position</b>	<b>Cr Brian Corr.</b>
<b>Item No./Subject</b>	Item 2 – 20 Year Strategic Financial Plan 2014-15 to 2033-34 – Review of Major Projects.
<b>Nature of interest</b>	Interest that may affect impartiality.
<b>Extent of Interest</b>	Cr Corr's wife is secretary of the Undercroft Bridge Club, mentioned in discussion.

## APOLOGIES/LEAVE OF ABSENCE

### Leave of Absence previously approved

Cr John Chester	23 February to 6 March 2015 inclusive;
Cr Sam Thomas	23 February to 9 March 2015 inclusive;
Cr Liam Gobbert	14 March to 22 March 2015 inclusive;
Cr Mike Norman	21 March to 28 March 2015 inclusive;
Cr Geoff Amphlett, JP	2 May to 10 May 2015 inclusive;
Cr Brian Corr	26 May to 26 June 2015 inclusive.

## CONFIRMATION OF MINUTES

### MINUTES OF THE STRATEGIC FINANCIAL MANAGEMENT COMMITTEE HELD 6 AND 13 OCTOBER 2014

**MOVED** Cr Fishwick, **SECONDED** Cr McLean that the minutes of the meeting of the Strategic Financial Management Committee held on 6 and 13 October 2014 be confirmed as a true and correct record.

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Corr, Fishwick, Hamilton-Prime, McLean and Taylor.

**ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION**

Nil.

**IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC**

In accordance with Clause 5.2 of the City's *Meeting Procedures Local Law 2013*, this meeting was not open to the public.

**PETITIONS AND DEPUTATIONS**

Nil.

**REPORTS**

**ITEM 1                      ADOPTION OF 2015 MEETING DATES - STRATEGIC  
FINANCIAL MANAGEMENT COMMITTEE**

<b>WARD</b>	All
<b>RESPONSIBLE DIRECTOR</b>	Mr Jamie Parry Governance and Strategy
<b>FILE NUMBER</b>	51567
<b>ATTACHMENT</b>	Nil.
<b>AUTHORITY / DISCRETION</b>	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

**PURPOSE**

For the Strategic Financial Management Committee to consider the proposed schedule of committee meeting dates for 2015.

**EXECUTIVE SUMMARY**

In order to assist with forward planning for all Elected Members, management and staff, a schedule of meeting dates has been prepared for the Strategic Financial Management Committee, ensuring synergy between meeting dates and the flow of information and decision-making.

*It is therefore recommended that the Strategic Financial Management Committee adopts the following meeting dates and times for the Strategic Financial Management Committee of the City of Joondalup to be held at the Joondalup Civic Centre, Boas Avenue, Joondalup:*

<i>Strategic Financial Management Committee</i>
<i>To be held in Conference Room 2</i>
<i>5.45pm on Monday 14 July 2015</i>
<i>5.45pm on Monday 9 November 2015</i>

## BACKGROUND

The Strategic Financial Management Committee was established at the Ordinary Council meeting held on 2 November 2004 (CJ249-11/04 refers). The purpose of the committee is to:

- promote and advocate sound financial management within the City and provide advice to the Council on strategic financial management issues
- in particular advise Council on:
  - how funding can be achieved for any major capital works project before the Council makes a commitment to a project
  - levels of service delivery – determine:
    - which services to be provided
    - standards of service. Such standard will be determined with reference to:
      - best industry practice standards where applicable
      - internally agreed standards which will be determined with reference to local community expectations
  - preparation of the Strategic Financial Plan with high priority being given to ensure that the Plan is achievable in the long term
  - consideration of public submissions to the Strategic Financial Plan
  - final acceptance of the Strategic Financial Plan
- policy development and review of policies with financial implications for the City.

At its meeting held on 21 October 2014 (CJ177-10/14 refers), Council adopted the meeting dates for its Strategy and Briefing sessions, and Ordinary Council meetings.

The schedule of Council meeting dates was based on the format used in recent years; a monthly meeting format with Strategy Sessions held on the first Tuesday of each month; Briefing Sessions held on the second Tuesday and Council meetings on the third Tuesday.

This enables committee meetings to be scheduled on the Monday, Tuesday or Wednesday of weeks one, two and three so as to minimise potential conflicts with other Council activities and provide a 'meeting-free' week in the fourth week of each month.

## DETAILS

The Strategic Financial Management Committee is required to meet at specific times during the year in order to ensure coordination with corporate and financial planning processes. The committee will also be required to meet from time to time on an as-required basis, to consider project based issues, such as the City's land disposal program.

The dates recommended in this report reflect those specific dates when the committee will be required to meet, to consider the reviews of the *20 Year Strategic Financial Management Plan* and its *Guiding Principles*.

### Issues and options considered

The Strategic Financial Management Committee can either:

- adopt the meeting dates as proposed in this report  
or
- amend the meeting dates.

### Legislation / Strategic Community Plan / policy implications

#### Legislation

*Local Government Act 1995.*  
*Local Government (Administration) Regulations 1996.*  
*City of Joondalup Meeting Procedures Local Law 2013.*

#### Strategic Community Plan

##### Key theme

Governance and Leadership.

##### Objective

Corporate capacity.

##### Strategic initiative

Not applicable.

##### Policy

Not applicable.

### Risk management considerations

Should forward planning of committee meetings not be identified, then there is a risk for meetings to be held on an ad-hoc basis; lacking coordination with other key meetings and corporate planning processes.

### Financial/budget implications

Not applicable.

### Regional significance

Not applicable.

### Sustainability implications

Not applicable.

### Consultation

Not applicable.

### COMMENT

The dates recommended in this report reflect those specific dates when the committee will be required to meet, to consider the reviews of the *20 Year Strategic Financial Management Plan* and its *Guiding Principles*. It is acknowledged that the committee will also be required to meet from time to time on an as-required basis, to consider project based issues, such as the City's land disposal program.



## VOTING REQUIREMENTS

Simple Majority.

**MOVED** Mayor Pickard, **SECONDED** Cr McLean that the Strategic Financial Management Committee **ADOPTS** the following meeting dates and times for the Strategic Financial Management Committee of the City of Joondalup to be held at the Joondalup Civic Centre, Boas Avenue, Joondalup:

<b>Strategic Financial Management Committee To be held in Conference Room 2</b>
<b>5.45pm on Monday 14 July 2015</b>
<b>5.45pm on Monday 9 November 2015</b>

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Corr, Fishwick, Hamilton-Prime, McLean and Taylor.

**Disclosure of interest affecting impartiality**

<b>Name/Position</b>	<b>Cr Brian Corr.</b>
<b>Item No./Subject</b>	Item 2 – <i>20 Year Strategic Financial Plan 2014-15 to 2033-34</i> – Review of Major Projects.
<b>Nature of interest</b>	Interest that may affect impartiality.
<b>Extent of Interest</b>	Cr Corr's wife is secretary of the Undercroft Bridge Club, mentioned in discussion.

**ITEM 2                      20 YEAR STRATEGIC FINANCIAL PLAN 2014-15 TO  
2033-34 - REVIEW OF MAJOR PROJECTS**

<b>WARD</b>	All
<b>RESPONSIBLE DIRECTOR</b>	Mr Mike Tidy Corporate Services
<b>FILE NUMBER</b>	104470
<b>ATTACHMENTS</b>	Attachment 1    Major Projects
<b>AUTHORITY / DISCRETION</b>	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

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**PURPOSE**

For the Strategic Financial Management Committee (the Committee) to review the Major Projects included within the update of *20 Year Strategic Financial Plan*.

**EXECUTIVE SUMMARY**

The *20 Year Strategic Financial Plan 2013-14 to 2032-33* was adopted by Council at its meeting held on 24 June 2014. The City is required to update the *20 Year Strategic Financial Plan* annually. This report is the beginning of the process for the 2015 update. It is proposed that the *20 Year Strategic Financial Plan* will be reviewed at a Budget Workshop in 2015 and with the Committee in July 2015, prior to its consideration by Council.

This report provides the Committee with the early opportunity to review the major projects that are included in the forthcoming update of the *20 Year Strategic Financial Plan 2014-15 to 2033-34* for feedback into the review of the *20 Year Strategic Financial Plan*.

*It is therefore recommended that the Strategic Financial Management Committee ENDORSES the major projects listed in Attachment 1 to this Report for review within this forthcoming update of the 20 Year Strategic Financial Plan 2014-15 to 2033-34.*

## **BACKGROUND**

The *20 Year Strategic Financial Plan 2013-14 to 2032-33* was adopted by Council at its meeting held on 24 June 2014 (CJ101-06/14 refers). As part of the review last year, it was agreed that the annual update of the *20 Year Strategic Financial Plan* should be completed at the same time as the annual budget review, between February and June of each year. It is vital to build into the process an opportunity to review the scheduling/priority of major projects, which this report addresses.

## **DETAILS**

Attachment 1 provides details of the schedule of major projects included within the *20 Year Strategic Financial Plan*. For the majority of the projects shown in Attachment 1 to this Report, the timing shown is the same as in the adopted *20 Year Strategic Financial Plan*. The only change in the scheduling is the clubroom redevelopment of Chichester Park which is now proposed to be brought forward to 2019-20 from 2020-21. This change derives from the Active Reserve and Community Facilities Review as noted by Council at its meeting held on 15 July 2014 (CJ116–07/14 refers).

Additionally, the phasing of Grove Child Care/Dorchester Hall/Warwick Hall project has been amended slightly. The adopted SFP had \$2.8 million in 2016-17 and \$1.47 million in 2017-18, a total of \$4.27 million. It is now anticipated that 2016-17 will involve planning and design only, and therefore a reduced cost of \$270,000 is shown, with the remaining \$4.0 million in 2017-18. The overall costs have not changed.

Feedback is sought on the list of major projects and any matters that need to be taken into consideration in regard to the following:

- Timing - Should any of the projects be brought forward or delayed?
- Priority - Are there projects that should be given a higher or lower priority currently shown?
- What's Included - Any major projects that are not included but should now be considered for inclusion or any included that should be considered for removal.

## **Issues and options considered**

### Financial Sustainability Score

The Department of Local Government and Communities published a Financial Sustainability score for each metropolitan local government in October 2014, as part of the Metropolitan Local Government Reform update. The methodology developed was based on the seven statutory ratios (operating surplus ratio, own source revenue coverage, debt service coverage ratio, current ratio, asset consumption, asset renewal and asset sustainability) and scored them using three criteria:

- 1 Score of 1 to 10 based on Advisory Standard (issued by Department of Local Government and Communities in 2012) and a Performance Benchmark.
- 2 Weightings applied to each of the ratios, based on expert opinion.

Operating Surplus	Own Source Revenue	Debt Service Coverage	Current Ratio	Asset Consumption	Asset Renewal Funding	Asset Sustainability	Total
27.0%	10.5%	17.3%	19.0%	8.3%	7.5%	10.4%	100%

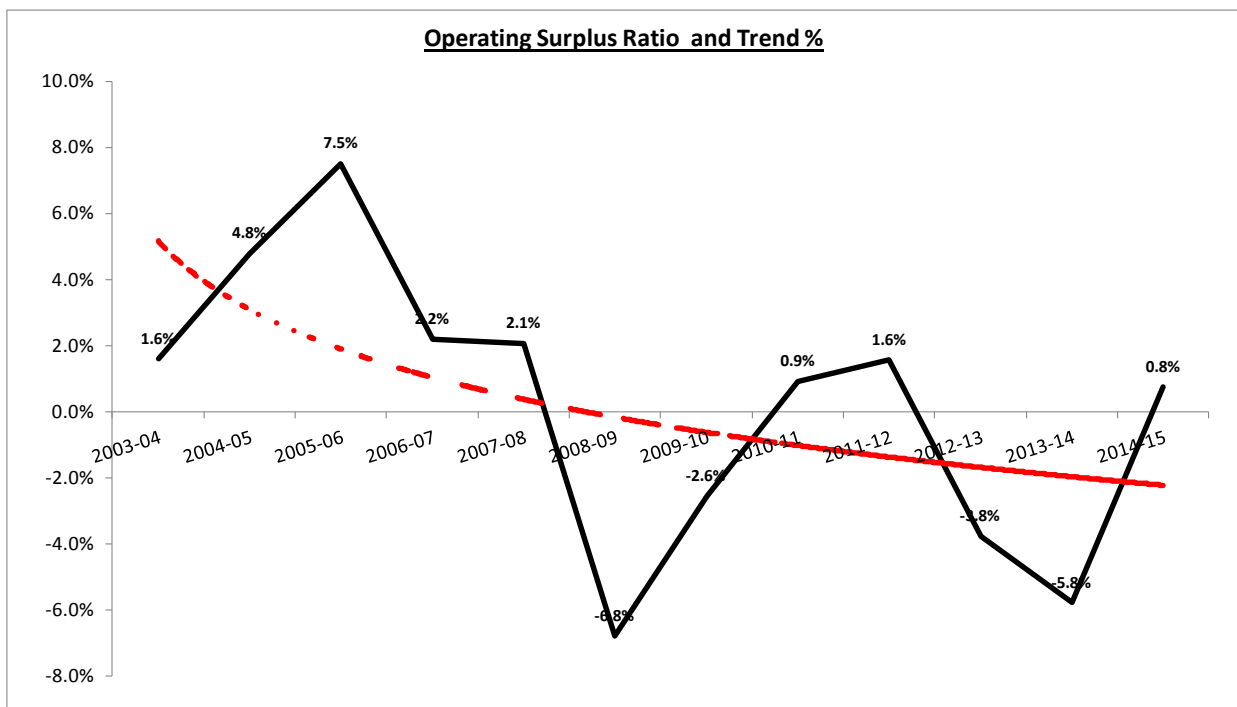
3 Weightings Time Series. For the years that are most current these were given a higher weighting than the projections in a few years time.

The City scored 69 out of 100 for the financial sustainability score 2010 to 2013. This is one point less than the classification of *Average* (70+) and 11 points less than a *Good* score of 80+. The majority of the 31 points lost were due to the operating surplus ratio (23 points), with six points lost due to the three asset ratios and two points lost due to the current ratio.

Operating Surplus Ratio

The operating surplus ratio measures the amount of surplus available from day to day activities compared to the day to day income. The performance benchmark used by the Department of Local Government and Communities for the ratio is 5%; this is also the target established by the City. A 5% operating surplus ratio simply means that for each \$100 of operating income received, \$95 is spent in providing services and \$5 is left as a surplus to assist with new or upgraded facilities.

The City has had a downward trend over the last 10 years, (see chart below), with one of the main reasons for this being the new buildings and infrastructure that has led to increased operational costs (not matched by new income).



Asset Management Ratios

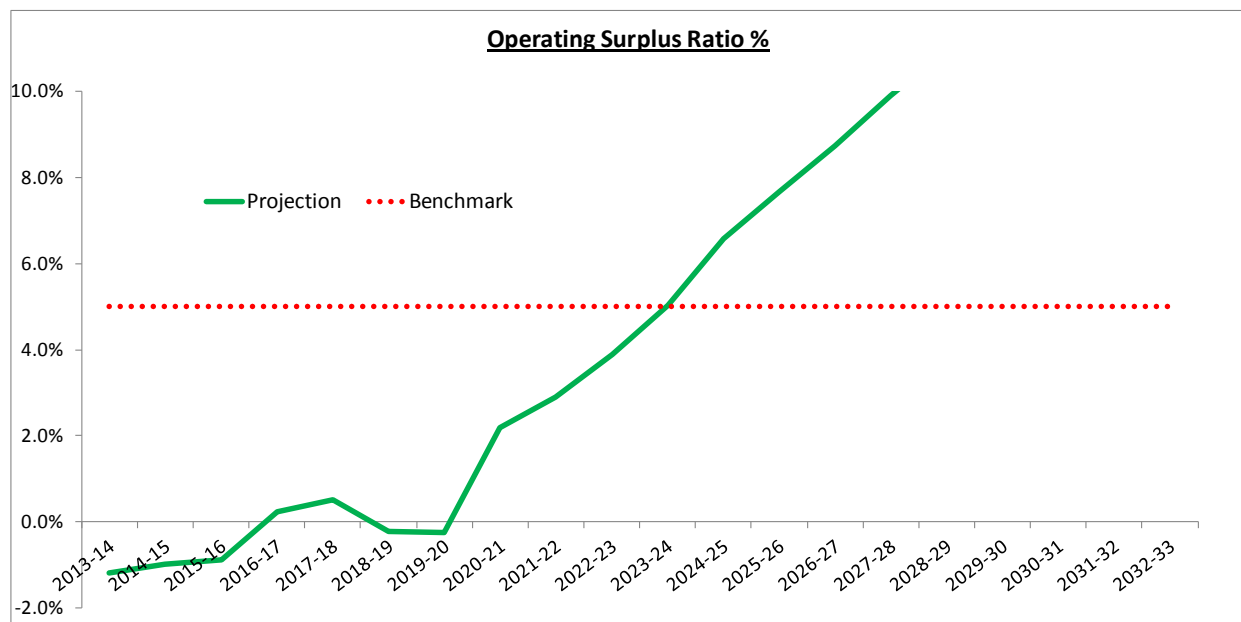
The Financial Statements for 2013-14 listed the Asset Ratios as follows:

- Asset Sustainability Ratio 40%.
- Asset Consumption Ratio 67%.
- Asset Renewal Funding Ratio 83%.

The asset sustainability ratio indicates that the level of expenditure on capital renewals is far lower than the level of consumption, as the ratio compares the amount of capital expenditure on renewals versus the depreciation (consumption). In other words for each \$100 consumed (depreciation) only \$40 was spent on capital renewals. The target is to be between 90% and 110%. This ratio therefore indicates that the City has a high emphasis on capital expenditure for new/upgrade assets, which results in less expenditure on renewals. The expenditure on new capital investment also increases operational costs required to operate/maintain assets, and detrimentally affects the operating surplus ratio.

Challenges

The operating surplus ratio is the most important indicator for long-term financial planning. The City is projecting that the operating surplus ratio will improve steadily over the next few years, as indicated on the chart below, with the benchmark achieved by 2023-24.



There are significant challenges for the City to achieve the improved operating surplus ratio:

- Employment costs to increase by no more than 3% each year. This will be particularly challenging for 2015-16 as the current Workplace Agreement provides for a 4% increase in salaries.
- New major projects which will require additional costs to operate/maintain.
- Asset renewal plans are being reviewed for all asset classes, this may indicate as suggested by the asset sustainability ratio, that insufficient expenditure is being spent on existing infrastructure to ensure that assets/infrastructure are maintained in line with community expectations.

From 2027-28 onwards the ratio is projected to be above 10%, however there are very few major projects in the later years. Of the \$270 million expenditure in major projects, 82% (\$221 million) is within the first 10 years. It is possible that other major projects would be planned during the latter years which could impact on the operating surplus ratio, if the costs of operating are not matched by income.

### **Legislation / Strategic Community Plan / policy implications**

**Legislation** *Local Government Act 1995.* Section 5.56 of the *Local Government Act 1995* provides that:

*“(1) A local government is to plan for the future of the district.”*

### **Strategic Community Plan**

**Key theme** Financial Sustainability.

**Objective** Effective management.

**Strategic initiative**

- Manage liabilities and assets through a planned, long-term approach.
- Balance service levels for assets against long-term funding capacity.

**Policy** Not applicable.

### **Risk management considerations**

The *20 Year Strategic Financial Plan* is based on many assumptions. There is a risk that those assumptions could be wrong or may not come to pass, however, it is a planning tool and the City is not committed to anything in the plan by virtue of endorsing it. Periodic review and continual update of the plan will ensure that it remains a relevant and useful document to manage the City’s financial affairs into the future.

### **Financial / budget implications**

Not applicable.

### **Regional significance**

Not applicable.

### **Sustainability implications**

Not applicable.

### **Consultation**

Not applicable.

## COMMENT

The direction provided at this stage in the process does not fix the assumptions for the City, but provides direction for the update of the model. The Elected Members and the Strategic Financial Management Committee have further opportunities to review all the assumptions when the *20 Year Strategic Financial Plan* is presented at the budget workshop in May, and again at the Strategic Financial Management Committee meeting in July.

## VOTING REQUIREMENTS

Simple Majority.

**MOVED** Cr Hamilton-Prime, **SECONDED** Cr McLean that the Strategic Financial Management Committee **ENDORSES** the major projects listed in Attachment 1 to this Report for review within this forthcoming update of the *20 Year Strategic Financial Plan 2014-15 to 2033-34*.

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Corr, Fishwick, Hamilton-Prime, McLean and Taylor.

*Appendix 1 refers*

*To access this attachment on electronic document, click here: [Attach1agnSFMC030315.pdf](#)*

*Cr Norman entered the room at 5.59pm.*

### **ITEM 3                    IMPACT ON 20 YEAR STRATEGIC FINANCIAL PLAN OF REPORTS TO COUNCIL – OCTOBER 2014 TO DECEMBER 2014**

<b>WARD</b>	All
<b>RESPONSIBLE DIRECTOR</b>	Mr Mike Tidy Corporate Services
<b>FILE NUMBER</b>	104470
<b>ATTACHMENTS</b>	Attachment 1    Impact on 20 Year Strategic Financial Plan of Reports to Council – June 2014 to December 2014
<b>AUTHORITY / DISCRETION</b>	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

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#### **PURPOSE**

To summarise the impacts on the adopted *20 Year Strategic Financial Plan (SFP)* of reports approved by Council for the period October 2014 to December 2014.

#### **EXECUTIVE SUMMARY**

A new quarterly report was introduced in October 2014, as part of the Chief Executive Officer's (CEO) Key Performance Indicators. This report is the second quarterly report. The intention is to provide progressive updates between annual reviews of the SFP by summarising the impacts on the adopted SFP of reports presented to Council.

This report covers the period October to December 2014 and will also summarise the combined impacts from June 2014.

So that the report focuses on those decisions that are capable of having an impact of some significance a minimum threshold of an impact of \$50,000 has been applied. There were no reports from October to December 2014 that were above the minimum threshold. There were eight reports approved by Council between June 2014 and September 2014 that had a total improvement in cash, up to 2032-33, of \$58.4 million.

*It is therefore recommended that the Strategic Financial Management Committee NOTES:*

- 1        no reports were considered by Council from October to December 2014 that had an impact on the 20 year Strategic Financial Plan;*
- 2        the net cumulative effect of decisions in the 2014-15 financial year of a total improvement in cash of \$58.4 million up to 2032-33.*



## BACKGROUND

A new quarterly report was introduced in October 2014, as part of the Chief Executive Officer's (CEO) Key Performance Indicators. This report is the second quarterly report. The intention is to provide progressive updates between annual reviews of the SFP by summarising the impacts on the adopted SFP of reports to Council.

The previous report covered June to September 2014. This report covers the period October to December 2014 and will also summarise the combined impacts from June 2014.

## DETAILS

The SFP is a long-term planning tool, and evaluating impacts which are minor is of little relevance therefore a minimum threshold has been applied where an impact of less than \$50,000 is not reported. The threshold of \$50,000 results in many of the reports being outside the scope of this analysis, as they have a relatively small amount (for example planning fees) or have no financial impact at all. Consequently, of all the reports presented to Council between October and December 2014 there were no reports that have an impact on the SFP.

There were eight reports between June to September 2014, that had impacts and these are listed in Attachment 1. With regards the tables, please note:

- The impacts have been categorised into:
  - \$61.4 million Commitments made by Council
  - (\$3.0 million) Other impacts including amounts that were informed by other bodies, or potential impacts for reports that have been noted, without a firm commitment having been made yet. This specifically relates to the Active Reserve and Community Facility Review where various items are noted and recommended for inclusion in budgets.
  
- The SFP Impact is based on:
  - total estimated cashflows up to 2032-33
  - inflation
  - whole of life costs such as capital expenditure, operating expenses, operating income, reserves, borrowings, interest payments, earnings on cash held.

As a result of calculating the impacts up to 2032-33 for total cash, the impact for each report is higher than the initial impact. For example, the (\$4 million) proceeds that were initially planned for Lot 971 Creaney Drive results in an overall impact of (\$7.1 million) up to 2032-33. The additional costs of (\$3.1 million) relate to changes in borrowings, additional interest payments and reduced earnings on cash held as a consequence of the (\$4 million) reduced proceeds.

### Issues and options considered

The previous report presented to the Strategic Financial Management Committee on 6 October 2014 indicated that Item 8 - Tender 01410 Processing Co-Mingles Recyclables had a neutral impact within the SFP. This issue was discussed by the committee and requested that the impacts of the tender to be shown as a benefit. Attachment 1 now includes the estimated benefits of \$61.1 million for Item 8. The previous report had indicated that there were total costs of all eight reports of (\$2.7 million). This has been restated to \$58.4 million to take account of Item 8.

The impacts of all reports included in Attachment 1 will be included in the next update of the SFP in 2015.

### Legislation / Strategic Community Plan / policy implications

**Legislation** *Local Government Act 1995. Section 5.56 of the Local Government Act 1995 provides that:*

*“(1) A local government is to plan for the future of the district.”*

### Strategic Community Plan

**Key theme** Financial Sustainability.

**Objective** Effective management.

**Strategic initiative**

- Manage liabilities and assets through a planned, long-term approach.
- Balance service levels for assets against long-term funding capacity.

**Policy** Not applicable.

### Risk management considerations

The SFP is based on many assumptions. There is a risk that those assumptions could be wrong or may not come to pass, however, it is a planning tool and the City is not committed to anything in the plan by virtue of endorsing it. Periodic review and continual update of the plan will ensure that it remains a relevant and useful document to manage the City's financial affairs into the future.

### Financial / budget implications

The impact to the City up to 2032-33 of the reports approved between June 2014 and December 2014 is estimated to be a benefit of \$58.4 million. This impact is the total change in cash at the end of 2032-33, and while this is a benefit there are some years where the impacts may be negative.

### **Regional significance**

Not applicable.

### **Sustainability implications**

Not applicable.

### **Consultation**

Not applicable.

### **COMMENT**

This report provides a further enhancement to the long-term financial sustainability by the City by providing a progressive update on the impacts on the 20 year SFP of Council decisions.

### **VOTING REQUIREMENTS**

Simple Majority.

*The Director Planning and Community Development left the room at 6.12pm and returned at 6.13pm.*

**MOVED Cr Fishwick, SECONDED Cr Hamilton-Prime that the Strategic Financial Management Committee NOTES:**

- 1 no reports were considered by Council from October to December 2014 that had an impact on the 20 year Strategic Financial Plan;**
- 2 the net cumulative effect of decisions in the 2014-15 financial year of a total improvement in cash of \$58.4 million up to 2032-33.**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Corr, Fishwick, Hamilton-Prime, McLean and Taylor.

*Appendix 2 refers*

*To access this attachment on electronic document, click here: [Attach2agnSFMC030315.pdf](#)*

*The Senior Financial Analyst left the room at 6.14pm.*

**ITEM 4 CONFIDENTIAL - CITY OF JOONDALUP  
FREEHOLD LAND - LOTS 200, 201 AND 202  
KANANGRA CRESCENT, GREENWOOD**

<b>WARD</b>	South-East
<b>RESPONSIBLE DIRECTOR</b>	Mr Garry Hunt Office of the CEO
<b>FILE NUMBER</b>	63627, 101515
<b>ATTACHMENTS</b>	Attachment 1 Location plan of Lots 200, 201 and 202 Kanangra Crescent, Greenwood and surrounding Public Open Space Attachment 2 Photographs of subject lots  <i>(Please Note: The Report and Attachments are confidential and will appear in the official Minute Book only).</i>
<b>AUTHORITY / DISCRETION</b>	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

This report is confidential in accordance with section 5.23(2)(h) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

*The determination by the local government of a price for the sale or purchase of property by the local government.*

A full report was provided to Elected Members under separate cover. The report is not for publication.

**MOVED Mayor Pickard, SECONDED Cr Hamilton-Prime that Council:**

- 1 SUPPORTS** the amalgamation of Lots 200, 201 and 202 Kanangra Crescent, Greenwood;
- 2 REQUESTS** the initiation of an amendment to *District Planning Scheme No. 2* for the purpose of public consultation to recode Lots 200, 201 and 202 Kanangra Crescent, Greenwood from R20 to R40;
- 3 NOTES** that the funds derived from the sale of the site will be transferred to the Joondalup Performing Arts and Cultural Facility reserve fund.

**The Motion was Put and**

**CARRIED (6/1)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Fishwick, Hamilton-Prime, McLean and Taylor.  
**Against the Motion:** Cr Corr.

**ITEM 5                    CONFIDENTIAL - STATUS REPORT ON CITY  
FREEHOLD PROPERTIES PROPOSED FOR  
DISPOSAL INCLUDING THE PROPOSED  
ACQUISITION OF LOT 12223 (12) BLACKWATTLE  
PARADE, PADBURY**

<b>WARD</b>	All
<b>RESPONSIBLE DIRECTOR</b>	Mr Garry Hunt Office of the CEO
<b>FILE NUMBER</b>	63627, 101515
<b>ATTACHMENTS</b>	Attachment 1    Location Plans – Lot 745 (103) Caridean Street, Heathridge and Lot 23 (77) Gibson Avenue, Padbury Attachment 2    Location Plans - Lot 701 (15) Burlos Court, Joondalup and Lot 549 (11) Moolanda Boulevard, Kingsley Attachment 3    Location Plans - Lot 1001 (14) Camberwarra Drive, Craigie and Lots 642/643 (57/59) Marri Road, Duncraig Attachment 4    Lot 12223 (12) Blackwattle Parade, Padbury

*(Please Note: The Report and Attachments are confidential and will appear in the official Minute Book only).*

**AUTHORITY / DISCRETION**    Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

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This report is confidential in accordance with section 5.23(2)(h) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

*The determination by the local government of a price for the sale or purchase of property by the local government.*

A full report was provided to Elected Members under separate cover. The report is not for publication.

## OFFICER'S RECOMMENDATION

That Council:

- 1 NOTES the status report on the progress of the City's proposed disposal of the seven freehold land sites as at 3 March 2015 as detailed in this Report;
- 2 NOTES a report will be submitted to Council on the outcome of the public consultation process regarding the proposed acquisition of Lot 12223 (12) Blackwattle Parade, Padbury;
- 3 BY AN ABSOLUTE MAJORITY AMENDS Part 3 of Council's decision (CJ203-10/14) of 21 October 2014 to read as follows:  
  
"3 *ENDORSES the subdivision of Lot 701 (15) Burlos Court, Joondalup for the future disposal of Lot 701 (15) Burlos Court, Joondalup;*";
- 4 REQUESTS the initiation of an amendment to *District Planning Scheme No. 2* for the purpose of public consultation to recode Lots 642 and 643 Marri Road, Duncraig from R20 to R40;
- 5 NOTES a further status report on the progress of the City's proposed disposal of seven freehold land sites will be submitted to the next meeting of the Strategic Financial Management Committee to be held on 14 July 2015.

**MOVED Cr Hamilton-Prime, SECONDED Cr McLean that Council:**

- 1 **NOTES the status report on the progress of the City's proposed disposal of the seven freehold land sites as at 3 March 2015 as detailed in this Report;**
- 2 **NOTES a report will be submitted to Council on the outcome of the public consultation process regarding the proposed acquisition of Lot 12223 (12) Blackwattle Parade, Padbury;**
- 3 **BY AN ABSOLUTE MAJORITY AMENDS Part 3 of Council's decision (CJ203-10/14) of 21 October 2014 to read as follows:**  
  
"3 *ENDORSES the subdivision of Lot 701 (15) Burlos Court, Joondalup for the future disposal of Lot 701 (15) Burlos Court, Joondalup;*";
- 4 **REQUESTS the initiation of an amendment to *District Planning Scheme No. 2* for the purpose of public consultation to recode Lots 642 and 643 Marri Road, Duncraig from R20 to R40;**
- 5 **NOTES a further status report on the progress of the City's proposed disposal of seven freehold land sites will be submitted to the next meeting of the Strategic Financial Management Committee to be held on 14 July 2015;**
- 6 **REQUESTS additional information be provided on the suitability of 'aged or dependent persons' dwellings' or otherwise on the remaining lots.**

It was requested that Parts 1, 2 and 5 of the Motion be voted upon separately.

The Presiding Member advised he would put Parts 1, 2 and 5 collectively, followed by Parts 3, 4 and 6.

**MOVED Cr Hamilton-Prime, SECONDED Cr McLean that Council:**

- 1 **NOTES the status report on the progress of the City's proposed disposal of the seven freehold land sites as at 3 March 2015 as detailed in this Report;**
- 2 **NOTES a report will be submitted to Council on the outcome of the public consultation process regarding the proposed acquisition of Lot 12223 (12) Blackwattle Parade, Padbury;**
- 5 **NOTES a further status report on the progress of the City's proposed disposal of seven freehold land sites will be submitted to the next meeting of the Strategic Financial Management Committee to be held on 14 July 2015;**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Corr, Fishwick, Hamilton-Prime, McLean and Taylor.

**MOVED Cr Hamilton-Prime, SECONDED Cr McLean that Council:**

- 3 **BY AN ABSOLUTE MAJORITY AMENDS Part 3 of Council's decision (CJ203-10/14) of 21 October 2014 to read as follows:**  
  
"3 **ENDORSES the subdivision of Lot 701 (15) Burlos Court, Joondalup for the future disposal of Lot 701 (15) Burlos Court;**";
- 4 **REQUESTS the initiation of an amendment to *District Planning Scheme No. 2* for the purpose of public consultation to recode Lots 642 and 643 Marri Road, Duncraig from R20 to R40;**
- 6 **REQUESTS additional information be provided on the suitability of 'aged or dependent persons' dwellings' or otherwise on the remaining lots.**

**The Motion was Put and**

**CARRIED (6/1)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Fishwick, Hamilton-Prime, McLean and Taylor.

**Against the Motion:** Cr Corr.

**ITEM 6 CONFIDENTIAL - PINNAROO POINT CAFÉ/KIOSK -  
EXPRESSION OF INTEREST**

<b>WARD</b>	South-West
<b>RESPONSIBLE DIRECTOR</b>	Mr Garry Hunt Chief Executive Officer
<b>FILE NUMBER</b>	102656, 101515
<b>ATTACHMENTS</b>	Attachment 1 Conceptual development plans - The Rock (WA) Pty Ltd T/as White Salt Attachment 2 Conceptual development plans – The Fig Group
	<i>(Please Note: The Report and Attachments are confidential and will appear in the official Minute Book only).</i>
<b>AUTHORITY / DISCRETION</b>	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

This Report is confidential in accordance with section 5.23(2)(e)(iii) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

*A matter that if disclosed would reveal information about the business, professional, commercial or financial affairs of a person.*

A full report was provided to Elected Members under separate cover. The report is not for publication.

**MOVED Cr Hamilton-Prime, SECONDED Cr Amphlett that Council:**

- 1 CONSIDERS the information provided by respondents to Stage Two of the Expression of Interest process and the assessment by the Evaluation Panel contained within the report and DETERMINES that Rock (WA) Pty Ltd T/as White Salt is the preferred respondent for the development of a café/kiosk at Pinnaroo Point;**
- 2 REQUESTS the Chief Executive Officer to invite Rock (WA) Pty Ltd T/as White Salt to negotiate a Memorandum of Understanding to facilitate the development of a café/kiosk at Pinnaroo Point;**
- 3 REQUESTS the Chief Executive Officer to provide a further report to Council, after negotiating a Memorandum of Understanding, outlining the intended process for the development of a café/kiosk at Pinnaroo Point.**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr Amphlett, Mayor Pickard, Crs Corr, Fishwick, Hamilton-Prime, McLean and Taylor.



**URGENT BUSINESS**

Nil.

**MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil.

**REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION**

Nil.

**CLOSURE**

There being no further business, the Presiding Member declared the meeting closed at 6.56pm; the following Committee Members being present at that time:

Cr Geoff Amphlett, JP  
Mayor Troy Pickard  
Cr Brian Corr  
Cr Russ Fishwick, JP  
Cr Christine Hamilton-Prime  
Cr Tom McLean, JP  
Cr Philippa Taylor