

Section 2.4 – Financial Planning

POLICY 2.4.6 – PURCHASING GOODS AND SERVICES**PREAMBLE**

The City recognises that there are many tangible economic benefits in supporting businesses located within the City of Joondalup. It is committed to assisting with the promotion and stimulation of local economic development.

As a major purchaser of goods and services, the City will provide every opportunity for businesses located within the City to participate in the provision of goods and services to the City. It is recognised that the range and availability of goods and services offered by local businesses is sometimes limited. The City will procure goods and services within a context of ensuring the City achieves best value for money for the community, products and services which meet the City's requirements for quality and availability, and that the procurement process meets the City's legal and ethical obligations

OBJECTIVES

To stimulate business development and growth in the City by pursuing every opportunity to purchase goods and services from businesses located within the City of Joondalup, having regard to the need to:

- ☐ achieve best value for money for the community;
- ☐ meet the specified requirements of the City;
- ☐ comply with the legal framework and Cities policies; and
- ☐ recognise the economic benefits that each purchasing decision may offer the City and the region.

To ensure the City plays an integral role in its economic development through its purchasing directions by:

- ☐ facilitating joint project initiatives with businesses in the City; and
- ☐ providing reciprocal benefits such as employment opportunities or business sustainability wherever this can be achieved in the region.

STATEMENT

The City of Joondalup will support economic development by providing the opportunity for local business to provide goods and services to the City by:

- ☐ Taking a leadership and educational role in promoting the economic advantages which can be delivered from supporting local business within the community
- ☐ Encouraging the participation of local business in the City's purchasing process and tendering process through effective communication and relationship management
- ☐ Being proactive in promoting the local business community through the use of initiatives such as but not limited to:

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- ☐ ~~The Joondalup On-Line Business Directory and other e-commerce initiatives.~~
- ☐ ~~The 2cities Portal Project.~~
- ☐ ~~The Community Connections Project.~~
- ☐ ~~The Business Incubator~~

- ☐ ~~Providing business information regarding the City's purchasing needs in order to assist local business in providing specific goods and services as required by the City.~~
- ☐ ~~Facilitating an increased understanding for local business in meeting the requirements of the City's purchasing procedures and contract management framework.~~
- ☐ ~~Encouraging local business to also support the community by procuring the majority of its requirements locally.~~
- ☐ ~~Developing and monitoring key measures that demonstrate the effectiveness of this Policy over time~~

Suppliers within the City can actively seek business with the City of Joondalup by:

- ☐ ~~Registering on the City of Joondalup On-line Business Directory~~
- ☐ ~~Proactively promoting goods and services to the City.~~
- ☐ ~~Participating in the City's tender and quotation processes.~~
- ☐ ~~Considering the City as an important customer.~~
- ☐ ~~Offering value for money, customer service and competitive prices for the supply quality goods and services.~~
- ☐ ~~Actively supporting the City's joint project initiatives.~~

Interpretations

In this Policy the following definitions shall apply unless the context means otherwise:

~~"Local Business"~~—a local business is any business within the City of Joondalup which has its business premises physically located within the boundaries of the City.

~~"The Region"~~—the region shall include the City of Joondalup and its neighbouring Cities including City of Wanneroo and City of Stirling.

~~"The City"~~—The City of Joondalup.

~~"Contract Management Framework"~~—the procedural framework developed by the City for its contracts, tenders and associated policies.

~~"Quotation"~~ means a closed quote up to \$50,000 exclusive of GST.

~~"Tender"~~ means an open quote through statewide public invitation to comply with statutory requirements.

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Benefits of the Policy

The City recognises that the benefits of this policy will:

- ☐ Increase and promote economic activity within the City of Joondalup.
- ☐ Facilitate small business participation in the City's procurement process.
- ☐ Enhance competition amongst local businesses.
- ☐ Develop improved relations between the City and the local business community
- ☐ Provide more effective risk management.

Application of the Policy

This Policy should be read in conjunction with the City's Corporate Purchasing Procedures and Contract Management Handbook.

Notwithstanding the requirements of relevant legislation in relation to public tenders City staff when making a purchasing decision should:

- ☐ Inform and encourage local suppliers who have registered on the City of Joondalup On-line Business Directory to provide a quotation where goods and services are available locally and in accordance with procedures.
- ☐ Continue to allow suppliers from outside the City of Joondalup to provide a quotation.
- ☐ Ensure that the City is meeting its best value for money objectives.
- ☐ Where there is no local supplier within the City of Joondalup, shall consider suppliers from within the Region with the exception of public tenders.
- ☐ Demonstrate an ethical and transparent process that also can be viewed by others as ethical and transparent.
- ☐ Ensure all purchasing decisions are based upon the following selection criteria where applicable:
 1. Achieving value for money for the community living in the City of Joondalup;
 2. Meeting the specified requirements as detailed in the City's policies and procedures;
 3. Complying with the City's purchasing, contract management, legal and statutory framework
 4. Assessment of any economic benefits which the purchasing decision may offer the City and the Region. This includes circumstances where:
 - continued patronage to a supplier within the City or the Region is likely to create economic benefits such as employment opportunity or business sustainability
 - the purchasing decision has the capacity to generate economic benefit and employment opportunities to the Region
 - the purchasing decision may provide any potential value adding linkages to the City and the Region

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- ☐ Where the City invites tenders/quotation for supply of goods or services, staff are required to, and will, consider tenders and quotation in accordance with Local Government (Functions and General) Regulations 1996, the conditions of tendering and the City's purchasing procedures. When considering tenders and quotations, no price preference will be given by the City on account of the supplier being local.

Application of this policy is to be within all applicable legal frameworks including, but not limited to, the Local Government Act 1995 and its Regulations, Trade Practices Act 1974 and National Competition Policy.

Policy Review

The Purchasing Policy shall be reviewed at least annually with regard to suitability, currency and compliance and will be reported to Council.

Previous Policy No: B3-20
Amendments: CJ257-07/00, CJ031-02/02
Issued: March 2002
Related Documentation: N/A

Section 2.5 ~~2.4~~ – Financial Planning Assets and Commissioning

POLICY 2.4.6-2.5.7 - PURCHASING GOODS AND SERVICES**PREAMBLE**

The City recognises that there are many tangible economic benefits in supporting businesses located within the City of Joondalup. It is committed to assisting with the promotion and stimulation of local economic development.

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OBJECTIVES

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- achieve best value for money for the community;
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STATEMENT

The City of Joondalup will support economic development by providing the opportunity for local business to provide goods and services to the City by:

- Taking a leadership and educational role in promoting the economic advantages which can be delivered from supporting local business within the community
- Encouraging the participation of local business in the City's purchasing process and tendering process through effective communication and relationship management

Section 2.5 2.4— Financial Planning Assets and Commissioning

- Being proactive in promoting the local business community through the use of initiatives such as but not limited to:
 - ◆ The Joondalup On-Line Business Directory and other e-commerce initiatives.
 - ◆ The 2cities Portal Project.
 - ◆ The Community Connections Project.
 - ◆ The Business Incubator
- Providing business information regarding the City's purchasing needs in order to assist local business in providing specific goods and services as required by the City.
- Facilitating an increased understanding for local business in meeting the requirements of the City's purchasing procedures and contract management framework.
- Encouraging local business to also support the community by procuring the majority of its requirements locally.
- Developing and monitoring key measures that demonstrate the effectiveness of this Policy over time

Suppliers within the City can actively seek business with the City of Joondalup by:

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- Considering the City as an important customer.
- Offering value for money, customer service and competitive prices for the supply quality goods and services.
- Actively supporting the City's joint project initiatives.

Interpretations

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Section 2.5 2.4— Financial Planning Assets and Commissioning

Benefits of the Policy

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- Enhance competition amongst local businesses.
- Develop improved relations between the City and the local business community
- Provide more effective risk management.

Application of the Policy

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- Ensure that the City is meeting its best value for money objectives.
- Where there is no local supplier within the City of Joondalup, shall consider suppliers from within the Region with the exception of public tenders.
- Demonstrate an ethical and transparent process that also can be viewed by others as ethical and transparent.
- Ensure all purchasing decisions are based upon the following selection criteria where applicable:
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 2. Meeting the specified requirements as detailed in the City's policies and procedures,
 3. Complying with the City's purchasing, contract management, legal and statutory framework
 4. Assessment of any economic benefits which the purchasing decision may offer the City and the Region. This includes circumstances where:
 - continued patronage to a supplier within the City or the Region is likely to create economic benefits such as employment opportunity or business sustainability
 - the purchasing decision has the capacity to generate economic benefit and employment opportunities to the Region
 - the purchasing decision may provide any potential value adding linkages to the City and the Region

Section 2.5 ~~2.4~~ — Financial Planning Assets and Commissioning

- Where the City invites tenders/quotation for supply of goods or services, staff are required to, and will, consider tenders and quotation in accordance with Local Government (Functions and General) Regulations 1996, the conditions of tendering and the City's purchasing procedures. When considering tenders and quotations, no price preference will be given by the City on account of the supplier being local.

Application of this policy is to be within all applicable legal frameworks including, but not limited to, the Local Government Act 1995 and its Regulations, Trade Practices Act 1974 and National Competition Policy.

Policy Review

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Previous Policy No:	B3-20
Amendments:	CJ257-07/00, CJ031-02/02
Issued:	March 2002
Related Documentation:	N/A

Note: This policy was previously numbered 2.4.6

Section 2.5 – Assets and Commissioning Management

**POLICY 2.5.1 – COMMERCIAL USAGE OF BEACHFRONT
AND BEACH RESERVES**

OBJECTIVE

To provide guidelines for the management of commercial usage of beachfront and beach reserves.

STATEMENT

From time to time, requests are received from commercial operators to conduct a range of businesses on the beachfront. These proposals range from hiring out of body boards or umbrellas to the provision of personal services such as massage and the sale of consumables.

1 GENERAL**(a) Support for Commercial Activities**

- (i) In general, the City will support the provision of mobile vending services only on beaches which are patrolled.
- (ii) In recognition of the important role Surf Life Saving Clubs play in promoting beach safety, the City will provide the Surf Life Saving Clubs with the first option on the provision of food and refreshment vending service.
- (iii) On un-patrolled beaches, the City will consider the provision of a stationary service, based in a car park adjacent to the beach front, to provide refreshments and snacks.
- (iv) A maximum of one licence to provide a mobile vending service will be issued for each beach where this is deemed to not interfere with existing commercial activities.
- (v) A maximum of one licence for the provision of a stationary refreshment stand will be considered for each beach where this is deemed to not interfere with existing commercial activities.
- (vi) All services provided must fulfill the City's requirements under the relevant local laws for street trading, hawkers, canvassers and any other local law which may apply.

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(b) Types of Commercial Activity

- (i) In general, the types of commercial activity which will be considered by the City are the provision of a mobile vending service supplying cool drinks, ice creams and sun screen.
- (ii) The sale, advertising or promotion of alcohol, cigarette and nicotine products will not be permitted.
- (iii) The provision of a security service such as secure lockers will be considered on all beaches.
- (iv) The provision of goods for hire will only be considered at patrolled beaches.

(c) Vending Service

- (i) Mobile vendors *may* be issued permission to utilise small motorised vehicle to carry and sell their wares. Service providers are expected to agree to the City's Code of Practice in relation to the use of such vehicles, in order to prevent nuisance, environmental damage or danger to beach users.
- (ii) Where Surf Life Saving Clubs have their base, the City will offer to the Surf Life Saving Clubs first option on the provision of a mobile vendor service, providing cool drinks, ice creams and sun screen at the beach where the clubhouse is located. No licence fee will be charged to Surf Life Saving Clubs wishing to provide this service.
- (iii) The offer will be made at the beginning of each financial year and must be accepted or rejected by 31 August of each year.

(d) Goods for Hire

- (i) The following goods for hire will be considered:
 - Umbrellas/beach shade
 - Deck chairs
 - Body boards
- (ii) The City will not approve the provision of personal services such as massage.

(e) Environmental Protection

- (i) The City recognises that the beach area comprises a fragile ecosystem which requires careful management.

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- (ii) Glass and polystyrene containers will not be permitted to be sold from any mobile vending service.
- (iii) Mobile vending services are not permitted to traverse the sand dune system except on designated paths.
- (iv) Any service provider who fails to take adequate care in relation to the environment is liable to have the vending licence cancelled.

2 MARMION BEACH

The City will consider applications for:

- (a) A mobile commercial vendor providing a service to the Marmion Beach front of cool drinks, sun screen and ice creams.
- (b) A security service providing lockers for beach patrons.
- (c) Goods for hire.

3 SORRENTO BEACH

- (a) The City will offer the opportunity to provide a mobile service to the Surf Life Saving Club in accordance with Part 1 of this policy statement.
- (b) The City will consider proposals for a security service providing lockers for beach patrons.
- (c) The City will consider proposals for goods for hire.

4 HILLARYS

This beach is considered to be well catered for in terms of existing commercial activity. No additional services except a security service will be considered here.

5 PINNAROO POINT AND WHITFORDS BEACH

The City will consider applications for the provision of a caravan-based service, utilising the car park area, and a security locker service.

6 MULLALOO BEACH

- (a) The City will offer the opportunity to provide a mobile vendor service to the Surf Life Saving Club in accordance with Part 1 of this policy statement.
- (b) The City will consider proposals for a security service providing lockers to beach patrons.

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(c) The City will consider proposals for goods for hire.

7 OCEAN REEF BOAT HARBOUR

In general, no commercial activity at this beach will be supported.

8 BURNS BEACH

The City will consider proposals for a mobile vendor at this beach and the provision of a locker service.

9 REVIEW

This policy will be reviewed at the completion of a full twelve months of operation.

Previous Policy No:	R7, E2-01
Amendments:	CJ213-06/99
Issued:	July 1999
Related Documentation:	

Section 2.6 – Human Services

POLICY 2.6.3 – PUBLIC PARTICIPATION**OBJECTIVE**

To outline the City's commitment to actively involve the community in Council's planning, development and service delivery activities.

STATEMENT

The City has a stated objective to enhance the capacity of the community to actively participate in decision making and strategic direction setting.

The City is committed to improving its public participation practices. The City recognises that this will require:

- ☐adequate resourcing;
- ☐in-house and external training;
- ☐the establishment of best practice public participation mechanisms; and
- ☐a program of review to evaluate public participation processes.

The City will develop a Public Participation Strategy which will address:

- ☐the identification of issues requiring public participation;
- ☐the inclusion in the annual budget process of funding for public participation activities;
- ☐increasing staff awareness and skills in public participation techniques;
- ☐how all sectors and groups within the community can have the opportunity to participate in the City's activities; and
- ☐a community education program relating to public participation in the City's affairs.

Definitions

Public participation can be defined as:

The provision of opportunities for the public to be involved in a range of issues affecting their communities and lifestyles. Such opportunities would enable the public to provide information, ideas and opinions on plans, proposals, policies and services; partner the City in working towards specific objectives; or actively contribute to physical works (eg. Environmental projects.)

While public participation can include the following elements it is far more than:

- ☐Public consultation
- ☐Public relations
- ☐Information dissemination
- ☐conflict resolution.

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Budget

~~Where a specific public participation program relates to a budgeted item or City proposal, the costs of the participation program will be met from the budget concerned.~~

~~Where a specific public participation program relates to an independent proponent's proposal, the cost of the public participation program will be met by the proponent.~~

Reporting and review

~~The City's Public Participation activities will be reviewed in relation to specified performance measures which include:~~

- ~~☐ level of public knowledge regarding opportunities to participate;~~
- ~~☐ level of public satisfaction with the opportunity to participate; and~~
- ~~☐ range of public participation projects undertaken throughout the organisation.~~

~~In order to provide the community with summary information regarding the City's public participation program, the review will be reported on in the City's Annual Report in accordance with statutory requirements and Council's Strategic Direction.~~

Previous Policy No: _____ N/A
Amendments: _____ CJ213-06/99
Issued: _____ July 1999
Related Documentation: _____

Section 2.6 – Human Services

POLICY 2.6.3 – COMMUNITY CONSULTATION**OBJECTIVE**

To outline the City's commitment to actively involve the community in Council's planning, development and service delivery activities.

STATEMENT

The City of Joondalup has an objective to ensure that the City responds and communicates with the community.

The City is committed to providing opportunities for members of the public to be involved in a range of issues affecting their community and lifestyle. Such opportunities enable the community to provide information, ideas and opinions on plans, proposals, policies and services in order to partner the City in working towards specific objectives.

The City of Joondalup has developed guidelines to support this policy 2.6.3 which:

- outline methods for the identification of issues for community consultation;
- develop staff awareness and skills in community consultation techniques; and
- provide tools to assist staff to encourage sectors and groups within the community to be involved in the City's decision making process.

The City endeavours to be open, transparent and accountable in how information received from the community is used. Elected members are the representatives of the community and they have the ultimate responsibility in ensuring that informed decisions are made to achieve the best possible outcome for the community they serve.

Definition*Community Consultation*

Consultation is an important component of sound planning and decision making. It enables Council to make informed decisions about issues that affect the community. The consultation process aims to provide appropriate opportunities for members of the community to be informed, to have their concerns heard and taken into account and ensures that the City is aware of the views of the community affected by major decisions, major projects or external policy development.

Section 2.6 – Human Services

Budget

Where a specific community consultation program relates to a budgeted item or City proposal, the costs of the participation program will be met from the budget concerned.

Where a specific public participation program relates to an independent proponent's proposal, the cost of the public participation program will be met by the proponent.

Reporting and review

The City's community consultation activities will be reviewed in relation to specific performance measures, which include:

- level of public knowledge regarding opportunities to participate;
- level of public satisfaction with the opportunity to participate; and
- range of community consultation projects undertaken throughout the organisation.

In order to provide the community with summary information regarding the City's community consultation program, the review will be reported on in the City's Annual Report in accordance with statutory requirements and Council's Strategic Direction.

Previous Policy No: 2.6.3 Public Participation

Amendments: CJ213-06/99

Issued:

Related Documentation:

- Consulting Our Community – A handbook to guide staff
- Policy 2.6.1 Access to Information for People with Disabilities
- Policy 2.6.2 Access to Council Services and Facilities for People with Disabilities, their Families and Carers.

Section 2.6 – Human Services

**POLICY 2.6.4 - ENVIRONMENTAL, SOCIAL AND ECONOMIC
SUSTAINABILITY**

OBJECTIVE

To:

- 1 progressively enhance environmental, social and economic sustainability;
- 2 protect and enhance the natural and human environments for the benefit of present and future generations;
- 3 minimise, as far as practicable, any adverse environmental impacts associated with its activities;
- 4 take advantage of and maximise environmentally beneficial opportunities;
- 5 adopt appropriate management practices to facilitate sustainability;

in the City of Joondalup

STATEMENT

The City of Joondalup recognises its responsibility to work with its community towards an environmentally, socially and economically sustainable future. The City is committed to the development, implementation and management of programs which will ensure continual improvement in its environmental and sustainability performance, and will safeguard environmental quality and well-being for its present and future communities and employees.

In establishing the City's strategic direction in supporting and enhancing environmental, social and economic sustainability, the City will:

- identify key sustainability issues for the City and adopt appropriate management practices;
- address the environmental impacts of its activities and operations and take action as appropriate to minimise and manage such impacts;
- encourage the protection and conservation of the natural environment;
- adopt appropriate environmentally beneficial initiatives;
- minimise waste production and energy consumption;
- prepare plans and strategies which set objectives and targets for environmental and sustainability performance;
- establish an effective strategic framework for addressing environmental issues;
- publicly report on the effectiveness of environmental performance;
- develop effective internal and external communications processes on environmental and sustainability issues, including awareness raising and educational programmes.

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In order to achieve this, the City will -

- implement programs and actions in accordance with its Strategic Plan;
- develop, implement and progressively review the City's Local Agenda 21 Sustainability Plan;
- ensure the community's health and environment is protected by implementing effective waste management and recycling services;
- develop and implement environmental performance evaluation techniques;
- publicly report on environmental, social and economic sustainability performance through periodic Sustainability Indicator Reports;
- adopt the most appropriate technology and work practices to minimise the effects that its operations have on the environment;
- seek, assess, and where appropriate adopt, environmentally beneficial initiatives;
- encourage technology transfer and sharing of environmental experiences with other Local Government authorities;
- encourage suppliers and contractors to adopt best environmental operational and management practices;
- conduct public consultation programmes.

Previous Policy No:	N/A
Amendments:	CJ213-06/99, CJ121-06/02
Issued:	June 2002
Related Documentation:	

Section 2.4 – Financial Planning

POLICY 2.4.1 - ACCOUNTING POLICY**OBJECTIVE**

To provide a framework for the financial management of the City of Joondalup which is clear, transparent and meets statutory obligations.

STATEMENT**1 Responsibilities**

The Chief Executive Officer is responsible for the good management of Council's finances. The responsibility may be delegated to Director Corporate Services and Resource Management.

2 Accounting Framework

Accounting within the Council is based on a framework of Directorates and Business Units. The Council Budget is to allocate corporate overhead costs and expenses to the Business Units. This format reflects the direction of Council to Strategic and Principal Activities Plans.

3 Financial Reporting**(a) Quarterly Reporting**

In accordance with Section 6.4 (2) of the Local Government Act 1995 and Regulation 34 and 35 of the Local Government (Financial Management) Regulations 1996, the following reports must be presented to Council showing actual revenue and expenditure figures:-

- (i) operating statement showing both program and nature;
- (ii) statement of cash flows;
- (iii) statement of financial position;
- (iv) statement of rating information.

(b) Monthly Reporting

Monthly reports must be provided to the Council (refer Regulation 34 of the Local Government (Financial Management) Regulations 1996) as follows:-

- (i) financial management reports;
- (ii) capital works expenditure (greater than \$100,000);

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- (iii) ~~identifies~~ identifying any significant variations between the actual year-to-date income and expenditure totals and the relevant annual budget provisions for those totals from 1 July to the end of the quarter-appropriate reporting period ~~(for this purpose as a guide, “significant” amounts are generally taken to exceed \$50,000; and~~
- (iv) any other information as may be considered necessary by the Chief Executive Officer.

Monthly reports will be on calendar months and the reports will be presented at the next available Council meeting allowing for a reasonable time for preparation of such reports.

A monthly report for the month of July will not be compiled as the City's Annual Budget has generally not been adopted and the comparative actual versus budget data is not available. A special note will be made in the August monthly report indicating that this report is for the two month period.

(c) **Annual Reporting**

The annual financial report will not be placed before Council until it has been audited by the external auditor.

4 Reporting Revenue and Expenditure By Nature and Type

For the purpose of reporting all revenue and expenses on “nature and type” as required by the Australian Accounting Standard 27, and the Local Government (Financial Management) Regulations 1996, the following categories have been adopted as the reporting policy of this Council:-

Revenue

- (a) Rates;
- (b) Grants and Subsidies;
- (c) Contributions, reimbursements and donations;
- (d) Profit on Asset Disposals;
- (e) Service Charges;
- (f) Fees and Charges;
- (g) Interest Earnings.

Expenses

- (a) Employee Costs;
 - (b) Materials, Contracts and Suppliers;
 - (c) Utilities (Gas, Electricity, Water, etc);
 - (d) Insurance Expenses;
 - (e) Depreciation on Non-Current Assets;
 - (f) Loss on Asset Disposal;
-

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- (g) Interest Expenses;
- (h) Other Expenditure.

5 Assets

(a) Capitalisation of Assets

Expenditure of a capital nature is recognised as an asset if the threshold value exceeds:-

- (i) \$2,000 for Buildings, Plant and Equipment, Furniture and Equipment, except where a group of assets (such as bins) exceed this value;
- (ii) \$2,000 for Infrastructure

(b) Categories of Assets

Artworks
 Land
 Buildings
 Light Vehicles
 Heavy Vehicles
 Plant
 Furniture and Office Equipment
 Other Equipment
 Reserves/Parks Playground and Leisure Equipment (Infrastructure)
 Computer Equipment
 Computer Software (exceeding \$10,000)
 Roads
 Drainage
 Footpaths
 Other Engineering

(c) Depreciation of Assets

Depreciation of assets in the general ledger will be charged to the appropriate business unit and sub unit for Management Accounting and to programme and sub programme for Statutory Accounting purposes, as follows:-

Artworks	nil
Land	nil
Buildings	40 years
Light Vehicles	13.3 years
Heavy Vehicles	9.5 years
Plant	8 years
Furniture and Office Equipment	10 years
Other Plant and Equipment	10 years
Reserves/Parks Playground and Leisure Equipment (Infrastructure)	5-20 years
Computer Equipment	3 years

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Computer Software (exceeding \$10,000)	5 years
Roads	20-50 years
Drainage	80 years
Footpaths	25-50 years
Other Engineering	1-100 years

6 Interest Earned on Reserve Investments

Interest earned from investing moneys held in reserves is to be classified as operating revenue and then transferred to the Reserve Account in accordance with Council's Annual Budget.

7 Provision for Leave

Council's liability for annual leave and long service leave entitlements is expensed annually to provision accounts. When annual or long service leave is taken by an employee, the expense is charged directly to the relative provision account.

Provisions include calculations for workers' compensation and superannuation. Liability for long service leave is discounted in accord with the table shown below:-

Long Service Leave Adjustment - AAS30				
	Entitlement	Annual Accrual	Discounted Down To	Pay System Adjustment
Year 1	1.3 Weeks	0.90	70%	0.90
Year 2	2.6 Weeks	1.95	75%	1.05
Year 3	3.9 Weeks	3.10	80%	1.15
Year 4	5.2 Weeks	4.40	85%	1.30
Year 5	6.5 Weeks	5.85	90%	1.45
Year 6	7.8 Weeks	7.40	95%	1.55
Year 7	9.1 Weeks	9.10	100%	1.70
Year 8	10.4 Weeks	10.40	100%	1.30
Year 9	11.7 Weeks	11.70	100%	1.30
Year 10	13.0 Weeks	13.00	100%	1.30
Pro-Rata Commences after 7 Years of Service				

8 Write Offs

When a debt ~~appears~~ is deemed to be irrecoverable, this is to be written off under delegated authority in accordance with the provisions of Sections 5.42(1) and 6.12(1)(c) of the Local Government Act 1995. The cost is to be expensed against the appropriate Business Unit.

9 National Competition Policy

National Competition Policy principles are to be implemented by the Council, where appropriate.

Section 2.4 – Financial Planning

10 Advance Account

An Advance Account (Director of Resource Management Advance Account) is maintained, enabling cheque payments to be made in an expeditious manner. The Advance Account moneys are recouped from the Municipal Fund on a weekly basis.

11 Signatories to Accounts

The following people are signatories to Council's accounts:-

Advance Account

- Director Corporate Services & Resource Management
- Statutory Accountant
- Manager Financial Services
- Director Planning and Community Development

Municipal Account

- Chief Executive Officer
- Director Corporate Services & Resource Management
- Director Planning and Community Development

Trust Funds

- Chief Executive Officer
- Director Corporate Services & Resource Management
- Director Planning and Community Development

In the absence of the Chief Executive Officer or the Director Corporate Services & Resource Management for an extended period, the Chief Executive Officer may authorise, in writing, a designated senior officer to act as a signatory to the City's bank accounts.

Previous Policy No:	N/A
Amendments:	CJ213-06/99, CJ148-06/00, CJ001-02/01, CJ121-06/02
Issued:	June 2002
Related Documentation:	Local Government Act 1995 Local Government (Financial Management) Regulations 1996 Australian Accounting Standards Delegated Authority Manual

Section 2.4 – Financial Planning

POLICY 2.4.2 - INVESTMENT POLICY**OBJECTIVE**

To provide policy guidelines for investment of the City's Funds which are surplus to immediate requirements.

STATEMENT**1 Investment Objectives**

The investment objective is to manage the Council's investment portfolio in order to maximise return within agreed risk parameters.

In achieving this the following must be maintained:

- (a) high level of security by using recognised assessment criteria;
- (b) adequate level of diversification to spread risk;
- (c) ready access to funds for day to day requirements;
- (d) adherence to the requirements of Section 6.14 of the Local Government Act 1995 and Section 18 (1) of the Trustees Act 1962 (as amended) (the "Prudent Person" rule);
- (e) Ability for investment funds to achieve a return consistent with the UBSWA 90 day bank bill index and/or the Reserve Bank of Australia 11am cash rate.

2 Risk Profile

When exercising the power of investment the following are to be given consideration:

- (a) the purpose of the investment and the needs and circumstances;
- (b) the desirability of diversifying investments;
- (c) the nature of and risk associated with existing investments;
- (d) the need to maintain the real value of the capital and income;
- (e) the risk of capital or income loss or depreciation;
- (f) the potential for capital appreciation;
- (g) the likely income return and the timing of income return;
- (h) the length of the term of the proposed investment;
- (i) the probable duration of the fund;
- (j) the liquidity and the marketability of the proposed investment during, and on the determination of, the term of the proposed investment;
- (k) the aggregate value of the investment;

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- (l) the effect of the proposed investment in relation to the tax liability (if any);
- (m) the likelihood of inflation affecting the value of the proposed investment;
- (n) the costs (including commissions, fees, charges and duties payable) of making the proposed investment; and
- (o) the results of a review of existing investments.

3 Delegated Authority to Invest

The authority is to be delegated to the Chief Executive Officer to make investment decisions and sign investment lodgements and withdrawals. Pursuant to the provisions of Section 5.45 of the Local Government Act 1995. This authority may be delegated to the Revenue Statutory Accountant.

4 Authorised Investments

Authorised investments would include but not necessarily be limited to:

- (a) Bank accepted/endorsed bank bills;
- (b) Bank negotiable Certificates of Deposit;
- (c) Bank interest bearing deposits;
- (d) Bank backed floating rate notes;
- (e) State/Commonwealth Government Bonds;
- (f) Cash, Cash Plus (or equivalent) Managed funds; and
- (g) City of Joondalup major land transactions.

5 Council's Direct Investments**(a) Quotations on Investments**

Not less than three (3) quotations shall be obtained from authorised institutions whenever an investment is proposed. The best quote on the day will be successful after allowing for administrative and banking costs, as well as having regard to the limits set above and Council's bank management fee structure based around a level of credit funds being maintained.

(b) Term to Maturity

The term to maturity for an investment may range from "at call" to six months without Council approval.

(c) Liquidity

- (i) At least 20% of the total investment portfolio must be liquifiable within 10 days.
- (ii) Cash flow must be monitored daily to ensure cash funds are available to meet commitments.

Section 2.4 – Financial Planning

~~(d) Major Land Transactions~~

~~The investment in City of Joondalup major land transaction accounts to be limited to the overdraft balance rounded up to the nearest \$100 on the first day of each month. The investment rate to be the Commonwealth Bank of Australia one month cash interest rate on the first day of each month plus a 1.00% premium.~~

6 Investments with Fund Managers - Prudential Requirements

Investments in managed funds will only include cash funds for funds invested for 0-3 months and cash-plus/cash enhanced funds (maximum permitted duration 2½ years with a bank bill performance benchmark) for funds available for 3 months and more.

The managed funds must have a minimum credit rating of “A” from Standard & Poors or “A2” from Moodys.

Council’s investments must be available “at call” or readily accessible with no penalty over a maximum of 7 day period.

7 General Policy Guidelines

(a) Diversification Credit Risk

The amount invested with any one financial institution or managed fund should not exceed the following percentages of average annual funds invested. When placing investments, consideration should be given to the relationship between credit rating and interest rate.

Long Term Rating (Standard and Poors)	Short Term Rating (Standard and Poors)	Maximum Percentage of Total Investments with any one Financial Institution
AAA to AA-	A1+	50%
A+ to A-	A1	40%
BBB+ to BBB-	A2	Nil

(b) Credit Ratings

If any of the funds/securities held are downgraded such that they no longer fall within Council’s investment policy guidelines, they will be divested within 30 days or as soon as is practicable.

Section 2.4 – Financial Planning

The short term rating order 0-365 days (as defined by S & P Australian Ratings) is:

A1+	Extremely strong degree of safety regarding timely payment
A1	A strong degree of safety for timely payment
A2	A satisfactory capacity for timely payment

Long term rating order is:

AAA to AAA-	An extremely strong capacity to repay
AA+ to AA-	A very strong capacity to repay
A+ to A-	A strong capacity to repay
BBB+ to BBB-	An adequate capacity to repay

8 Management Reporting

(a) Financial Reporting

Each month an investment report must be produced for Council.

The report is to summarise:

- Total funds invested by account type.
- Total funds invested by institution.
- Investment spread by institution.
- Institution exposure versus limits.
- Any breaches of authority.

(Each quarter the investment report must include returns versus benchmarks).

(b) ~~Policy Review~~

~~At least annually, the Investment Policy shall be reviewed with regard to the suitability and compliance of the policy reported to Council.~~

Previous Policy No:	N/A
Amendments:	CJ213-06/99, CJ121-06/02, CJ232-09/02
Issued:	October 2002
Related Documentation:	Local Government Act 1995 Delegated Authority Manual

Section 2.5 – Assets and Commissioning Management

POLICY 2.5.2 - PROCUREMENT OF COUNCIL BUILDINGS

OBJECTIVE

To establish responsibility for the provision of buildings to house Council activities.

STATEMENT

Objectives for New Buildings

Any building proposals within the City, whether for new buildings or for additions, shall be subject to review to ensure that they meet the objectives of:

- . the City's Strategic Plan;
- . corporate responsibilities, and
- . identified needs.

Responsibility

The Chief Executive Officer shall be responsible for the procurement of all Council buildings and for the alteration of or additions to Council buildings required by changing accommodation needs. This will be undertaken in consultation with the appropriate Director and/or community group.

Community Use Buildings

Community use buildings shall be subject to a Formal Assessment Process, as current at the time of application.

Council Commitments

New buildings and substantial renovations shall, where possible, demonstrate Council's commitment to the arts, environmental and energy efficiency considerations.

Previously Policy No.	J1-02
Amendments	CJ213-06/99
Issued:	July 1999
Related Documentation:	Delegated Authority Manual

Section 2.5 – Assets and Commissioning Management

**POLICY 2.5.3 – COUNCIL VEHICLES –
MAYOR AND COUNCIL OFFICERS****OBJECTIVE**

Identification of the standards adopted for vehicles of the Council assigned to the Mayor and officers of the Council and guidance as to when vehicles should be replaced.

STATEMENT

The Mayor and the Council officers indicated may be assigned a Council owned vehicle that complies with the following standards:

The Mayor	<p>Luxury 8 cylinder sedan with interior fittings to a high standard including air conditioning with climate control and automatic transmission.</p> <p>Replacement of the Mayor's vehicle will occur every 12 months or earlier if a cost effective special dealership arrangement can be negotiated, and subject to compliance with tendering regulations.</p>
Chief Executive Officer	<p>Large 6 cylinder sedan with interior fittings to a high standard including climate control air conditioning and automatic transmission (in accordance with employment contract arrangements).</p> <p>Replacement of the CEO's vehicle will occur every 12 months or earlier if a cost effective special dealership arrangement can be negotiated, and subject to compliance with tendering regulations.</p>
Directors	<p>Six cylinder sedan with interior fittings to a high standard including climate controlled air conditioning and automatic transmission (in accordance with employment contract arrangements).</p>
Business Unit Managers	<p>Six cylinder sedan with air conditioning and automatic transmission (in accordance with employment contract arrangements).</p>
Other officers to whom a vehicle is assigned	<p>Four or six cylinder vehicle, either sedan, station sedan, utility or panel van as appropriate and approved by the Chief Executive Officer.</p>

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All vehicles shall be air-conditioned and sedans shall be fitted with automatic transmission.

Commercial vehicles shall be fitted with manual transmission unless automatic transmission is required by the vehicle duty.

Vehicle specifications shall be developed to determine the type of vehicle to be purchased to best meet the City's business needs.

Passenger fleet vehicles to be replaced under the most cost effective changeover practices, based on market conditions, being 3 years or 60,000kms, whichever is the sooner.

Previous Policy No:

Amendments: CJ213-06/99, CJ121-06/02

Issued: June 2002

Related Documentation: Motor Vehicle Strategy

Section 2.5 – Assets and Commissioning Management

POLICY 2.5.4 - OFFICIAL VEHICLES – USE OF

OBJECTIVE

To identify the extent of the permitted use of official vehicles by officers of the Council.

STATEMENT

The use of Council owned vehicles by officers shall be on the following basis:

Vehicles

- Mayor
Unrestricted private use
- Chief Executive Officer
Unrestricted private use, (in accordance with employment contract arrangements)
- Directors and Business Unit Managers
Unrestricted private use in Western Australia (in accordance with employment contract arrangements)
- Other officers
Commuting use only unless partial or full private use is negotiated with the Chief Executive Officer.

Previous Policy No:

Amendments: CJ213-06/99, CJ001-02/01

Issued: March 2001

Related Documentation: Delegated Authority Manual

Section 2.5 – Assets and Commissioning Management

POLICY 2.5.5 – CONSENT TO ALTER COUNCIL LEASED PREMISES

OBJECTIVE

To provide the Chief Executive Officer delegated authority to approve of alterations and additions to Council premises by the lessee, where the market value is less than \$20,000.

STATEMENT

The City has a standard lease, which is executed with all lessors of Council buildings and land. This lease requires that where the lessee proposed an alteration or new addition, that the prior written approval of the Council is obtained. Most leases have a clause such as the one below:

Not without the prior written content of the Lessor to erect or suffer to be erected any building or structure to the demised premises or any part thereof or to make or suffer to be made any alteration in or to any building or structure erected thereon or cut, main or injure or suffer to be cut, maimed or injured any of the walls or timbers thereof.

Where the request to make an alteration or addition to Council premises is less than \$20,000 in market value, the Council gives the Chief Executive Officer delegated authority to approve of such requests. **Prior to approval being granted by the Chief Executive Officer, the Council Elected members and the particular Ward Councillors are to be notified of the details of all requests received.**

The approval or otherwise of such requests shall be recorded in the Delegated Authority Register and reported to Council together with such other delegations.

Previous Policy No:	N/A
Amendments:	CJ281-08/01
Issued:	September 2001.
Related Documentation:	Delegated Authority Manual

Section 2.5 – Assets and Commissioning Management

POLICY 2.5.6 - DISPOSAL OF SURPLUS PERSONAL COMPUTERS

OBJECTIVE

To provide a framework for the provision of surplus personal computers to schools and community groups located within the City of Joondalup.

STATEMENT

The Council recognises the need to support, develop and foster an harmonious community, and further recognises the role community groups, education facilities and schools play in this role.

To assist those groups in performing their functions, the City will offer its surplus personal computers to them on a demonstrated needs basis. An assessment panel comprising of elected members and staff will be convened to assess the merits of each application and to award the computers to the successful schools and community groups.

The panel will operate under the following conditions, which are in line with the Community Funding Guidelines:

- Computers will only be provided to schools for use within the schools by students and teachers.
- Applications for no more than 5 computers will be accepted from schools.
- Computers will only be provided to schools located within the boundaries of the City of Joondalup
- Schools applying for computers must meet the applicant selection criteria

Applications will be assessed against the following factors:

- Demonstrated need;
- No additional sources to purchase computers are available;
- Demonstration of how the computers will be utilised;
- Provision of any documentation which will support the need for additional computer resources within the school;
- Appropriate accountability processes being in place including a statement from successful applicants stating how the computers will be utilised within the schools.

Section 2.5 – Assets and Commissioning Management

Previous Policy No:

Amendments:

CJ060-03/02.

Issued:

May 2002

Related Documentation:

