

LATE ITEM – COUNCIL 16 JUNE 2009

TENDER 002/09 PROVISION OF GRAFFITI CONTROL SERVICES - [68622]

WARD: All

RESPONSIBLE DIRECTOR: Mr Garry Hunt
Chief Executive Officer

PURPOSE

To advise of the outcome of the re-evaluation of the Tender for the Provision of Graffiti Control Services, as requested by the Council, and to seek the approval of Council to accept the Tender submitted by Dalecoast Pty Ltd T/as Graffiti Systems Australia for the Provision of Graffiti Control Services (Tender 002/09).

EXECUTIVE SUMMARY

At the Council meeting held on 19 May 2009 it was resolved as follows:

“That Council REFERS Tender 002/09 for the provision of Graffiti Control Services to the Chief Executive Officer to conduct a review of the tender evaluation process undertaken, and report back to the Council at its June 2009 meeting.”

The CEO established a panel comprising four officers, the purpose of which was to re-evaluate the tenders following the City’s tender process.

To assist in ensuring due process and probity issues were satisfied, the City’s Internal Auditor was involved in all stages of the re-evaluation process. A separate verbal report to the CEO provided by the Internal Auditor confirmed that due process was followed.

Additional information related to the re-evaluation panel’s findings are provided toward the end of this report.

Tenders were advertised on 7 March 2009 through state wide public notice for the Provision of Graffiti Control Services. Tenders closed on 24 March 2009. Eight (8) Submissions were received from:

- Top That! Executive Cleaning Services;
- Dalecoast Pty Ltd T/as Graffiti Systems Australia;
- West Aus Graffiti Removal;
- The Trustee for Mesics Drilling Trust T/as Quick Smart Enviro Clean;
- JVR Surface Cleaning;
- FCT Surface Cleaning;
- Rolluka Nominees Pty Ltd T/as Kleenit; and
- Graffiti Force Pty Ltd.

Version No.	Date	Status	Amendments / Comments	Distributed by:

Respondents were requested to submit pricing based on two options. Option A comprised a straight schedule of rates for various types of graffiti removal. Option B comprised a schedule of rates with a performance based penalty/bonus to promote graffiti removal within specific target timeframes.

The submission from Dalecoast Pty Ltd T/as Graffiti Systems Australia based on Option B represents best value to the City and is the lowest priced compliant Tender. They demonstrated a comprehensive understanding of the City's requirements, have significant experience in providing similar services to the City and other local governments and have sufficient capacity to meet the City's graffiti removal completion timeframes.

It is recommended that Council ACCEPTS the Tender submitted by Dalecoast Pty Ltd T/as Graffiti Systems Australia for Option B for the Provision of Graffiti Control Services for an initial three (3) year period commencing 1 July 2009, with an option to extend to a maximum of five (5) years inclusive of extensions in accordance with the statement of requirements as specified in Tender 002/09 at the submitted schedule of rates.

BACKGROUND

The City has a requirement for the provision of graffiti control services principally to:

- (a) Remove graffiti by chemical, high pressure water and other methods where safe and suitable to the surface type and graffiti medium (eg. aerosol paint);
- (b) 'Paint out' or covering of graffiti with another coating type suitable to the surface material and graffiti medium (eg. marker pen).

Graffiti is to be removed from various locations as required including privately owned residential and commercial property as well as City owned and controlled property.

The City had a Contract with Dalecoast Pty Ltd T/as Graffiti Systems Australia for Graffiti Control Services which expired on 31 March 2009. The Contractor has been providing the services on an interim basis until a new Contract is put in place.

DETAILS

Tenders were advertised on 7 March 2009 through state wide public notice for the Provision of Graffiti Control Services. Tenders closed on 24 March 2009. Eight (8) Submissions were received from:

- Top That! Executive Cleaning Services;
- Dalecoast Pty Ltd T/as Graffiti Systems Australia;
- West Aus Graffiti Removal;
- The Trustee for Mesics Drilling Trust T/as Quick Smart Enviro Clean;
- JVR Surface Cleaning;
- FCT Surface Cleaning;
- Rolluka Nominees Pty Ltd T/as Kleenit; and
- Graffiti Force Pty Ltd.

Evaluation Criteria

The qualitative criteria and weighting used in evaluating the submissions received were as follows:

Qualitative Criteria		Weighting
1	Capacity	50%
2	Demonstrated experience in completing similar services	25%
3	Demonstrated understanding of the required tasks	20%
4	Social and economic effects on the local community	5%

Evaluation Panel

The evaluation panel comprised of four members; one with tender and contract preparation skills and three with the appropriate technical expertise and involvement in supervising the Contract. The panel carried out the assessment of submissions in accordance with the City's evaluation process in a fair and equitable manner.

Tender Submissions

A summary of the Tender submissions is provided in Attachment 1 (including where each of the tenderers is located) and a calculation of the comparative pricing of each of the submissions for both options is provided at Attachment 2.

To calculate the comparative pricing the m² of graffiti removed in the City for the twelve months to March 2009 and the rates submitted by each Tenderer for removal Monday to Friday between 6.00am and 6.00pm were used. To allow for the current increasing trend in the incidence of graffiti a 10% increase on the twelve month quantity was also factored into the calculation.

A base cost was calculated for year one and the costs for years' two to five were calculated on an average CPI increase of 3.5% compounded. In the case of Option B two calculations were undertaken; one showing the lowest cost based on targets never being met and penalties applying for every month and the other showing the highest cost based on targets always being met and bonuses applying for every month.

It should be noted that these costs are indicative and used for tender evaluation purposes only. Future actual costs will vary based on demand and subject to change in accordance with the operational needs of the City.

Evaluation Summary

The Tender submitted by Top That! Executive Cleaning Services did not address any qualitative criteria and only offered graffiti paint-out. As a result, the Tender was unable to be evaluated and was deemed non-compliant.

Respondent	Evaluation Score	Option A Price Ranking	Option B Price Ranking	Qualitative Rank
Dalecoast Pty Ltd T/as Graffiti Systems Australia	85.5%	1	1	1
Rolluka Nominees Pty Ltd T/as Kleenit	85.2%	2	2	2
Graffiti Force Pty Ltd	75.1%	4	3	3
FCT Surface Cleaning	59.2%	6	7	4
West Aus Graffiti Removal	50.7%	3	5	5
JVR Surface Cleaning	44.0%	5	4	6
The Trustee for Mesics Drilling Trust T/as Quick Smart Enviro Clean	35.0%	7	6	7
Top That! Executive Cleaning Services	Non-compliant, not assessed further			

Issues and options considered:

Graffiti Control Services are required to remove or 'paint out' graffiti throughout the City. The City does not have the internal resources to supply the required services and as such requires an appropriate external service provider.

The Tender was advertised with two pricing options. Option A comprised a straight schedule of rates for various types of graffiti removal. Option B comprised a schedule of rates with a performance based penalty/bonus to promote graffiti removal within specific target timeframes. Removing graffiti quickly is essential to deterring graffiti being reapplied and meeting the desired timeframes for graffiti removal is a focus of contract performance. Offering a performance based contract is considered to be a way of promoting this.

To receive a bonus under Option B the Contractor must achieve the required graffiti removal completion timeframes for a minimum of 85% of total graffiti report numbers for a minimum of nine (9) months within the twelve (12) month Contract period. If this is achieved the bonus is 5% of the total amount previously invoiced by the Contractor for the months in which the 85% target was met. The bonus is calculated and paid at the conclusion of the twelve (12) month period Contract period.

Conversely a penalty under Option B will be applied where the Contractor does not meet the required minimum 85% target for six (6) or more months within the twelve (12) month Contract period. In this situation a penalty of 5% will be applied to the total invoiced amount for all of the months in that twelve (12) month period in which the eighty five (85%) target was not achieved. The penalty is calculated at the conclusion of the twelve (12) month Contract period and deducted from outstanding and/or future invoices.

Link to Strategic Plan:

This requirement is linked to the Strategic Plan in accordance with the following item:

4. The Built Environment
- Objective 4.2 To progress a range of innovative and high quality urban development projects within the City.
- Strategy 4.2.8 The City provides an effective service for eradicating graffiti from City-owned and privately-owned buildings.

Legislation – Statutory Provisions:

A state wide public tender was advertised, opened and evaluated in accordance with the *Local Government (Functions & General) Regulations 1996*, where tenders are required to be publicly invited if the consideration under a contract is, or is estimated to be, more, or worth more, than \$100,000.

Risk Management considerations:

Should the contract not proceed, the risk to the City will be high as the City does not have the internal resources to meet the service levels expected by the community for the timely removal of graffiti. Untreated graffiti has been linked to the prevalence of other types of crime and has the potential to negatively affect crime levels and reduce the community's satisfaction with the appearance of their local area.

It is considered that the Contract will represent a low risk to the City as the recommended Tenderer is a well-established company with significant industry experience and the capacity to meet the required graffiti removal completion timeframes.

Financial/Budget Implications:

Current Year Budget Allocation for this Contract	Projected Expenditure on these Services to 30 June 2009	Projected Expenditure on these Services in first 12 Months of Contract if Accepted	Projected Expenditure on these Services over the Life of the Contract if Accepted
\$800,000	\$650,252 (1-Jul-08 to 31-Mar-09) \$144,500 (1-Apr-09 to 31-May-09) \$21,768 (new Contract)	\$261,218	\$1,400,774

The projected expenditure on these Services is subject to change and dependent on the quantity and type of requirements throughout the Contract period. Based on historical and known requirements, it is estimated that the expenditure over the Contract period will be in the order of \$1,400,774. This represents a significant reduction in the rates for graffiti removal that the City has been paying over the last 18 months. Despite the reduction in

rates there are significant risks in estimating graffiti removal expenditure because the driver is volume. Although a notional escalation in volume of 10% has been used in the calculations the 2009/10 budget will include a buffer to ensure there are adequate funds.

Policy Implications:

Not Applicable.

Regional Significance:

Not Applicable.

Sustainability Implications:

Not Applicable.

Consultation:

Not Applicable.

COMMENT

The evaluation panel carried out the evaluation of the Submissions in accordance with the Qualitative Criteria in a fair and equitable manner and concluded that the Offer representing best value to the City is that as submitted by Dalecoast Pty Ltd T/as Graffiti Systems Australia.

Graffiti Systems Australia achieved the top qualitative assessment of 85.5% and was also ranked first in price for both Options A and B. They are an established organisation with considerable experience in providing similar services to other local governments including the Cities of Wanneroo, Swan and Subiaco as well as being the City's current service provider. They demonstrated a comprehensive understanding of the City's requirements and have sufficient capacity to meet the City's volume of work.

The price submitted by Graffiti Systems Australia for Option B (the performance based option) is higher than for Option A. The higher cost of Option B in the first year of the Contract with the maximum bonus applied is estimated to be \$6,620. Over five years, this difference is estimated to be \$37,580. While option B has a small increased cost to the City, the Contractor has an incentive to meet the City's graffiti removal completion timeframes and the City has the comfort of knowing that if they are not met there will be a lower cost to the City.

The price submitted by Graffiti Systems Australia for Option B is the recommended option.

ATTACHMENTS

Attachment 1	Summary of Tender Submissions
Attachment 2	Price Assessment

VOTING REQUIREMENTS

Simple Majority

OFFICER'S ORIGINAL RECOMMENDATION: That Council ACCEPTS the Tender submitted by Dalecoast Pty Ltd T/As Graffiti Systems Australia for Option B for the provision of Graffiti Control Services for an initial three (3) year period with an option to extend to a maximum of five (5) years inclusive of extensions in accordance with the statement of requirements as specified in Tender 002/09 at the submitted schedule of rates.

ADDITIONAL REPORT OF THE CHIEF EXECUTIVE OFFICER DATED 12 JUNE 2009

Following the Council resolution of 19 May 2009 the CEO established a panel comprising four officers, the purpose of which was to re-evaluate the tenders following the City's tender processes. The re-evaluation panel comprised four members; one with tender and contract preparation skills and three persons (one being a Director and two Managers) with the appropriate tender experience but independent from the initial process and any ongoing management of graffiti control.

To assist in ensuring due process and probity issues were met, the City's Internal Auditor was involved in all stages of the re-evaluation process. The Internal Auditor reported to the CEO that the panel carried out the re-evaluation of submissions in accordance with the City's evaluation process in a fair and equitable manner.

The Tender submitted by Top That! Executive Cleaning Services did not address any qualitative criteria and only offered graffiti paint-out. As a result, the Tender was unable to be evaluated and was deemed non-compliant. The panel deemed the remainder of tenders worthy of qualitative evaluation.

As a result of the qualitative evaluation the panel agreed on the following rankings for the compliant submissions:

Respondent	Evaluation Score	Option A Price Ranking	Option B Price Ranking	Qualitative Rank
Dalecoast Pty Ltd T/as Graffiti Systems Australia	81.1%	1	1	1
Rolluka Nominees Pty Ltd T/as Kleenit	79.6%	2	2	2
Graffiti Force Pty Ltd	74.8%	4	3	3
FCT Surface Cleaning	51.4%	6	7	4
West Aus Graffiti Removal	41.9%	3	5	5
JVR Surface Cleaning	39.3%	5	4	6
The Trustee for Mesics Drilling Trust T/as Quick Smart Enviro Clean	29.3%	7	6	7
Top That! Executive Cleaning Services	Non-compliant, not assessed further			

With regard pricing and cost implications for the City, the re-evaluation panel examined the original evaluation panel's calculations and methodology and concurred that the pricing regime was satisfactory and no further evaluation was required.

It is important to note that whilst the weighted percentage scores are marginally different to those of the original evaluation panel all rankings reflect those agreed by the original evaluation panel.

It is considered that the re-evaluation panel carried out the assessment of the Submissions in accordance with the Qualitative Criteria in a fair and equitable manner and concluded that the Offer representing best value to the City is that as submitted by Dalecoast Pty Ltd T/as Graffiti Systems Australia.

Graffiti Systems Australia achieved the top qualitative assessment in both evaluations and was also ranked first in price for both Options A and B. They are an established organisation with considerable experience in providing similar services to other local governments. They demonstrated a comprehensive understanding of the City's requirements and have sufficient capacity to meet the City's volume of work.

The price submitted by Graffiti Systems Australia for Option B is the recommended option as per the original report to the Council in May 2009.

It is important to note the risks associated with the Council not accepting the administration's recommendation, which include:

- Clause 11(da) of the Local Government (Administration) Regulations 1996 provides that written reasons for each decision made at a meeting that is significantly different from the relevant written recommendation of a Committee or an employee as defined by Section 5.70 of the Act must be included in the minutes (but not a decision to only note the matter or to return the recommendation for further consideration). The Council would need to identify legitimate reasons that would stand up to external questioning of the decision making processes of the City and the Council, particularly if due process is deemed to have been followed.
- It is likely that FOI applications would be submitted to the Council for all documentation relevant to the evaluation of tenders and written submissions made to the Minister and Department of Local Government questioning the Council's decision making process.

RECOMMENDATION

That Council ACCEPTS the Tender submitted by Dalecoast Pty Ltd T/as Graffiti Systems Australia for Option B for the Provision of Graffiti Control Services for an initial three (3) year period, commencing 1 July 2009, with an option to extend to a maximum of five (5) years inclusive of extensions in accordance with the statement of requirements as specified in Tender 002/09 at the submitted schedule of rates.

ORIGINAL EVALUATION - SUMMARY OF TENDER SUBMISSIONS

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
Dalecoast Pty Ltd T/as Graffiti Systems Australia	Yes	In operation 16+ years with 35 FTE's. Provided responsibilities and experience of staff. Have comprehensive training program. Provided safety policy, no injuries past 5 yrs. Hold ISO 9001 accreditation.	Demonstrated considerable experience in contracts of a similar nature. Are City's current contractor and have contracts with Cities of Wanneroo, Swan & Subiaco.	Demonstrated comprehensive understanding of required tasks. Response included details of staff training, graffiti assessment procedures, administration & reporting and methodology for each form of graffiti removal.	Are located in Welshpool. They offer the use of environmentally friendly, biodegradable products at no additional cost to the City.	85.5%	Option A – 1 Option B – 1	1
All requirements have been met.								
Rolluka Nominees Pty Ltd T/as Kleenit	Yes	In operation 21+ yrs with 60+ operators. The experience & skills of key personnel was detailed with a list of equipment included. Have a well documented safety management system.	Demonstrated considerable experience in providing similar services to 6 local governments, the Dept of Housing & Works and the Public Transport Authority.	Demonstrated comprehensive understanding of City's requirements. The response included graffiti assessment processes, reporting procedures and graffiti removal methodology.	Are located in Kewdale. Use local suppliers and employ local personnel where possible.	85.2%	Option A – 2 Option B – 2	2
All requirements have been met.								

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
Graffiti Force Pty Ltd All requirements have been met.	Yes	In operation for 3 yrs with 12 technicians and 4 management staff. Experience & skills of key personnel provided plus list of 6 spray units. They have a safety policy & procedures in place.	Demonstrated some experience in providing services similar to the scope & volume of the City's contract.	Demonstrated a good understanding of the required tasks. Provided a breakdown of each method of graffiti removal plus reporting.	Are located in Morley. They have an environmental policy & are involved in a community service order programme involving offenders in the removal of graffiti.	75.1%	Option A – 4 Option B – 3	3
FCT Surface Cleaning All requirements have been met.	Yes	In operation for 14 years with 13 FTE's and several part-time staff. Skills & experience of key personnel detailed. Equipment not listed, but referred to in methodology. Provided brief safety policy.	Demonstrated experience in removal of graffiti for various organisations. Information supplied was lacking in detail and did not provide sufficient information about scope and volume of work	Provided a brief methodology for 6 different surfaces. No response addressing reporting.	Are located in Osborne Park. They have a clean capture recycle machine for recycling of water on surface cleaning.	59.2%	Option A – 6 Option B – 7	4

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
West Aus Graffiti Removal	Yes	A small company in operation since July 2007. They have 4 staff. Only 1 employee appears to work fulltime in graffiti removal. They also have 2 subcontractors. Did not demonstrate sufficient capacity to meet the City's scope and volume of work.	Did not demonstrate experience in work of a similar scope & volume to the City's requirements.	No specific response was provided. No specific methodology provided for graffiti removal methods. Did not demonstrate understanding of the City's requirements.	Are located in Iluka. They use local suppliers & offer free of charge graffiti removal for places of worship and charities within the City boundaries.	50.7%	Option A – 3 Option B – 5	5
All requirements have been met.								
JVR Surface Cleaning	Yes	In operation since February 2009. Has 1 field agent plus 2 admin staff. Insufficient evidence of field agent experience. Have sufficient equipment for 1 operator & have 1 subcontractor. Did not demonstrate sufficient capacity	Did not demonstrate experience in work of a similar scope and volume to the City's requirements.	Demonstrated a general understanding of graffiti removal with a brief statement addressing paint-out & chemical graffiti removal. Have concerns of their understanding of the scope & volume of work required by City.	Are located in Tapping. They utilise local suppliers where possible and offer free of charge graffiti removal for places of worship and charities within the City boundaries.	44.0%	Option A – 5 Option B – 4	6
All requirements have been met.								

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
<p>The Trustee for Mesics Drilling Trust T/as Quick Smart Enviro Clean</p> <p>All requirements have been met.</p>	Yes	In operation since November 2008 with 1 FTE and 2 casual staff providing graffiti removal. No documented skills or experience for staff other than owner undertaking training in dry ice/peel away methods. Did not demonstrate ownership of any traditional graffiti removal equipment.	Are a new company. Provided references for demonstrations of 2 removal methods only. Do not have any established contracts.	Demonstrated an understanding of graffiti removal in general, but did not adequately address suitability of their processes on specific surface types & locations.	Are located in Jayne Brook. Removal methods stated as environmentally friendly using no chemicals, however disposal of material not addressed.	35.0%	Option A – 7 Option B – 6	7
<p>Top That! Executive Cleaning Services</p> <p>Did not address selection criteria. Only offered graffiti paint-out method</p>	No	-	-	-	-	-	-	

RE-EVALUATION PANEL (8 JUNE 2009) - SUMMARY OF TENDER SUBMISSIONS

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
Dalecoast Pty Ltd T/as Graffiti Systems Australia	Yes	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	81.1%	Option A – 1 Option B – 1	1
All requirements have been met.								
Rolluka Nominees Pty Ltd T/as Kleenit	Yes	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	79.6%	Option A – 2 Option B – 2	2
All requirements have been met.								

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
Graffiti Force Pty Ltd All requirements have been met.	Yes	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	74.8%	Option A – 4 Option B – 3	3
FCT Surface Cleaning All requirements have been met.	Yes	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	51.4%	Option A – 6 Option B – 7	4

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
West Aus Graffiti Removal	Yes	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	41.9%	Option A – 3	5
All requirements have been met.							Option B – 5	
JVR Surface Cleaning	Yes	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	39.3%	Option A – 5	6
All requirements have been met.							Option B – 4	

Respondent & Description of Response	Is it Compliant? Yes or No	Comment Against Criteria				Evaluation Score	Price Ranking	Qualitative Rank
		Capacity	Demonstrated Experience in completing similar services	Demonstrated understanding of the required tasks	Social and economic effects on the local community			
The Trustee for Mesics Drilling Trust T/as Quick Smart Enviro Clean All requirements have been met.	Yes	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	The re-evaluation panel's comments reflect those of the original evaluation panel, and no further comment is made.	29.3%	Option A – 7 Option B – 6	7
Top That! Executive Cleaning Services Did not address selection criteria. Only offered graffiti paint-out method	No	-	-	-	-	-	-	-

PRICE ASSESSMENT

No. Years	Penalty/Bonus Scenario	Graffiti Systems Australia	West Aus Graffiti Removal	Quick Smart Enviro Clean	JVR Surface Cleaning	FCT Surface Cleaning	Kleenit	Graffiti Force Pty Ltd
Option A (Exclusive of Penalty/Bonus Arrangement)								
1 Year	n/a	\$217,875	\$585,150	\$933,750	\$622,500	\$814,230	\$339,885	\$610,050
5 Years	n/a	\$1,139,175	\$3,057,720	\$4,877,910	\$3,250,695	\$4,252,920	\$1,775,370	\$3,187,200
Option B (Inclusive of Penalty/Bonus Arrangement)								
1 Year	Minimum penalty applied (did not meet target for 6 months)	\$207,573	\$691,909	\$789,019	\$667,631	\$832,718	\$331,388	\$594,799
	Maximum penalty applied (did not meet target for 12 months)	\$202,250	\$674,168	\$768,788	\$650,513	\$811,367	\$322,891	\$579,548
	No penalty/bonus applied (Met target for 7-8 months)	\$212,895	\$709,650	\$809,250	\$684,750	\$854,070	\$339,885	\$610,050
	Minimum bonus applied (Met target for 9 months)	\$220,879	\$736,262	\$839,597	\$710,428	\$886,098	\$352,631	\$632,927
	Maximum bonus applied (Met target for 12 months)	\$223,540	\$745,133	\$849,713	\$718,988	\$896,774	\$356,879	\$640,553
5 Years	Minimum cost of Contract over 5 yrs with maximum penalty applied each year	\$1,056,736	\$3,522,453	\$4,016,833	\$3,408,859	\$4,239,304	\$1,687,070	\$3,028,074
	Maximum cost of Contract over 5 yrs with maximum bonus applied each year	\$1,167,971	\$3,893,238	\$4,439,657	\$3,746,633	\$4,685,546	\$1,864,656	\$3,346,819

Note: The rates offered by West Aus Graffiti Removal and Quick Smart Enviro Clean were different for each graffiti removal method. For the purposes of this evaluation, their lowest rate (graffiti paint-out) was used in the above calculations. It is not possible to predict which removal method is used more frequently as it is entirely dependent on the graffiti type and surface it has been applied to.

LATE ITEM – COUNCIL 16 JUNE 2009

LOCAL GOVERNMENT REFORM – JUNE 2009 UPDATE [08144, 51577, 00033, 01139]

WARD: All

RESPONSIBLE DIRECTOR: Mr Jamie Parry
Governance and Strategy

PURPOSE

The purpose of this report is to provide the Council with an update of the City's progress in relation to development of its Local Government Reform Submission to the Minister for Local Government.

EXECUTIVE SUMMARY

At the 21 April 2009 meeting, Council endorsed the Local Government Reform Checklist being submitted to the Local Government Reform Steering Committee, in accordance with the Minister for Local Government's requirements.

At the 19 May 2009 meeting, Council accepted the timeframe for Stages 2 - 4 for the City of Joondalup Reform Submission to the Minister for Local Government.

The timeframe for the project included development of a preliminary report to Council (for the purposes of community consultation). The Structural Reform Guidelines produced by the Local Government Reform Steering Committee suggest that local governments should consider the following for the purposes of community consultation:

- Preferred amalgamation structure or other types of boundary adjustments.
- Proposed number of Elected Members.
- Feasible regional sharing arrangements (if any).
- Transition timeline including estimated costs, if appropriate.

This report briefly examines the above matters together with a proposed position in relation to the more significant aspects of reform to take to the community for comment.

BACKGROUND

In February 2009, the Minister for Local Government; Heritage; Citizenship and Multicultural Interests, the Hon John Castrilli MLA, announced the State Government's package of local government reform strategies. These strategies were aimed at achieving greater capacity for local governments to better plan, manage and deliver services to their communities with a focus on social, environmental and economic sustainability.

The principal strategies are voluntary structural reform, with the main objective to reduce the number of local governments across the State, and reduce the total number of Elected Members to between six and nine.

The Minister established a Steering Committee to coordinate the review. The Steering Committee has issued a set of guidelines to assist local governments through the reform

process. The City has met the requirements of the timeframes established by the Minister to date.

DETAILS

Issues and options considered:

The next stage of the reform process is for the Council to examine principles upon which to release to the community in the form of a discussion paper. The discussion paper will be developed by the City in conjunction with its consultant employed for the purpose of assisting the City with its Reform Submission, however, is proposed to include the following philosophies, which are submitted to the Council for its consideration.

A copy of the community consultation report will be distributed to Elected Members for comment upon finalisation, and prior to release.

The following is proposed in relation to the community consultation strategy and discussion paper:

Community Consultation Strategy

Proposal: That the City of Joondalup:

- 1. Undertake a community consultation exercise inviting comment from the community on matters to be addressed by the City in its Reform Submission to the Minister.*
- 2. Develop its discussion paper utilising the content of this Council report.*

The Minister's reform process provides that there must be community consultation in order to assist the community in having meaningful and relevant input into the process. Whilst it is likely that the majority of the City of Joondalup's community are unaware of the Minister's proposed reform strategies, it remains important to inform the community why the City of Joondalup is undertaking an assessment of criteria related to reform, and the reasons for development of position statements, providing the community with the opportunity to have input into the City's Reform Submission to the Minister.

It is intended that the content of this report form the basis of the discussion paper to be released to the community for comment, and include the following matters to be addressed in the City's Reform Submission:

- An introduction from the Mayor providing a brief overview of the Minister's reform strategies and objectives of same, the City's ability to be sustainable as demonstrated through the review of the City of Joondalup's Checklist of April 2009, the City's general position regarding the reform proposals, and an invitation to comment on the proposal.
- Community of interest overview and how the preferred amalgamated structure (including any boundary adjustment proposal) will improve social, economic and environmental capacity on behalf of their communities.
- How community identity and representation will be preserved or improved.
- Membership of regional groupings.
- City of Joondalup's Checklist (April 2009) and how gaps identified will be addressed.

Whilst the timing of the consultation is yet to be finalised (July anticipated) is proposed that the consultation strategy will be undertaken in accordance with the City's guidelines on public participation/consultation, and include:

- Media releases.
- Advertisements in the local district newspaper and public notice boards inviting comment to the discussion paper.
- Articles in the City's publications.
- Corresponding with major stakeholders in the district including, but not limited to, local members of Parliament, Joondalup Business Association, and relevant resident and ratepayer groups within the district.
- Ensuring the discussion paper and feedback form is available on the City's website and hard copies are available on request from customer service areas.
- Public workshop(s) should it be deemed there is sufficient interest in the reform process.

It is considered important that employees also be consulted with regard to the reform process and as such, newsletters and information sessions will be used to disseminate relevant information. WALGA is also investigating the implementation of a support program for local government employees and Elected Members as they deal with the upheaval that may occur throughout reform of the sector. The program will offer assistance to all on an anonymous basis, primarily through a helpline staffed 24/7 by trained professionals and access to critical incident counselling. It is anticipated that this program will be in place approaching the August deadline for submissions to the Minister, and will be kept in place for approximately six months.

Discussion Paper:

Community of Interest Overview

Proposal: That a community of interest overview be included in the community consultation discussion paper providing an overview of the City's current economic, demographic and social structure and how it contributes to the City's shared common interests/values/characteristics/issues giving rise to a separate sense of identity or community.

The Minister has advised that should a local government find that amalgamation would not improve social, economic and environmental capacity of their local community, this should be expressed, with supporting evidence in their Reform Submission.

Community of Interest

It is considered that the division of the City of Wanneroo into two local governments only a decade ago provides sufficient evidence with regard the City of Joondalup's community of interest.

In the Local Government Advisory Board's (LGAB) report titled *Assessment of the Minister's Proposal to Divide the City of Wanneroo* (February 1998) the LGAB identified community of interest as one of the three main reasons for amending the local government's boundaries. The Board found that the proposed division of the City of Wanneroo into two local governments "allows for a split between the urban areas to the west of Wanneroo Road and the more mixed development to the east. In the eastern area, there are a number of different communities based on different land use and different patterns of urbanisations."

The Report further provided that "The Board found that residents within the City of Wanneroo see themselves as falling into different communities of interest. This was associated with a strong sense of identity with a place of residence and in perceived inequities between areas. This has been exacerbated by the focus on the development of Joondalup and a feeling by some residents that they are poorly represented on Council with

a reduction in the number of Councillors in some Wards. The Board also found a strong sense of differentiation between longer term residents around the Wanneroo townsite and residents of the newer suburbs and between those who live to the east of Wanneroo Road and those who live in coastal suburbs. Much of this is to do with lifestyle choices.”

Other differences related to communities interest between the Cities of Joondalup and Wanneroo identified in the LGAB Report included:

- The division would result in one local government that would have a relatively stable population likely to be ageing and another which will experience rapid population growth. This area would also be likely to attract younger families.
- The proposal recognised the differences in land use between the east and the west, however, given most residents were highly mobile and travel outside of the area for work, the economic interdependency of activities within the newly created local governments was not seen as a critical factor.
- The proposal allowed for a split between the urban areas to the west of Wanneroo Road and the more mixed development to the east.. In the east there are a number of different communities based on different land use and different patterns of urbanisation. The proposed division at the time assisted in maintaining the integrity of individual suburbs, which is not considered to have changed in the case of the City of Joondalup.

In the City’s Reform Submission further examination of how the City of Joondalup’s community identity will be preserved or improved will be undertaken. This includes those parts of the district that share common interests/values/characteristics/issues giving rise to a separate sense of identity or community, whether of an economic, social or other interest. Whilst a snapshot community profile of the City of Joondalup from ABS and City data can be provided, other issues to be examined may include:

- The geographical pattern of human activities (where people live, work and engage in leisure activities) and the various linkages between local communities.
- Shared interests and shared use of community facilities. For example, sporting, leisure and library facilities create a focus for the community. The use of shopping areas and the location of schools also act to draw people together with similar interests. This can also give indications about the direction that people travel to access services and facilities.
- How neighbourhoods and suburbs are important in the physical, historical and social infrastructure and how they generate a feeling of community and belonging.
- The integration of land use, environmental and transport systems and water catchment areas.

Preferred Amalgamation Structure or Other Types of Boundary Adjustments

Proposal: That the City of Joondalup retain its current local government boundary alignment.

Local Government Boundary Principles

One of the LGAB's principles regarding boundaries relates to the physical and topographic features that may be either natural or man-made, and may include water features (such as rivers); catchment boundaries; coastal plain and foothills; parks and reserves; and man-made features (such as railway lines or freeways).

These features can form identifiable boundaries and can also act as barriers to movement between adjoining areas. In many cases physical and topographical features are appropriate district and ward boundaries.

The LGAB supports local government structures and boundaries that facilitate the integration of human activity and land use.

City of Wanneroo Division

In August 1996, the Minister for Local Government formally directed the LGAB to review the boundaries for the Cities of Stirling and Wanneroo, and "... assess the options for division of the Cities of Wanneroo and Stirling into smaller units". A range of potential options was considered, and are outlined in more detail in the LGAB Report titled *Options for Stirling and Wanneroo – Final Report* (April 1997).

The City of Joondalup was established by virtue of the Joondalup and Wanneroo Order 1998 which came into operation as of 1 July 1998. The Order created two new local governments, the City of Joondalup and the Shire (now) City of Wanneroo.

In the LGAB Report titled *Assessment of the Minister's Proposal to Divide the City of Wanneroo* (February 1998) the LGAB identified that the physical and topographical features of the division of the former City of Wanneroo should be based on major roads as the basis for boundaries. The exception to this is Lake Joondalup, which is divided down the middle. The Board initially proposed that in order to effectively coordinate the management of this ecosystem, all of the lake and the surrounding open space fall within one local government, and as such it was suggested that the boundary between the two local governments run along the eastern edge of the open space to the east of the lake. It is important to note that the Cities of Wanneroo and Joondalup have jointly committed to the conservation of the ecosystem of Lake Joondalup as a shared facility.

It is considered that the City of Joondalup's boundaries concur with the LGAB's principles related to boundaries confirmed when the City was established in 1998, taking into consideration physical and topographical features and land use patterns, and as such it is proposed that the current boundaries be retained at this time.

Community Representation/Proposed Number of Elected Members

Proposal: That:

- 1. The Minister for Local Government's recommendation to reduce the number of Councillors to between six and nine for all local governments be rejected, and that local governments, having a residential population exceeding 100,000, be permitted to have a Council comprising not less than 5 nor more than 14 Councillors if the Mayor is elected by electors, as per the current arrangements permitted under Section 2.17 of the Local Government Act 1995.*
- 2. The City of Joondalup propose that its number of elected representatives be retained at 12 Councillors and a Mayor elected by electors.*
- 3. The Minister for Local Government be requested to research the ratios of Elected Members per population in other States both prior to and after local government reform, and the effect that this may have had on the community, prior to making any legislative amendments regarding Elected Member representation.*
- 4. The Minister for Local Government be requested to review the remuneration provided to Elected Members should the number of elected representatives be reduced.*

Elected Member Representation – General

The Local Government Reform Guidelines requires local governments to consider appropriate Elected Member representation and methods for ensuring appropriate community representation. The Minister's reform package includes a proposal to reduce the number of Elected Members to six to nine Councillors for each local government.

The Western Australian Local Government Association's (WALGA) Systemic Sustainability Study (SSS) report process went through a number of stages of consideration on this issue. In the initial draft SSS report released in February 2008, there was a proposal for reducing the number of Elected Members. This related to another proposal for an enhanced Regional process. Some of the feedback during the submission process advised that there should be consideration to Elected Member numbers aligned to a population ratio as some of the larger local governments will require more members than smaller country local governments.

In considering feedback on the draft report, WALGA refined its position and the final SSS report endorsed in September 2008, recommended the following;

SSS Action 35:

That Local Governments be encouraged to undertake regular reviews of the number of Councillors required to conduct the governance functions required.

During the recent reform process, discussions amongst larger metropolitan local governments have raised concern at the proposal for a reduction in Elected Member representation. The argument against a reduction in Elected Members has been based around the following:

- Councils are not a board of directors but are an elected representative body.
- That it is a fundamental change to the nature of local government to unilaterally change the role of Councillors to remove the focus on community representation.

- There will be significant expense to replace the voluntary community connection role undertaken by Councillors. To give any semblance of connection, Councils may require community officers and citizen committees (which have to be serviced by paid officers).
- Future population growth of some metropolitan local governments needs to be considered.
- The possible effect of potential candidates being dissuaded from standing for election given the commitment required to fulfill Council duties and community expectations.
- The increase in Councillor representation ratios will be significant for those local governments with large populations.
- The proposal to reduce the number of Elected Members is not consistent with the State Government's position on Members of the Legislative Assembly who cannot represent more than 22,500 people.
- The level of community engagement a Council has with its constituents has an impact on the ability of elected representatives to sufficiently represent the community.

Arguments for reduced Elected Member representation include the following:

- Better governance provided by a reduced number and a greater focus on strategic direction.
- Fewer Elected Members are more readily identifiable to the community.
- Fewer positions on Council may lead to greater interest in elections with contested elections and those elected obtaining a greater level of support from the community.
- More scope for team spirit and cooperation amongst a smaller number of people.
- A reduction in the number of Elected Members may result in an increased commitment from those elected, reflected in greater interest and participation in Council affairs. It is suggested that should there be a reduced number of elected representatives the remuneration provided to Elected Members should be reviewed to attract quality candidates that are able to commit the time and resources to governing the district.
- Consultation with the community can be achieved through a variety of means in addition to individuals and groups contacting their local Elected Member.

WALGA has requested the DLGRD Reform Subcommittee look at this issue to research the ratios of Elected Members per population in other States both prior to and after local government reform, and the effect that this may have had on the community. The Minister has not given any undertaking at this time that the request will be examined.

It is of interest to note the suggestion of Hearfield and Dollery (January 2009) in their article 'Representative Democracy in Australian Local Government' (published in the Commonwealth Journal of Local Governance), that each Elected Member represents a much larger number of electors than ever before. This varies considerably from State to State with those more heavily populated having a far greater ratio of population per elected representative. Figures again taken from the 2006 *Local Government National Report* (DOTARS 2006:14) show that in Victoria, which has experienced the greatest fall in the number of local government representatives, this ratio recently stood at 1:8,053. In New South Wales, where the population is almost 40 per cent higher, but where there has been a less dramatic drop in the number of Councillors, the ratio was 1:4,432. For Queensland (before the recent halving of the number of councils), South Australia and Tasmania, these ratios came in at 1:3,079, 1:2,046, and 1:1,710 respectively. In Western Australia, with only a very slight decline in the numbers of Councils and representatives, the ratio stood at 1:1,475.

Elected Member Representation – City of Joondalup

Australian Bureau of Statistics data provides that the estimated resident population of the City of Joondalup at 30 June 2008 was 159,986, making it the second largest local government by population in Western Australia, and one of the largest local governments by population in Australia.

With twelve Councillor positions there is a ratio of 1:13,332 (where one Councillor represents 13,332 residents). If an elector ratio were to be examined, the City, at October 2007, had 102,563 electors, providing for a Councillor/elector ratio of 1:8,547, with Ward Councillor/elector representation (October 2007) as follows:

Ward	Electors	Councillor/Elector Ratio
North	17,706	1:8,853
Central	16,896	1:8,848
North Central	17,099	1:8,550
South	15,738	1:7,869
South East	16,797	1:8,399
South West	18,327	1:9,164

The LGAB may consider deviations greater than plus or minus 10% of the average ratio of Councillors to electors if the City is able to justify exceptional circumstances and presents arguments accordingly.

As required by the Local Government Act 1995, local governments must review their ward boundaries and Elected Member representation every eight years. The City of Joondalup undertook a comprehensive review in 2005, and at the Council meeting held on 13 December 2005 (C73-12/05) resolved to reduce the number of elected members and wards to the current arrangement of 12 Councillors representing six wards plus a Mayor elected at large by the community.

If the City of Joondalup were to reduce its Elected Member representation in accordance with the Minister's proposal the following ratios would occur:

- Average Councillor/resident ratio with six Councillors – 1:26,684.
- Average Councillor/resident ratio with nine Councillors – 1:17,776.
- Average Councillor/elector ratio with six Councillors – 1:17,093.
- Average Councillor/elector ratio with nine Councillors – 1:11,395.

The significant change in Councillor/resident and Councillor/elector ratios is considered to be unsustainable given the voluntary nature of the Elected Member role and the significant level of community engagement the City of Joondalup Council has with its constituents, and as such it is suggested that the Minister's recommendation to reduce the number of Councillors to between six and nine for all local governments be rejected. Instead, it is proposed that local governments having a residential population exceeding 100,000 be permitted to have a Council comprising not less than 5 nor more than 14 Councillors if the Mayor is elected by electors, as per the current arrangements permitted under Section 2.17 of the Local Government Act 1995.

Regional Sharing Arrangements

Proposal: That the City of Joondalup commits to continuing to liaise with the Cities of Stirling and Wanneroo to examine future service and infrastructure obligations that lead to more efficient and effective service delivery to the shared communities of interest.

In the City of Joondalup's Local Government Reform Checklist (adopted by the Council at its April 2009 meeting), the City indicated that it currently worked effectively as part of a group of local governments, comprising the north-west corridor of metropolitan Perth, delivering services regionally.

The City has the following formal regional sharing arrangements in place:

- Mindarie Regional Council (recycling).
- Tamala Pak Regional Council (recycling and land development).
- WALGA North Metropolitan Zone.

The City was an integral member of the North West Corridor Coordinating Committee, which considered the future growth need of the corridor, including regional governance models for economic development.

The north-west corridor of local governments retain similar interests and utilise both formal and informal networks/agreements to benefit the group through projects including, though not limited to:

- Regional resource sharing with the objective of enhancing economic, tourism and employment development opportunities within the region (including employment of shared officers).
- Lake Yellagonga Integrated Catchment Management Plan (included employment of a shared officer in 2008/09).
- Local Emergency Management Plan established with the City of Wanneroo.
- Joint funding of the Small Business Centre North West Metro in association with the City of Wanneroo.
- Regional infrastructure planning needs.
- Benchmarking.
- Australia Day activities (with the 2009 function being the largest ever held in Australia).
- Refuse collection contract with the City of Wanneroo.

It is considered that the north metropolitan corridor of local governments work cooperatively and efficiently taking into account the others' interests when strategically planning for the future, and working together for the mutual benefit of those communities involved.

The community consultation report will provide further detail of the types of activities the Cities of Joondalup, Stirling and Wanneroo work cooperatively on, and invite comment regarding further opportunities for regional development and collaboration.

Transition Timeline Including Estimated Costs (if appropriate)

In relation to any transition timeline this matter is not required relevant at this time given there is no immediate proposal to amalgamate. This may alter when the Council develops its final position and can be examined at that time.

The Minister, in his Guidelines, proposed that this section comprise the planned timing of the amalgamation including consideration of, though not limited to:

- Organisational change processes.
- Human resources management.
- Development of governance systems such as local laws and policies.
- Information technology and communication infrastructure.
- The impact on council elections.
- The impact on staff contracts.
- The impact on Council operations during the transition period.
- Details of estimated transition costs.

Much of the above information was provided to the Minister in the City of Joondalup's Checklist. It is of particular importance to demonstrate to the community that City of Joondalup has established efficient and effective management and governance structures since its division in 1998, and does not propose amalgamation at this time.

The gaps identified by the City at the time of completing the Reform Checklist have been incorporated into future plans to ensure the City is managed at an optimal level. The City was able to clearly demonstrate that it more than satisfactorily met the majority of requirements detailed in the Checklist.

Link to Strategic Plan:

This item has a general connection to the Strategic Plan.

Legislation – Statutory Provisions:

The Local Government Act 1995 sets out the requirements when a local government wishes to amend its boundaries and Elected Member representation and the role of the Local Government Advisory Board.

The language used in the guidelines clearly indicates that the process is voluntary. The Minister, through the CEO of the Department of Local Government and Regional Development (the Department), may require the City to provide the information requested by exercising powers under Section 8.2 of the Local Government Act 1995, but to date there is no suggestion that this power has or will be exercised.

On this basis, there does not appear any statutory obligation to complete the tasks leading to the submission of a Reform Submission, however, it is considered to be a useful exercise to demonstrate the Council's commitment to reform.

Risk Management considerations:

There are a number of risks involved if the Council does not comply with the guidelines:

- The CEO of the Department may request various information in accordance with Section 8.2 of the Local Government Act 1995;
- Other local governments may undertake a review which may impact on the City of Joondalup without it being involved in the process.
- The State Government may through legislation undertake structural reform of local government.

Legal advice circulating within the industry has cautioned local governments if they choose not to undertake a review.

Financial/Budget Implications:

There are no specific budgetary funds to undertake the review, nor for any boundary adjustments. Nominal costs will be incurred with the community consultation exercise required. A major concern expressed by WALGA is the issue relating to who is responsible for the costs associated with any structural reform.

Policy Implications:

Not Applicable.

Regional Significance:

Structural reform has significant implications for the region.

Sustainability Implications:

It has been acknowledged through the industry via WALGA's SSS Report that the current structure of local government needs to be reviewed to ensure it is sustainable.

Consultation:

Stage 2 requires community consultation, which will be undertaken in accordance with the City's guidelines on public participation/consultation.

All local governments have submitted a checklist to the Reform Committee, with the lists currently being reviewed by Department of Local Government staff. Once the checklists have been reviewed, the Reform Committee will provide feedback to individual Local Governments on the Committee's assessment of the information submitted. It is anticipated that Councils will need to address the Committee's feedback in their final Reform Submissions, together with supporting evidence.

COMMENT

It is proposed that the Council endorse the contents of this report to form the basis of the discussion paper to be released as part of the community consultation process required to meet the Minister's reform agenda.

It is to be noted that the City's administration will continue to work on matters related to the following, for inclusion in the final Reform Submission:

- The City's viability with regard to financial capacity.
- The City's ability to effectively deliver local government services, or capacity to meet community expectations.
- An assessment of the City's financial capacity to increase financial resources and derive long term cost efficiencies.
- The City of Joondalup's characteristics of economic factors and resources in the area.
- The City of Joondalup's demographic trends, and the appropriate planning for current and projected population characteristics.
- The City of Joondalup's transport and communication linkages to support connectivity between regions.

ATTACHMENTS

Not applicable.

VOTING REQUIREMENTS

Simple Majority

RECOMMENDATION

That Council ENDORSES the report dated 16 June 2009 regarding Local Government Reform and utilises the philosophies of the report to form the basis of the discussion paper to be released as part of the community consultation process required to meet the Minister's reform agenda.

MEETING DATE: 16 June 2009

DIRECTION FOR REPEAL - LOCAL GOVERNMENT AND PUBLIC PROPERTY AMENDMENT LOCAL LAW (NO.2) 2008

22513 23180,
04028

WARD: All

RESPONSIBLE Mr Jamie Parry
DIRECTOR: Governance and Strategy

PURPOSE/EXECUTIVE SUMMARY

To inform Council of recent direction received from the Joint Standing Committee on Delegated Legislation regarding the City's *Local Government and Public Property Amendment Local Law (No.2) 2008*.

In light of the Committee's current direction, it is recommended that Council requests the Chief Executive Officer to provide the Joint Standing Committee on Delegated Legislation (JSCDL) with a written undertaking to repeal the City's *Local Government and Public Property Amendment Local Law (No.2) 2008* and agree not to rely on the \$500 penalty in the interim.

BACKGROUND

At the Meeting of 19 May 2009, Council resolved, inter alia, to:

REQUEST the CEO to respond to the Joint Standing Committee on Delegated Legislation, indicating the City's intention not to oppose the Committee's recommendation for disallowance of the City's Local Government and Public Property Amendment Local Law (No.2) 2008.

The City has since actioned the above resolution.

DETAILS

Having provided the JSCDL with a written intention not to oppose the City's recommendation, the City has since received further correspondence from the Committee requesting that an additional resolution of Council be obtained as soon as possible.

The new resolution requires Council to agree to provide a written undertaking to repeal the \$500 penalty contained in the City's current *Local Government and Public Property Amendment Local Law (No.2) 2008* and agree not to rely on the penalty in the interim. Correspondence from the City must be received by the JSCDL by **18 June 2009**.

The process required to repeal one aspect of an Amendment Local Law is more onerous than merely repealing an Amendment Local Law in its entirety, therefore, it is recommended that Council resolves to repeal the *City of Joondalup Local Government and Public Property Amendment Local Law (No.2) 2008* in its entirety. This will satisfy the JSCDL's concerns surrounding the \$500 penalty and will reduce administrative burdens on the City. Other

provisions within the Amendment Local Law that will be repealed as a result of Council's resolution are minor changes that seek to support the introduction of a \$500 penalty. The nature of the offence, namely, the requirement of a shopping trolley owner to remove an abandoned shopping trolley within 3 hours of being notified by the City, will not be affected by repealing the entire Amendment Local Law. In addition, the Department of Local Government and Regional Development has advised the City that it may revert to its previous penalty of \$100 once a written intention not to rely on the \$500 penalty has been received by the JCSDL. This means that the offence is still able to be enforced with a reduced penalty while the City actions its intention to repeal the Amendment Local Law.

Issues and options considered:

Not applicable.

Link to Strategic Plan:

Not applicable.

Legislation – Statutory Provisions:

This report recommends repealing part of the City's *Local Government and Public Property Amendment Local Law (No.2) 2008* in accordance with direction provided by the JCSDL.

In accordance with the JCSDL's *Report 23: "Issues of Concern Raised by the Committee Between 1 May 2006 and 30 April 2007 with Respect to Local Laws"*, the JCSDL has indicated that the City must fulfil its commitment to repeal the provision within 2 years of having been notified by the Committee. Should the City fail to complete its stated commitments, the Committee will move to disallow the Amendment after a 2 year period.

Risk Management considerations:

Not applicable.

Financial/Budget Implications:

The process for repealing the City's *Local Government and Public Property Amendment Local Law (No.2) 2008* does not place a significant financial burden on the City.

Policy implications:

Not applicable.

Regional Significance:

Not applicable.

Sustainability implications:

Not applicable.

Consultation:

Should Council agree to provide the JSCDL with the requested resolution, the City will seek to inform affected retailers of the elements within the Local Law that are subject to the repeal requirements.

COMMENT

Not applicable.

ATTACHMENTS

Not applicable.

VOTING REQUIREMENTS

Simple majority.

RECOMMENDATION

That Council REQUESTS the Chief Executive Officer to provide the Joint Standing Committee on Delegated Legislation with a written undertaking to repeal the City's *Local Government and Public Property Amendment Local Law (No.2) 2008* and AGREES not to rely on the \$500 penalty in the interim.

Signature of Originating Manager

Signature of Originating Director