

AGENDA

Ordinary Council Meeting

27 May 2014

Notice of Meeting

To: The Mayor and Councillors

The next Ordinary Council Meeting of the City of South Perth Council will be held on Tuesday 27 May 2014 in the Council Chamber at the administration offices Sandgate Street, South Perth commencing at 7.00pm



CLIFF FREWING
CHIEF EXECUTIVE OFFICER
22 May 2014

Our Guiding Values

Trust

Honesty and integrity

Respect

Acceptance and tolerance

Understanding

Caring and empathy

Teamwork

Leadership and commitment

Disclaimer

The City of South Perth disclaims any liability for any loss arising from any person or body relying on any statement, discussion, recommendation or decision made during this meeting.

Where an application for an approval, a licence or the like is discussed or determined during this meeting, the City warns that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the City.

Further Information

The following information is available on the City's website.

- **Council Meeting Schedule**
Council Meetings are held at 7pm in the Council Chamber at the South Perth Civic Centre on the fourth Tuesday of every month between February and November. Members of the public are encouraged to attend open meetings.
- **Minutes and Agendas**
As part of our commitment to transparent decision making, the City makes documents relating to council and its committees' meetings available to the public.
- **Meet Your Council**
The City of South Perth covers an area of around 19.9km² divided into four wards. Each ward is represented by two councillors, presided over by a popularly elected mayor. Councillor profiles provide contact details for each elected member.

<http://www.southperth.wa.gov.au/Our-Council>

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Ordinary Council Meeting Agenda

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

Chairperson to open the meeting

2. DISCLAIMER

Chairperson to read the City's Disclaimer

3. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

3.1 ACTIVITIES REPORT MAYOR / COUNCIL REPRESENTATIVES

(Attached to Agenda paper)

3.2 PUBLIC QUESTION TIME

3.3 AUDIO RECORDING OF COUNCIL MEETING

3.4 PETITION – LOCAL GOVERNMENT REFORM

The City has submitted two petitions to Mr John McGrath MP, with 3,813 signatures in relation to the retention of Burswood Peninsula. The City, together with the Town of Victoria Park strongly believes that the whole of the Burswood Peninsula should remain with the new Local Government, combining the City of South Perth and Town of Victoria Park. This petition was tabled by Mr McGrath in parliament on 13 May 2014.

3.5 UNVEILING OF THE MAYORAL PORTRAIT

4. ATTENDANCE

4.1 APOLOGIES

4.2 APPROVED LEAVE OF ABSENCE

5. DECLARATION OF INTEREST

Conflicts of Interest are dealt with in the *Local Government Act, Rules of Conduct Regulations* and the *Administration Regulations* as well as the City's Code of Conduct 2008. Members must declare to the Chairperson any potential conflict of interest they have in a matter on the Council Agenda.

6. PUBLIC QUESTION TIME

6.1 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

6.2 PUBLIC QUESTION TIME: 27 MAY 2014

7. CONFIRMATION OF MINUTES AND TABLING OF NOTES OF BRIEFINGS AND OTHER MEETINGS UNDER CLAUSE 19.1

7.1 MINUTES

7.1.1 Ordinary Council Meeting: 15 April 2014

RECOMMENDATION

That the Minutes of the Ordinary Council Meeting held 15 April 2014 be taken as read and confirmed as a true and correct record.

7.2 BRIEFINGS

The following Briefings which have taken place since the last Ordinary Council meeting, are in line with the 'Best Practice' approach to Council Policy P672 "Agenda Briefings, Concept Forums and Workshops", and document to the public the subject of each Briefing. The practice of listing and commenting on briefing sessions, is recommended by the Department of Local Government and Regional Development's "Council Forums Paper" as a way of advising the public and being on public record.

7.2.1 Agenda Briefing - April Ordinary Council Meeting Held 15 April 2014

Officers of the City presented background information and answered questions on items identified from the April 2014 Council Agenda. Notes from the Agenda Briefing are included as **Attachment 7.2.1**.

7.2.2 Concept Forum Local Government Reform Toolkit Meeting Held: 8 April 2014

Council resolved at its meeting in March to have an informal briefing on the topic of how our consultants are being engaged to assist in the implementation local government reform program. The architect of the Toolkit (Ingrid Bishop of Alchemy Corporate Consulting Services) provided an overview to the City on the implementation of the Toolkit. Notes from the Concept Briefing are included as **Attachment 7.2.2**.

7.2.3 Concept Forum Ernest Johnson Reserve Master Plan Meeting Held: 9 April 2014

City officers and the consultant provided an overview of the proposed Master Plan. The Master Plan is subject to a report in this month's agenda. Notes from the Concept Briefing are included as **Attachment 7.2.3**.

7.2.4 Concept Forum Civic Triangle Disposal Meeting Held: 14 April 2014

City officers and consultants provided an update on Stage I of the Expression of Interest Process. Notes from the Concept Briefing are included as **Attachment 7.2.4**.

7.2.5 Concept Forum Long Term Financial Plan Meeting Held: 22 April 2014

City officers gave an overview of the updated Long Term Financial Plan and the current economic environment. Notes from the Concept Briefing are included as **Attachment 7.2.5**.

7.2.6 Concept Forum Indicative Infrastructure Capital Works Program Meeting Held: 29 April 2014

City officers provided a brief overview of the current status of the development of the Budget, as well as the Infrastructure Capital Works Programme for all aspects of the Infrastructure Services Division. Notes from the Concept Briefing are included as **Attachment 7.2.6**.

7.2.7 Concept Forum Local Government Reform Consultants Update Meeting Held: 29 April 2014

Council resolved at its meeting in March 2014 for a report to be prepared by the Council Officers to advise on the engagement of consultants to assist the City in implementing the local government reform process and report on a regular basis to Council. As part of this decision it was agreed to hold an elected members briefing on this subject. Notes from the Concept Briefing are included as **Attachment 7.2.7**.

7.2.8 Concept Forum Local Government Ward Boundaries Meeting Held: 7 May 2014

Council requested at its meeting in April to conduct a workshop on local government boundaries for the new Local Government. Various ward options were discussed. Notes from the Concept Briefing are included as **Attachment 7.2.8**.

RECOMMENDATION

That the attached Notes under Items 7.2.1 to 7.2.8 on Council Briefings be noted.

8. PRESENTATIONS

8.1 PETITIONS

A formal process where members of the community present a written request to the Council.
Nil

8.2 PRESENTATIONS

Occasions where Awards/Gifts may be Accepted by Council on behalf of Community.
Nil

8.3 COUNCIL DELEGATES REPORTS

8.3.1 Council Delegate: Rivers Regional Council 17 March 2014

A report from Cr Cala and Cr Trent summarising their attendance at the Rivers Regional Council Meeting held 17 March 2014 is at **Attachment 8.3.1**.

8.3.2 Council Delegate: WALGA South East Metropolitan Zone 23 April 2014

A report from Councillor Reid and Councillor Hawkins-Zeeb summarising their attendance at the WALGA South East Metropolitan Zone Meeting held 23 April 2014 is at **Attachment 8.3.2**.

8.3.3 Council Delegate: South East Regional Centre for Urban Landcare 8 May 2014

A report from Cr Hawkins-Zeeb summarising attendance at the South East Regional Centre for Urban Landcare (SERCUL) Meeting held 8 May 2014 is at **Attachment 8.3.3**.

RECOMMENDATION

That the minutes and Delegate's Reports at Items 8.3.1 to 8.3.3 be received.

8.4 CONFERENCE DELEGATES REPORTS

8.4.1 Conference Delegate: LGMA National Congress 1 May 2014

A report from Cr Reid summarising attendance at the LGMA National Congress held 1 May 2014 is at **Attachment 8.4.1**.

RECOMMENDATION

That the Conference Delegate's Reports at Item 8.4.1 be received.

9. METHOD OF DEALING WITH AGENDA BUSINESS

10. REPORTS

10.0 MATTERS REFERRED FROM PREVIOUS COUNCIL MEETINGS

10.0.1 Karawara Public Open Space (POS) Masterplan and Collaborative Action Plan (CAP) – priority short to medium term projects

Location: Karawara
Ward: Manning
Date: 27 May 2014
Author: Mark Carolane, Senior Strategic Projects Planner
Reporting Officer: Vicki Lummer, Director Development and Community Services

Summary

The Karawara Public Open Space (POS) Masterplan and Collaborative Action Plan (CAP) were endorsed by Council in November 2013. This report provides details of the priority short and medium term (1-5 years) CAP projects, for Council endorsement.

The Karawara POS Masterplan and CAP were developed through significant community engagement with the objective to improve Karawara's physical environment and sense of community. Community engagement included a range of innovative methods, including informal workshops, Aboriginal community focus sessions, a pop-up discussion trail and drop-in events during the 2013 City of South Perth Fiesta. The inclusive process encouraged residents to feel empowered and proud of their input into preparing the Karawara POS Masterplan and to have ownership over the CAP.

Officer Recommendation

That Council endorse the Karawara Collaborative Action Plan Priority Short-Medium Term Projects (**Attachment 10.0.1(a)**).

This report includes the following attachments:

- **Attachment 10.0.1(a)** Karawara Collaborative Action Plan Priority Short-Medium Term Projects
- **Attachment 10.0.1(b)** Karawara POS Masterplan and Collaborative Action Plan 2013

Background

In October 2012 landscape architecture firms UDLA and CoDesign were engaged to develop the Masterplan and CAP (**Attachment 10.0.1(b)**). The project brief focused on maximising community and stakeholder input and the consultants and City officers facilitated a number of community workshops and drop-in activities in Karawara between February and May 2013. In November 2013 Council endorsed the final Karawara POS Masterplan and CAP documents, pending a further report on budget implications of the actions (this report).

Four Masterplan and CAP principles were developed from the key findings of the community engagement and master planning process:

1. Building on Karawara character;
2. Amenity;
3. Safety and security; and
4. Connectivity.

The purpose of the CAP is to provide the community, stakeholders and the City of South Perth with an agreed project list that can be collectively implemented to address the principles. The CAP is made up of 14 projects, which are directly aligned with the key findings of the design process.

10.0.1 Karawara Public Open Space (POS) Masterplan and Collaborative Action Plan (CAP) – priority short to medium term projects

The inclusive and diverse consultation process used for this project was acknowledged by the Planning Institute of Australia (PIA) when the project won the WA PIA award for excellence in the category of “Public Engagement and Community Planning”. The project was also nominated for the same award at the PIA national conference in Sydney.

Comment

This report seeks Council endorsement of the priority short-medium term projects, including estimated budgets, timeframes and required external expertise. **Attachment 10.0.1(a)** has been prepared following prioritisation of projects by the community with input from the City Environment, Community Culture and Recreation and Development Services teams.

The final workshop of the master plan preparation process was to determine the top priority tasks from the CAP. The top four priority tasks were:

1. Improve remaining parts of the greenways to provide space for resting, contemplation and basic infrastructure.
2. Improve the central playground to create a central meeting area and community hub.
3. Foster community initiatives such as; programme of community events; community notice board; welcome pack for new residents etc.
4. Improve the pedestrian experience between Karawara and Waterford Plaza.

Attachment 10.0.1(a) outlines these top four priority short-medium term projects with estimated budgets and timeframes for implementation. It is recommended that the four projects in **Attachment 10.0.1(a)** be endorsed as the first priority projects for the City.

Responsibility for the 14 priority actions in the CAP is distributed between the Development and Community Services and Infrastructure Services directorates. The CAP was developed to be implemented by all stakeholders collectively. In other words, the City is not responsible for implementing all projects in the CAP. The Master Plan recommends that an implementation team be established, made up of Karawara residents, stakeholders and community organisations. The City will provide assistance for this group as appropriate (see **Attachment 10.0.1(a)** Project 03).

Due to the interrelated nature of the projects, there are opportunities to address multiple projects at the same time. For example, the design of the central playground (project 02) may include community initiatives (project 03), heritage interpretation (project 05), signage and Noongar naming (project 06) and recognise the Aboriginal community (project 09). **Attachment 10.0.1(a)** identifies linked projects to assist future project tracking. As projects progress and are completed, they will directly and indirectly influence other projects in the CAP.

Consultation

A range of techniques were used to facilitate community and stakeholder engagement in the preparation of the Masterplan and CAP. Informal open space workshops were held in each of the three precincts of Karawara, a temporary discussion trail was installed through Karawara, a Masterplan Reference Group (MRG) was formed, focus group sessions were held with the local Noongar Community and a final community engagement session was held to present the draft Masterplan and CAP to the community and stakeholders.

Further consultation will be undertaken as required during implementation of the CAP.

10.0.1 Karawara Public Open Space (POS) Masterplan and Collaborative Action Plan (CAP) – priority short to medium term projects

Policy and Legislative Implications

The Karawara POS Masterplan and Collaborative Action Plan documents have been written to be compliant with all relevant policy and legislative requirements at local, state and federal levels.

Financial Implications

Attachment 10.0.1(a) sets out estimated budgets required to implement the priority short-medium term CAP projects. Subject to Council endorsement of the project priorities, detailed budget requirements will be established by the relevant Managers and Directors and included in Annual Budgets.

Strategic Implications

This report contributes to implementation of the City's [Corporate Plan 2013-2017](#) action I.2.1: Implement the Karawara Greenway Master Plan.

This report is consistent with the following Directions contained within the City's [Strategic Plan 2013–2023](#):

1. Community

Create opportunities for an inclusive, connected, active and safe community.

2. Environment

Enhance and develop public open spaces and manage impacts on the City's built and natural environment.

4. Places

Develop, plan and facilitate vibrant and sustainable community and commercial places.

Sustainability Implications

This report is aligned to the City's [Sustainability Strategy 2012–2015](#).

10.1 STRATEGIC DIRECTION I : COMMUNITY

10.1.1 Community Sport and Recreation Facility Fund (CSRFF) – Small Grants Funding

Location: City of South Perth
 Applicant: Council
 Date: 9 May 2014
 Author: Jenni Hess, Recreation Development Coordinator
 Reporting Officer: Sandra Watson, Manager Community Culture & Recreation

Summary

To consider three applications for the 2014/2015 Community Sporting Recreation Facilities Fund (CSRFF) Small Planning Grants.

Officer Recommendation

That:

(a) the applications for funding for the Community Sporting Recreation Facilities Funding (CSRFF) – Small Planning Grants 2014/15, be submitted to the Department of Sport and Recreation together with the comments from the officer report and the following rankings and ratings:

Applicant	Project	Ranking	Rating
Manning Tennis Club	Resurfacing of 4 hard courts and 4 synthetic grass courts	1	A
Hensman Park Tennis Club	Resurfacing of 5 hard courts	2	A
Manning Memorial Bowling Club	Resurfacing of 1 synthetic bowling green	3	A

(b) subject to these applications being successful with the Department of Sport and Recreation, a provisional amount of \$92,856 is considered in the 2014/2015 annual budget as the City's contribution as follows:

(i)	Manning Tennis Club	\$42,056
(ii)	Hensman Park Tennis Club	\$9,800
(iii)	Manning Memorial Bowling Club	\$41,000

Background

The Department of Sport and Recreation (DSR) annually invites applications for financial assistance to assist community groups and local governments to develop sustainable infrastructure for sport and recreation. The CSRFF program aims to increase participation in sport and recreation with an emphasis on physical activity, through rational development of good quality, well-designed and well-utilised facilities. Priority is given to projects that lead to facility sharing and rationalisation. The State Government has allocated \$20M for the 2014/2015 funding round.

Table 1 CSRFF Grant Categories

Grant category	Total Project Cost Range	Standard DSR Contribution	Frequency
Small grants	\$7,500 - \$150,000	\$2,500 - \$50,000	Bi-annual
Annual Grants	\$150,001 - \$500,000	\$50,001 - \$166,666	Annual
Forward Planning Grants	\$500,001 +	\$166,667 - \$4 million	Annual

10.1.1 Community Sport and Recreation Facility Fund (CSRFF) – Small Grants Funding

The maximum grant awarded by DSR will be no greater than one-third of the total cost of the project up to a maximum of \$4 million. The CSRFF grant must be at least matched by the applicants own cash contribution equivalent to one third of the total project cost, with any remaining funds being sourced by the applicant. In some cases, funds provided by the Department do not equate to one-third of the project costs and the applicants are advised that they are expected to fund any such shortfall. The local government is not obliged to contribute funding to the projects.

As stated in the CSRFF guidelines, small grants for this round of applications require an implementation period of one year. Therefore grant applications in this round must be claimed by 15 June, 2015.

The funding round does not technically open until 1 July 2014 but the City takes applications from clubs in April, to consider budget implications for the next financial year.

Comment

Three projects are proposed by the City for the 2014/2015 CSRFF small grants:

(i) Manning Tennis Club (resurfacing of 4 hard courts and 4 synthetic grass courts)

CSRFF Grant sought	\$ 42,056	(ex GST)
Manning Tennis Club's contribution	\$ 44,056	(ex GST)
City's contribution	\$ 42,056	(ex GST)
Estimated Total Project Cost	\$ 128,168.25	(ex GST)

(ii) Hensman Park Tennis Club (resurfacing of 5 hard courts)

CSRFF Grant sought	\$ 9,800	(ex GST)
Hensman Park Tennis Club's contribution	\$ 9,800	(ex GST)
City's contribution	\$ 9,800	(ex GST)
Estimated Total Project Cost	\$ 29,400	(ex GST)

(iii) Manning Memorial Bowling Club (resurfacing of 1 synthetic bowling green)

CSRFF Grant sought	\$ 41,000	(ex GST)
Manning Bowling Club's contribution	\$ 43,000	(ex GST)
City's contribution	\$ 41,000	(ex GST)
Estimated Total Project Cost	\$ 125,000	(ex GST)

Assessment

A panel comprising the Manager Community Culture and Recreation, Acting Manager City Environment and the Recreation Development Coordinator assessed and ranked the application against the following criteria set by the Department of Sport and Recreation:

A	Well planned and needed by municipality
B	Well planned and needed by applicant
C	Needed by municipality, more planning required
D	Needed by applicant, more planning required
E	Idea has merit, more preliminary work required
F	Not recommended

The results are summarised overleaf.

2014/2015 CSRFF annual and forward planning grants

Applicant	Project	Ranking	Rating	City's Contribution	Total project cost
Manning Tennis Club	Resurfacing of 4 hard courts and 4 synthetic grass courts	1	A	\$42,056 (ex GST)	\$128,168 (ex GST)
Hensman Park Tennis Club	Resurfacing of 5 hard courts	2	A	\$9,800 (ex GST)	\$29,400 (ex GST)
Manning Memorial Bowling Club	Resurfacing of 1 synthetic bowling green	3	A	\$41,000 (ex GST)	\$125,000 (ex GST)
TOTAL				\$92,856 (ex GST)	\$282,568 (ex GST)

Manning Tennis Club

In 2011, 2012 and 2013 Manning Tennis Club was unsuccessful in DSR's small grant round for its application to install two hard court tennis courts and floodlighting. The club had additional floodlights installed at the facility via CSRFF funding in 2008/09 and two courts were also resurfaced via CSRFF funding in the 2005/06 financial year.

The Club has done significant consultation with the City and DSR regarding their application and based on advice has submitted an application for the resurfacing of 4 hard courts and 4 synthetic grass courts in this round of small grants 2014/2015.

Manning Tennis Club is located on Crown Land, being Lot 300 on Plan 45674, vested with the City for the purposes of parks and recreation. The club is currently in its tenth year of a twenty one year peppercorn lease with the City. The courts are primarily used by members but also hired to Aquinas College, South Suburban Midweek Ladies Association, Welwyn Tennis Group (previously located at the decommissioned Kensington Club courts, Manning), WA Catholic Lawn Tennis Association and casual hire. The club is also assessing the possibility of negotiating with local schools such as Manning Primary School, St Pius X and Curtin Primary School to determine any further opportunities for use during school hours.

The Club is affiliated with Tennis West and has a membership of 156 (an increase on membership in 2013 of 5 members). This is in addition to social and casual hirers.

According to the Club, resurfacing of hard courts and synthetic grass tennis courts are required for the following reasons:

- Courts 1-4 (synthetic grass) are worn and becoming unplayable;
- Courts 7-10 (hard courts) are worn with cracks on the surface;
- Community census profile and utilisation of courts justifies maintaining facilities to a high standard;
- The resurfacing of the courts will accommodate ongoing growth of the junior development program and new players from the increased local population;

10.1.1 Community Sport and Recreation Facility Fund (CSRFF) – Small Grants Funding

- There is an immediate and critical need to provide continuity for the club's current and upcoming juniors at the club of origin so they can continue to play tennis well into adulthood.

Since the clubs previous application there has been no evidence of change to national and state participation trends. According to the Exercise, Recreation and Sport Survey 2010 (ERASS), which is a national survey that collects information on the frequency, duration, nature and type of activities of persons aged 15 years and over for exercise, recreation and sport over a 12 month period, the following statistics apply to tennis, on a national level:

- Tennis participation rates since 2001 have declined by 24%, which represents the highest decline in any organised sport within Australia and second highest decline in overall participation (organised and non-organised).
- Club based participation rates have declined by 13% since 2001.
- Despite the decline in participation, tennis is still in the top 10 of physical activities.
- Within WA, tennis participation represents 4.9% of all physical activities, with a steady decline from 7.2% in 2001.

The City has three community tennis clubs, being Manning Tennis Club, Hensman Park Tennis Club and South Perth Lawn Tennis Club. A total of 66 tennis courts are available within the City for club or public use. Of this, 36 (54%) are hard courts. However, use of courts from local schools (20 hard courts) is limited to afternoon and weekend use, outside of normal school hours.

Based on the Manning Tennis Club's membership growth and financial statements, evidence suggests the club is sustainable and membership did increase in the last twelve months. The Manning Tennis Club's net income as at 31 May 2013 is \$39,911, with current net assets totalling \$354,387.

Significant consultation between the club and City Officers has occurred in the last two years and City Officers agree with the club comments and support their application. This application differs from previous applications as it of higher priority to the City to improve its existing facilities rather than introduce new ones to accommodate current and future participation and access.

It is recommended this project is rated 'A -Well planned and needed by the municipality and in making this assessment the panel noted:

- Manning Tennis Club has made every effort to consult with City Officers and DSR and submit an application that meets the needs of the wider community;
- Manning Tennis Club submitted a very thorough, well planned application;
- Manning Tennis Club shows good signs of growth and increased participation, despite the national trends;
- Manning Tennis Club demonstrates it is a sustainable club; and is a good tenant of the City;
- The resurfacing of the courts are needed by the club, and the City to be able to support the existing and ongoing demand of the users;
- Officers support the club to resurface its courts, and further consider these works a higher priority for the City rather than installing new courts.

Hensman Tennis Club

Hensman Park Tennis Club is located on South Perth Lot 300 on Deposited Plan 44434 held on Crown Land Title volume 3157 folio 177 and is vested in the City of South Perth for the purpose of recreation, with a power to lease and or sub lease. The lease with the club was recently renewed in 2013 for a period of five years, with an option for another 5 years. The club resurfaced three courts, with floodlighting and fencing via CSRFF in

10.1.1 Community Sport and Recreation Facility Fund (CSRFF) – Small Grants Funding

2006/2007. In addition the City will assist the club with fencing and retaining works to be carried out in 2014.

The club is affiliated with Tennis West and currently has 316 members (slight increase on membership in 2013 of 309). This is in addition to casual and social hirers. The courts are primarily used by club members, casual hirers as well as coaching businesses and Wesley College.

According to the club, resurfacing of 5 hard courts is required for the following reasons:

- The existing surface is over 10 ten years old and is worn, no longer suitable for standard tennis play;
- It will enhance current activities by providing top quality tennis playing surfaces.

As with the Manning Tennis Club, the City supports the club's application to enhance its existing facilities to ensure tennis participation can continue. The clubs net income as at 31 March 2013 is \$15,819, with current net assets totalling \$159,584.

It is recommended this project is rated 'A -Well planned and needed by the municipality and in making this assessment the panel noted:

- Hensman Park Tennis Club has consulted with City Officers and DSR;
- Hensman Park Tennis Club submitted a sound application;
- Hensman Park Tennis Club shows good signs of growth and increased participation, despite the national trends;
- Hensman Park Tennis Club demonstrates it is a sustainable club; and is a good tenant of the City;
- The resurfacing of the courts are needed by the club, and the City to be able to support the existing and ongoing demand of the users;
- Officers support the club to resurface its courts, and considers it a higher priority for the City to installing new courts;
- The City is contributing approximately \$40,000 in 2013 toward remedial works for retaining and fencing at the Club.

Manning Memorial Bowling Club

Manning Memorial Bowling Club is located on Crown Lot 720 of Diagram 24329, vested in the City of South Perth for the purpose of Parks and Recreation, with a power to lease and or sub lease. The clubs lease is due to expire in July 2014, although it is anticipated to be renewed for a further period of 5 years (plus an optional 5 year renewal). The club resurfaced one of its synthetic bowling greens via CSRFF in 2006/2007.

The club is affiliated with Bowls WA and has 220 members. It is primarily used by club members and local schools. The clubs net income as at 31 June 2013 is \$15,383.

According to the club the resurfacing of the synthetic bowling green is required for the following reasons:

- The current surface (carpet) is now unplayable after many years of use and winter activities are seriously curtailed;
- The club relies heavily on the use of the carpet green during winter to allow bowls/competitions to continue while the grass greens are being renovated;
- The resurfacing will allow the Club to maintain strong numbers during the winter months.

10.1.1 Community Sport and Recreation Facility Fund (CSRFF) – Small Grants Funding

The Bowls WA Strategic Facilities Plan was developed in 2010. Based on its metropolitan facilities hierarchy, Manning Memorial Bowling Club is considered a small local club with a medium level of sustainability, defined as:

“The grassroots for bowls in WA but is also the most likely to be at risk of financial failure and hence relocation, amalgamation or closure. However, a well-managed, promoted and attended club provides the local community with a wide range of benefits. Small clubs often have not taken advantage of the growth of community bowls competitions or other sources of revenue which are required to ensure club facilities are maintained and replaced when necessary”.

The Plan further identifies a sustainable small club as one that has 2-3 greens; capitated membership of 60-100, social membership of 30-100; located in an established suburb within 20km from the City; with a medium standard of green. It was noted that:

“a reduction in the number of greens could be achieved if Clubs could convert from grass to synthetic. This is due to the ability of synthetic to be played on at all times of the year and because grass greens need to be rested and resurfaced. While this option has a considerable capital cost it may be beneficial for a number of clubs if they are able to also introduce alternative community bowls programs and competitions to increase participation and revenue.”

The Plan goes on to say there are no identified gaps or requirements for local level clubs at the present time but this may change with increasing population and densities. The lawn bowls playing population in the central Perth metropolitan area is expected to marginally increase from 13,580 in 2010 to 14,400 in 2021, to 15,300 in 2031.

The 2010 Annual Report on Participation in Exercise, Recreation and Sport Survey (ERASS) conducted by the Australian Sports Commission identifies lawn bowls as a top ten organised physical activity in Australia, and a top ten club based physical activity in Australia with a 20% increase in participation experienced between 2001- 2010, being participated in at least once per week. Participation in WA has gradually increased from 33,700 total participation in 2008 to 41,400 in 2010.

It is recommended this project is rated ‘A -Well planned and needed by the municipality and in making this assessment the panel noted:

- Manning Memorial Bowling Club submitted a sound application;
- Manning Memorial Bowling Club shows good signs of growth and increased participation;
- Manning Memorial Bowling Club demonstrates it is a sustainable club; and is a good tenant of the City;
- The resurfacing of the green is needed by the club, and the City to be able to support the existing and ongoing demand of the users;
- The City supports the club to resurface its green.

Consultation

Initial consultation was undertaken with the City via the Recreation Development Coordinator and Club Development Officer. The City advertised the funding round by direct email to clubs.

Manning Tennis Club has met with City Officers on a number of occasions and made every effort to submit an application that meets the needs of the wider community as well as its club. The club has provided a letter of support from Tennis West and has also been in contact with the Department of Sport and Recreation about the proposed project.

Hensman Park Tennis Club has advised City Officers and DSR about its intentions to submit an application. The club has also discussed its application with Tennis West.

Manning Memorial Bowling Club has advised City Officers and DSR about its intention to submit an application.

Policy and Legislative Implications

This report relates to Policy P110 - Support of Community & Sporting Groups.

Financial Implications

The level of financial assistance offered is based on the overall significance of the proposed project, including the benefits provided to the community. There is no obligation on the local government authority to make any contribution to a community project, but in the past the City has matched the contribution by the Department of Sport and Recreation of up to one-third of the total cost of successful projects within its boundaries.

The City supports all three applications and therefore provisional amounts have been proposed in the upcoming annual budget.

The total project costs are estimated at \$282,568. The total contribution being requested from the City is \$92,856. Subject to DSR approval, it is proposed that \$92,856 is allocated in the 2014/2015 annual budget.

Strategic Implications

This report is consistent with the City's [Strategic Plan 2013–2023](#), Direction I- Community “*Create opportunities for an inclusive, connected, active and safe community*”.

Sustainability Implications

This report is aligned to the City's [Sustainability Strategy 2012–2015](#). The City encourages shared use of its facilities to maximise rational use for minimal cost. All of the proposed projects demonstrate this principle. It also encourages sustainability through club self-sufficiency to manage and be responsible for their facilities.

10.1.2 Ernest Johnson Master Plan

Location:	City of South Perth
Applicant:	Council
Date:	9 May 2014
Author:	Jenni Hess, Recreation Development Coordinator
Reporting Officer:	Vicki Lummer, Director Development and Community Services

Summary

To consider the concept plan, implementation stages and costings for the Master Plan at Ernest Johnson Reserve.

Officer Recommendation

That....

- (a) the Ernest Johnson Master Plan concept plan is endorsed by Council for community comment;
- (b) the Ernest Johnson Master Plan is made available for community comment for a period of 30 days;
- (c) the results of the community comment are presented to Council at the end of the advertised period.

Background

Ernest Johnson (EJ) Reserve precinct provides high recreational, sporting, and social opportunities for residents within the City of South Perth. EJ Reserve is located in South Perth (bounded by South Terrace, Sandgate Street, Hensman Street). The Reserve comprises two (2) lots, being Lot 384 (Ernest Johnson Oval, Sandgate Reserve and Hensman Park) which is designated “freehold” land, vested in the City of South Perth for the purpose of Parks and Recreation; and Lot 387 (Como Bowling & Recreation Club) which is crown land vested in the City of South Perth for the purpose of Parks and Recreation.

The precinct comprises three (3) active reserves; Ernest Johnson Oval, Sandgate Reserve and Hensman Reserve. Currently there are six (6) buildings on the reserve; Ernest Johnson Scout Hall and Ernest Johnson Pavilion on Lot 384; and Como Bowling and Recreation Club, athletics storage shed, a public toilet building and Rotary Community Hall on Lot 387. All built facilities located on the reserve are aged, and some no longer serve the purpose for current community uses. The buildings are not all sustainable as stand alone facilities and an opportunity exists to investigate the rationalisation of facilities to optimise the efficient use of resources.

Currently the EJ Precinct comprised of the three reserves is designed and largely managed as an “active” space providing for Australian rules junior football, junior and senior cricket, athletics, and personal training. However, there is also significant passive use for activities such as dog obedience/exercise/walking. There are potential limitations in terms of future development as the reserve was previously a tip site. Therefore opportunities for the management and use of all the reserves located on the site needs to be investigated to incorporate the optimal balance of activities.

10.1.2 Ernest Johnson Master Plan

The City of South Perth Future Directions and Needs Study for Sporting and Recreational Clubs was developed in 2006. Key recommendations from this report include:

2.2.22 *That, in the short term and as an interim measure, Council upgrades the toilets/changerooms and provide additional storage facilities at the Ernest Johnson Pavilion.*

2.2.23 *That, in the medium term, Council undertakes a feasibility study to investigate the viability of either upgrading, extending or redeveloping the Ernest Johnson Pavilion to provide a regional shared-use pavilion facility, and that the study include an investigation of the benefits of establishing an overarching sports association to lease/manage the improved facilities.*

2.2.38 *That, in the short term, Council assists the Como Bowling and Recreation Club to upgrade the electrical system within the clubrooms to ensure the safety of its members.*

All of these recommendations have been achieved and the Ernest Johnson Master Plan seeks to align these recommendations. The City's strategic and corporate plan identifies as a key initiative to develop and implement a master plan for Ernest Johnson Reserve.

Comment

In November 2011, the City engaged Jill Powell & Associates to develop the Ernest Johnson Master Plan. The project was staged in 2 parts: Stage One consisted of research and data collection; stakeholder consultation; and the development of a basic concept plan with recommendations for the future of the reserve and its facilities. Stage Two comprised more detailed assessment of the buildings, ovals and outdoor spaces; and full conceptual drawings, costings and stages of implementation.

The aim of the project is to develop a master plan for the redevelopment of Ernest Johnson Reserve, incorporating all active reserves (Ernest Johnson Oval, Hensman Park and Sandgate Reserve) and existing buildings and stakeholders (Ernest Johnson Scout Hall, Ernest Johnson Pavilion, Como Bowling and Recreation Club, Rotary Community Hall, storage facility and a public toilet building). It also aims to incorporate relocating the Como Croquet Club and Returned Services League (RSL) to the site, if possible.

Through meetings with the users of the facilities and a community workshop, Jill Powell & Associates key findings as part of Stage One were summarised as follows:

- Ageing buildings
- Conflicts in use
- Increase in demand for passive use
- Need to understand the community needs in addition to the organised users
- Potential to reduce duplication
- Potential to reduce ongoing maintenance costs for the council
- Better designed facilities to cater for the next 20-30 years

It is recognised that each group has very specific needs for their sport/activity e.g. turf cricket wicket for cricket. However, not every group can be fully accommodated and the main generic priorities were identified as:

- Club Storage
- Sporting Ovals
- Upgrade existing toilets
- Clubrooms
- Function Room

Stage Two consisted of developing a concept plan, architectural drawings, staging and costs to accommodate as much of the needs as possible. These plans, together with the Master Plan Report are attached to the Council report at **Attachment 10.1.2(a), 10.2.1(b) and 10.2.1(c).**

The concept master plan proposes the following 4 stages, over 2 years:

Stage 1

- Detailed design and documentation of the proposed building
- Clearance of new carpark site
- Commencement of construction of proposed new building, including public toilets
- Commencement of design and documentation of civil works

Stage 2

- Car park and roadworks construction
- Demolition of existing buildings

Stage 3

- Reserve irrigation
- Relocation of cricket practice wickets
- Little athletics throwing circles and long jump pit
- Synthetic cricket pitches
- Relocation of existing senior turf cricket wicket
- Large playground and social area

Stage 4

- Construction of croquet fields
- Refurbishment of Bowling club
- Multi use path and fitness equipment

The total cost of the project is estimated at \$9,900,000, incorporating contingencies, consulting fees and escalation costs.

The master plan will be subject to annual review upon each stage of implementing the Plan. Therefore minor adjustments are likely to occur throughout the process to satisfy certain requirements or constraints.

Consultation

As part of Stage One, a survey was sent to all relevant clubs, and user groups who currently use the facilities at Ernest Johnson Reserve. In total 20 surveys were sent, with 13 replies. The following groups were surveyed: South Perth Little Athletics; South Perth Junior Football Club; South Perth Junior Cricket Club; Como Bowling & Recreation Club; WAFC Umpires Association; RSPCA WA; Step Into Life (Personal Trainers); South Perth Playgroup; Girl Guides WA; Rotary Club of South Perth-Burswood, South Perth Hospital and various hall users.

As part of Stage One of the project:

- The Peninsula Newsletter (Winter 2012) featured an article about the general project to advise the wider community.
- An article featured in the Southern Gazette Community Newspaper Snapshot page.
- A series of individual meetings were conducted with South Perth Hospital, WAFC Umpires Association, Como Bowling & Recreation Club, Rotary Club of South Perth-Burswood, South Perth Junior Cricket Club, Girl Guides South Perth, South Perth Playgroup, South Perth Little Athletics, South Perth Junior Football Club, and Como Croquet Club.
- A public meeting was conducted on 8 March 2012 at the Ernest Johnson Hall at 6.30pm. A total of 35 community members attended. Names and contact details were recorded of only those who wished to be kept informed.
- A briefing on the initial findings and key concepts was presented to Council on 10 April 2013.

10.1.2 Ernest Johnson Master Plan

Stage Two of the project did not require much consultation as it was focussed on actual delivery of design based on findings as a result of consultation in Stage One. Email updates have been sent to user groups and stakeholders to provide updates on how the project is progressing.

A second briefing was presented to Council in April 2014.

In May 2014, meetings have been held with the Como Croquet Club, South Perth Junior Football Club, WA Umpires Association, South Perth Cricket Club, Step Into Life Personal Trainers, Como Bowling and Recreation Club to discuss the findings and the concept master plan. Meetings have been requested with representatives from RSL, Rotary Club of South Perth Burswood, Girl Guides WA, South Perth Playgroup, South Perth Junior Cricket Club, and South Perth Little Athletics but have yet to occur.

Feedback has been received from some of these groups, who are in the majority in favour of the master plan. Some groups have specific issues that require further discussion summarised as follows.

Como Croquet Club has formerly notified the City it is not satisfied with the allocation of 2 croquet greens at the Ernest Johnson site, and the location of the clubrooms in relation to the greens in terms of accessibility. Based on the current allocation at EJ Reserve, the club opposes any relocation to this site. Further discussion will continue with the club to sufficiently cater for their needs and consideration of any relocation will be determined as a separate item to Council. The progress of the master plan initial stages is independent of any consideration of relocation of the club. Therefore the implementation of the master plan can continue regardless of any decision about relocation of the Croquet Club.

South Perth Junior Football Club have concerns regarding the relocation of the practice cricket nets and the location of the carpark interfering with Auskick playing fields. The Club also had concerns regarding the footprint of the new clubrooms on the playing fields on the main oval. Further discussions will continue with the club and their concerns do not require any major changes to the master plan, other than to slightly change the orientation and position of the fields and the practice cricket nets.

At the community meeting in 2012, Wesley South Perth Hockey Club (WASPS) raised interest regarding a synthetic hockey field at the EJ Reserve. The club has again recently requested consideration for the hockey field at this site. Jill Powell and Associates together with City Officers believe that EJ Reserve is not a suitable site for a synthetic hockey field. Consideration of a synthetic hockey field would need to occur outside of the scope of the EJ Master Plan and considered on a regional basis in collaboration with all local hockey clubs, Town of Victoria Park, Department of Sport and Recreation (DSR) and Hockey WA.

Ongoing discussion with clubs and user groups will continue to occur, throughout the detailed design stages of the project.

If endorsed for community comment at this meeting, the plan will then be advertised to the wider community for a period of 4 weeks through the City's usual advertising avenues. Any information received through this process will be analysed, collated and presented to Council before progressing the implementation of Stage One.

Policy and Legislative Implications

This report relates to Policy PI 10 - Support of Community & Sporting Groups.

Financial Implications

The total project cost is estimated at \$9,900,000 incorporating contingencies, consulting fees and escalation costs.

The City's Strategic Financial Plan 2013-2023 has allocated \$8 million to this project. Based on the priorities of the project, cost savings are possible in the following areas:

- Stage Three – social areas such as bbq facilities, bench seating, bollard lights, and soft landscaping.
- Stage Four –bowling club alterations, multi use footpath and associated lighting, and fitness equipment.

It is proposed that these items remain on the overall master plan and can be reviewed, inline with the implementation of each stage and the annual budgeting process.

The Strategic Financial Plan proposes staging the project as follows:

2014/2015 - \$3 million

2015/2016 - \$5 million

Commencement of the EJ Master Plan project is conditional to:

- Sale proceeds from the Civic Triangle land; and
- Securing funding from Department of Sport and Recreation (CSRFF).

Strategic Implications

This report is consistent with the [Strategic Community Plan 2013–2023](#),

- Direction 1 – Community “*Create opportunities for an inclusive, connected, active and safe community*”.
- Direction 2 – Environment “*Enhance and develop public open spaces and manage impacts on the City’s built and natural environment*”.
- Direction 6 – Governance, Advocacy and Corporate Management “*Ensure that the City has the organisational capacity, advocacy and governance framework and systems to deliver the priorities identified in the Strategic Community Plan*”.

Sustainability Implications

This report is aligned to the City's [Sustainability Strategy 2012–2015](#). The City encourages shared use of its facilities to maximise rational use for minimal cost. This project proposed demonstrates this principle. The project also aims to enhance the quality of life and provide opportunities for capacity building through appropriate provision of community facilities.

10.1.3 Public Liability Risk Assessment of Public Open Space Water Bodies

Location:	City of South Perth
Applicant:	Council
Date:	9 May 2014
Author:	David Fyfe, Infrastructure Projects Officer
Reporting Officer:	Mark Taylor, Acting Director Infrastructure Services

Summary

In response to concern raised by local residents to a perceived community risk caused by the lake in Doneraile Reserve, the City has commissioned consultants to assess the public liability risk of all of its permanent water bodies.

This report considers the subsequent report and recommends its adoption by Council.

Officer Recommendation

That

- (a) the recommendations of the LGIS report “Public Liability Risk Assessment of Public Open Space Water Bodies” as listed in this officer’s report be adopted by Council;
- (b) the City progressively implement the report recommendations as per an agreed priority list with LGIS, subject to available budget; and
- (c) The construction of a barrier fence between the playground and lake at Doneraile Reserve be afforded the highest priority for implementation.

Background

At its meeting held on 26 March 2013, the Council considered a petition from Mr Ernie Strahan of 16 Westland Place Waterford, together with 79 signatures. The petition requested the City to install a child proof fence, or to fill in the existing drainage sump at Doneraile Reserve to prevent a tragedy from occurring, given the water body is located within close proximity to an existing children’s playground.

Council subsequently resolved that:

The Petition received 18 March 2013 from Ernie Strahan, 16 Westland Place, Waterford, together with 79 signatures be forwarded to the Director of Infrastructure Services for consideration.

In response, an officer’s report was considered by Council at the May 2013 meeting and the following was resolved:

1. *The City engage a suitably qualified professional, skilled in risk assessment, to undertake an audit and report of all drainage sumps holding permanent water and incorporated as part of Public Open Space to determine:-*
 - a) *Whether the City is exposed to any public risk;*
 - b) *What measures, if any, are required to mitigate the identified public risk; and*
 - c) *What is the priority (i.e. high, medium, low) and cost of implementing the identified measures to mitigate the public risk.*
2. *Funds be allocated in the 2013/2014 Annual Budget to enable the City to engage a Consultant to undertake a risk assessment and report of all drainage sumps that hold permanent water and incorporated as part of Public Open Space;*
3. *Until such time as the risk assessment and report is completed, signage be installed at the drainage sump to advise people recreating in Doneraile Reserve not to enter or play in the water body; and*
4. *The petitioners be advised of the Council’s determination.*

10.1.3 Public Liability Risk Assessment of Public Open Space Water Bodies

LGIS was engaged to carry out the inspections and assessments of 11 public open space (POS) sites considered by the City to be of similar risk to Doneraile Reserve. The 11 sites are:

1. Doneraile Reserve - Lake
2. Bodkin Park - Lakes x2
3. Sandon Park - Wetland
4. Neil McDougall Park - Lake
5. South Perth Foreshore - Millers Pool Lake
6. Sir James Mitchell Park (SJMP) - Paperbark Wetland
7. SJMP - Hurlingham and Douglas Lakes x 2
8. SJMP - Open Drainage Channel east of Hurlingham Road
9. Clydesdale Park - Lake Tondut
10. Collier Park Golf Course - Lakes x 3
11. George Burnett Park - Lake Gillon.

The purpose of the risk assessment was to identify hazards, potential risks and liability issues in relation to the water bodies located within the 11 nominated sites.

The process involved on-site inspections, meetings / workshops with City officers, application of the risk management process in accordance with the ISO Standard AS/NZS 31000.2009. Recommendations and treatment options were to be based on best practice principals from the Royal Life Saving Society Australia (WA), A reference Guide for Safe Inland Waterways, AS/NZS 2416.2010 Water safety signs and beach safety flags (series) and the National Aquatic and Recreational Signage Style Manual, 3rd Edition, State Government of Victoria.

The resultant draft report was produced and is titled “Public Liability Risk Assessment of Public Open Space Water Bodies”. LGIS has since been working with City officers to refine and prioritise the report recommendations.

Comment

Key findings of the report include addressing the need to provide clear messages to visitors of the 11 locations, including warnings relating to the hazards associated with the water bodies.

It is recognised that while fencing of waterways may be an option to restrict access, this is not a practical solution for the City. However the proximity of infrastructure such as playgrounds to water and best practice recommendations regarding the reasonable provision of barriers were considered in combination with other treatments such as creating awareness of the requirement for supervision of children around water. The requirement for ongoing maintenance and inspection of POS, water bodies and infrastructure is highlighted.

The site specific report recommendations and City responses (in italics) are as follows:

1. Doneraile Reserve:

Recommendations:

- Playground fencing to AS 1926-2012 Swimming pool safety
- Warning signage
- Education
- Water Quality Testing
- Maintenance and Inspection
- Residential fencing

There is currently a post and rail fence separating the children's playground from the water-body. This fence should be upgraded to a barrier fence that children cannot penetrate. A budget of \$10,000 has been included in the 2014/2015 Capital Works budget for this project.

The Water Sensitive Urban Design project for the drainage sump in Doneraile Reserve will contribute to the resolution of the issues identified. This project is included in the 2014/2015 Capital Works budget and will make the edges of the water body less accessible.

2. Bodkin Park:

Recommendations:

- Playground fencing to AS 1926-2012 Swimming pool safety
- Warning signage
- Education
- Maintenance and Inspection
- Infrastructure remedial action

There is a recommendation to fence this playground because of its proximity to the water. However, the playground is scheduled to be relocated further from the water in 2014/2015 as part of an upgrade program, making this strategy unnecessary.

3. Sandon Park:

Recommendations:

- Warning signage
- Education
- Access agreements, warnings within open space hire documentation
- Water Quality Testing
- Maintenance and Inspection

Install grating on exposed pipes to avoid possible entrapments.

4. Neil McDougall Park:

Recommendations:

- Warning signage
- Education
- Access agreements, warnings within open space hire documentation
- Water Quality Testing
- Maintenance and Inspection
- Infrastructure

10.1.3 Public Liability Risk Assessment of Public Open Space Water Bodies

5. Mill Point (Millers Pond):
Recommendations:
 - Warning signage
 - Education
 - Water Quality Testing
 - Maintenance and Inspection

6. Sir James Mitchell Park – Paperbark Wetlands:
Recommendations:
 - Warning signage
 - Education
 - Access agreements, warnings within open space hire documentation
 - Water Quality Testing
 - Maintenance and Inspection

7. Sir James Mitchell Park – Douglas and Hurlingham Lakes:
Recommendations:
 - Warning signage
 - Education
 - Access agreements, warnings within open space hire documentation
 - Maintenance and Inspection
 - Residential fencing
 - Water Quality Testing
 - Infrastructure – Picnic and Barbeque areas

8. Sir James Mitchell Park – Open Drainage Channel:
Recommendations:
 - Playground Fencing
 - Warning signage
 - Education
 - Access agreements, warnings within open space hire documentation
 - Maintenance and Inspection
 - Residential fencing
 - Infrastructure – Bridges, walkways, Drainage Channel

There is a recommendation to fence the playground at Hurlingham Road because of its proximity to the water drainage channel. The playground is to be relocated further from the water as part of an upgrade program in the future, making this strategy potentially unnecessary.

The foot bridges over the drainage channel need to be maintained to a reasonable safety standard.

9. Clydesdale Park:
Recommendations:
 - Residential Fencing
 - Warning signage
 - Education
 - Water Quality Testing
 - Access agreements, warnings within open space hire documentation
 - Maintenance and Inspection
 - Infrastructure – Picnic, Barbeque area

10. Collier Park Golf Course:

Recommendations:

- Infrastructure – Bridges, walkways
- Access agreements, warnings within open space hire documentation
- Maintenance and Inspection

There was an identified risk of unauthorised access by children through a secured gate where the lock combination was known to them. This issue has been addressed by changing the lock and therefore restricting access.

There was an identified risk created by slippery banks, steep banks and drop-offs. These are normal features of Golf courses and could be addressed by additional warning signs. To change the design of these features could adversely impact on the status of the course.

11. George Burnett Park

Recommendations:

- Playground Fencing
- Infrastructure – Bridges, walkways
- Warning signage
- Education
- Water Quality Testing
- Access agreements, warnings within open space hire documentation
- Maintenance and Inspection

There was an identified risk of children accessing depressions near the playground that may collect water during a rain event. There is a need to ensure these areas drain promptly.

General Comments:

1. Improved warning signage should be installed. These signs should comply with current recommended standards and cover both applicable hazard / risk warnings and the requirement to supervise vulnerable persons around water.
2. Education. Whilst to some degree signage provides education in the way of information and warnings to visitors or users of a Public Open Space, there are additional means to relay these messages to compliment treatment options such as signage, including:
 - The provision of information on the City's website:
 - Regarding the presence of water bodies at Public Open Spaces
 - Applicable hazard / risk warnings
 - The requirement to supervise vulnerable persons (small children) around water.
 - Provision of printed material in the form of letters/brochures provided with rates notices to occupiers of residences immediately surrounding water bodies regarding the requirement to supervise vulnerable persons (small children) around water.

This may be of particular benefit to unique locations such as Doneraile Reserve that is surrounded by residences sharing the boundary with the public open space containing the water body. This may also be useful if distributed to operators of both the McDougall Community Garden and Hazel McDougall House particularly if children are part of their programs.

3. Water quality and maintenance & inspection programs should be reviewed to ensure they are adequate.

Conclusion

There are a considerable number of actions required to be implemented to complete the recommendations of the report, however most of them do not require major works to rectify. Many of the actions will however require budget allocations to implement. The City is currently working with LGIS to develop a priority list which will help inform the process. It is then the City's intention to progressively implement the report subject to the agreed priorities and budget.

Consultation

LGIS consulted with a number of City management and maintenance staff in the development of this report.

Policy and Legislative Implications

Policy P688 Asset Management.

The objective of this Policy is to ensure that the City has systems and processes in place to maximise its ability to continue to deliver services on a sustainable basis. Services delivered by the City will depend on Infrastructure Assets provided to a Level of Service determined by the Council that is affordable to the community in the long term.

To achieve this, the City will, among other things, incorporate a consideration of risk management requirements in decision making processes.

Financial Implications

Works identified in the LGIS report are proposed to be progressively implemented by the City subject to funding in the five year Infrastructure Capital Works program.

Strategic Implications

This report is consistent with the [Strategic Community Plan 2013–2023](#), Direction 1 – Community “*Create opportunities for an inclusive, connected, active and safe community*”.

Sustainability Implications

This report is aligned to the City's [Sustainability Strategy 2012–2015](#).

10.2 STRATEGIC DIRECTION 2: ENVIRONMENT

Nil

10.3 STRATEGIC DIRECTION 3: HOUSING AND LAND USES

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

Location: Lot 2 (No. 6) Jubilee Street, South Perth
Ward: Civic
Applicant: Zuideveld Marchant Hur Pty Ltd
Lodgement Date: 16 December 2013
Date: 1 May 2014
Author: Mark Scarfone, Senior Statutory Planning Officer, Development Services
Reporting Officer: Vicki Lummer, Director, Development and Community Services

Summary

To consider an application for planning approval for two single houses (four-storey) on Lot 2 (No. 6) Jubilee Street, South Perth. Council is being asked to exercise discretion in relation to the following:

Element on which discretion is sought	Source of discretionary power
Maximum ground / floor levels	TPS6 Clause 6.10
Boundary walls	Council Policy P350.2 Clause 5
Building setbacks	R-Codes Design Principles 5.1.3 P3.1
Visual privacy	R-Codes Element 5.4.1 P1

The proposed development is not considered to be consistent with Clauses 1.6, 6.10 and 7.5 of the *City of South Perth Town Planning Scheme No. 6 (TPS6)*, and is also inconsistent with Council policies, including P350.2 'Residential Boundary Walls' and P350.8 'Visual Privacy'. Further, the proposal is not considered to meet the deemed-to-comply standards or design principles of the *Residential Design Codes (R-Codes)*, with specific regard to side setbacks and visual privacy. As such, it is recommended the application be refused.

Officer Recommendation

That pursuant to the provisions of the *City of South Perth Town Planning Scheme No. 6* and the *Metropolitan Region Scheme*, this application for planning approval for two single houses (four-storey) on Lot 2 (No. 6) Jubilee Street, South Perth **be refused** for the following reasons:

(a) Specific Reasons

- (i) The proposed 'living room' and 'garage to drying court' boundary walls on the south-western side of the development site are considered to adversely impact the amenity of adjoining neighbours, having regard to Clause 5 of Council Policy 350.2 'Residential Boundary Walls'.
- (ii) The proposed development does not meet the deemed-to-comply standards or design principles of Clause 5.4.1 'Visual Privacy' of the R-Codes or the requirements of Council Policy P350.8 'Visual Privacy' in relation to overlooking from the locations listed below:
 - Raised outdoor living area of both dwellings - Refer Specific Advice Note (i);
 - The master bedroom of the south-western dwelling;
 - The second floor balcony of the south-western dwelling;
 - The roof terrace of the south-western dwelling - Refer Specific Advice Note (ii);
 - The first and second floor balconies of the north-eastern dwelling; and
 - The roof terrace of the north-eastern dwelling.

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

- (iii) The proposed finished floor levels and finished deck levels do not achieve equal cut and fill for the site, and are considered to have a negative impact on the adjoining neighbours. The floor levels are therefore considered non-compliant with Clause 6.10 'Maximum Ground and Floor Levels' of TPS6.
- (iv) The proposal conflicts with the Scheme objectives contained in Clause 1.6 of the *City of South Perth Town Planning Scheme No. 6*, specifically Objectives (c) and (f).
- (v) The proposal is considered inconsistent with the matters to be considered by Council contained in Clause 7.5 of the *City of South Perth Town Planning Scheme No. 6*, specifically Sub-clauses (j) and (n).

(b) Standard Advice Notes

795B	Appeal rights – Council decision
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(c) Specific Advice Notes

- (i) The applicant has depicted over height fences on the drawings in order to deal with visual privacy issues from the outdoor living areas. Under the provisions of Clause 6.7 of TPS6, fences should not exceed 1.8 metres unless the City has granted consent and is satisfied it will not negatively impact on the amenity of the adjoining neighbour. The City generally requires the consent of the adjoining neighbour prior to granting approval for an over height fence, and this consent has not been provided.
- (ii) In relation to the roof terrace of the south-western dwelling, the applicant has indicated that the proposed planter boxes will prevent overlooking of the courtyards of the adjoining dwellings, however has not provided sufficient information on the drawings to show this is the case. In order to demonstrate that overlooking does not occur, the applicant is required to provide details in relation to the proposed finished levels of the proposed planter boxes.

FOOTNOTE A full list of Standard Conditions and Advice Notes is available for inspection at the Council Offices during normal business hours.

Background

The development site details are as follows:

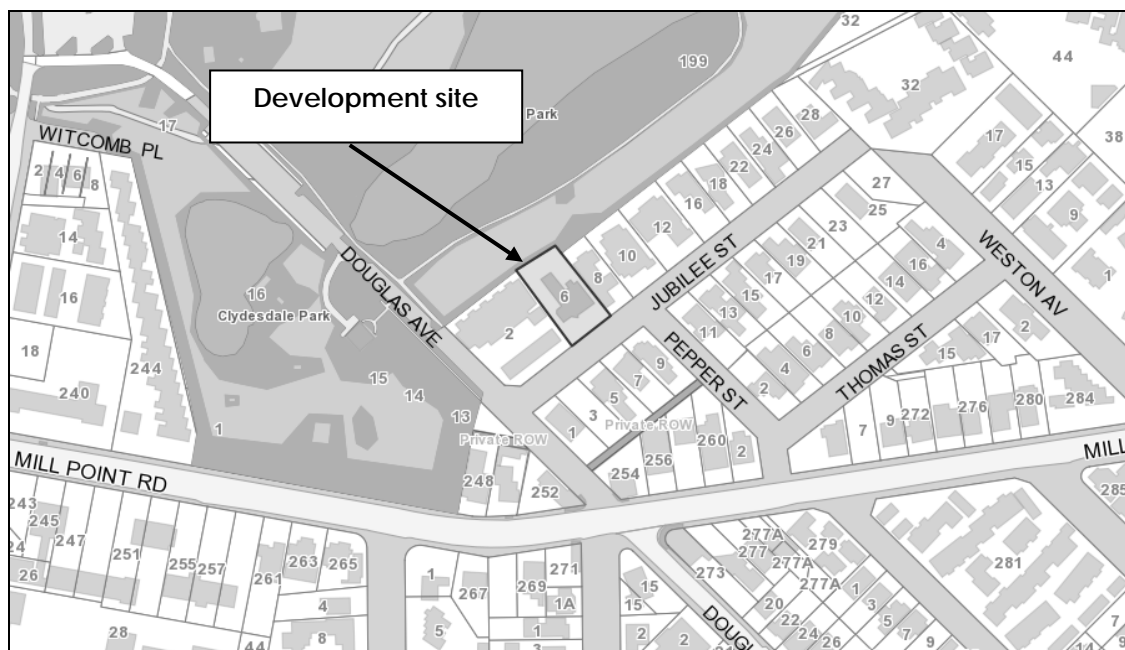
Zoning	Residential
Density coding	R40
Lot area	1,237 sq. metres
Building height limit	10.5 metres
Development potential	Five single houses or grouped dwellings
Plot ratio limit	Not applicable for single houses and grouped dwellings

This report includes the following attachments:

- Confidential Attachment 10.3.1(a)** Plans of the proposal.
- Attachment 10.3.1(b)** Applicant's supporting correspondence.
- Attachment 10.3.1(c)** Memo – Engineering Infrastructure.
- Attachment 10.3.1(d)** Memo – Heritage Officer.
- Attachment 10.3.1(e)** Streetscape Montage

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

The location of the development site is shown below:



In accordance with Council Delegation DC690, the proposal is referred to a Council meeting because it falls within the following categories described in the delegation:

2. Major developments

(b) Residential development which is 9.0 metres high or higher, or comprises 10 or more dwellings.

6. Amenity impact

In considering any application, the delegated officers shall take into consideration the impact of the proposal on the general amenity of the area. If any significant doubt exists, the proposal shall be referred to a Council meeting for determination.

7. Neighbour comments

In considering any application, the assigned delegate shall fully consider any comments made by any affected landowner or occupier before determining the application.

Comment

(a) Background

In December 2013, the City received an application for two single houses in a four-storey building on Lot 2 (No. 6) Jubilee Street, South Perth (the subject site). Following the officer's assessment and neighbour consultation period, the applicant was sent a letter requesting further information on 11 February. Several discussions between the applicant and assessing officer have occurred since this initial letter resulting in the drawings being modified a number of times. The current set of drawings, referred to as **Confidential Attachment 10.3.1(a)** were received on 7 May 2014.

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

(b) Description of the surrounding locality

The site has a frontage to Jubilee Street to the south, and to Sir James Mitchell Park to the north. To the east and west of the development site are single houses and grouped dwellings some of which rise to three storeys, as seen below, and the streetscape montage provided by the applicant, contained in **Attachment 10.3.1 (e)**.



(c) Description of the proposal

The proposal involves the demolition of the existing development and the construction of two single houses (four-storey) on the subject site, as depicted in the submitted plans at **Confidential Attachment 10.3.1(a)**.

The following planning aspects have been assessed and found to be compliant with the provisions of TPS6, the R-Codes and relevant Council policies, and therefore have not been discussed further in the body of this report:

- Land use – ‘Single House’ is a ‘P’ (Permitted) land use on the subject site zoned ‘Residential’ (Table 1 of TPS6);
- Building height limit (TPS6 Clause 6.1A);
- Street setback and setback of garage (R-Codes Clause 5.1.2 and 5.2.1, Clause 7.5(n) of TPS6);
- Open space (R-Codes Clause 5.1.4);
- Garage width (R-Codes Clause 5.2.2);
- Street surveillance and fences (TPS6 Clause 6.7, R-Codes Clauses 5.2.3, 5.2.4 and 5.2.5, and Council Policy P350.7 ‘Fencing and Retaining Walls’);
- Outdoor living area (R-Codes Clause 5.3.1);
- Parking and vehicle access (R-Codes Clause 5.3.3, 5.3.4 and 5.3.4, TPS6 Clause 6.3(8) and Schedule 5, and Council Policy P350.3 ‘Car Parking Access, Siting and Design’);
- Solar access for adjoining sites (R-Codes Clause 5.4.2); and
- Significant views (Council Policy P350.9 ‘Significant Views’).

The following planning matter, is considered acceptable but requires further discussion:

- Side setbacks (R-Codes Clause 5.1.3).

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

The following aspects of the development are considered non-compliant with the relevant planning provisions and are discussed further below:

- Boundary walls;
- Visual privacy (R-Codes Clause 5.4.1 and Council Policy P350.8 ‘Visual Privacy’); and
- Maximum ground and floor levels (TPS6 Clause 6.10).

(d) Side setbacks

The proposed development generally complies with the deemed-to-comply setback standards contained in Clause 5.1.3 and Tables 2a and 2b of the R-Codes. In order to ensure the first floor balconies on each dwelling comply with the relevant standards, fixed vertical screening has been provided ensuring these spaces can be treated as areas with non-major openings, thus reducing the setback requirements.

The side setbacks to the roof terraces do not comply with the deemed-to-comply standards as detailed below:

Site	Floor	Compass	Wall	Major openings	Height	Length	Setback required (m)	Setback provided (m)
1	3	South-west	Roof terrace	Yes	11	7.2	4.8	1.4
2	3	North-east	Roof terrace	Yes	11	7	4.8	1.6

In order to ensure the future inhabitants are able to take advantage of the views available from the roof terraces, the applicant has proposed a planter box on the outer edge of the roof terraces, rather than full height screening. If full height screening was proposed to these spaces, the setback requirement would reduce from 4.8 metres to 1.5 metres, meaning the south-western dwelling would comply with the relevant standards while Dwelling 1 would be proposing a minor variation.

On the north-eastern side, the proposed roof terrace is adjacent to blank walls and non-major openings, and as such will not have an impact in terms of bulk. The setback variation on the south-western side is adjacent to single storey dwellings, however is not considered likely to have a negative bulk impact as upper floors are unlikely to be visible from the ground floor of the adjacent dwellings. Finally the setback variations do not impact on the privacy of the adjacent dwellings.

The proposed setback variations are considered to meet the relevant design principles contained in Clause 5.1.3 of the R-Codes, and are considered acceptable.

(e) Boundary walls

Several boundary walls are proposed as a part of the development depicted in the plans of the proposal, referred to as **Confidential Attachment 10.3.1(a)**. The central boundary wall between the two dwellings has a height of approximately 12.0 metres, while the single storey boundary walls range in height between 2.9 and 4.9 metres. These walls will be discussed individually below.

Central boundary wall

The current proposal involves the development of two single houses linked by a central boundary wall. Under the deemed-to-comply standards of Clause 5.1.3 ‘Lot Boundary Setbacks’ of the R-Codes, boundary walls are permitted where they abut “an existing or simultaneously constructed wall of similar or greater dimension”. In addition to meeting the deemed-to-comply standards of the R-Codes, the boundary wall is considered appropriate in the context of the street where several

developments have been constructed which span the width of the lot, refer to **Attachment 10.3.1(e)** 'Streetscape montage'. The proposed wall is supported without modification.

Garage to drying court boundary wall (South-western boundary)

The majority of this wall is adjacent to the approved outdoor living area of the adjacent dwelling. The proposed wall height exceeds the maximum height permitted under Clause 6 of Council Policy P350.2 'Residential Boundary Walls', and as such is not supported by City officers.

Living room boundary wall (South-western boundary)

The proposed living room boundary wall has a maximum height of 4.5 metres when measured from the existing lot levels, however as seen on the relevant elevation, the height of the wall is 4.9 metres when measured from the adjoining property. The proposed wall is adjacent to major openings of the adjacent dwellings and will have a significant bulk impact on these rooms. The proposed wall is not considered to meet the amenity factors contained in Clause 5 of P350.2, and is not supported by City officers.

(f) Finished ground and floor levels - Maximum

Clause 6.10(1) of TPS6 generally aims to achieve equal cut and fill on a site to ensure that the subsequent building does not have a negative impact on the adjoining neighbours or the streetscape. In this instance, equal cut and fill would result in a finished floor level of 4.0 metres AHD for the ground level of each dwelling. The applicant has proposed a finished level of 4.5 metres AHD for the ground level of each dwelling. The proposed levels are considered to have a negative impact on the adjoining dwellings, as the bulk impact will be increased by virtue of additional height. The impact on the streetscape is also considered to be negative, as the majority of dwellings on the northern side of Jubilee street have finished levels which are equal to or slightly lower than kerb level. The proposed finished floor levels are considered to be inconsistent with Clause 6.10(1) of TPS6, and are not supported by City officers.

Clause 6.10(3) of TPS6 generally aims to achieve equal cut and fill for areas beyond the external walls of the dwelling. In this instance, equal cut and fill would result in a finished floor level of 3.5metres AHD for the rear deck area of each dwelling. The applicant has proposed a finished level of 4.4 metres AHD. The proposed levels are considered to have a negative impact on the adjoining neighbours in terms of visual bulk and visual privacy, and as such are considered to be inconsistent with Clause 6.10(3) of TPS6.

Further to the above, the majority of dwellings in the focus area which are fronting Sir James Mitchel Park, have been developed so that their rear garden areas are at the same level as the park or slightly above. The proposed levels, which are close to 1.5 metres above the adjoining park levels, result in a design which is not in harmony with adjoining dwellings, and as such the proposal is inconsistent with Clause 7.5(n) of TPS6.

The proposed finished floor levels of the rear decks are considered to be inconsistent with Clause 6.10(3) and 7.5(n) of TPS6, and are not supported by City officers.

(g) Visual privacy setbacks

The following table outlines the areas of the proposed design which do not comply with the deemed-to-comply standards or design principles of Clause 5.4.1 'Visual Privacy' of the R-Codes and in addition provides details of the areas being overlooked from these locations:

Major opening or raised outdoor area under consideration	Area being overlooked
South-western dwelling	
Master bedroom	Bedroom of the adjoining dwelling to the south-west
Second floor balcony	Swimming pool and outdoor living area of proposed north-east dwelling
Roof terrace *	1. Swimming pool and outdoor living area of proposed north-east dwelling; 2. Outdoor living areas of existing dwelling to the south-west.
North-eastern dwelling	
First and second floor balconies	Swimming pool and outdoor living area of proposed south-west dwelling
Roof terrace	Swimming pool and outdoor living area of proposed south-west dwelling

** In relation to the roof terrace of the south-western dwelling, the applicant has indicated that the proposed planter boxes will prevent overlooking of the courtyards of the adjoining dwellings, however has not provided sufficient information on the drawings to show this is the case. In order to demonstrate that overlooking does not occur, the applicant is required to provide details in relation to the proposed finished levels of the proposed planter boxes.*

As indicated on the proposed drawings and in the table above, the majority of the proposed overlooking occurs within the development site. The south-western dwelling overlooks sensitive areas of the proposed north-eastern dwelling and vice versa. The applicant has indicated that the future owners of the properties are aware of the overlooking issues and happy to sign off on these. While the owners are willing to sign off on the visual privacy issues, Clause 6 of Council Policy P350.8 'Visual Privacy' indicates each dwelling must comply with either the deemed-to-comply standards or design principles of the R-Codes, and officers are not authorised to waive these requirements based on a supporting letter.

As outlined above, the proposal does not comply with the deemed-to-comply standards or design principles of Clause 5.4.1 'Visual Privacy' of the R-Codes or Council Policy P350.8 'Visual Privacy', and as such is recommended for refusal.

(h) Scheme Objectives - Clause 1.6 of Town Planning Scheme No. 6

In considering the application, Council is required to have due regard to and may impose conditions with respect to matters listed in Clause 1.6 of TPS6 which are, in the opinion of Council, relevant to the proposed development. Of the 12 listed matters, the following are particularly relevant to the current application and require careful consideration:

- (a) *Maintain the City's predominantly residential character and amenity.*
- (c) *Facilitate a diversity of dwelling styles and densities in appropriate locations on the basis of achieving performance-based objectives which retain the desired streetscape character and, in the older areas of the district, the existing built form character.*

- (f) *Safeguard and enhance the amenity of residential areas and ensure that new development is in harmony with the character and scale of existing residential development.*

The proposed development is considered unsatisfactory in relation to Clause (f). and is not supported by City officers.

(i) Other Matters to be Considered by Council - Clause 7.5 of Town Planning Scheme No. 6

In considering the application, Council is required to have due regard to and may impose conditions with respect to matters listed in Clause 7.5 of TPS6 which are, in the opinion of Council, relevant to the proposed development. Of the 24 listed matters, the following are particularly relevant to the current application and require careful consideration:

- (a) *The objectives and provisions of this Scheme, including the objectives and provisions of a precinct plan and the Metropolitan Region Scheme.*
- (b) *The requirements of orderly and proper planning, including any relevant proposed new town planning scheme or amendment which has been granted consent for public submissions to be sought.*
- (c) *The provisions of the Residential Design Codes and any other approved Statement of Planning Council Policy of the Commission prepared under Section 5AA of the Act.*
- (d) *Any other Council policy of the Commission or any planning Council policy adopted by the Government of the State of Western Australia.*
- (f) *Any planning Council policy, strategy or plan adopted by Council under the provisions of Clause 9.6 of this Scheme.*
- (i) *The preservation of the amenity of the locality.*
- (j) All aspects of design of any proposed development, including but not limited to, height, bulk, orientation, construction materials and general appearance.**
- (k) *The potential adverse visual impact of exposed plumbing fittings in a conspicuous location on any external face of a building.*
- (l) *The height and construction materials of retaining walls on or near lot boundaries, having regard to visual impact and overshadowing of lots adjoining the development site.*
- (m) *The need for new or replacement boundary fencing, having regard to its appearance and the maintenance of visual privacy upon the occupiers of the development site and adjoining lots.*
- (n) The extent to which a proposed building is visually in harmony with neighbouring existing buildings within the focus area, in terms of its scale, form or shape, rhythm, colour, construction materials, orientation, setbacks from the street and side boundaries, landscaping visible from the street, and architectural details.**
- (w) *Any relevant submissions received on the application, including those received from any authority or committee consulted under Clause 7.4.*
- (x) *Any other planning considerations which Council considers relevant.*

The proposed development is considered unsatisfactory in relation to Objectives (j) and (n) of these matters, and as such City officers recommend refusal.

Consultation

(a) Design Advisory Consultants' comments

The design of the proposal was considered by the City's Design Advisory Consultants (DAC) at their meeting held in February 2014. The proposal was favourably received by the Consultants. Their comments and responses from the applicant and the City are summarised below:

DAC Comments	Applicant's Response	Officer Comment
The Design Advisory Consultants observed that the proposed built form demonstrated streetscape compatibility.	None.	The DAC comments are noted.
The Advisory Consultants recommended that windows should be incorporated in the two storey blank wall, visible in the south-west elevation of the dwelling on Lot 2.	The wall faces west, and therefore opportunities for direct sunlight penetration should be limited for passive solar design principles.	The applicant's comments are noted and supported.

(b) Neighbour consultation

Neighbour consultation has been undertaken for this proposal to the extent and in the manner required by Council Policy P301 'Consultation for Planning Proposals'. Under the 'Area 1' consultation method, individual property owners, occupiers and / or strata bodies at Nos. 2, 5, 7, 8, 9, 10 and 11 Jubilee Street were invited to inspect the plans and to submit comments during a minimum 14-day period.

During the advertising period, a total of 16 consultation notices were sent. Eight individual submissions and one petition was received during this time, each objecting to the proposal. The comments of the submitters, together with officer response are summarised below:

Submitters' Comments	Applicant's Response	Officer Response
(1) The survey plan indicates two storey brick and tile units at 2 Douglas Avenue (SW). This is incorrect; the southern most unit block is two storeys, however the northern most unit block is only one storey. We request this be amended accordingly.	This is simply a typographical error on the survey and has no bearing on the planning assessment for the proposed dwelling.	The applicant's response is upheld.
(2) The proposed building height, together with the boundary walls, will create visual bulk which would adversely impact neighbouring and nearby properties.	The height, bulk and scale of the development are consistent with that advocated by the Scheme. The development is also well articulated and has façade treatments and setbacks to help break-up the building mass.	The applicant's response is upheld.

Submitters' Comments	Applicant's Response	Officer Response
(3) There will be considerable shadow onto neighbouring properties in winter adversely affecting plant growth, clothes drying and recreational activities.	Please refer to the enclosed shadow diagrams of the boundary walls. The site has a density of R40 where up to 50% of the adjoining property is permitted to be overshadowed at midday in the middle of winter, whereas the proposed development overshadows only 8.5% of adjoining Lot 15. Notwithstanding the definition of a 'lot' and 'parent lot' for the purposes of overshadowing, a lot containing grouped and multiple dwellings (as contained within the R-Codes), the proposed development only overshadows 43.6% of the strata unit at the eastern corner of Lot 15. The proposed development complies with the deemed-to-comply provisions of the R-Codes.	The proposed overshadowing has been assessed by City officers and complies with the deemed-to-comply standards contained in the R-Codes. The applicant's response is upheld.
(4) There will be radiant heat in summer, which will be felt by neighbouring properties, due to the closeness and height of the buildings.	There are no regulations controlling radiant heat from a dwelling. If the objection is in relation to the southern neighbour, then the nearest wall will predominantly be in the shade until late afternoon thus limiting any potential for radiant heat to build up, and if it's from the nearest neighbour to the north, then the existing three storey dwelling to the north will overshadow the proposed dwelling for most of the morning, and in the early afternoon onwards, the wall will be in the shade as the sun moves west.	The submission and applicant's response are noted. Radiant heat is not controlled by TPS6 or any planning policy.
(5) There will be two separate titles with no gaps on any side boundary compromising safety in the event of fire or other emergencies.	The proposed development will be constructed to Australian Standards regarding fire safety, including fire rated walls between dwellings.	The proposed building will be required to meet the relevant provisions of the Building Code of Australia.

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

Submitters' Comments	Applicant's Response	Officer Response
<p>(6) The buildings appear to be overheight. The 10.5 metre building height must be observed, and reasonable space must exist between the boundary and ground floors.</p>	<p>The amended plans now satisfy the 10.5 metre height limit prescribed by the Scheme. The street is in transition with new buildings in the street already constructed to the height limit specified by the Scheme. This development is entirely commensurate with the City's vision for the street outlined by the Scheme.</p>	<p>The submitted drawings have been assessed by City officers and are considered to meet the building height limit.</p>
<p>(7) The height of the buildings appear to be significantly taller than any current buildings on that side of Jubilee Street which would destroy the ambience and streetscape.</p>		<p>The submitted drawings have been assessed by City officers and are considered to meet the building height limit.</p>
<p>(8) The boundary walls should be setback 1.5 metres from the boundaries.</p>	<p>In areas with a density code higher than R30, such as this site, the R-Codes permit parapet walls to be developed up to and abutting an existing or proposed simultaneously constructed parapet wall, and a parapet wall on the other side up to a maximum height of 3.5 metres for two-thirds of the length of the boundary. The proposed parapet wall to the neighbour's residence has been lowered to 3.072 metres from over 4.0 metres. The wall also appears to abut a servicing area of the adjoining dwellings with no major openings overshadowed. The front portion of this wall abuts an existing carport, and the separate living room wall has been agreed to by the affected adjoining owner.</p> <p>The setbacks from the boundaries provide for adequate daylight and ventilation, and do not impact on direct sun to both the subject site and the adjoining properties, whilst moderating the impact of building bulk on the adjoining properties. The height of the boundary wall to the neighbour's garage has been reduced to reflect the existing boundary wall on the adjoining property.</p>	<p>The proposed boundary walls have been assessed, having regard to Council Policy P350.2. The walls on the south-western boundary do not meet the amenity factors contained in this policy, and this forms one recommended reason for refusal.</p>

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

Submitters' Comments	Applicant's Response	Officer Response
(9) The location of the windows on the southern side of the building will overlook into the courtyards of the adjoining properties.	The development complies with the deemed-to-comply provisions of the R-Codes.	The proposal does not meet the relevant R-Codes standards in relation to visual privacy, and this forms one reason for refusal.
(10) The ground levels appear to have been raised significantly.	The finished floor level under the building has been designed to comply with the height requirements of the Scheme. The levels at the front of the property are 4.16 and 4.11 which are commensurate with the levels of the front of the property and the levels of both neighbouring properties. The levels at the northern side are now not being altered at all, with sunken gardens and pool deck now proposed. The proposal is consistent with the relevant design principles of the R-Codes, such that the finished floor levels respect the natural ground level of the site and neighbouring properties as viewed from the street. Therefore, the proposed floor levels are considered consistent with the Scheme.	The proposed finished levels do not meet the requirements of Clause 6.10 of TPS6, and this forms one reason for refusal.
(11) There are several mature trees on the site which add to the overall charm of the street, particularly the large Jacaranda probably over 8.0 metres in height.	Trees will be removed to enable development, but new trees will be planted to replace those being removed.	The submission and applicant's response are noted.
(12) The property was originally heritage listed and this should be taken into consideration when planning the development of this block.	The dwelling is no longer heritage listed and does not require retaining.	The application has been referred to the City's Heritage Officer for comment. If the application was to be approved, a specific condition requiring a plaque to be placed on site would be recommended by City officers.

10.3.1 Two Single Houses (Four-Storey) - Lot 2 (No. 6) Jubilee Street, South Perth

Submitters' Comments	Applicant's Response	Officer Response
(13) Three storeys has always been the limit; more than three storeys would block the views of the houses on the other side of the street, thereby reducing the property values. The building will result in the obstruction of significant views.		The submitted drawings have been assessed by City officers and are considered to meet the building height limit.
(14) The block is of a considerable size with adequate frontage and depth. The existing height limit is generous; there is no impediment to the views to Sir James Mitchell Park and there is no valid reason for any concessions to the boundaries, either horizontally or vertically.		The submission is noted. City officers recommend refusal of the proposal for the reasons noted above.
(15) The length of the garage and store boundary wall is unreasonable; with its current dimensions will darken the front bedroom and bathroom windows of the adjoining residence. There is no valid reason for the excessive length or increased height, especially as a considerable portion of the wall is to a store room not needed to accommodate a vehicle. We request the length and height be amended to reflect the existing boundary wall on the adjoining residence.	Whilst this wall does not cause any overshadowing, create any additional privacy impacts, and does not impact on the streetscape, this boundary wall has been reduced from 4.04 metres to a stepped 3.2 metres to 2.9 metres high wall where it does not abut the existing garage. This is only marginally higher than the existing wall, and lower than the maximum permitted height.	The boundary wall in this location has been reduced in length, and the store is now setback from the boundary. The applicant's submission has now been addressed.

Submitters' Comments	Applicant's Response	Officer Response
<p>(16) The 12.5 metre living area boundary wall is unreasonable and completely unnecessary. The proposed boundary wall for the sole purpose of creating an enormous living area will create noise and shading problems, and will be an ongoing maintenance problem due to no side access and issues regarding drainage of water. We request this wall be removed from the plans.</p>	<p>The proposed boundary wall causes no loss of sunlight to the adjoining property and is located opposite a three storey blank wall on the neighbouring property to the east, where there is little opportunity for it to impact on amenity or for sunlight to enter the neighbour's residence. The parapet wall therefore reduces the bulk of the neighbouring wall on the neighbour's premises, does not cause any overlooking impacts, and makes the most efficient use of the space as advocated by the R-Codes.</p>	<p>The living room wall on the north-eastern boundary has been assessed by City officers and is considered appropriate, having regard to the amenity factors in Clause P350.2. Future maintenance issues will be a civil matter to be addressed between landowners. The submitter's comments are noted, but not upheld.</p>
<p>(17) The streetscape is at risk because this proposal will set a precedent for boundary to boundary development. The visual aspect could be similar to city office blocks with no visual break-up between buildings. It adversely impacts the homes facing the buildings, as there are no vistas through to the foreshore.</p>		<p>Under the provisions of P350.2, boundary walls are permitted to both sides if the setbacks of these walls are staggered appropriately. The proposed boundary walls comply with this aspect of the policy, and may be supported.</p>
<p>(18) The overlooking stairwells to the sides be glazed to ensure our privacy is not invaded.</p>	<p>The stairwells are not active habitable rooms as defined by the R-Codes, and therefore do not constitute privacy issues. The development complies with the deemed-to-comply provisions of the R-Codes.</p>	<p>The applicant's submission is upheld.</p>
<p>(19) Potential restriction of views.</p>	<p>Planning Policy 350.09 'Significant Views' only becomes a relevant consideration where a setback relaxation is being sought. The majority of the development complies with the deemed-to-comply setback provisions of the R-Codes, with minor variations being sought for the ground level having no impediment to the views of properties on the south-eastern side of Jubilee Street.</p>	<p>Whist views are extremely desirable and universally sought after, they are not a property right in WA and should not be a means to stop other landowners realising their potential views. The submitters comment is not upheld.</p>

(b) Internal Administration

Comments were invited from Engineering Infrastructure, Landscapes Officer and the Heritage Officer sections of the City's administration.

The Manager, Engineering Infrastructure was invited to comment on a range of issues relating to crossovers and stormwater drainage, and the resulting memo is referred to as **Attachment 10.3.1(c)**. The Manager, Engineering Infrastructure has no objections to the proposal.

The application was referred to the City's Landscapes Officer in relation to the removal of a street tree. The Landscapes Officer raises no objection, subject to Standard Condition 415 being applied.

A memo from the Heritage Officer, Development Services is referred to as **Attachment 10.3.1(d)**. The Heritage Officer raises no objections to the proposal, subject to two specific conditions being applied.

Policy and Legislative Implications

Comments have been provided elsewhere in this report, in relation to the various provisions of the Scheme, R-Codes and Council policies, where relevant.

Financial Implications

This determination has some financial implications, as the applicant may choose to seek an application for review of Council's decision at the State Administrative Tribunal which may incur costs to the City.

Strategic Implications

This matter relates to Strategic Direction 3 'Housing and Land Uses' identified within Council's Strategic Plan 2013-2023 which is expressed in the following terms:

Accommodate the needs of a diverse and growing population.

Sustainability Implications

Noting the favourable orientation of the lot, the officers observe that the proposed development has generally been designed to have regard to solar passive design principles.

Conclusion

It is considered that the proposal does not meet all of the relevant Scheme, R-Codes and / or Council policy objectives and provisions, as it has the potential to have a detrimental impact on adjoining residential neighbours and streetscape. As such, City officers recommend refusal of the proposed development.

10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

Location: Lot 3 (No. 49A) George Street, Kensington
Ward: Moresby
Applicant: Ahmad Zaki Ahmadyar
Lodgement Date: 24 February 2014
Date: 28 April 2014
Author: Peter Ng, Statutory Planning Officer, Development Services
Reporting Officer: Vicki Lummer, Director, Development and Community Services

Summary

To consider an application for retrospective planning approval of the Temporary Use (Indoor Sporting Activities) at an established commercial premises on Lot 3 (No. 49A) George Street, Kensington.

Element on which discretion is sought	Source of discretionary power
Temporary Uses	TPS6 Clause 7.13

Officer Recommendation

That pursuant to the provisions of the *City of South Perth Town Planning Scheme No. 6* and the *Metropolitan Region Scheme*, this application for retrospective planning approval of the Temporary Use (Indoor Sporting Activities) on Lot 3 (No. 49A) George Street, Kensington, **be approved** subject to:

(a) Specific Conditions

- (i) This approval shall expire two years from the date of issue of planning approval, at which time the use of the building for the purposes of Indoor Sporting Activities shall cease unless, prior to the expiry of this approval, a further application for planning approval has been submitted and approved for the purpose of extending the time period of approval.
- (ii) No more than two persons shall be employed at the premises at any one time.
- (iii) The validity of this approval shall cease if the proposed use of the premises does not commence within 12 months of the date of planning approval.

(b) Specific Advice Notes

- (i) The applicant is advised of the need to obtain approvals from the City's Environmental Health and Building Services departments prior to the commencement of the use.
- (ii) If you are aggrieved by aspects of the decision where discretion has been exercised, you may lodge an appeal with the State Administrative Tribunal within 28 days of the determination date recorded on this notice.
There are no rights of appeal in relation to aspects of the decision where Council cannot exercise discretion.

FOOTNOTE A full list of Standard Conditions and Advice Notes is available for inspection at the Council Offices during normal business hours.

10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

Background

On 24 February 2014, the City received an application for a retrospective planning application of the Temporary Use (Indoor Sporting Activities) 'Fitness Attitudes' at an established commercial premises on Lot 3 (No. 49A) George Street, Kensington. The planning approval - Change of Use from 'Shop' to 'Temporary Use' as Indoor Sporting Activities was previously granted by Council on 27 November 2007, and the premise has been operating as personal training centre since then.

In February 2014, the personal training business was recently bought by one of the employee who works at this business. During this sales purchase transaction, it was observed that the previous planning approval of the Temporary Use (Indoor Sporting Activities) had lapsed in November 2009.

The nature of the business is to carry out personal training services within the premises. As highlighted in the applicant's covering letter, referred to as **Attachment 10.3.2(b)**, they also work in conjunction with local physiotherapists and other rehabilitation services to facilitate mobility for injured clients.

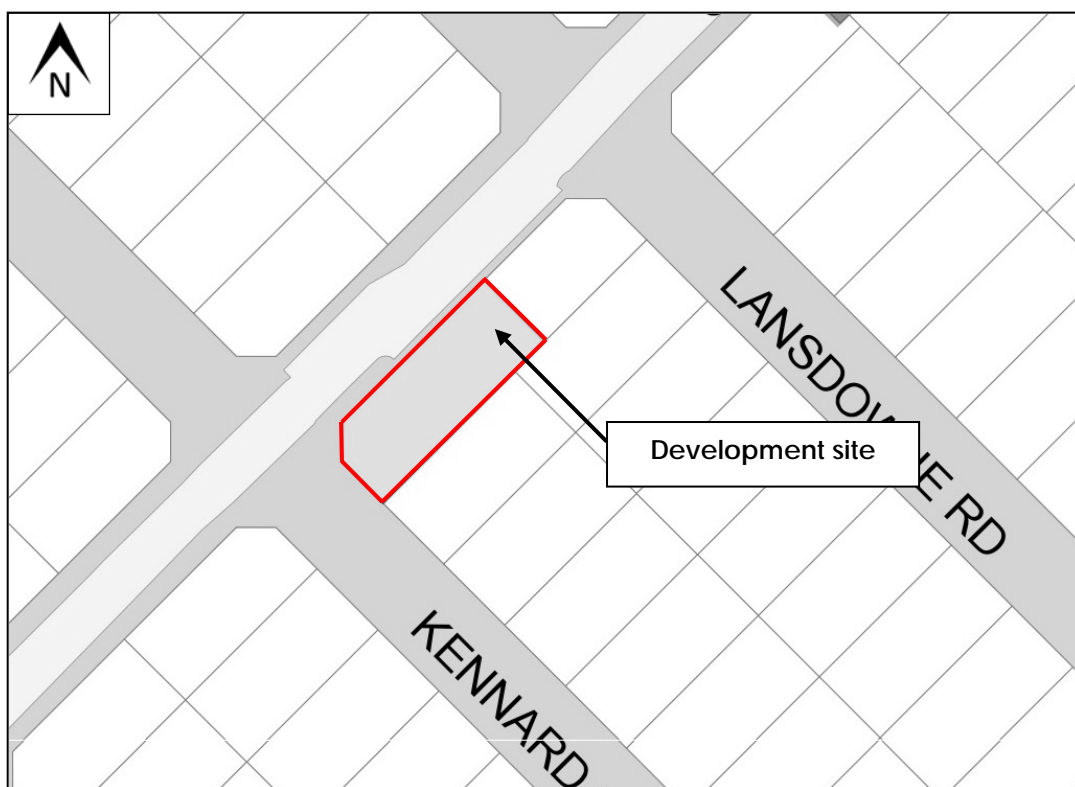
The development site details are as follows:

Zoning	Local Commercial
Density coding	R15
Lot area	905 sq. metres
Building height limit	7.0 metres
Plot ratio limit	0.5

This report includes the following attachments:

- Attachment 10.3.2(a)** Drawings of the proposal.
- Attachment 10.3.2(b)** Letters dated 16 February 2014 and 13 March 2014 from applicant.

The location of the development site is shown below:



10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

In accordance with Council Delegation DC690, the proposal is referred to a Council meeting because it falls within the following categories described in the delegation:

I. Specific Uses

- (i) *Temporary Uses being considered under Clause 7.13 of the Scheme, except where the City does not receive objections during consultation.*

While the City did not receive any objections during consultation, the subject proposal has been in operation without approval for the past four and half years. City officers are of the view that Council discretion is required to approve the continuation of this temporary use, and its establishment for more than six years.

Comment

(a) Description of the surrounding locality

The development is on a corner site with frontage to George Street to the north-west, and Kennard Street to the southwest.



Figure 1 – Surrounding locality

The commercial properties which form the George Street shopping precinct, between Kennard Street and Lansdowne Road, are zoned 'Local Commercial' within the *City of South Perth Town Planning Scheme No. 6*.

10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

The particular tenancy which is the subject of this application is adjoined to existing café, restaurant, office, shop and local shop within the commercial centre, as seen in *Figure 1* and the site photographs below:



Photo 1 and 2 – Show the existing shop, office, café / restaurant and local shop within the local commercial centre.



10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

(b) Description of the proposal

The proposal relates to a change of use of one of the tenancies on the subject lot from 'Shop' to a 'Temporary Use' as Indoor Sporting Activities. The applicant's letters, referred to as **Attachment 10.3.2(b)**, describes the proposal in more detail.

In accordance to Table I, Zoning – Land use of TPS 6, Indoor Sporting Activities is considered an 'X' (Prohibited Use) classification within the 'Local Commercial' zone.

Accordingly, the only basis upon which Council can consider approving the use is under the temporary use provisions contained within Clause 7.13 of TPS6 to ensure the proposed temporary use will not have any adverse effect on the residents, as well as amenity of the properties in the precinct. The provisions of the sub-clause are as follows:

"7.13 Temporary Use

- (1) *Notwithstanding any other provision of the Scheme, Council may grant planning approval for land to be used temporarily for a purpose not otherwise permitted by the Scheme provided that:

 - (a) *notice has been served in accordance with Clause 7.3 advising of the nature of and the time limitation on the proposed use;*
 - (b) *Council is satisfied that the proposed temporary use will not have any adverse effect on the residents or amenity of the properties in the precinct; and*
 - (c) *any proposed building to be erected or placed on the land is, in the opinion of Council, of a temporary or transportable nature.**
- (2) *A planning approval granted by Council for a temporary use shall be for a period specified by Council, and may contain such conditions as Council considers necessary to ensure that there is no adverse effect on the amenity of the precinct.*
- (3) *A person shall not undertake the temporary use of land other than in accordance with the provisions of this clause.*
- (4) *If Council grants planning approval for a temporary use, then upon expiry of the period specified by Council under Sub-clause (2):

 - (a) *the temporary use shall cease immediately; and*
 - (b) *any temporary or transportable buildings erected or placed on the land pursuant to Council's approval shall be immediately removed from the land."**

As such, 'Area 1' neighbour consultation has been undertaken as required in Sub-clause (1)(a) above and no written objections have been lodged with the City, which is discussed in the 'Neighbour Consultation' section.

In accordance with Clause 7.3 'Temporary Use' of TPS6, the list of factors that may impact on the amenity of adjoining properties were addressed by the applicant in **Attachment 10.3.2(b)**. Officer responses have been provided and summarised below:

Submitters' Comments	Officer Response
<p>Maximum number of persons on the premises</p> <p>It is not a gym and clients are not permitted to attend without an appointment and only work with a trainer, therefore limiting people attending to one or two at any one time.</p>	<p>A condition of approval has been formulated with respect to limiting the number of staff employed at the premises at any one time to a maximum of two.</p>

10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

Submitters' Comments	Officer Response
<p>Operating hours It is only open by appointment, and as a general rule clients come early in the morning from around 6:00am till around 10:00am, usually before the two adjacent restaurants are even open; then open by appointment later in the afternoon till around 7:30 to 8:00pm when once again the restaurants begin their evening trade.</p>	<p>The proposed operating hours are consistent with other similar uses situated within commercial localities. No specific condition has been recommended in this regard.</p>
<p>Availability of car parking bays Parking has never been an issue as there are eight bays in front, four opposite the shops, and a parking area for four cars in the centre car park giving a total of more than 20 bays available around the complex of which we only require a maximum of four at one given time. The majority of the time we would only require two parking bays, as there will be only one trainer and one client on the premises.</p>	<p>There are 11 car parking bays which are marked within the George Street road reserve, between Kennard Street and Lansdowne Road. There are additional bays (not marked) on Lansdowne Road and Kennard Street, and there are three car parking bays on the development site. The available car parking satisfies the needs of the local shopping centre and this has been confirmed during inspections undertaken by the City officer. The intensity of use which is associated with the proposed development (i.e. two staff members and two clients at any one time) is not anticipated to adversely affect parking availability for the centre. Additionally, the different operating hours and periods of peak demand between the shops and the proposed centre provide opportunity for reciprocal parking.</p>
<p>Amenity impact We are passionate about health, fitness and wellbeing, and we love sharing it with others to improve their lifestyle. We get along with our neighbouring businesses, and they have not had any complaints about us since the business has been operating more than six years ago.</p>	<p>Based on the City's record, no complaints have been received from adjoining neighbours since the business commenced operation in 2007, more than six years ago. The business model based on one to one personal training will not have any adverse amenity impact on the residents and surrounding neighbours.</p>

Hence, it can be considered that following the submission of drawings, referred to as **Attachment 10.3.2(a)**, and justification by the applicant and associated planning assessment by the officer, the proposed development complies with Council Scheme provisions, subject to imposition of the recommended condition of approval.

Given this, it can be concluded that Clause 7.3 'Temporary Use' of TPS6 has been satisfied in that the proposed temporary use will not have any adverse impact on the residents or amenity of the properties in the neighbourhood.

10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

(c) Parking

The requirement for the number of car parking bays for the proposed use was previously satisfied in 2007. The proposal remains unchanged since its operation more than six years ago. As discussed under in the table above, there are sufficient car parking bays to cater for the need of the proposed use as well as other uses within the local commercial centre.

The proposed development is considered satisfactory in relation to all of these matters.

(d) Scheme Objectives - Clause 1.6 of Town Planning Scheme No. 6

In considering the application, Council is required to have due regard to and may impose conditions with respect to matters listed in Clause 1.6 of TPS6 which are, in the opinion of Council, relevant to the proposed development. Of the 12 listed matters, the following are particularly relevant to the current application and require careful consideration:

- (a) Maintain the City's predominantly residential character and amenity.*
- (g) Protect residential areas from the encroachment of inappropriate uses.*
- (h) Utilise and build on existing community facilities and services and make more efficient and effective use of new services and facilities.*
- (j) In all commercial centres, promote an appropriate range of land uses consistent with:
 - (i) the designated function of each centre as set out in the Local Commercial Strategy; and*
 - (ii) the preservation of the amenity of the locality.**

With regards to the abovementioned objectives, the proposed development is considered to comply, subject to the recommended conditions.

(e) Other Matters to be Considered by Council - Clause 7.5 of Town Planning Scheme No. 6

In considering the application, Council is required to have due regard to and may impose conditions with respect to matters listed in Clause 7.5 of TPS6 which are, in the opinion of Council, relevant to the proposed development. Of the 24 listed matters, the following are particularly relevant to the current application and require careful consideration:

- (a) The objectives and provisions of this Scheme, including the objectives and provisions of a precinct plan and the Metropolitan Region Scheme.*
- (b) The requirements of orderly and proper planning, including any relevant proposed new town planning scheme or amendment which has been granted consent for public submissions to be sought.
 - (i) The preservation of the amenity of the locality.*
 - (p) Any social issues that have an effect on the amenity of the locality.*
 - (t) The amount of traffic likely to be generated by the proposal, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety.**
- (x) Any other planning considerations which Council considers relevant.*

With regards to the abovementioned matters, the proposed development is considered to comply, subject to the recommended conditions.

10.3.2 Retrospective Planning Approval of the Temporary Use (Indoor Sporting Activities) - Lot 3 (No. 49A) George Street, Kensington

Neighbour Consultation

Neighbour consultation has been undertaken for this proposal to the extent and in the manner required by Council Policy P301 'Consultation for Planning Proposals'. Under the 'Area 1' consultation method, individual property owners and occupiers at No. 51 George Street, Nos. 131 and 135 Lansdowne Street, and Nos. 27, 28, 29, 31, 32, 33 and 34 Kennard Street, were invited to inspect the plans and to submit comments during a minimum 14-day period.

A total of 10 consultation notices were mailed to individual property owners and occupiers. During the advertising period, no submissions were received by the City in relation to the proposal.

Policy and Legislative Implications

Comments have been provided elsewhere in this report in relation to the various provisions of the Scheme, R-Codes and Council policies, where relevant.

Financial Implications

This determination has no financial implications.

Strategic Implications

This matter relates to Strategic Direction 3 'Housing and Land Uses' identified within Council's Strategic Plan 2013-2023 which is expressed in the following terms:

Accommodate the needs of a diverse and growing population.

Sustainability Implications

Being a non-residential land use of a non-sensitive nature, it is considered that the development promotes an opportunity to access the services to improve the health and wellbeing for the local community. The subject land use has been in operation since November 2007, and has proven record of an acceptable amenity impact on the neighbourhood.

Conclusion

In addition to the points discussed above, the proposal does not materially affect the external appearance of the existing building and its plot ratio requirement. City officers are also satisfied that the proposed temporary use will not have any adverse effect on the residents or amenity of the properties in the precinct.

As such, the proposal is seen to generally satisfy the provisions of TPS6, and it is considered that the application should be conditionally approved by Council.

10.4 STRATEGIC DIRECTION 4: PLACES

10.4.1 Tender 6/2014 – Demolition of Manning Hub Buildings and Facilities

Location: City of South Perth
Applicant: Council
Date: 7 May 2014
Author: Gil Masters, Building and Assets Coordinator
Reporting Officer: Mark Taylor, Acting Director Infrastructure Services

Summary

Tenders have been called for the demolition of buildings and facilities on the site of the proposed Manning Hub. This report outlines the assessment process used during the evaluation process of the tenders received and recommends acceptance of the tender that provides the best value for money and level of service to the City.

Officer Recommendation

That the Lump Sum tender of \$168,000 excluding GST submitted by Brajkovich Demolition (WA) Pty Ltd for the Demolition of Manning Hub Buildings and Facilities (Tender 6/2014) be approved.

Background

The City has been proceeding with the redevelopment of the Manning Hub. As part of this process, the existing buildings on site, including the Manning Hall, Kensington Tennis Club, Bradshaw Health Clinic and public toilets need to be demolished.

Comment

Tenders were called for demolition of these buildings in the West Australian on Saturday 22 March 2014 and closed at 2.00pm on Friday 11 April 2014. At the close of tenders four submissions were received.

An initial compliance check was made of the all tender submissions and it was determined that only two of the tender submissions were considered to be conforming to the schedules and specification. The prices provided by complying tender submissions are listed below.

TABLE A - Tender Submissions and Prices

Tender Submission	Price (ex GST)
1. Brajkovich Demolition (WA) Pty Ltd	\$168,000
2. McMahon Services Australia Pty Ltd	\$313,770

The remaining tenders were then assessed in more detail against the qualitative criteria as established below.

TABLE B - Qualitative Criteria

Qualitative Criteria	Weighting %
1. Key Personnel Skills and Experience	10%
2. Tenderers Resources	20%
3. Relevant Experience	20%
4. Price	50%

10.4.1 Tender 6/2014 – Demolition of Manning Hub Buildings and Facilities

Each company's submission and response to the criteria was then incorporated into the Selection Criteria matrix. The final tender matrix scores appear below.

TABLE C - Weighted Score

Tender Submission	Score
1. Brajkovich Demolition (WA) Pty Ltd	8.70
2. McMahon Services Australia Pty Ltd	4.68

As a result of this process, the tender by Brajkovich Demolition (WA) Pty Ltd achieved the best score within the qualitative criteria and at the lowest price. The assessing officers therefore consider it represents the best outcome for the City.

The preferred contractor has carried out extensive work in areas such as the Department of Housing, Perth Entertainment Centre, FESA and City of Perth. The contractor has the resources, policies and management practices to undertake the work.

The tender submitted by Brajkovich Demolition (WA) Pty Ltd represents the best value for the City and is therefore recommended for approval by Council.

Consultation

Public tenders were invited in accordance with the *Local Government Act 1995*.

Policy and Legislative Implications

Section 3.57 of the *Local Government Act 1995* (as amended) requires a local government to call tenders when the expected value is likely to exceed \$100,000. Part 4 of the Local Government (Functions and General) Regulations 1996 sets regulations on how tenders must be called and accepted.

The value of the tender exceeds the amount which the Chief Executive Officer has been delegated to accept, therefore this matter is referred to Council for its decision.

The following Council Policies also apply:

Policy P605 - *Purchasing & Invoice Approval*;

Policy P607 - *Tenders and Expressions of Interest*.

The general Conditions of Contract forming part of the Tender Documents states among other things that:

- *The City is not bound to accept the lowest or any tender and may reject any or all Tenders submitted;*
- *Tenders may be accepted, for all or part of the Requirements and may be accepted by the City either wholly or in part. The requirements stated in this document are not guaranteed; and*
- *The Tender will be accepted to a sole or panel of Tenderer(s) who best demonstrates the ability to provide quality services at a competitive price which will be deemed to be most advantageous to the City.*

10.4.1 Tender 6/2014 – Demolition of Manning Hub Buildings and Facilities

Financial Implications

An allocation has been provided in the 2013/2014 Capital Works program for this project.

Strategic Implications

The report is consistent with the City's [Strategic Community Plan 2013–2023](#) Direction 4 Places – *Develop, plan and facilitate vibrant and sustainable community and commercial places.*

Sustainability Implications

The Contractor has provided a detailed analysis of their process in achieving their benchmark of 98% recycling of demolition refuse. All facets of the process include asbestos removal, mechanical demolition, transportation, and tipping. This recycling includes all concrete and masonry rubble into aggregate for reuse.

10.4.2 Tender 23/2013 – Supply and Construction of a Men’s Shed – Manning Senior Citizens Centre

Location: City of South Perth
 Applicant: Council
 Date: 7 May 2014
 Author: Gil Masters, Buildings and Assets Coordinator
 Reporting Officer: Mark Taylor, Acting Director Infrastructure Services

Summary

Tenders have been called for the Supply and Construction of a Mens Shed adjacent to the Manning Senior Citizens Centre.

This report outlines the assessment process used during the evaluation of the tenders received and recommends acceptance of the tender that provides the best value for money and level of service to the City

Officer Recommendation

That:

1. The Lump Sum tender of \$395,337 ex GST submitted by Solution 4 Building Pty Ltd for the Supply and Construction of a Men’s Shed at the Manning Senior Citizens Centre (Tender 23/2013), be approved; and
2. To fund the budget shortfall of \$70,000 the following budget review be endorsed:

Account Number	Description	Type	Current Budget	Revised Budget	Amendment	Comment
5994.0108	Building Grant - Lotterywest	Rev	130,000	150,000	20,000	Higher grant achieved
5994.0421	Building Contribution - Manning Seniors	Rev	100,000	114,000	14,000	Higher contribution offered
6285.1500.30	Park Lighting	Exp	70,000	60,000	10,000	Budget reallocated
8116.4500.30	Asbestos Replacement Program	Exp	65,000	10,000	55,000	Budget reallocated
8139.4500.30	Civic Centre Patio Roof	Exp	15,000	10,000	5,000	Budget reallocated
8142.4500.30	Manning Mens Shed	Exp	300,000	404,000	-104,000	Additional funding for project

Background

The concept of a Mens Shed has been a revolution since at least 1997 with the opening of a Shed in Lane Cove, New South Wales. The Australian Mens Shed Association (AMSA) website advises that it has over 1000 Mens Sheds registered.

The reason why Mens Sheds are considered important in contemporary society is explained in the AMSA website and quoted below.

Most men have learned from our culture that they don’t talk about feelings and emotions. There has been little encouragement for men to take an interest in their own health and well-being. Unlike women, most men are reluctant to talk about their emotions and that means that they usually don’t ask for help. Probably because of this many men are less healthy than women, they drink more, take more risks and they suffer more from isolation, loneliness and depression. Relationship breakdown, retrenchment or early retirement from a job, loss of children following divorce, physical or mental illness are just some of the problems that men find it hard to deal with on their own.

Good health is based on many factors including feeling good about yourself, being productive and valuable to your community, connecting to friends and maintaining an active body and an active mind. Becoming a member of a Men’s Shed gives a man that safe and busy environment where he can find many of these things in an atmosphere of old-fashioned mateship. And, importantly, there is no pressure. Men can just come and have a yarn and a cuppa if that is all they’re looking for.

The idea for a Mens Shed in the City of South Perth was first raised by members of the Manning Senior Citizens Committee for men to tinker and talk. In 2012 they undertook to prepare a concept plan for a shed and sought assistance from the City. The proposal is to construct a shed adjacent to the Manning Senior Citizens site.

Comment

Tenders were called in the West Australian on Saturday 16 November 2013 and closed at 2.00pm on Wednesday 15 January 2014. At the close of tenders eight submissions were received.

An initial compliance check was made by the Assessment Panel (Panel) of the all tender submissions, with all tenders submitted considered to be conforming. The prices provided by tenderers based on the Schedule of Rates and Lump Sum submitted are listed below.

TABLE A - Tender Submissions and Prices

	Tender Submission	Price (ex GST)
1.	Max Constructions (Aust) Pty Ltd	\$350,394.00
2.	Solution 4 Building	\$395,337.00
3.	Palace Homes & Construction	\$417,376.38
4.	Glory Construction	\$424,519.00
5.	Connolly Building Company	\$452,893.00
6.	CPD Group Pty Ltd	\$481,780.00
7.	ZD Construction 93 Pty Ltd	\$493,791.00
8.	Robinson Build-Tech	\$529,845.85

Tenders were then accessed by the Panel in more detail against the qualitative criteria as established below.

TABLE B - Qualitative Criteria

Qualitative Criteria	Weighting %
1. Industrial Relations & Safety Record	10%
2. Demonstrated Understanding to Perform on Time	10%
3. Tenderers Resources Including Plant and Current Commitments	15%
4. Relevant Experience Including Details of Similar Work	15%
5. Price	50%
TOTAL	100%

Each company’s submission and response to the criteria was then incorporated into the Selection Criteria matrix. The final tender matrix scores appear below.

TABLE C - Weighted Score

Tender Submission	Score
1. Solution 4 Building Pty Ltd	8.26
2. Palace Homes & Construction Pty Ltd	7.87
3. Connolly Building Company	7.49
4. CPD Group Pty Ltd	7.35
5. Glory Construction	6.58
6. ZD Construction 93 Pty Ltd	6.55
7. Max Constructions (Aust) Pty Ltd	6.40
8. Robinson Build-Tech	6.39

The lowest priced tender submission (Max Constructions (Aust) Pty Ltd), while compliant, is not considered a particularly good response to the Request for Tender, with limited detail provided in the schedules. As a result, the Panel marked it quite low against the Qualitative Criteria and it has a low total weighted score (Table C).

As a result of this process, the tender by Solution 4 Building Pty Ltd has achieved the best score within the qualitative assessment. While it is not the lowest priced bid the Panel believes it represents the best outcome for the City.

Solution 4 Building Pty Ltd has carried out work previously for the City, including renovations to the Salter Point Sea Scouts facility and the relocation and construction of a new storeroom at the Kensington Kindergarten. This work has all been constructed on schedule and to a high standard.

The tender submitted by Solution 4 Building Pty Ltd is therefore recommended to be approved by Council.

The reason why this tender has taken some time to be reported to Council is due to the fact that the preferred tender price is over the budget allocation. In response, City officers met with members of the Manning Senior Citizens to discuss the possibility of them obtaining additional funds. Attempts were made to seek funding but were unsuccessful. In the interests of ensuring this project is completed, the City has recommended a budget amendment to secure the required additional funding.

In view of the time taken since tenders were received, the City has contacted the preferred contractor who has agreed to maintain the tendered price.

Consultation

Public tenders were invited in accordance with the *Local Government Act 1995*.

Policy and Legislative Implications

Section 3.57 of the *Local Government Act 1995* (as amended) requires a local government to call tenders when the expected value is likely to exceed \$100,000. Part 4 of the Local Government (Functions and General) Regulations 1996 sets regulations on how tenders must be called and accepted.

The value of the tender exceeds the amount which the Chief Executive Officer has been delegated to accept, therefore this matter is referred to Council for its decision.

The following Council Policies also apply:
 Policy P605 - *Purchasing & Invoice Approval*;
 Policy P607 - *Tenders and Expressions of Interest*.

The general Conditions of Contract forming part of the Tender Documents states among other things that:

- *The City is not bound to accept the lowest or any tender and may reject any or all Tenders submitted;*
- *Tenders may be accepted, for all or part of the Requirements and may be accepted by the City either wholly or in part. The requirements stated in this document are not guaranteed; and*
- *The Tender will be accepted to a sole or panel of Tenderer(s) who best demonstrates the ability to provide quality services at a competitive price which will be deemed to be most advantageous to the City.*

Financial Implications

A total of \$412,000 is required to complete this project. This includes the preferred tender of \$395,337 plus other associated costs.

The City has allocated \$78,000 to the project in the 2013/2014 Infrastructure Capital Works program. The other sources of funding are a grant from Lotterywest for \$150,000, which has been awarded but not yet received and \$114,000 raised by the Manning Senior Citizens. These funds will be received in 2014/2015.

Lotterywest	\$150,000
Manning Seniors Citizens (including private contributions)	\$114,000
City of South Perth 2013/2014 budget	\$ 78,000
TOTAL	<u>\$342,000</u>

A further \$70,000 is required to fund the shortfall. It is recommended that funds from other programs in the 2013/2014 Infrastructure Capital Works program be reallocated to this project:

Balance of Park Lighting budget (6285)	\$10,000
Defer Asbestos Replacement Program (8116)	\$55,000
Balance of Civic Centre Patio Roof budget (8139)	\$ 5,000
Total	<u>\$70,000</u>

Other than deferring the Asbestos Replacement program the other two projects have been completed and the remaining budgets would not otherwise be expended in 2013/2014.

Strategic Implications

This recommendation contained in this report is consistent with the Strategic Plan 2013–2023:

Direction 1 – Community “*Create opportunities for an inclusive connected, active and safe community*”

Direction 4. – Places – “*Develop, plan and facilitate vibrant and sustainable community and commercial places*”

Sustainability Implications

The City engaged a Consultant to carry out a BCA Part J DTS Energy Efficiency Conformance Audit. The audit addressed the following issues:

- Thermal Efficiency;
- Roof and Ceiling Insulation;
- Lighting;
- Walls;
- Insulation;
- Windows and Doors
- Floors and Coverings;
- Glazing;
- Air Conditioning;
- Artificial and Natural Lighting;
- Power; and
- Hot Water Supply.

Addressing all of these areas will not only have the benefit of reducing the City’s greenhouse gas emissions, but will also will help reduce the cost of operating the building over time.

10.5 STRATEGIC DIRECTION 5: INFRASTRUCTURE AND TRANSPORT

10.5.1 McDonald Street Traffic Management Options

Location:	City of South Perth
Applicant:	Council
Date:	Friday 02 May 2014
Authors:	Catherine Deady, Traffic Technical Officer Les Croxford, Manager Engineering Infrastructure
Reporting Officer:	Mark Taylor, Acting Director Infrastructure Services

Summary

At its meeting held on 25 March 2014, the Council considered a petition from Mr Justin Vyse of 24 McDonald Street Como, together with 29 signatures in relation to traffic management at the McDonald Street, South Terrace intersection.

This report highlights the investigations undertaken by City officers since receipt of the petition and presents a recommendation to Council for consideration and adoption.

Officer Recommendation

That

1. The City does not support the extension of the median island on South Terrace east of McDonald Street to prevent traffic turning right into McDonald Street from South Terrace;
2. Funds be allocated in the 2014/2015 Annual Budget to enable the City to investigate and implement further traffic management measures on McDonald Street to reduce the speed environment on the local road network; and
3. The petitioners be advised of the Council's resolution.

Background

At its meeting on 25 March 2014, the Council considered a petition at Item 8.1.1 requesting the extension of the traffic median on South Terrace east of McDonald Street. The petition was received from Mr Justin Vyse of 24 McDonald Street Como, together with 29 signatures.

The text of the petition read as follows:

*"We, the residents of McDonald Street (between South Terrace and Comer Street), **support** the proposal for the island just east of the McDonald Street intersection be extended in order to prevent traffic travelling east on South Terrace from turning right into McDonald Street."*

Council subsequently resolved that:

The petition dated 24 February 2014 received from Justin Vyse, 24 McDonald Street, Como together with 29 signatures in relation to traffic management at the McDonald Street, South Terrace intersection, be forwarded to the Acting Director Infrastructure Services for consideration.

This report highlights the investigations undertaken by the City's administration and presents a recommendation to Council for consideration and adoption.

Comment

At its meeting on 25 February 2014, the Council adopted the Area 9a, 9b & 10 Local Area Traffic Management Study. Area 9a, 9b & 10 encompasses the subject section of McDonald Street and South Terrace. The Study identifies the requirement for further traffic management measures on McDonald Street in addition to the two roundabouts and three intersection treatments that were installed on McDonald Street over 15 years ago.

The study recommends that traffic management measures on McDonald Street are to be re-considered in five years subject to the lack of community support (received via a hardcopy and online survey) which was the supporting documentation in the final report.

At the February Agenda Briefing (18 February) the nominated spokesperson (now lead petitioner) spoke against the recommendation from the Consultant's report commenting, contrary to the above suggestion, that there was widespread support from residents for traffic calming along McDonald Street to be included in the schedule of works for the first year rather than it be reconsidered in five years. The request centred on multiple traffic calming measures along the street as a solution to the issue of traffic in the street with the elimination of the right turn movement from South Terrace being offered up as an effective and least costly alternative.

In the intervening period the alternative right turn ban from South Terrace became the priority and was the only matter addressed in the petition. During March at least five residents, who were not a signatory to the petition, in correspondence to the City, restated the issue to be speeding vehicles along the street with a number making particular reference to traffic travelling from Thelma Street to South Terrace.

As part of the investigation into this matter, Engineering Infrastructure has reviewed the traffic volumes and speed environment on McDonald Street between South Terrace and Preston Street.

Traffic Volumes

South Terrace is classified as a District Distributor B Road, which carries more than 6,000 vehicles per day. McDonald Street is classified as a Local Access Road, which can carry up to 3,000 vehicles per day.

Traffic counter and speed classifier equipment was temporarily installed in mid-block locations along McDonald Street for the one week period Monday 10 March to Tuesday 18 March 2014. The mid-block sections included were:

McDonald Street between South Terrace and Gardner Street

- The average weekday total (AWT) travelling in this section of McDonald Street was 1,440 vehicles;
- The AWT north bound (to South Terrace) was 627 vehicles and south bound (from South Terrace) 813 vehicles.

McDonald Street between Gardner Street and Comer Street

- The AWT travelling in this section of McDonald Street was 1,426 vehicles;
- The AWT north bound was 613 vehicles and south bound 813 vehicles.

McDonald Street between Comer Street and Eric Street

- The AWT travelling in this section of McDonald Street was 1,310 vehicles;
- The AWT north bound was 587 vehicles and south bound 720 vehicles; and

10.5.1 McDonald Street Traffic Management Options

McDonald Street between Eric Street and Preston Street

- The AWT travelling in this section of McDonald Street was 1,246 vehicles;
- The AWT north bound was 526 vehicles and south bound 717 vehicles.

The existing traffic patterns on McDonald Street indicate that traffic is being distributed effectively and efficiently and is performing within the indicative traffic volume for a Local Access Road.

Speed Data

Vehicle speed surveys conducted indicate that the 85th percentile (or operating) speeds are in excess of the nominated speed limit of 50 km/h and can be considered to be excessive and undesirable, particularly in the residential areas. The 85th percentile speed is defined as that speed at which 85% of vehicles travel at or below, and is the commonly used measure of speed in traffic studies.

The 85th Percentile for the midblock sections on McDonald Street was measured at:

McDonald Street between South Terrace and Gardner Street

- 55.8km/h with no appreciable difference in either direction;

McDonald Street between Gardner Street and Comer Street

- 53.3km/h with no appreciable difference in either direction;

McDonald Street between Comer Street and Eric Street

- 53.3km/h with no appreciable difference in either direction; and

McDonald Street between Eric Street and Preston Street

- 53.3km/h with no appreciable difference in either direction.

The City considers vehicle speeds exceeding the posted speed limit by 5km/h and beyond as excessive, and coupled with the expected diversion of some south bound traffic from South Terrace there are sufficient grounds for traffic calming measures to be incorporated along McDonald Street.

It is acknowledged, by definition, that 15% of the vehicles in the section to Gardner Street are travelling at a speed greater than 56kph. This is already in excess of the urban posted speed limit and as a result further traffic calming should be considered. It should be noted that the 95th percentile speed for the same section of McDonald Street is 61kph. This would equate to about 70 vehicles a day travelling greater than 61kph. There is however little to support the contention that only the intersection of South Terrace and McDonald Street be treated as the speed differential is maintained along the entire street length.

The existing roundabouts at Comer and Preston Street were introduced over 15 years ago when the AWT for the street was in the order of 1000 vehicles per day and at the time less than traffic flows in comparable streets such as Birdwood Avenue and Park Street, that continue to experience similar issues being adjacent to or off Canning Highway. The current AWT is now comparable to Birdwood Avenue.

Public Transport

Bus route number 34 travels along South Terrace between Sandgate Street and Murray Street and has no impact on McDonald Street.

10.5.1 McDonald Street Traffic Management Options

Parking

Kerb side parking is in high demand along the roads that have high density living. There are currently a number of housing developments in reconstruction stage on McDonald Street. The construction vehicles and trades vehicles associated with redevelopment contributes significantly to the congestion with vehicles parked on the street.

Conclusion

In summary it is inevitable; being so close to the CBD, that traffic congestion on the main distributor roads leading to the City will result in some spill over of traffic into the adjoining local access roads. The role of local government (in its capacity as a road authority) is to manage its road network responsibly, in a manner that benefits all road users and consistent with other State Transport agencies. Overlooking the residual capacity in the local access road network by forcing more local traffic onto congested regional routes is not managing the network correctly.

The City has always maintained as “Best Practice” the premise that traffic management for a local area be addressed on a whole of area basis and not solely on a street as measures undertaken in isolation on one street are likely to impact heavily on other streets in close proximity. This has been uppermost in the deliberations around both local area traffic studies for 9A/9B and 10 and in neither study was the case mounted for a partial closure to McDonald Street.

Traffic calming to ensure vehicle speeds are within acceptable limits, without prohibiting certain movements or classes of vehicles, is the only responsible and appropriate solution for road authorities. Understandably, this may not be in accord with the wishes of the McDonald Street owners, but equally if given an opportunity, every property owner within the City would seek to limit movement in their street to only local traffic.

It is recommended that the City in its capacity as a road authority not consider any proposal for the extension of the central island in South Terrace at McDonald Street that would prohibit the right turn movement into McDonald Street. However it is recommended that additional traffic management be installed along McDonald Street within each of the sections.

Two traffic management / calming treatments that are considered appropriate for the street are the raised plateau treatments. These types of treatments are very effective in slowing drivers but may cause noise and vibration issues to adjacent property owners. Another possible treatment is the modified or offset T intersection treatment which effectively reduced vehicles speeds with drivers having to negotiate a curved alignment. A combination of both treatments could be implemented with the modified T intersection treatment at Gardner Street and McDonald Street and raised plateau treatments beyond Comer Street.

Consultation

There has been no further consultation from that undertaken as part of the Local Area 9A,9B, and 10 Study facilitated by ShawMac Consulting Civil and Traffic Engineers and a working group comprising local community members.

Policy and Legislative Implications

Policy P510 Traffic Management Warrants. The objective of this Policy is to ensure that requests for traffic management within the City are assessed in an equitable and fair manner, a set of criteria addressing such issues as traffic speed, traffic volume, crash history, road layout, vulnerable users (i.e. pedestrians), activity generators and amenity will be used by the City's Administration to determine the warrants for traffic management in a local area.

Financial Implications

The cost of potential traffic management treatments (in the form of a modified T intersection at Gardner Street and McDonald Street) could be in the order of \$50,000 subject to the removal/relocation of existing services, etc.

An equivalent budget has been allocated in the 2014/2015 Infrastructure Capital Works program to be considered by Council, which will enable the City to implement the traffic management measures on McDonald Street.

Strategic Implications

This project compliments the City's Strategic Plan 2010 – 2015 and in particular:

Direction 1.2 – Community - *“Ensure that land use planning and service delivery aligns and responds to community safety priorities”.*

Direction 5.2 – Transport - *“Ensure transport and infrastructure plans integrate with the land use strategies and provide a safe and effective local transport network”.*

Sustainability Implications

The appropriate management of the local road system is extremely important to ensure that it meets the current and future traffic and transport needs of the community, whilst ensuring that local resident concerns are taken into account.

10.6 STRATEGIC DIRECTION 6: GOVERNANCE, ADVOCACY AND CORPORATE MANAGEMENT

10.6.1 Monthly Financial Management Accounts - April 2014

Location: City of South Perth
Applicant: Council
File Ref: FM/301
Date: 13 May 2014
Author / Reporting Officer: Michael J Kent
Director Financial & Information Services

Summary

Monthly management account summaries comparing the City's actual performance against budget expectations are compiled according to the major functional classifications. These summaries are then presented to Council with comment provided on the significant financial variances disclosed in those reports.

The attachments to this financial performance report are part of a comprehensive suite of reports that have previously been acknowledged by the Department of Local Government and the City's auditors as reflecting best practice in financial reporting.

Officer Recommendation

That ...

- (a) the monthly Statement of Financial Position and Financial Summaries provided as **Attachment 10.6.1(1-4)** be received;
- (b) the Schedule of Significant Variances provided as **Attachment 10.6.1(5)** be accepted as having discharged Council's statutory obligations under Local Government (Financial Management) Regulation 34.
- (c) the Schedule of Movements between the Adopted & Amended Budget **Attachment 10.6.1(6)(A) & (B)** be received;
- (d) the Rate Setting Statement provided as **Attachment 10.6.1(7)** be received.

Background

Local Government (Financial Management) Regulation 34 requires the City to present monthly financial reports to Council in a format reflecting relevant accounting principles. A management account format, reflecting the organisational structure, reporting lines and accountability mechanisms inherent within that structure is considered the most suitable format to monitor progress against the budget. The information provided to Council is a summary of the more than 100 pages of detailed line-by-line information supplied to the City's departmental managers to enable them to monitor the financial performance of the areas of the City's operations under their control. This report also reflects the structure of the budget information provided to Council and published in the Annual Management Budget.

Combining the Summary of Operating Revenues and Expenditures with the Summary of Capital Items gives a consolidated view of all operations under Council's control. It reflects the City's actual financial performance against budget expectations.

Local Government (Financial Management) Regulation 35 requires significant variances between budgeted and actual results to be identified and comment provided on those variances. The City adopts a definition of 'significant variances' as being \$5,000 or 5% of the project or line item value (whichever is the greater). Notwithstanding the statutory

10.6.1 Monthly Financial Management Accounts - April 2014

requirement, the City may elect to provide comment on other lesser variances where it believes this assists in discharging accountability.

To be an effective management tool, the 'budget' against which actual performance is compared is phased throughout the year to reflect the cyclical pattern of cash collections and expenditures during the year rather than simply being a proportional (number of expired months) share of the annual budget. The annual budget has been phased throughout the year based on anticipated project commencement dates and expected cash usage patterns.

This provides more meaningful comparison between actual and budgeted figures at various stages of the year. It also permits more effective management and control over the resources that Council has at its disposal.

The local government budget is a dynamic document and will necessarily be progressively amended throughout the year to take advantage of changed circumstances and new opportunities. This is consistent with principles of responsible financial cash management. Whilst the original adopted budget is relevant at July when rates are struck, it should, and indeed is required to, be regularly monitored and reviewed throughout the year. Thus the Adopted Budget evolves into the Amended Budget via the regular (quarterly) Budget Reviews.

A summary of budgeted capital revenues and expenditures (grouped by department and directorate) is also provided each month from September onwards. This schedule reflects a reconciliation of movements between the 2013/2014 Adopted Budget and the 2013/2014 Amended Budget including the introduction of the capital expenditure items carried forward from 2012/2013.

A monthly Statement of Financial Position detailing the City's assets and liabilities and giving a comparison of the value of those assets and liabilities with the relevant values for the equivalent time in the previous year is also provided. Presenting this statement on a monthly, rather than annual, basis provides greater financial accountability to the community and provides the opportunity for more timely intervention and corrective action by management where required.

Comment

The components of the monthly management account summaries presented are:

- Statement of Financial Position - **Attachments 10.6.1(1)(A) & 10.6.1(1)(B)**
- Summary of Non Infrastructure Operating Revenue and Expenditure **Attachment 10.6.1(2)**
- Summary of Operating Revenue & Expenditure - Infrastructure Service **Attachment 10.6.1(3)**
- Summary of Capital Items - **Attachment 10.6.1(4)**
- Schedule of Significant Variances - **Attachment 10.6.1(5)**
- Reconciliation of Budget Movements - **Attachment 10.6.1(6) (A) & (B)**
- Rate Setting Statement - **Attachment 10.6.1(7)**

Operating Revenue to 30 April 2014 is \$45.55M which represents some 99% of the \$45.97M year to date budget. Revenue performance is close to budget in most areas other than those items identified below. Parking infringement and meter parking revenues were both significantly better than budget expectations and are adjusted in the Q3 Budget Review. Cat registration revenue has exceeded full year expectations due to a higher number of people taking out lifetime registrations.

10.6.1 Monthly Financial Management Accounts - April 2014

Interest revenues are 3% below budget expectations even after the Q2 Budget Review adjustment which was required as a consequence of low prevailing interest rates. Interim rate revenue is somewhat less than was anticipated at budget time and further interim schedules are unlikely to be issued in the lead up to the triennial revaluation of GRVs.

Planning revenues are still well ahead of budget target - due to the receipt of a \$30K fee received for TPS Scheme 6 Amendment 34 and a significant cost recovery through FER in relation to 7 Swan St. Building Services revenues are currently close to budget expectations. Fiesta and Australia Day sponsorship / grants were each \$40K less than budgeted.

Collier Park Village revenue is close to budget expectations. With the Collier Park Hostel no longer operating, no further revenues can be received - and only minimal further costs are expected. Whilst an adjustment for the operating shortfall was made in the Q2 Budget Review, a further adjustment of \$268K has been required in the Q3 Budget Review.

Road grant revenue is close to budget. There are some unbudgeted plant trade-in revenues that are adjusted in the Q3 Budget Review. Golf Course revenue is now 2% ahead of budget with green fees 2% ahead and a small environmental grant revenue that was received and adjusted in the Q3 Budget Review. Infrastructure Services revenue overall is close to budget for the year to date.

Comment on the specific items contributing to the variances may be found in the Schedule of Significant Variances **Attachment 10.6.1(5)**. As noted above, relevant items are adjusted in the Q3 Budget Review.

Operating Expenditure to 30 April 2014 is \$40.90M which represents 96% of the year to date budget of \$42.59M. Operating Expenditure is 6% under budget in the Administration area, 2% under budget for the golf course and 3% under in the Infrastructure Services area.

Other than the Collier Park Hostel, variances in operating expenditures in the administration area largely relate to timing differences on billing by suppliers and are not considered significant - with the exception of some favourable variances in relation to consultancies and utilities whilst cleaning costs had an unfavourable one as a result of new tender rates coming into effect. These items are adjusted in the Q3 Budget Review.

There were also favourable timing differences in relation to Library purchases and planning consultants. The other exception was the Collier Park Village which has incurred higher than expected costs for power, gardens and grounds maintenance.

Whilst the Collier Park Hostel is no longer operating as a facility, the operating deficit and closure costs are still being finalised. The deficit has been partly recouped from the CPH Reserve which is now fully exhausted. In addition to this and previous funding allocations, a further \$268K has been identified as being required from the Municipal Fund to meet the final operating deficit. This was provided for in the Q3 Budget Review.

In the Infrastructure Services operations area, parks maintenance is now slightly below budget as is minor park works. Street tree maintenance has been brought back closer to budget - with remedial action being successfully implemented to bring this line item more into line with the approved budget. There is a favourable variance on environmental management activities due to delays on the Perth Water vision and the birdlife revegetation project.

Non cash depreciation expenses for path and drainage network assets are now closer to budget following a review of the useful lives of our road, path and drainage networks as

10.6.1 Monthly Financial Management Accounts - April 2014

part of the City's ongoing asset management strategy. Useful lives for each of these asset categories were revised to reflect the guidelines of the International Infrastructure Asset Management (IIAM) manual. The budgets for infrastructure asset depreciation are further revised in the Q3 Budget Review. This does not have a cash flow impact but it affects the calculation of certain asset sustainability ratios and the operating surplus ratio. These ratios are expected to improve as a consequence of this adjustment.

Plant management continues to provide a challenge - although cash costs are on budget, recoveries against jobs are still 6% below budget expectations. Charge out rates have been reviewed and adjusted by the Engineering Infrastructure team but these may require further tweaking.

As would be expected in any entity operating in today's economic climate, there are some budgeted (but vacant) staff positions across the organisation. Overall, the salaries budget (*including temporary staff where they are being used to cover vacancies*) is currently around 0.8% under the budget allocation for the 229.5 FTE positions approved by Council in the budget process. Factors impacting this include vacant positions in the process of being filled, staff on leave and timing differences on receipt of agency staff invoices.

Comment on the specific items contributing to the operating expenditure variances may be found in the Schedule of Significant Variances - **Attachment 10.6.1(5)**. Relevant items were adjusted as required in the Q3 Budget Review.

Capital Revenue is disclosed as \$2.60M at 30 April - 55% under the year to date budget of \$5.74M. This difference relates entirely to two items that are adjusted in the Q3 Budget Review - land sale proceeds for Manning Commercial Land and a contribution to the Animal Care Facility, both of which will now be received in 2014/2015. Details of the capital revenue variances may be found in the Schedule of Significant Variances - **Attachment 10.6.1(5)**.

Capital Expenditure at 30 April is \$8.38M representing 70% of the year to date budget. This figure represents 60% of the (revised) total capital works budget after some capital projects were deferred in the Q2 Budget Review. The table reflecting capital expenditure progress versus the year to date budget by directorate is presented below. These figures include the Carry Forward Works approved by Council in October.

Where appropriate adjustments have been made in the Q3 Budget Review for known variances on capital expenditures - including recognising savings, recognising where project budgets have been over-run and acknowledging projects deferred until 2014/2015.

TABLE I - CAPITAL EXPENDITURE BY DIRECTORATE

Directorate	YTD Budget	YTD Actual	% YTD Budget	Total Budget
CEO Office	405,000	99,490	25%	815,000
Major Community Projects	522,000	138,061	26%	572,000
Financial & Information	506,250	335,487	66%	715,000
Develop & Community	588,400	457,819	78%	618,400
Infrastructure Services	9,349,495	6,866,386	73%	10,588,441
Waste Management	207,500	140,645	68%	415,000
Golf Course	348,390	346,706	100%	389,060
UGP	0	0	-%	0
Total	11,927,035	8,384,594	70%	14,112,901

Consultation

This financial report is prepared to provide financial information to Council and to evidence the soundness of the administration's financial management. It also provides information about corrective strategies being employed to address any significant variances and it discharges accountability to the City's ratepayers.

Policy and Legislative Implications

This report is in accordance with the requirements of the Section 6.4 of the *Local Government Act* and Local Government Financial Management Regulation 34.

Financial Implications

The attachments to this report compare actual financial performance to budgeted financial performance for the period. This provides for timely identification of variances which in turn promotes dynamic and prudent financial management.

Strategic Implications

This matter relates to Strategic Direction 6 "Governance, Advocacy and Corporate Management" identified within Council's Strategic Plan 2013-2023, which is expressed in the following terms:

Ensure that the City has the organisational capacity, advocacy and governance framework and systems to deliver the priorities identified in the Strategic Plan.

Sustainability Implications

This report addresses the 'financial' dimension of sustainability by promoting accountability for resource use through a historical reporting of performance - emphasising pro-active identification and response to apparent financial variances. Furthermore, through the City exercising disciplined financial management practices and responsible forward financial planning, we can ensure that the consequences of our financial decisions are sustainable into the future.

10.6.2 Monthly Statement of Funds, Investments and Debtors at 30 April 2014

Location: City of South Perth
Applicant: Council
File Ref: FM/301
Date: 11 May 2014
Authors: Michael J Kent and Deborah M Gray
Reporting Officer: Michael J Kent, Director Financial and Information Services

Summary

This report presents to Council a statement summarising the effectiveness of treasury management for the month including:

- The level of controlled Municipal, Trust and Reserve funds at month end.
- An analysis of the City's investments in suitable money market instruments to demonstrate the diversification strategy across financial institutions.
- Statistical information regarding the level of outstanding Rates and General Debtors.

Officer Recommendation

That Council receives the 30 April 2014 Statement of Funds, Investment & Debtors comprising:

- Summary of All Council Funds as per **Attachment 10.6.2(1)**
- Summary of Cash Investments as per **Attachment 10.6.2(2)**
- Statement of Major Debtor Categories as per **Attachment 10.6.2(3)**

Background

Effective cash management is an integral part of proper business management. Current money market and economic volatility make this an even more significant management responsibility. The responsibility for management and investment of the City's cash resources has been delegated to the City's Director Financial & Information Services and Manager Financial Services - who also have responsibility for the management of the City's Debtor function and oversight of collection of outstanding debts.

In order to discharge accountability for the exercise of these delegations, a monthly report is presented detailing the levels of cash holdings on behalf of the Municipal and Trust Funds as well as funds held in 'cash backed' Reserves.

As significant holdings of money market instruments are involved, an analysis of cash holdings showing the relative levels of investment with each financial institution is also provided.

Statistics on the spread of investments to diversify risk provide an effective tool by which Council can monitor the prudence and effectiveness with which these delegations are being exercised.

Data comparing actual investment performance with benchmarks in Council's approved investment policy (which reflects best practice principles for managing public monies) provides evidence of compliance with approved investment principles.

Finally, a comparative analysis of the levels of outstanding rates and general debtors relative to the same stage of the previous year is provided to monitor the effectiveness of cash collections and to highlight any emerging trends that may impact on future cash flows.

Comment

(a) Cash Holdings

Total funds at month end of \$50.4M (\$53.6M last month) compare favourably to \$45.3M at the equivalent stage of last year. Reserve funds are \$0.4M higher overall than the level they were at the same time last year - reflecting \$1.7M higher holdings of cash backed reserves to support refundable monies at the CPV but \$1.9M less for the CPH as departing residents have fully transferred their accommodation bonds. The Asset Enhancement Reserve is \$3.1M higher mainly through the receipt of part of the Ray St land disposal proceeds. The Sustainable Infrastructure Reserve is \$0.2M higher whilst the Waste Management Reserve is \$1.8M lower after a budgeted transfer back to the Municipal Fund. The Future Building Reserve is \$0.2M higher and the Future Municipal Works Reserve is \$0.3M lower. Various other reserves are modestly changed. The CPH Hostel Capital Reserve is \$0.6M lower after funding the 2014 operating deficit.

Municipal funds are some \$4.6M higher due to excellent rates collections and delayed cash outflows for some major capital works.

Funds brought into the year (and subsequent cash collections) are invested in secure financial instruments to generate interest until those monies are required to fund operations and projects during the year. Astute selection of appropriate investments means that the City does not have any exposure to known high risk investment instruments. Nonetheless, the investment portfolio is dynamically monitored and re-balanced as trends emerge.

Excluding the 'restricted cash' relating to cash-backed Reserves and monies held in Trust on behalf of third parties; the cash available for Municipal use currently sits at \$13.6M (compared to \$18.2M last month). It was \$9.0M at the equivalent time in the 2012/2013 year. **Attachment 10.6.2(1)**.

(b) Investments

Total investment in money market instruments at month end was \$49.9M compared to \$44.9M at the same time last year. This is due to higher levels of cash investments relating to municipal funds (\$4.6M increase) whilst cash backed reserves are \$0.4M higher.

The portfolio currently comprises at-call cash and term deposits only. Although bank accepted bills are permitted, they are not currently used given the volatility of the corporate environment. Analysis of the composition of the investment portfolio shows that all of the funds are invested in securities having a S&P rating of A1 (short term) or better. There are currently no investments in BBB+ rated securities.

The City's investment policy requires that at least 80% of investments are held in securities having an S&P rating of A1. This ensures that credit quality is maintained. Investments are made in accordance with Policy P603 and the Department of Local Government Operational Guidelines for investments.

All investments currently have a term to maturity of less than one year - which is considered prudent both to facilitate effective cash management and to respond in the event of future positive changes in rates.

Invested funds are responsibly spread across various approved financial institutions to diversify counterparty risk. Holdings with each financial institution are required to be within the 25% maximum limit prescribed in Policy P603. At 30 April that limit was slightly exceeded in relation to Suncorp Bank (25.2%) and National Bank (28.3%) because it was not considered appropriate to pay a call-back penalty when the relevant investments were to mature in early May. The portfolio is now back within the prescribed limits. Counterparty mix is regularly monitored and the portfolio re-balanced as required

depending on market conditions. The counter-party mix across the portfolio is shown in **Attachment 10.6.2(2)**.

Total interest revenues (received and accrued) for the year to date total \$1.50M. This compares to \$1.85M at the same time last year. Prevailing interest rates are significantly lower and appear likely to continue at current low levels.

Investment performance will be closely monitored given recent interest rate cuts to ensure that we pro-actively identify secure, but higher yielding investment opportunities, as well as recognising any potential adverse impact on the budget closing position. Throughout the year, we will re-balance the portfolio between short and longer term investments to ensure that the City can responsibly meet its operational cash flow needs.

Treasury funds are actively managed to pursue responsible, low risk investment opportunities that generate additional interest revenue to supplement our rates income whilst ensuring that capital is preserved.

The weighted average rate of return on financial instruments for the year to date is 3.74% with the anticipated weighted average yield on investments yet to mature now sitting at 3.47%. At call cash deposits used to balance daily operational cash needs have been providing a very modest return of only 2.25% since the August 2013 Reserve Bank decision on interest rates.

(c) Major Debtor Classifications

Effective management of accounts receivable to convert debts to cash is also an important part of business management. Details of each major debtor's category classification (rates, general debtors & underground power) are provided below.

(i) Rates

The level of outstanding local government rates relative to the same time last year is shown in **Attachment 10.6.2(3)**. Rates collections to the end of April 2014 (after the due date for the final instalment) represent 97.6% of rates levied compared to 96.8% at the same stage of the previous year.

The positive rates collection profile to date has ensured that we will experience slightly better collections than the 2012/2013 year - with the KPI of 95% by year end already having been comfortably exceeded. This indicates a good acceptance of our 2013/2014 rating strategy, our communications strategy and our convenient, user friendly payment methods. Combined with the Rates Early Payment Incentive Scheme (generously sponsored by local businesses), these strategies provide strong encouragement for ratepayers to meet their rates obligations in a timely manner.

(ii) General Debtors

General debtors (excluding UGP debtors) stand at \$1.7M at month end (\$2.4M last year). Pension Rebate Receivable represents around \$0.1M of this amount but this can only be claimed when eligible ratepayers make their qualifying 50% contribution, which can be any time up to 30 June. GST Receivable is \$0.8M lower than the balance at the same time last year whilst UGP and Sundry Debtors are slightly lower. Most other Debtor categories are at similar levels to the previous year.

Continuing positive collection results are important to effectively maintaining our cash liquidity and these efforts will be closely monitored during the year. Currently, the majority of the outstanding amounts are government & semi government grants or rebates (other than infringements) - and as such, they are considered collectible and represent a timing issue rather than any risk of default.

(iii) Underground Power

Of the \$7.40M billed for UGP Stage 3 project, (allowing for interest revenue and adjustments), \$7.37M was collected by 30 April with approximately 99.6% of those in the affected area having now paid in full. The remaining 23 property owners all have now made satisfactory payment arrangements to progressively clear the debt after being pursued by our external debt collection agency.

Residents opting to pay the UGP Service Charge by instalments continue to be subject to interest charges which accrue on the outstanding balances (as advised on the initial UGP notice). It is important to recognise that this is **not** an interest charge on the UGP service charge - but rather is an interest charge on the funding accommodation provided by the City's instalment payment plan (like what would occur on a bank loan). The City encourages ratepayers in the affected area to make other arrangements to pay the UGP charges - but it is, if required, providing an instalment payment arrangement to assist the ratepayer (including the specified interest component on the outstanding balance).

Since the initial \$4.57M billing for the Stage 5 UGP Project, some \$4.21M (or 92.1% of the amount levied) has already been collected with 79.1% of property owners opting to settle in full and a further 20.5% paying by instalments so far. The remainder (0.4%) have yet to make satisfactory payment arrangements or have defaulted on the arrangements and collection actions are currently underway.

Consultation

This financial report is prepared to provide evidence of the soundness of the financial management being employed by the City whilst discharging our accountability to our ratepayers.

Policy and Legislative Implications

The cash management initiatives which are the subject of this report are consistent with the requirements of Policy P603 - Investment of Surplus Funds and Delegation DC603. Local Government (Financial Management) Regulation 19, 28 & 49 are also relevant to this report - as is the DOLG Operational Guideline 19.

Financial Implications

The financial implications of this report are as noted in part (a) to (c) of the Comment section of the report. Overall, the conclusion can be drawn that appropriate and responsible measures are in place to protect the City's financial assets and to ensure the collectability of debts.

Strategic Implications

This matter relates to Strategic Direction 6 "Governance, Advocacy and Corporate Management" identified within Council's Strategic Plan 2013-2023, which is expressed in the following terms:

Ensure that the City has the organisational capacity, advocacy and governance framework and systems to deliver the priorities identified in the Strategic Plan.

Sustainability Implications

This report addresses the 'financial' dimension of sustainability by ensuring that the City exercises prudent but dynamic treasury management to effectively manage and grow our cash resources and convert debt into cash in a timely manner.

10.6.3 Listing of Payments

Location:	City of South Perth
Applicant:	Council
File Ref:	FM/301
Date:	10 May 2014
Authors:	Michael J Kent and Deborah M Gray
Reporting Officer:	Michael J Kent, Director Financial and Information Services

Summary

A list of accounts paid under delegated authority (Delegation DC602) between 1 April 2014 and 30 April 2014 is presented to Council for information.

Officer Recommendation

That the Listing of Payments for the month of April 2014 as detailed in **Attachment 10.6.3**, be received.

Background

Local Government Financial Management Regulation 11 requires a local government to develop procedures to ensure the proper approval and authorisation of accounts for payment. These controls relate to the organisational purchasing and invoice approval procedures documented in the City's Policy P605 - Purchasing and Invoice Approval. They are supported by Delegation DM605 which sets the authorised purchasing approval limits for individual officers. These processes and their application are subjected to detailed scrutiny by the City's auditors each year during the conduct of the annual audit.

After an invoice is approved for payment by an authorised officer, payment to the relevant party must be made and the transaction recorded in the City's financial records. All payments, however made (EFT or Cheque) are recorded in the City's financial system irrespective of whether the transaction is a Creditor (regular supplier) or Non Creditor (once only supply) payment.

Payments in the attached listing are supported by vouchers and invoices. All invoices have been duly certified by the authorised officers as to the receipt of goods or provision of services. Prices, computations, GST treatments and costing have been checked and validated. Council Members have access to the Listing and are given opportunity to ask questions in relation to payments prior to the Council meeting.

Comment

A list of payments made during the reporting period is prepared and presented to the next ordinary meeting of Council and recorded in the minutes of that meeting. It is important to acknowledge that the presentation of this list of payments is for information purposes only as part of the responsible discharge of accountability. Payments made under this delegation cannot be individually debated or withdrawn.

Reflecting contemporary practice, the report records payments classified as:

- **Creditor Payments**

(regular suppliers with whom the City transacts business)

These include payments by both Cheque and EFT. Cheque payments show both the unique Cheque Number assigned to each one and the assigned Creditor Number that applies to all payments made to that party throughout the duration of our trading relationship with them. EFT payments show both the EFT Batch Number in which the payment was made and also the assigned Creditor Number that applies to all payments made to that party.

10.6.3 Listing of Payments

For instance, an EFT payment reference of 738.76357 reflects that EFT Batch 738 included a payment to Creditor number 76357 (Australian Taxation Office).

- **Non Creditor Payments**

(one-off payments to individuals / suppliers who are not listed as regular suppliers in the City's Creditor Masterfile in the database).

Because of the one-off nature of these payments, the listing reflects only the unique Cheque Number and the Payee Name - as there is no permanent creditor address / business details held in the creditor's masterfile. A permanent record does, of course, exist in the City's financial records of both the payment and the payee - even if the recipient of the payment is a non-creditor.

Details of payments made by direct credit to employee bank accounts in accordance with contracts of employment are not provided in this report for privacy reasons nor are payments of bank fees such as merchant service fees which are direct debited from the City's bank account in accordance with the agreed fee schedules under the contract for provision of banking services. These transactions are of course subject to proper scrutiny by the City's auditors during the conduct of the annual audit.

Consultation

This financial report is prepared to provide financial information to Council and the administration and to provide evidence of the soundness of financial management being employed. It also provides information and discharges financial accountability to the City's ratepayers.

Policy and Legislative Implications

Consistent with Policy P605 - Purchasing and Invoice Approval and Delegation DM605.

Financial Implications

This report presents details of payment of authorised amounts within existing budget provisions.

Strategic Implications

This matter relates to Strategic Direction 6 "Governance, Advocacy and Corporate Management" identified within Council's Strategic Plan 2013-2023, which is expressed in the following terms:

Ensure that the City has the organisational capacity, advocacy and governance framework and systems to deliver the priorities identified in the Strategic Plan.

Sustainability Implications

This report contributes to the City's financial sustainability by promoting accountability for the use of the City's financial resources.

10.6.4 Budget Review for the Period ended 31 March 2014

Location: City of South Perth
Applicant: Council
File Ref: FM/301
Date: 11 May 2014
Author/Reporting Officer: Michael J Kent, Director Financial and Information Services

Summary

A comprehensive review of the 2013/2014 Adopted Budget for the period to 31 March 2014 has been undertaken within the context of the approved budget programs. Comment on the identified variances and suggested funding options for those identified variances are provided. Where new opportunities have presented themselves, or where these may have been identified since the budget was adopted, they have also been included - providing that funding has been able to be sourced or re-deployed.

The Budget Review recognises two primary groups of adjustments:

- those that increase the estimated Budget Closing Position (new funding opportunities or savings on operational costs)
- those that decrease the estimated Budget Closing Position (reduction in anticipated funding or new / additional costs)

The underlying theme of the review is to ensure that a 'balanced budget' funding philosophy is retained. Wherever possible, those service areas seeking additional funds to what was originally approved for them in the budget development process are encouraged to seek / generate funding or to find offsetting savings in their own areas.

Officer Recommendation

That, following the detailed review of financial performance for the period ending 31 March 2014, the budget estimates for Revenue and Expenditure for the 2013/2014 Financial Year, (adopted by Council on 16 July 2013 and as subsequently amended by resolutions of Council to date), be amended as per the following attachments to this Council Agenda:

- Amendments identified from normal operations in the Quarterly Budget Review; **Attachment 10.6.4 (1)**;
- Items funded by transfers to or from Reserves; **Attachment 10.6.4 (2)**; and
- Cost neutral re-allocations of the existing Budget **Attachment 10.6.4 (3)**;
- Special Review relating to the operations of the Collier Park Hostel **Attachment 10.6.4 (4)**

***Absolute Majority Required**

Background

Under the *Local Government Act 1995* and the Local Government (Financial Management) Regulations, Council is required to review the Adopted Budget and assess actual values against budgeted values for the period at least once a year - after the December quarter.

This requirement recognises the dynamic nature of local government activities and the need to continually reassess projects competing for limited funds - to ensure that community benefit from available funding is maximised. It should also recognise emerging beneficial opportunities and react to changing circumstances throughout the financial year so that the City makes responsible and sustainable use of the financial resources at its disposal.

Although not required to perform budget reviews at greater frequency, the City chooses to conduct a Budget Review after the end of the September, December and March

10.6.4 Budget Review for the Period ended 31 March 2014

quarters each year - believing that this approach provides more dynamic and effective treasury management than simply conducting the one statutory half yearly review. The results of the Half Yearly (Q2) Budget Review after the December Management accounts have been finalised and were forwarded to the Department of Local Government for their review after they were endorsed by Council to discharge a statutory obligation.

This requirement allows the Department to provide a value-adding service in reviewing the ongoing financial sustainability of each of the local governments in the state - based on the information contained in the Budget Review. However, local governments are encouraged to undertake more frequent budget reviews if they desire - as this is good financial management practice. As noted above, the City takes this opportunity each quarter. This particular review incorporates all known variances up to 31 March 2014.

Comments in the Budget Review are made on variances that have either crystallised or are quantifiable as future items - but not on items that reflect timing difference (scheduled for one side of the budget review period - but not spent until the period following the budget review).

Comment

The Budget Review is typically presented in three parts:

- Amendments resulting from normal operations in the quarter under review

Attachment 10.6.4 (1)

These are items which will directly affect the Municipal Surplus. The City's Financial Services team critically examines recorded revenue and expenditure accounts to identify potential review items. The potential impact of these items on the budget closing position is carefully balanced against available cash resources to ensure that the City's financial stability and sustainability is maintained. The effect on the Closing Position (increase / decrease) is shown and an explanation for the change is provided for each item.

- Items funded by transfers to / from existing Cash Reserves shown as

Attachment 10.6.4 (2)

These items reflect transfers back to the Municipal Fund of monies previously quarantined in Cash-Backed Reserves or planned transfers to Reserves. Where monies have previously been provided for projects scheduled in the current year, but further investigations suggest that it would be prudent to defer such projects until they can be responsibly incorporated within larger integrated precinct projects identified within the Long Term Financial Plan (LTFP) or until contractors / resources become available, they may be returned to a Reserve for use in a future year. Where significant transactions supporting transfers to Reserves cannot be finalised within a particular financial year, both the transaction and the related transfers are eliminated in the Budget Review process.

There is no impact on the Municipal Surplus for these items as funds have been previously provided. There may however, be cash flow implications.

- Cost Neutral Budget Re-allocation - **Attachment 10.6.4 (3)**

These items represent the re-distribution of funds already provided in the Budget adopted by Council on 16 July 2013. Primarily these items relate to changes to more accurately attribute costs to those cost centres causing the costs to be incurred. There is no impact on the Municipal Surplus for these items as funds have already been provided within the existing budget.

Where quantifiable savings have arisen from completed projects, funds may be redirected towards other proposals which did not receive funding during the budget development process due to the limited cash resources available. Where the scope of particular capital projects has exceeded the allocated budget, savings from completed projects may also be re-deployed to address that particular funding shortfall.

This section also includes amendments to “Non-Cash” items such as Depreciation or the Carrying Costs (book value) of Assets Disposed of. These items have no direct impact on either the projected Closing Position or the City’s cash resources. In the Q3 Budget Review, the City has adjusted the depreciation allocation for certain classes of infrastructure, (namely the road network, path network and drainage network) to reflect the guidelines contained in the International Infrastructure Management Manual (IIMM) manual.

- **Special Budget Review - Included with Attachment 10.6.4 (1)**
In this review, the City has also included a further ‘Special Budget Review’ which addresses a very significant but unanticipated (further) financial impact on the City’s 2013/2014 Budget - that is, the closure of the Collier Park Hostel.

Closure of Collier Park Hostel Facility

As the City has progressed towards the closure of the facility in accordance with the October 2013 Council decision, there has been a series of adjustments made to budgeted annual revenue streams, variable operating costs and transitional costs directly related to the closure of the facility. All resident’s refundable accommodation bonds were 100% cash backed in the Collier Park Hostel Accommodation Bonds Reserve and have now been met from that source. However, funds available in the Collier Park Hostel Reserve were fully exhausted before the full operational losses to the date of closure could be completely recouped. Accordingly, the full amount of the CPH Capital Reserve was deployed to cover this deficit but a further \$268,000 of municipal funding was required. This result demonstrates the importance of the decision taken by Council to close the facility as the operating deficits were unsustainable - and growing exponentially.

Consultation

External consultation is not a relevant consideration in a financial management report although budget amendments have been discussed with responsible managers within the organisation where appropriate prior to the item being included in the Budget Review.

Policy and Legislative Implications

Whilst compliance with statutory requirements requires only a half yearly budget review (with the review results being forwarded to the Department of Local Government), more frequent and dynamic reviews of budget versus actual financial performance is good management practice.

Financial Implications

This report addresses the City’s ongoing financial sustainability through critical analysis of historical performance, emphasising pro-active identification of financial variances and encouraging responsible management responses to those variances. Combined with dynamic treasury management practices, this maximises community benefit from the use of the City’s financial resources - allowing the City to re-deploy savings or access unplanned revenues to capitalise on emerging opportunities. It also allows proactive intervention to identify and respond to cash flow challenges that may arise as a consequence of timing differences in major land sale transactions.

The adopted budget at 16 July 2013 showed a projected Closing Position at the conclusion of the 2013/2014 year of \$754,416.

The Q1 Budget Review amendments resulted in a (\$30,500) change to the projected Closing Position. Furthermore, at the Q1 Budget Review, a (\$252,066) adjustment to the estimated 2013/2014 Budget Opening Position was made. This adjustment resulted from calculating the Budget Opening Position in accordance with the Department of Local Government’s guideline using final audited numbers rather than the estimated numbers

10.6.4 Budget Review for the Period ended 31 March 2014

used in determining the Budget Position at budget adoption date. After allowing for Q1 Budget Review amendments and the Opening Position adjustment, the revised Budget Closing Position was \$471,850.

The amendments contained in the Q2 Budget Review resulted in a further net change of \$290,250 to the projected 2013/2014 Budget Closing Position. After adopting the changes recommended in the Q2 Budget Review, the projected 2013/2014 Closing Budget Position was \$762,100. A further budget review relating to local government reform of (\$250,000) reduced the budget closing position to \$512,100.

The amendments contained in the Q3 Budget Review will result in a further net change of \$556,142 to the projected 2013/2014 Budget Closing Position.

The impact of the proposed amendments in the Q3 Budget Review on the financial arrangements of each of the City's directorates is disclosed in Table I below. Figures shown apply only to those amendments contained in the attachments to this report (not to any previous amendments). Table I includes only items directly impacting on the Closing Position and excludes transfers to and from cash backed reserves - which are neutral in effect. Wherever possible, directorates are encouraged to contribute to their requested budget adjustments by sourcing new revenues or adjusting proposed expenditures.

The adjustment to the Opening Balance shown in the tables below refers to the difference between the Estimated Opening Position used at the budget adoption date (July) and the (lesser) final Actual Opening Position as determined after the close off and audit of the 2012/2013 year end accounts.

TABLE I: (Q3 BUDGET REVIEW ITEMS ONLY)

Directorate	Increase Surplus	Decrease Surplus	Net Impact
Office of CEO	60,000	(205,000)	(145,000)
Financial & Information Services	162,500	(215,000)	(52,500)
Development & Community Services	625,500	(609,500)	16,000
Infrastructure Services	1,434,309	(696,667)	737,642
Opening Position	0	(0)	0
Accruals Movements	0	(0)	0
Special Review Items	0	(0)	0
Total	\$2,282,309	(\$1,726,167)	\$556,142

A positive number in the Net Impact column on the preceding table reflects a contribution towards improving the Budget Closing Position by a particular directorate.

The cumulative impact of all budget amendments for the year to date (including those between the budget adoption and the date of this review) is reflected in Table 2 below.

TABLE 2: (CUMULATIVE IMPACT OF ALL 2013/2014 BUDGET ADJUSTMENTS)

Directorate	Increase Surplus	Decrease Surplus	Net Impact
Office of CEO	395,500	(543,250)	(147,750)
Financial & Information Services	595,500	(570,000)	25,500
Development & Community Services	845,500	(696,500)	149,000
Infrastructure Services	3,206,009	(2,529,367)	676,642
Local Govt Reform	0	(250,000)	(250,000)
Opening Position	0	(252,066)	(252,066)
Accruals Movements	0	0	0
Special Review Items	4,150,000	(4,037,500)	112,500
Total Change in Adopted Budget	\$9,192,509	(\$8,878,683)	\$313,826

The cumulative impact table (Table 2 above) provides a very effective practical illustration of how a local government can (and should) dynamically manage its budget to achieve the best outcomes from its available resources.

Whilst there have been a number of budget movements within individual areas of the City's budget, the overall estimated budget closing position has only moved from the \$754,416 estimated closing position to \$1,068,242 after including all budget movements to date. This projected closing position is still quite modest and will need to be closely monitored during the remainder of the year.

The Budget Opening / Closing Position (calculated as per DOLG guidelines) is a modified accrual figure adjusted for restricted cash. It does not represent a cash surplus - nor available funds. It is essential that this is clearly understood as less than anticipated collections of Rates or UGP debts during the year can move the budget from a balanced budget position to a deficit.

Strategic Implications

This matter relates to Strategic Direction 6 "Governance, Advocacy and Corporate Management" identified within Council's Strategic Plan 2013-2023, which is expressed in the following terms:

Ensure that the City has the organisational capacity, advocacy and governance framework and systems to deliver the priorities identified in the Strategic Plan.

Sustainability Implications

This report addresses the 'financial' dimension of sustainability by promoting accountability for resource use through a historical reporting of performance - and emphasising proactive identification and response to apparent financial variances. Through the City exercising disciplined financial management practices and responsible forward financial planning, we can ensure that the consequences of our financial decisions are sustainable into the future.

10.6.5 Local Government Advisory Board Inquiry – City of Perth Proposal # 26

Location: City of South Perth
Applicant: Council
Date: 15 May 2014
Author: Phil McQue, Manager Governance & Administration
Reporting Officer: Cliff Frewing, Chief Executive Officer

Summary

The Local Government Advisory Board announced on 13 May 2014 that it is holding a second six week public consultation period for four additional proposals received, including a second City of Perth proposal to extend its boundary westward to incorporate parts of the City of Subiaco and Town of Cambridge.

This report recommends that the Council authorise the Chief Executive Officer to prepare a joint submission with the Town of Victoria Park to the Local Government Advisory Board, similar in content and context to the two previous joint submissions made to the Local Government Advisory Board.

Officer Recommendation

That the Council authorise the Chief Executive Officer to make a joint submission with the Town of Victoria Park to the Local Government Advisory Board in response to the City of Perth Proposal # 26.

Background

In July 2013, the State Government announced its proposal for new local government boundaries for metropolitan Perth, as part the metropolitan local government reform process. The Minister for Local Government then invited local governments to submit proposals to the Local Government Advisory Board in October 2013, with a total of 21 proposals received, including a joint proposal by the City of South Perth and Town of Victoria Park.

The Local Government Advisory Board then resolved in December 2013 to establish the Metropolitan Local Government District Inquiries into 34 proposals received, including the 12 proposals submitted by the Minister for Local Government. The City of South Perth and Town of Victoria Park responded to this Inquiry with a Joint Submission in March 2014.

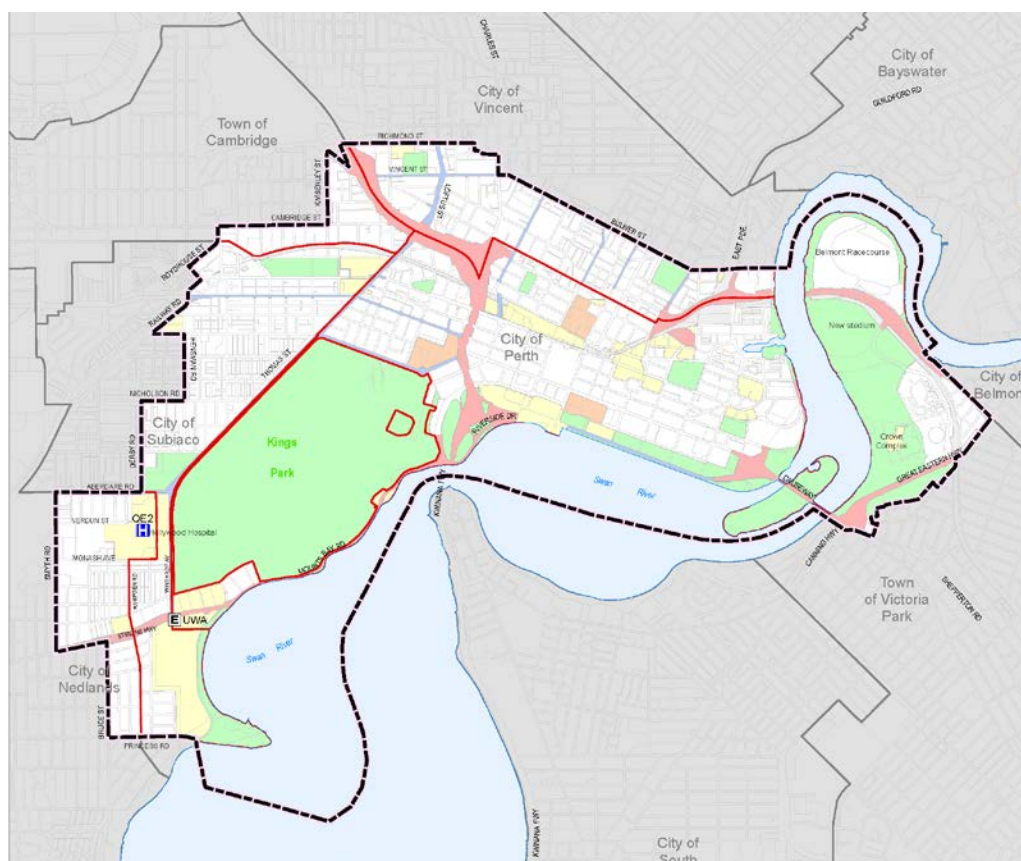
The City of Perth has since made a second proposal to the Local Government Advisory Board in April 2014, seeking to extend its boundaries westward to incorporate parts of the City of Subiaco and Town of Cambridge. This proposal also contains reference to the annexation of the Burswood Peninsular and should therefore also be opposed.

The Local Government Advisory Board announced on 13 May 2014 that is holding a second six week public consultation period for the second City of Perth proposal, as well as three other proposals received from other metropolitan local governments.

Comment

The City of Perth's second proposal seeks to further 'cherry pick' the most lucrative parts of adjacent local governments by proposing to incorporate the prime commercial parts of the City of Subiaco and Town of Cambridge. The additional proposal does not seek to extend its boundary any further eastward than as already proposed by the City of Perth in their March 2014 proposal to the Local Government Advisory Board.

10.6.5 Local Government Advisory Board Inquiry – City of Perth Proposal # 26



It is recommended that the Council authorise the Chief Executive Officer to prepare a joint submission with the Town of Victoria Park to the Local Government Advisory Board, similar in content and context to the two previous joint submissions made to the Local Government Advisory Board.

The joint submission will be based on the guiding principles presently used by the Local Government Advisory Board:

- community of interests;
- physical and topographic features
- demographic trends;
- economic factors;
- history of the area;
- transport and communications;
- matters affecting the viability of local governments; and
- the effective delivery of local government services.

As with the two previous joint submissions, it is proposed to focus on the illogical proposal by the City of Perth to incorporate the entire Burswood Peninsula within its boundaries, which would affect the financial capacity, efficiency and sustainability of the proposed new amalgamated local government.

The submission will also focus on the river being the natural boundary, the lack of community interest between the Perth Central Business District and Burswood Peninsula and the need for the City of Perth to retain its focus on the Central Business District.

Consultation

The proposal by the City of Perth to incorporate the Burswood Peninsula within its boundaries has been the subject of extensive consultation including a *Battle for Burswood* campaign, public rally and extensive media coverage.

Policy and Legislative Implications

The Local Government Advisory Board is required under Section 2.1 of the *Local Government Act 1995* to consider proposals submitted to it for changes to local government districts.

Financial Implications

The loss of the Crown Casino represents an annual loss of \$2.8M in rating revenue. Coupled with the anticipated growth and development within the Burswood Peninsula, this represents a significant loss for the proposed new local government, which will be reflected in higher rates or decreased service delivery for residents of the proposed new amalgamated local government.

Strategic Implications

This report is consistent with the [Strategic Plan 2013–2023](#), Direction 6 – Governance, Advocacy and Corporate Management “*Ensure that the City has the organisational capacity, advocacy and governance framework and systems to deliver the priorities identified in the Strategic Community Plan*”.

Sustainability Implications

This report is aligned to the City’s [Sustainability Strategy 2012–2015](#). The report has been prepared in response to the Western Australian State Government Metropolitan Local Government Reform process, with the objective of making the sector more efficient, sustainable and stronger into the future.

11. APPLICATIONS FOR LEAVE OF ABSENCE

12. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12.1. COUNCILLOR CALA – SUSPENSION OF PARTICIPATION IN THE LOCAL GOVERNMENT REFORM PROCESS

I hereby give notice that I intend to move the following motion at the Council Meeting to be held on 27 May 2014:

Motion

I move that the City of South Perth suspend all participation with the State Government with respect to the “Local Government Reform Process”, until such time as it receives an undertaking from the government that the previous funding commitments are honoured. The City of South Perth will no longer remain part of the METRIC or participate in Local Implementation Committee in their current form.

Reasons for the Motion

The City of South Perth entered the local government reform process, along with the Town of Victoria Park in good faith as it was understood the State Government would provide funding and allow for the normal procedures for voluntary amalgamation. The Minister has now reneged on both these commitments. Firstly, in order to remove the ability of the community to participate, the Minister has ordered a boundary enlargement process. Now, the commitment for funding has been removed. Despite protests and ongoing discussions, it is quite clear that the government is no longer prepared to honour even this last commitment. Until such time as there is further clarity from the State Government and an undertaking to fund the reform process, the City is no longer prepared to participate in the METRIC and LIC in their current form.

The WALGA Policy Position on Local Government Reform has consistently been for a voluntary process. Despite their position, the State Government has still imposed the present process. The position of Local Government’s peak body has been of no consequence.

The Association’s policy is for no forced amalgamations and support for the recommendations and principles outlined in the Systemic Sustainability Study final report, The Journey – Sustainability into the Future. In respect to Metropolitan Reform our final position was endorsed by the WALGA State Council on 6 March 2013.

In order for any meaningful negotiations and discussions to occur at any level, there has to be trust and consistency. This has not occurred with the “Reform Process”. Whilst the City has accepted and cooperated with the State on this issue, there comes a point where it is clear that it must make a stand on what is nothing less than an unconscionable reneging on a firm commitment by the State Government.

CEO Comment

It is clear that the State Government has been openly deceitful in the implementation of its Local Government reform programme. The Government has regularly changed its position during the course of the past year to the detriment of the City and Local Government in the metropolitan area generally. The most recent decision of the Government to allocate a miserly \$15M over three years for the Local Government reform process for the whole of the metropolitan area is an insult to the City and its ratepayers. Ratepayers will now be forced to now not only being absorbed by its neighbour, the Town of Victoria Park but fund the State’s reform process as well.

There are consequential impacts if the Motion is adopted but these can be addressed during the following months. For example, Council has passed a resolution to become part of a Local

Implementation Committee but this will need to be re-badged as the Motion suggests. This will be done administratively in the first instance and a report will be prepared for consideration in June.

It is important that the Administration continue its due diligence work but this is largely internal work and is proving very useful in any event.

The Motion is supported.

13. QUESTIONS FROM MEMBERS

13.1. RESPONSE TO PREVIOUS QUESTIONS FROM MEMBERS TAKEN ON NOTICE

13.2 QUESTIONS FROM MEMBERS

14. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

15. MEETING CLOSED TO PUBLIC

15.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED.

Nil

15.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC.

Nil

16. CLOSURE

17. RECORD OF VOTING



Mayors Activity Report – April 2014

Date	Activity
Tuesday, 29 April	Council Briefing - Indicative Capital Works Program & LG Reform Consultants Update
	South Perth Senior Citizens Anzac Day lunch
	Committee for Perth - Marion Fulker - light rail discussion
Monday, 28 April	LIC Meeting #5
	Mayors\Presidents Support Group @ WALGA
Friday, 25 April	ANZAC Day ceremony + Crs Glenn Cridland, Kevin Trent, Fiona Reid, Cheryle Irons
Wednesday, 23 April	Welcome –Gracious Dialogue on Creation: 2 Christian Views
Tuesday, 22 April	Council Briefing - Updated LTFP & Overview of the Economic Environment
	Mayor/CEO weekly meeting
	WALGA: Metropolitan Reform Implementation Policy Forum
Friday, 18 April – Monday 21 April	Easter long weekend
Thursday, 17 April	City of Canning meeting
	Cr Fiona Reid meeting
	Metropolitan Reform Implementation Policy Forum @ WALGA
Wednesday, 16 April	Metro Mayors meeting - Kalamunda + Manager Legal and Governance
Tuesday, 15 April	Council meeting
	Mayor/Acting CEO meeting
	Meeting Mayor of Victoria Park
	Orangutan Jungle School Exhibit – Perth Zoo
Monday, 14 April	Briefing –Civic Triangle – Shortlisting of tender responses
Saturday, 12 April	WASPS Gala shirt presentation day
Friday, 11 April	Mosquito meeting with Acting CEO, Vicki Lummer
	Manning Primary School Anzac Day service

Wednesday, 9 April	Briefing – Ernest Johnson Master Plan and Ellam Street Playing Fields
	MetRIC
Tuesday, 8 April	Mosquito Meeting Luciano D'Ambrogio
	April Agenda Briefing + Southcare TPS Amendment + LG reform
	Mayor/CEO weekly meeting + Cr Glenn Cridland
Saturday, 5 April	West Coast vs St Kilda
Friday, 4 April	Mayor Meet the Community
Thursday, 3 April	Joint Amalgamation Discussion LIC and LGAB + Crs Kevin Trent + Sharron Hawkins-Zeeb
	Present prizes @ Collier Park Seniors Golf Club – Bridging the Gap
Wednesday, 2 April	Gowrie WA Karawara Early Years Centre renovation launch
	Local Government Reform Boundary Adjustment Meeting @ City of Subiaco + CEO
Tuesday, 1 April	Meeting John Collins
	Mayor/CEO weekly meeting

Council Representatives' Activity Report - April 2014

April 2014	Activity
Wednesday, 23 April	South East Metropolitan Zone – Crs Fiona Reid and Colin Cala
Thursday, 10 April	Rivers Regional Council meeting – Crs Kevin Trent and Colin Cala
Monday, 7 April	Citizenship ceremony – Cr Cridland + Crs Fiona Reid + Kevin Trent