

AGENDA.

Ordinary Council Meeting

25 May 2021

Notice of Meeting

Mayor and Councillors

The next Ordinary Council Meeting of the City of South Perth Council will be held on Tuesday 25 May 2021 in the the City of South Perth Council Chamber, corner Sandgate Street and South Terrace, South Perth commencing at 6.00pm.



MIKE BRADFORD
CHIEF EXECUTIVE OFFICER

21 May 2021

Acknowledgement of Country

Kaartdjinin Nidja Nyungar Whadjuk Boodjar Koora Nidja Djining Noonakoort kaartdijin wangkiny, maam, gnarnk and boordier Nidja Whadjuk kura kura.

We acknowledge and pay our respects to the traditional custodians of this land, the Whadjuk people of the Noongar nation and their Elders past and present.

Our Guiding Values



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.

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Ordinary Council Meeting - Agenda

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

2. DISCLAIMER

3. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

4. ATTENDANCE

4.1 APOLOGIES

4.2 APPROVED LEAVE OF ABSENCE

- Councillor Glenn Cridland (12 May 2021 to 25 May 2021 inclusive)

5. DECLARATIONS OF INTEREST

In accordance with authority delegated by the Minister for Local Government on 18 May 2021, approval has been given by the Department of Local Government, Sport and Cultural Industries under section 5.69(3) of the *Local Government Act 1995* to allow Mayor Greg Milner and Councillors Carl Celedin, Glenn Cridland, Stephen Russell, Samantha Bradder, Ken Manolas, Mary Choy and André Brender-A-Brandis to fully participate in the discussion and decision making relating to Item 10.3.1 Consent to advertise Draft Local Planning Scheme 7.

The approval is subject to the following conditions:

1. The approval is only valid for the 18 May 2021 Council Agenda Briefing and the 25 May 2021 Ordinary Council Meeting when agenda item 10.3.1 is considered;
2. The abovementioned Councillors must declare the nature and extent of their interests at the abovementioned meeting when the matter is considered, together with the approval provided;
3. The CEO is to provide a copy of the Department's letter of approval to the abovementioned Councillors;
4. The CEO is to ensure that the declarations, including the approval given and any conditions imposed, are recorded in the minutes of the abovementioned meeting, when the item is considered;
5. The CEO is to provide a copy of the confirmed minutes of the abovementioned meeting to the Department, to allow the Department to verify compliance with the conditions of this approval; and
6. The approval granted is based solely on the interests disclosed by the abovementioned Councillors, made in accordance with the application. Should other interests be identified, these interests will not be included in this approval and the financial interest provisions of the Act will apply.

The interests are as follows:

- Mayor Greg Milner – Financial, Proximity and Impartial Interest in Item 10.3.1 as the ‘Local Planning Policy Scheme 7 affects the zoning or potential use of properties where persons or entities (that are closely associated or otherwise associated with me) either own the property, or have an estate or interest in the property. Those persons and entities include: not-for-profit entities that I have previously served on the boards of; a not-for-profit entity where I presently serve on a sub-committee; not-for-profit entities that I am the patron of; not-for-profit entities that my wife is a committee member of; and people who have made donations to my election campaign in 2019.’
- Councillor Glenn Cridland – Financial, Proximity and Impartial Interest in Item 10.3.1 as ‘the making of a new Local Planning Scheme for the City of South Perth is certain to impact upon the development potential, permissible (and prohibited) uses and amenity of many real properties in the City of South Perth including potentially our family home at 61 Thelma Street Como, our neighbours’ homes as well as the homes of family, friends, colleagues and acquaintances.’
- Councillor André Brender-A-Brandis – Proximity Interest in Item 10.3.1 as ‘I am a property owner within the City of South Perth.’
- Councillor Samantha Bradder – Financial and Proximity Interest in Item 10.3.1 as ‘both myself and my extended family own property in the City of South Perth.’
- Councillor Carl Celedin – Financial Interest in Item 10.3.1 as ‘I own a property in the City of South Perth where the value of the property may be affected (increased or decreased) because of this Item.’
- Councillor Mary Choy – Financial and Proximity Interest in Item 10.3.1 as ‘I, my immediate and extended family own multiple properties in the City of South Perth to which the LPS7 will apply.’
- Councillor Ken Manolas – Financial, Proximity and Impartial Interest in Item 10.3.1 as ‘the two family homes at 193 Mill Point Road and 28 Victoria Street are the subject of zoning changes that may increase or decrease the value of our homes. My son owns a property at 23 Cygnus Parade, Waterford and an adjacent property has a zoning change which may increase or decrease the value of his home. The Citywide changes will affect our neighbours, and a great many people that I know in the City.’
- Councillor Stephen Russell – Proximity Interest in Item 10.3.1 as ‘the LPS7 includes my primary residence and adjoining properties.’

The following interests have also been received in relation to Items 10.5.2, 10.5.3 and 15.1.1:

- Councillor Carl Celedin – Impartiality Interest in Item 10.5.2 as ‘I attended the Sportsmen’s lunch as the representative of the Mayor in December 2019.’
- Councillor Samantha Bradder – Impartiality Interest in Item 10.5.3 as ‘I have close friends and community members who are members of the WASPs Hockey Club.’
- Councillor Carl Celedin – Impartiality Interest in Item 10.5.3 as ‘my daughter is a member of the WASP’s Hockey Club.’

- Councillor Mary Choy – Impartiality Interest in Item 10.5.3 as ‘My husband has been a past and present member of the WASP’s Hockey Club and a volunteer coach and is also a Wesley College ‘old boy’. My son’s have and/or continue to play for WASP’s and they also attend Wesley College.’
- Mayor Greg Milner – Impartiality Interest in Item 10.5.3 as ‘I am the co-patron of the Wesley South Perth Hockey Club.’
- Councillor Stephen Russell 10.5.3 – Impartiality Interest in Item 10.5.3 as ‘a family member is a member of the WASP’s Hockey Club.’
- Mayor Greg Milner – Impartiality Interest in Item 15.1.1 as ‘I have previously been employed by a law firm engaged by Devwest. Devwest is related to Bradshaw 9 Pty Ltd.’

6. PUBLIC QUESTION TIME

6.1 RESPONSES TO PREVIOUS QUESTIONS TAKEN ON NOTICE

6.2 PUBLIC QUESTION TIME: 25 MAY 2021

7. CONFIRMATION OF MINUTES AND TABLING OF NOTES OF BRIEFINGS

7.1 MINUTES

7.1.1 Ordinary Council Meeting Held: 27 April 2021

Officer Recommendation

That the Minutes of the Ordinary Council Meeting held 27 April 2021 be taken as read and confirmed as a true and correct record.

7.2 CONCEPT BRIEFINGS

7.2.1 Council Agenda Briefing - 18 May 2021

Officers of the City presented background information and answered questions on Items to be considered at the 25 May Ordinary Council Meeting at the Council Agenda Briefing held 18 May 2021.

Attachments

7.2.1 (a): Briefing Notes

7.2.2 Concept Briefings and Workshops

Officers of the City/Consultants provided Council with an overview of the following matters at Concept Briefings and Workshops:

Date	Subject	Attendees
3 May 2021	Local Planning Scheme #7	Councillors Samantha Bradder, André Brender-A-Brandis, Carl Celedin, Mary Choy, Glenn Cridland, Blake D'Souza, Ken Manolas, and Stephen Russell
4 May 2021	Finance Workshop #2 – Operating and Capital Budget	Mayor Greg Milner and Councillors André Brender-A-Brandis, Carl Celedin, Mary Choy, Glenn Cridland, Blake D'Souza, Ken Manolas, and Stephen Russell
10 May 2021	Policy Review Workshop	Mayor Greg Milner and Councillors Samantha Bradder, André Brender-A-Brandis, Carl Celedin, Glenn Cridland, Blake D'Souza, Ken Manolas, and Stephen Russell
17 May 2021	Road Safety Workshop	Mayor Greg Milner and Councillors Samantha Bradder, André Brender-A-Brandis, Carl Celedin, Mary Choy, Blake D'Souza, Ken Manolas, and Stephen Russell
17 May 2021	Elected Members Briefing: SCP Stakeholder Engagement Report	Mayor Greg Milner and Councillors André Brender-A-Brandis, Carl Celedin, Mary Choy, Blake D'Souza, Ken Manolas, and Stephen Russell

Attachments

Nil

Officer Recommendation

That Council notes the following Council Briefings/Workshops were held:

- 7.2.1 Council Agenda Briefing - 18 May 2021
- 7.2.2 Concept Briefings and Workshops

8. PRESENTATIONS

8.1 PETITIONS

8.2 GIFTS / AWARDS PRESENTED TO COUNCIL

8.3 DEPUTATIONS

Deputations were heard at the Council Agenda Briefing held 18 May 2021.

9. METHOD OF DEALING WITH AGENDA BUSINESS

10. REPORTS

10.1 STRATEGIC DIRECTION 1: COMMUNITY

10.1.1 Tender 03/2021 Provision of Floodlight Upgrade - Bill Grayden Reserve

Location:	Bill Grayden Reserve, Como
Ward:	Moresby Ward
Applicant:	Not Applicable
File Reference:	D-21-38440
Meeting Date:	25 May 2021
Author(s):	Jac Scott, Manager Business & Construction
Reporting Officer(s):	Mark Taylor, Director Infrastructure Services
Strategic Direction:	Community: A diverse, connected, safe and engaged community
Council Strategy:	1.2 Community Infrastructure

Summary

This report considers submissions received from the advertising of Tender 03/2021 for the Provision of Floodlight Upgrade - Bill Grayden Reserve.

This report will outline the assessment process used during the evaluation of the tenders received and recommend approval of the tender that provides the best value for money and level of service to the City.

Officer Recommendation

That Council:

1. Accepts the tender submitted by Future Power WA Pty Ltd for Tender 03/2021 Provision of Floodlight Upgrade - Bill Grayden Reserve for the period of supply up to 30 June 2022 inclusive;
2. Accepts the tender price included in **Confidential Attachment (a)**; and
3. Notes that tender price will be included in the Ordinary Council Meeting Minutes.

Background

A Request for Tender (RFT) 3/2021 for the Provision of Floodlighting Upgrade - Bill Grayden Reserve was advertised in The West Australian on 20 March 2021 and closed at 2.00pm on 13 April 2021.

The scope of work includes, but is not limited to the following services:

- Demolition and removal of redundant services.
- Replacement of the existing switchboard.
- Installation of underground conduits, cabling and cable pits.
- Installation of new sports lights on field one, field two and three
- Installation of Intelligent lighting control system.

- Conduct Testing and Commissioning

Tenders were invited as a lump sum contract and the contract is for the period until 30 June 2022 inclusive.

Comment

At the close of the tender advertising period four (4) submissions had been received and these are tabled below:

TABLE A – Tender Submission

Tender Submission
1. Burgess Enterprises Australia trading as Kalamunda Electrics
2. Future Power WA Pty Ltd
3. Insight Electrical Technology
4. Stiles Electrical Communication Services

The tenders were reviewed by an evaluation panel and assessed according to the qualitative criteria detailed in the RFT, as per Table B below.

TABLE B - Qualitative Criteria

Qualitative Criteria	Weighting %
1. Company Experience, Past Performance and Understanding	40
2. Methodology & Suitability of Works Program	30
3. Company Profile, Resources and Skills and Experience of Key Personnel	30
Total	100%

Based on the assessment of all submissions received for Tender 03/2021 for the Provision of Floodlighting Upgrade - Bill Grayden Reserve, it is recommended that the tender submission from Future Power WA Pty Ltd be accepted by Council.

More detailed information about the assessment process can be found in the Recommendation Report – **Confidential Attachment (a)**.

Consultation

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

Policy and Legislative Implications

Section 3.57 of the *Local Government Act 1995* - tenders for providing goods or services:

- (1) *A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.*
- (2) *Regulations may make provision about tenders.*

Regulation 11 of the Local Government (Functions and General) Regulations 1996 - when tenders have to be publicly invited:

- (1) *Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$250 000 unless subregulation (2) states otherwise.*

The following City Policies also apply:

- Policy P605 - Purchasing and Invoice Approval
- Policy P607 -Tenders and Expressions of Interest

Financial Implications

The construction cost is outlined in **Confidential Attachment (a)**. The overall project out-turn cost is forecast at \$291,000 inclusive of design and Western Power upgrade costs.

The works are planned to be undertaken across two financial years. Sufficient funds are allocated in the 2020/21 budget and/or are being sought to be included in the 2021/22 budget.

The City has been successful in sourcing external funding and other contributions totalling \$179,888 for this project, comprised of \$96,888 from the Department of Local Government, Sport and Cultural Industries via its Community Sporting and Recreation Facilities Fund; \$50,000 from the Trinity Aquinas Amateur Football Club; and \$33,000 from the AFL.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Community
Aspiration:	A diverse, connected, safe and engaged community
Outcome:	1.2 Community Infrastructure
Strategy:	1.2.2 Manage the provision, use and development of the City's properties, assets and facilities

Attachments

- 10.1.1 (a):** Provision of Floodlight Upgrade - Bill Grayden Reserve - Recommendation Report (*Confidential*)

10.3 STRATEGIC DIRECTION 3: ENVIRONMENT (BUILT AND NATURAL)

10.3.1 Consent to advertise Draft Local Planning Scheme 7

Location:	Not Applicable
Ward:	All
Applicant:	Not Applicable
File Ref:	D-21-38441
Meeting Date:	25 May 2021
Author(s):	Aaron Augustson, Principal Strategic Urban Planner
Reporting Officer(s):	Vicki Lummer, Director Development and Community Services
Strategic Direction:	Environment (built and natural): Sustainable urban neighbourhoods
Council Strategy:	3.2 Sustainable Built Form

Summary

At its meeting held 27 June 2017, Council considered a report on the Review of Town Planning Scheme No. 6 (TPS6). Council resolved that TPS6 required review and that a new scheme should be prepared (refer item 10.3.4).

The City's Local Planning Strategy (Strategy), was adopted by the Western Australian Planning Commission (WAPC) in February 2021 and has informed the preparation of LPS7. Following an extensive period of investigation since the Strategy was undertaken, the draft Local Planning Scheme 7 (LPS7) has now been prepared.

LPS7 addresses a number of strategic outcomes outlined in the Strategy, including:

- Providing greater and more diverse housing for a growing population
- Limiting growth within existing lower-density neighbourhoods by directing the majority of growth towards activity centres and along urban corridors like Canning Highway
- Clear definition of new building densities, built-form (including height) and scale
- Opportunities for new non-residential floor space in key locations that provide for enterprise and employment
- Improved transport connectivity along urban corridors and between activity centres
- Enhanced retention of mature trees and greater environmental performance of buildings.

This report recommends that Council endorse LPS7 for the purpose of undertaking consultation.

Officer Recommendation

That Council:

- a. Pursuant to Section 72(1) of the *Planning and Development Act 2005*, endorse the draft Local Planning Scheme 7 as included at **Attachment (a)** (Scheme Text) and **Attachment (b)** (Scheme Map) for the purpose of undertaking public consultation.
- b. Prior to submission of Local Planning Scheme 7 to the Western Australian Planning Commission, the City have a suitably qualified lawyer undertake a legal review of the draft Local Planning Scheme Text and Scheme Map.
- c. Following legal review but prior to submission of Local Planning Scheme 7 to the Western Australian Planning Commission under (d), the City refer Local Planning Scheme 7 to the Environmental Protection Authority pursuant to clause 81 of the *Planning and Development Act 2005*.
- d. Authorise the Chief Executive Officer to submit copies of the endorsed draft Local Planning Scheme 7 to the Western Australian Planning Commission requesting the Commission grant approval to advertise the scheme without modification.
- e. Authorise the Chief Executive Officer, as soon as practicable following submission of the draft Local Planning Scheme 7 to the Western Australian Planning Commission, to publish a copy of the Council endorsed version on the City's website, noting that the draft Scheme is yet to be advertised.
- f. Following approval of the Western Australian Planning Commission to advertise the draft Local Planning Scheme 7, the City undertakes community consultation and invites submissions on the scheme for a period of 90 days.

BackgroundReport of review

At its meeting held 27 June 2017, Council considered a report on the Review of TPS6. Council resolved to recommend to the WAPC that TPS6 required review and that a new scheme should be prepared (refer item 10.3.4). The City received endorsement from the WAPC in October 2017 that agreed a new scheme should be prepared.

Preparation and endorsement of Local Planning Strategy

A scheme review is a multi-staged process. The first stage is the preparation of a Local Planning Strategy (the Strategy), as required by regulation 11(1) of the Planning and Development (Local Planning Schemes) Regulations 2015 (the Regulations).

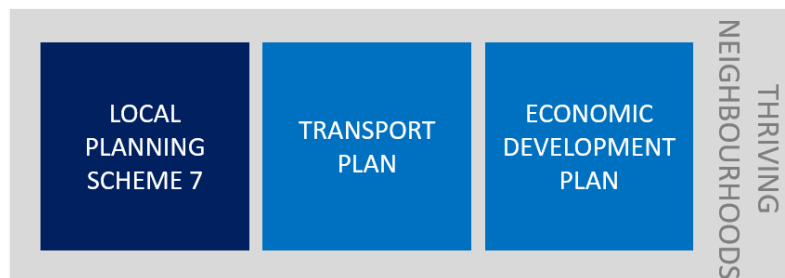
The City prepared the Strategy from mid-2017 to mid-2018. The preparation of the Strategy was informed by:

- Background studies and analysis. This background analysis included data/information derived from:
 - State, regional and local planning strategies, policies and guidelines

- A local profile compiled of detailed data that identifies population and economic trends, with some data compiled into comprehensive forecasts
- Other (earlier) planning investigations previously undertaken by the City.
- Preliminary community engagement, which was informed by the preliminary background studies and research. The purpose of this engagement was to identify the community's attitudes towards the planning challenges the City faces over the next 10 to 15 years.

Following formal consultation in early 2019, Council endorsed the Strategy in July 2020 followed by WAPC endorsement in February 2021. The WAPC made a number of modifications to improve the justification for certain actions identified in the Strategy.

Thriving Neighbourhoods



LPS7 forms part of 'Thriving Neighbourhoods'. The Thriving Neighbourhoods suite of documents sets out the City's plan for accommodating growth. LPS7 provides for the control of future development that will accommodate growing population, activity and employment.

The Integrated Transport Plan (ITP) identifies a series of actions to safeguard and improve the movement network within and around the City. As population grows, the actions of the ITP will ensure the City's community has continued access to jobs, entertainment, recreation, goods and services. The Economic Development Plan (EDP) sets actions to grow the local economy. A growing economy will provide for more jobs and enhance access to a variety of goods and services.

Key actions of the ITP and EDP that are supported in LPS7 are set out below:

- Work towards the widening of Canning Highway by encouraging redevelopment on land adjacent to the highway. In progressing the widening, re-define Canning Highway as an inner city boulevard to prioritise landscaping, particularly for large trees, generous footpaths and slower traffic speeds at key intersections
- Provide opportunities for high-quality retail and employment floor space at key activity centres like the South Perth Peninsula, Canning Bridge, Preston Street, Angelo Street and at key intersections along Canning Highway
- Ensure the City's planning system facilitates opportunities for a variety of new businesses and land use, including Home Businesses.

Comment

Elements of a local planning scheme

A local planning scheme is comprised of two elements; a 'Scheme Text', which sets out the written requirements of the scheme, and a 'Scheme Map', which applies zoning and residential density codes to land throughout the local government.

Clause 19(1) of the Regulations requires that a local planning scheme must be prepared 'in a form approved by the WAPC'.

The WAPC, through the regulations provides a Model Scheme Template to guide the preparation of new local planning schemes. The regulations also provide 'Deemed Provisions' which are a series of requirements automatically read into all local planning schemes. LPS7 has been prepared in the format of the Model Scheme template. All the provisions of LPS7 also have regard to the requirements in the Deemed Provisions.

Review of the local planning framework

A local planning scheme is one element of the City's local planning framework. The City has, over the past few years, undertaken comprehensive reviews of each element of the local planning framework, including:

- Adoption of the South Perth Activity Centre Plan (SPACP)
- Adoption and review of the Canning Bridge Activity Centre Plan (CBACP)
- Review and implementation of various local planning policies and local development plans
- Progression of various scheme amendments to TPS6
- A review of the Heritage List in 2018/2019.

With the progression of LPS7, a range of policies are proposed to be considered concurrently. A review of the remainder of the local planning framework will occur at a future date to ensure it aligns with the outcomes of LPS7. Adoption of LPS7 will not alter the operation of either the South Perth or Canning Bridge Activity Centre Plans.

Summary of LPS7 key proposals

LPS7 includes a range of elements that seek to address the objectives, strategies and actions of the Strategy and the City's Strategic Community Plan. The table below summarises these proposals:

Summary of proposal	Comment
Modernise the City's planning framework.	<p>The aims of the Scheme are important in understanding the rationale for the development standards set out elsewhere in the Scheme text and map. The aims of the LPS7 have been prepared having regard to:</p> <ul style="list-style-type: none"> • The 'aspirations' and 'outcomes' set out in the City of South Perth Strategic Community Plan 2020-2030 • The objectives of the Local Planning Strategy. <p>LPS7 will provide a modernised statutory framework for the remainder of the City. The intent of LPS7 is to modernise the City's high-level statutory planning framework. It sets the underlying zoning and coding of land, with future activity centre plans and policies to provide more detailed guidance on how land shall be developed.</p>

	The establishment of robust, consistent scheme aims will assist in framing the outcomes of these plans and policies.																											
Providing greater and more diverse housing for a growing population.	A key outcome of Perth and Peel @3.5million is to provide for a growing population through increasing the number of dwellings constructed in established urban areas. Perth and Peel directs new growth towards ‘activity centres’ and along ‘urban corridors’ in order to make best use of existing infrastructure and services, and provide for new housing close to jobs, entertainment and recreation areas.																											
Protection of the City’s existing lower-density neighbourhoods by directing the majority of growth towards major activity centres and along important urban corridors like Canning Highway.	<p>LPS7 provides for increased residential areas within an around key activity centres and nearby to prominent urban corridors.</p> <p>It is estimated that LPS7 will provide for approximately 9,332 additional dwellings between 2011 and approximately 2050. This estimate accounts for constraints that suppress rates of development such as land fragmentation/assembly, dwelling mix and heritage protection.</p> <p>A significant proportion of the additional dwellings are expected within three key activity centres; Bentley/Curtin, South Perth and Canning Bridge (4940/9112, 52.9%). Excluding these activity centres, LPS7 is expected to provide for 4,392 additional dwellings in all other areas by approximately 2050.</p>																											
Clear definition of new building densities, built-form and scale.	<p>LPS7 provides clarity as to how land could be developed in the future. A key aspect of development is building height.</p> <p>LPS7 includes provisions that limit building height for all land throughout the City where an R-Code is indicated on the Scheme Map.</p> <p>Applying height limits will ensure all stakeholders can clearly understand the height and scale of future buildings. The height limits are set out in Table 10 of LPS7, as follows:</p> <table><tr><th>Density code</th><th>Maximum wall height</th><th>Maximum building height</th></tr><tr><td>R15, R20, R25, R30, R35, R40</td><td>7.0m</td><td>9.0m</td></tr><tr><td>R50 & R60</td><td>10.0m</td><td>12.0m</td></tr><tr><td>R80, R100</td><td>N/A</td><td>15.0 m</td></tr><tr><td>R160</td><td>N/A</td><td>18.0m</td></tr><tr><td>R-AC4</td><td>N/A</td><td>12.0m</td></tr><tr><td>R-AC3</td><td>N/A</td><td>21.0m</td></tr><tr><td>R-AC2</td><td>N/A</td><td>24.0m</td></tr><tr><td>R-AC1</td><td>N/A</td><td>30.0m</td></tr></table> <p>Applying height limits also provides greater certainty to the development yields expected through the adoption of LPS7.</p>	Density code	Maximum wall height	Maximum building height	R15, R20, R25, R30, R35, R40	7.0m	9.0m	R50 & R60	10.0m	12.0m	R80, R100	N/A	15.0 m	R160	N/A	18.0m	R-AC4	N/A	12.0m	R-AC3	N/A	21.0m	R-AC2	N/A	24.0m	R-AC1	N/A	30.0m
Density code	Maximum wall height	Maximum building height																										
R15, R20, R25, R30, R35, R40	7.0m	9.0m																										
R50 & R60	10.0m	12.0m																										
R80, R100	N/A	15.0 m																										
R160	N/A	18.0m																										
R-AC4	N/A	12.0m																										
R-AC3	N/A	21.0m																										
R-AC2	N/A	24.0m																										
R-AC1	N/A	30.0m																										

<p>Opportunities for new non-residential floor space in key locations that provide for a diversity of activity and employment.</p>	<p>Forecast population growth is predicted to drive the need for new non-residential floor space. In most instances this growth is relatively modest:</p> <ul style="list-style-type: none"> • Preston Street (2,106sqm additional space) • Angelo Street (3,319sqm additional space) • Welwyn Avenue (292sqm additional space); • Canning Highway at key mixed use nodes (10,800sqm additional space). <p>LPS7 makes allowance for this additional floor space by increasing the height and scale of buildings permissible in each area. Substantial activity and employment growth is likely to occur in the following key activity centres:</p> <ul style="list-style-type: none"> • South Perth Activity Centre • Bentley/Curtin Specialised Centre, including Waterford Plaza Shopping Centre • Canning Bridge. <p>LPS7 does not make further allowance for greater floor space in these locations. These areas are subject to adopted activity centre plans that provide for increased non-residential floor space.</p>
<p>Improved amenity and transport connectivity along urban corridors and between activity centres.</p>	<p>The ITP outlines the changes needed to be made to adapt to a growing population. The most prominent transport challenges will exist around major activity centres at South Perth, Como and Bentley/Curtin, but also along major transport routes like Canning Highway.</p> <p>LPS7 includes a range of measures that aim to improve the amenity of Canning Highway and its effectiveness as a major transport route. These are summarised as follows:</p> <ul style="list-style-type: none"> • Land along the Canning Highway urban corridor will accommodate significant population and activity growth; about 787 new dwellings with allowance made for the provisions of an additional non-residential floor space • That future widening of Canning Highway should prioritise amenity pedestrian, cycling and public transport movements • Widening should incorporate opportunities for significant landscaping and improved pedestrian crossings, to improve the amenity for future residents.

Enhanced retention of mature trees and environmental performance of buildings.	LPS7 includes greater protection of mature trees compared to TPS6. This includes the need to obtain planning approval to remove trees greater than 8.0m in height, in recognition that replacing a tree of this height is impracticable.
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Amendment 61 – South Perth Activity Centre and Amendment 63 – Preston Street Neighbourhood Centre

The City has previously submitted two major planning scheme amendments to the Minister for Planning, being Amendment 61 (South Perth Activity Centre) and Amendment 63 (Preston Street Neighbourhood Centre). These amendments propose changes to the development controls of TPS6.

Both amendments are yet to be gazetted by the Minister. If each of the amendments is approved/gazetted provisions reflective of the final Ministerial decision ought to be included in LPS7. This will enable the orderly transition of development requirements between TPS6 and LPS7.

The Scheme Text includes placeholder positions in Schedule B and Schedule C where provisions relating to Amendment 61 and Amendment 63 will be inserted once determined.

Other actions of the Strategy

A number of other actions of the Strategy are ‘short’ term and suggested to be implemented as part of the adoption of LPS7. Those actions relevant to the preparation of LPS7 are summarised below.

Action 4.1.1(m) & (n) Ensure appropriate built-form transition and that each coding change is based upon an analysis of streetscape, character and other planning considerations

The map series at **Attachment (c)** sets out the rationale for each proposed coding change. For the majority of the City, the coding between TPS6 and LPS7 remains unchanged. The rationale for the change to each code is based upon an assessment of streetscape, character and the planning considerations set out in the Strategy and the following factors:

Coding adjustments/anomalies:

Throughout the City there are various instances where land has been developed in a form/density that is inconsistent with its coding under TPS6. The coding of these sites have been adjusted under LPS7. Where coding adjustments have occurred, the selected code has been determined based upon:

- The height, setback and general built-form arrangement of buildings on the site
- The estimated level of dwelling density
- The need to ensure any future replacement buildings are sympathetic to the surrounding streetscape.

Providing transition:

LPS7 ensures appropriate transition between different built-form. LPS7 achieves this by graduating coding between areas of different streetscape character.

Codings prioritise the transition between buildings of varying height limits, rather than dwelling density. The apparent size, bulk and scale of a building is more accurately defined by its scale (height, setbacks) rather than the number of dwellings.

Prevailing streetscape character:

City officers have investigated the existing built-form character (height, setbacks, density etc.) of each street block throughout the City in preparing LPS7.

This has informed the density code applied to each lot. Notwithstanding the 'managed growth strategy' of the Strategy, codings have been selected to preserve and reinforce the existing built-form character where it has been assessed to have a strong degree of consistency. Areas identified include, but are not limited to:

- Parts of Gardner Street, Como, that are currently coded R15/25 and developed to the R15 code, despite an 'up to R50' designation in the Strategy
- Parts of Hampden Street, Elizabeth Street, Milson Street and Hensman Street, South Perth that are currently coded R15 and are primarily developed to the R15 code, despite an 'up to R25' designation in the Strategy
- Parts of the eastern side of Park Street that are currently coded and developed to the R20 code, despite an 'up to R30' designation in the Strategy
- Parts of York Street and Forrest Street, South Perth that are currently coded and developed to the R15 code, despite an 'up to R30' designation in the Strategy.

Dual density codes:

LPS7 proposes to remove all dual density codes from LPS7. All codes have been rationalised to a single code, being either the lower, an intermediate, or the higher of the existing dual code, based upon the following factors:

- The extent to which the particular street block has been subdivided at a greater density than the lower code
- If there is a discrepancy between permitted building height at each code, which code best reflects the height of buildings in the locality.

Action: 4.1.2(a) Undertake a review of the dual density coding system with the intent to remove each dual code. The Scheme Map of LPS7 does not include any dual-coded properties. All existing dual codes have been rationalised with the majority of properties reverting to the higher code.

4.1.2(c) Review the coding of every property throughout the City to resolve any coding anomalies. A range of properties are coded under TPS6 in a way that do not reflect the existing built-form on the site. LPS7 adjusts these codes as depicted on the plan at **Attachment (c)**.

4.1.2(d) & 4.1.2(e) Include provisions in the Scheme that ensure buildings provide for diverse, accessible and affordable housing; and a range of housing types (student, aged, independent living etc.) The zoning table of LPS7 makes a range of accommodation types, including dwellings, short-stay accommodation and student accommodation discretionary or permitted uses in a range of zones.

4.2.4(b) Investigate methods to make obtaining approval for retail and employment uses more straight-forward. Since the progression of the Strategy, the State government has gazetted modifications to the Regulations that exempt the need for planning approval for range of land use, which addresses this action.

4.2.4(e) Include provisions in the Scheme that provide a framework to consider proposals of community benefit or civic need, including aged-care facilities, hospitals, cultural facilities and kindergartens. LPS7 does not introduce barriers to the development of civic and community facilities. Table 4 of LPS7 permits buildings of community and civic needs widely across a range of zones.

4.6.1(a) Incorporate measures that deliver community facilities/benefits in activity centres and urban corridors. The CBACP and the SPACP contain provisions to provide for community benefits, including the potential for development to contribute towards community facilities.

4.6.3(b) Investigate the potential for a cash-in-lieu contribution for public open space mechanism to be included in the Scheme.

Provisions for the taking of cash-in-lieu for public open space are provided in the *Planning and Development Act 2005*.

Local governments need to prepare a 'Public Open Space Strategy' to guide the taking and use of cash-in-lieu. The City's Public Open Space Strategy is outdated and will be updated in order to secure cash-in-lieu contributions.

4.7.1(a) Ensure a new Scheme and any local planning policies permit short-term accommodation uses in appropriate locations. LPS7 provides for the majority of short-term accommodation uses as permitted or discretionary in non-residential zones.

Consultation

Should Council endorse LPS7 for the purpose of consultation, the certification of the WAPC will be required prior to the commencement of the advertising period. The WAPC may direct the City to modify LPS7 prior to consultation occurring.

It is anticipated that consultation will not commence until at least six months from the date of Council endorsement of LPS7. Consultation on LPS7 will be undertaken in accordance with regulation 22 of the Regulations and will include the following:

- Preparation of supporting documentation (available electronically and in hard copy) to explain the key components of LPS, including FAQs, summary document and explanatory notes
- Direct mail notice to all households within the City of South Perth inviting feedback on LPS7. The mail notice will provide an overview of LPS7 and provide brief information about LPS7 proposals that directly affect the particular property (change to zoning or coding)
- Advertising of LPS7 in the Southern Gazette newspaper and other publications, including the City's e-news, Peninsula Magazine, City website and social media
- Direct email notice to the City's database of stakeholders
- Media communications to promote the project and opportunities to provide feedback
- Community drop-in sessions to enable stakeholders to ask detailed questions of City officers.

The Regulations requires the City to consult with each public authority and adjoining local governments likely to be affected by LPS7.

The consultation period will be open for a period of 90 days, unless it extends over the Christmas/New Year and/or Easter holiday periods, in which case the period will be extended in accordance with P301 – Advertising of Planning Proposals.

Policy and Legislative Implications

Part 72 of the Act provides the ability for the City to prepare and adopt a local planning scheme for the district.

Part 73 of the Act sets out the matters/content dealt with as part of a local planning scheme. LPS7 has been prepared in a manner consistent with these provisions.

The Act provides the power for the Minister for Planning to require a local government to adopt a local planning scheme. The City resolved to prepare a new local planning scheme in June 2017.

A review of the City's local planning policy framework has been on-going for a number of years and will continue to ensure an appropriate transition in policy provisions between TPS6 and LPS7.

Financial Implications

A legal review of LPS7 will occur prior to submission to the WAPC. This cost has been accounted for in the 2020/21 budget.

There will be considerable costs in undertaking consultation on LPS7, which are proposed to be included in the 2021/22 budget. The largest cost associated with undertaking consultation is the direct mail notices proposed to be provided to each household.

There are on-going administrative costs associated with the preparation of the local planning framework, and costs associated with any future consultation.

Strategic Implications

TPS6 was originally gazetted in 2003 and is increasingly difficult to administer with certainty. Progression of LPS7 will enable the implementation of a framework that supports the following 'Strategic Direction' identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Environment (Built and Natural)
Aspiration:	Sustainable urban neighbourhoods
Outcome:	3.2 Sustainable built form
Strategy:	3.2.1 Development and implement a sustainable local planning framework to meet current and future community needs

Attachments

10.3.1 (a):	Scheme Text
10.3.1 (b):	Scheme Map
10.3.1 (c):	Map of reasons for change between TPS6 and LPS7

10.3.2 State Development Assessment Unit (SDAU) Referral of Significant Development Application - Proposed Mixed Development Incorporating Multiple Dwellings, Cafe/Restaurant, Small Bar and Office

Location:	Lots 2, 15 and 16, No. 86-90 Mill Point Road, South Perth
Ward:	Mill Point Ward
Applicant:	PTS Town Planning
File Reference:	D-21-38442
DA Lodgement Date:	9 April 2021
Meeting Date:	25 May 2021
Author(s):	Kevin Tang, Urban Planner
Reporting Officer(s):	Vicki Lummer, Director Development and Community Services
Strategic Direction:	Environment (built and natural): Sustainable urban neighbourhoods
Council Strategy:	3.2 Sustainable Built Form

Summary

The *Planning and Development Act 2005* (as amended by the *Planning and Development Amendment Act 2020*), introduced a new Part 17 that grants the Western Australian Planning Commission (WAPC) temporary decision-making powers to determine proposals over \$20 million in metropolitan Perth. The WAPC is supported in its decision-making process by a new team, the State Development Assessment Unit (SDAU), within the Department of Planning, Lands and Heritage.

The City has received a referral of a Form 17B application which relates to a Mixed Development over multiple properties on the corner of Ferry Street and Mill Point Road, South Perth.

The WAPC must have due regard for the local planning framework in determining the application, however it has the ability to vary provisions within the City's town planning scheme (TPS6), and also undertake a more strategic assessment to consider non-planning related matters.

The development as presented would not be capable of approval under the City's TPS6 due to conflicts with some scheme provisions.

Officers do not currently have delegation from Council to provide a referral response to the SDAU. It is therefore recommended Council resolve to note that, while the development cannot currently be approved under the City's TPS6, the WAPC should give due regard to the City's 'without prejudice' conditions of approval in the event the application is supported.

Officer Recommendation

That Council notes:

1. The development cannot be approved under the City's Town Planning Scheme No. 6 as it:
 - Fails to satisfy requirements of Schedule 9A, Table A; Element 6: Special Design Area: Building Height: 123.3m – more than permitted 41m and all elements of Table B are not considered to have been met to provide discretion;
 - Fails to satisfy requirements of Schedule 9A, Table A; Element 3: Plot Ratio and Land Use Proportions: Non-residential Plot Ratio:0.1 (450m²) – less than 1.0 and all elements of Table B are not considered to have been met to provide discretion;
 - Fails to satisfy requirements of Schedule 9A, Table A; Element 7: Relationship to Street and the related Guidance Statements.
2. Noting the absence of detailed public benefits contribution information for the additional development sought, the City recommends that the Western Australian Planning Commission request the proponent to submit a Community Needs Assessment and/or Public Benefits Contribution Plan for approval before the determination of the development application.
3. The City offers the following additional comments in relation to development assessment:
 - The proposed Small Bar is a use that is not listed in TPS6 and a 'DC' use in Amendment 61;
 - The proposed floor levels of ground floor commercial, lobby areas and basement car parking are provided at levels below the required levels under clause 6.9 of TPS6;
 - The proposed dwelling diversity does not comply with Element 3.2 Housing Diversity of South Perth Activity Centre Plan;
 - The proposed outdoor living areas do not comply with the requirements of Element 12 of Table A in Schedule 9A of TPS6; and
 - The City recommends that the Transport Impact Assessment be peer reviewed and approved by Main Roads Western Australia.
3. That if the Western Australian Planning Commission is of the view to support the proposal using the special provisions under Part 17 of the *Planning and Development Act 2005*, the City has included 'without prejudice' conditions of development approval in **Attachment (b)**.
4. The City will submit a separate advice letter to the State Development Assessment Unit addressing technical considerations including waste management, parking design, landscaping and related matters.

Development Site Details

The development site details are as follows:

Zoning	Special Control Area 1 – South Perth Station Precinct
Lot area	4755m ²
Building height limit	Base height – 41m No limit for Additional height (Special Design Area) subject to meeting all Schedule 9A Table B Performance Criteria
Plot ratio limit	Residential – no limit Non-Residential – min. 1.0 when total plot ratio is more than 3.0

Comment**(a) Background**

The State Government has introduced a new development application process for significant projects as part of COVID-19 economic recovery plans. Part 17 of the *Planning and Development Act 2005* (as amended by the *Planning and Development Amendment Act 2020*) (the Act) has been temporarily established to allow the WAPC to be the new decision-making authority for applications for significant development.

The proponent has elected to seek approval via the Part 17 pathway as it has the ability to vary Local Government Scheme provisions as part of its decision making process.

In accordance with s.276(4) of the *Planning and Development Act 2005*, the WAPC must –

- (a) give any local government to whose district the development application relates an opportunity to make submissions to the Commission within a period specified by the Commission; and
- (b) have due regard to any submissions made by the local government within that period.

In March 2021, the City received a referral from the SDAU, inviting any information, comment or recommended conditions relevant to this application, for a proposed Mixed Development incorporating Multiple Dwellings, Café/Restaurant, Small Bar and Office over multiple properties on the corner of Ferry Street and Mill Point Road.

Town Planning Scheme No. 6 (TPS6) Schedule 9A

The proposal is a comprehensive new development within Special Control Area 1 – South Perth Station Precinct. Accordingly, the proposal shall comply with the development requirements in the first column of Table A of TPS6 Schedule 9A. No variation from those requirements is permissible unless the provisions of a particular development requirement provide the local government with a discretionary power to approve a variation from that requirement.

The Guidance Statements in the second column of Table A explain the rationale for the development requirements in the first column; and guide the local government in the exercise of discretion, where applicable, when considering applications for development approval for comprehensive new development.

Proposed South Perth Activity Centre Plan and Amendment 61

Council at its meeting held 17 December 2019 resolved to adopt Scheme Amendment 61 and South Perth Activity Centre Plan (ACP), which were subsequently forwarded to the WAPC and Minister for Planning for final approval.

In January 2021, the City received direction from the Minister for Planning to modify Amendment 61. The City has resubmitted a modified version of Amendment 61 to the Minister, which is awaiting final approval.

Given the substantial progression of both Amendment 61 and ACP, the City considers both documents to be 'seriously entertained' planning instruments to which the WAPC must have due regard. Given the advanced status of both proposals, the City submits that both documents should be afforded significant weight in making any decision.

Draft Amendment 61 sets out building height and plot ratio standards within Schedule 9B through a 'Primary', 'Tier 1' and 'Tier 2' system. Approval of any development above the primary building height and/or plot ratio limit up to the Tier 1 or Tier 2 limits is subject to meeting the relevant requirements contained within Element 8 of Schedule 9B and includes considerations relating to design quality and provision of a public benefit contribution.

The primary limits applicable to the subject site is a building height of 50.7m and plot ratio of 7.2. The applicable Tier 2 limits for the subject site is a building height of 123.3m and plot ratio of 9.8.

The draft ACP identifies that the subject site is situated within the Mill Point Character Area, which is described as:

The Mill Point character area is a predominantly residential area characterised by green, leafy streets and buildings set back from the public realm. This significant amenity is complemented by its proximity to the South Perth Foreshore and views to the Perth CBD and Swan River. In the future, this character will be enhanced through upgrades to the public realm and new development that responds to and enhances the special amenities that make the area a great place to live.

(b) Existing Development on the Subject Site

The existing development on the site currently features a Sales Office that was built in 2016.

(c) Description of the Surrounding Locality

The site has a frontage to Ferry Street to the north, Mill Point Road to the west and is surrounded by medium to high density residential development to the east and south, as seen in **Figure 1** below:



Figure 1: Site Aerial Photograph (April 2021)

(d) Description of the Proposal

The proposal involves the demolition of the existing development and the construction of a 35-storey Mixed Development, measured at 123.3m relative height, including 3-storey podium. A total of 175 multiple dwellings are proposed, providing a mix of one, two, three, four-bedroom apartments and two penthouses. Communal facilities including a gym, swimming pool, games room, theatre and communal room are proposed on Podium Level 2 and Level 20. The proposal also includes non-residential developments such as, a Small Bar (155.9m²), an Office (166.7m²) and a Café/Restaurant (145.1m²) at ground level. The development also accommodates 360 vehicle parking bays, inclusive of 325 residential bays, 25 residential visitor bays and 10 commercial bays. 121 bicycle bays and 27 motor bike bays are also included in the proposal. Vehicular access will be via two crossovers on Ferry Street. The development plans can be viewed at **Attachment (a)**. Should the WAPC support this development application, the City's 'without prejudice' conditions are provided at **Attachment (b)**.

(e) Assessment Comments

The development is designed based upon the draft ACP and Amendment 61. The proposal conflicts with some TPS6 requirements, including provisions where the exercise of discretion to permit variation is not available. As clause 7.8 of TPS6 does not provide discretion to vary the requirements of Schedule 9A, the proposal cannot be approved under the TPS6.

The WAPC, through the SDAU pathway, is not bound by a local planning scheme when determining this type of application. This presents an opportunity for the determination of the application to consider both the elements of Schedule 9A of TPS6 and the emerging planning framework set out in Amendment 61 and the ACP, which as clarified above should be afforded significant weight in making the decision.

The following elements are considered non-compliant under TPS6 and are discussed below:

Building Height

Elements	Required	Proposed
Schedule 9A: Table A Element 5: Building Height, Element 6: Special Design Area and Table B	The requirements of Element 5 'Building Height' (41m) may be waived if the development: a. is consistent with the Guidance Statements applicable to those Elements; b. satisfies all of the Performance Criteria in Table B of this Schedule	The proposal is not considered to meet the Schedule 9A Table B requirements in relation to vehicle management, balcony and dwelling sizes, car bay size and benefits for occupiers and local and wider communities
Amendment 61 building height requirements	Tier 2 building height (123.3m) permitted subject to a public benefit contribution, design excellence along with other considerations contained in Element 8 of Amendment 61.	While the proposal has been reviewed by the State Design Review Panel and received an 'exemplary design' status, no public benefit contribution offer has been provided. The proposal is also not considered to meet the relevant street setback requirements of the ACP.

In Table A, the site is assigned a 41m base building height limit with a bonus height applicable if the requirements of Table B in Schedule 9A can be fully met. The proposal contains a building height of 123.3m and does not meet the requirements of Table B to be granted the bonus building height in relation to the following elements:

- Vehicle management – the City's Asset and Design business unit does not support the findings of the proposed Traffic Impact Assessment (TIA) and recommends that the TIA be peer reviewed by the SDAU;
- Occupier benefits (balcony size) – while Element 8 of Table B requires a minimum balcony size of 15m², the proposed balconies to many dwellings are provided at a minimum of 10m²;

- Occupier benefits (dwelling size) – while Element 8 of Table B requires a minimum of 10% of dwellings to have an internal floor area of 200m², only 4.5% of proposed dwellings (8 out of 175) are greater than 200m²;
- Occupier benefits (car bay sizes) – Element 8 requires that the parking bays allocated to a minimum of 20% of the total number of dwellings shall be not less than 6m in length and 3.8m in width and shall be designed to the ‘Silver Level’ of the ‘Liveable Housing Design Guidelines’ produced by Liveable Housing Australia. Only 20% of dwellings’ car bays are designed to ‘Silver Level’ of ‘Liveable Housing Design Guidelines’, with car bay dimensions not meeting the requirements; and
- Wider Community Benefits have not been provided.

Plot ratio

Elements	Required	Proposed
Schedule 9A: Table A- Element 3: Plot Ratio and Land Use Proportions, Element 6 Special Design Area and Table B	The requirements of Element 3 ‘Plot Ratio and Land Use Proportions’ (non- residential plot ratio not less than 1.0 where total plot ratio is more than 3.0) may be waived if the development: a. is consistent with the Guidance Statements applicable to those Elements; and b. satisfies all of the Performance Criteria in Table B of this Schedule	Total plot ratio – 5.7 Non-residential plot ratio – 0.1, which less than 1.0 required.
Amendment 61 plot ratio requirements	Base – 7.2 Tier 1 – 8.8 Tier 2 – 9.8	As above.

The objectives of the development controls for SCA1 are to promote a diverse range of land uses within the precinct to provide greater employment self-sufficiency in the City and patronage for a future ‘destination’ rail station; and promote more intensive non-residential land use in developments to ensure the precinct consolidates its role as an employment destination. In order to achieve these objectives, Element 3 of Table A in Schedule 9A stipulates that non-residential plot ratio should be no less than 1 where the overall plot ratio for a comprehensive new development is more than 3. Element 6 of Table A allows this requirement to be waived if the proposal satisfies all of the Performance Criteria of Table B.

For reasons discussed in the 'Building Height' section above, the proposal is not considered to meet all of the requirements of Table B. It is therefore considered that the proposal does not satisfy the Element 3 and 6 requirements.

Notwithstanding, the proposal complies with the plot ratio requirements of ACP and Amendment 61.

Street setbacks

Elements	Required	Proposed
Schedule 9A: Table A-Element 7: Relationship to the Street	Podium – minimum 4m to both Ferry Street and Mill Point Road	Minimum 1.3m to Mill Point Road; Minimum 2.5m to Ferry Street;
	Tower – minimum 4m to both Ferry Street and Mill Point Road	Minimum 4.2m to Mill Point Road; Minimum 2.5m to Ferry Street;
Amendment 61 street setback requirements	Podium – 8m to Mill Point Road and 6m to Ferry Street	As above.
	Tower – 5m to Mill Point Road and 3m to Ferry Street	As above.

The proposal does not meet the street setback requirements of Element 7 of Table A in Schedule 9A.

In accordance with Provision 3 of Schedule 9A, the proposed development must satisfy the related Guidance Statement in cases where a variation is sought from the Development Requirements. The related Guidance Statement is provided below:

(b) It is intended that the streets listed in Development Requirements 7.3, 7.4 and 7.5 (including Mill Point Road and Ferry Street), will retain a different character from other streets in the precinct for various reasons, including being on the perimeter and facing developments with required significant street setbacks, being of narrow width, or containing significant trees.

The proposed street setback variations are not supported due to the following reasons:

- The section of Mill Point Road in front of the development site contains a narrow street verge area, ranging from 3m to 5m in width. The narrow width is further constrained by the four existing significant London Plane trees on the street verge. There is currently no street verge area along Ferry Street with the northern lot boundary of the development site directly abutting the road carriageway.

The proposed street setback variations would further constrain these street interfaces along Mill Point Road and Ferry Street and are not considered to meet the related Guidance Statement to accommodate the narrow width of street verge and the existing street trees;

- The proposed Ferry Street setback of 2.5m for the 123.3m high tower component is considered to be insufficient and would have a significant building bulk impact on the existing streetscape;
- Clause 5.3 of the ACP proposes a 4m wide pedestrian path to be constructed along Mill Point Road. Clause 6.1 of the ACP identifies a pocket park opportunity at the corner of Mill Point Road and Ferry Street, which requires a minimum area of 80m². Clause 6.2 of the ACP identifies Mill Point Road as one of the garden streets where green and well landscaped street verge area with extensive street trees and continuous shade-tolerant planting along street verges are encouraged. The proposed variations would not contribute to achieving these objectives and guidance in the ACP; and
- The variations are not consistent with the street setbacks required in Amendment 61 as listed in the table above.

The comments listed below relate to some other key planning matters that necessitate a performance based/discretionary assessment:

Public Benefits

The draft ACP and Amendment 61 are seriously entertained planning proposals which should be afforded significant weight in the decision making process.

Element 8 of Amendment 61 requires development, which exceeds the primary height and/or plot ratio limits applicable to the land to make a public benefit contribution commensurate to the additional development sought.

Element 8.2 of Amendment 61 provides a formula for the assessment of the value of any contribution and/or on-site benefits provided.

Element 8.2 allows either the payment of a contribution equivalent to the additional development sought, the provision of appropriate on-site public benefits equivalent to the contribution amount, or a combination of both.

At its meeting held 30 March 2021, the Statutory Planning Committee of the WAPC considered the ACP. It is noted in the Officers Report to the SPC meeting that the formula used to calculate the applicable public benefit contribution had been modified, as follows:

*‘The revised methodology requires that contribution amounts are paid on the basis of **construction contract sum**, levied pro-rata.’ [Emphasis added]*

The application provides the following elements which are intended to address the public benefit criteria of Schedule 9A of TPS6:

- Upgrades to the public realm, including soft and hard landscaping to the Mill Point Road reserve;
- Soft and hard landscaping within the property boundary;
- A co-working space; and

- Break-out room, function space and 'Live/Work' room.

Part 7.5 of the ACP specifies that an on-site benefit may only be provided in lieu of a monetary contribution where there is demonstrated need/demand for the item and the value of the item is agreed with the local government.

Public Benefits Contribution Framework

The City is currently preparing a Public Benefits Contribution Plan (PBCP) and Procedural Guide to administer the public benefits system across the ACP area in accordance with modifications directed by the Statutory Planning Committee.

The PBCP will identify needed/demanded public benefit items throughout the precinct. The Procedural Guide will provide clarity as to how benefit contributions are calculated, reconciled and benefit items are valued.

In the absence of the PBCP, it is unclear whether the on-site benefits provided by the applicant would satisfy the ACP. The application is not accompanied by an assessment of need/demand for any of the benefit items. Moreover, valuation of the items has not been provided.

The City requests that a community needs analysis is prepared and provided by the proponent to the SDAU for assessment prior to determination of the application to justify any on-site benefits proposed to satisfy Element 8 of Amendment 61 in lieu of payment of a monetary public benefit contribution. In the absence of this information, condition(s) will be required on any development approval to ensure any benefits provided align with the planning intent, in respect to public benefits, of Amendment 61 and the ACP.

Conditions (refer to **Attachment b**) are included ensuring public benefits, commensurate to the additional development sought are provided, summarised as follows:

- The landowner enters into an agreement with the WAPC to make a public benefit contribution commensurate to any building height above the primary height limit in Amendment 61. The contribution is to be calculated based on the construction contract sum of the development levied against portions of the building above the primary height limit;
- Any on-site benefit supported by the WAPC be valued independently and the value deducted from the contribution amount.

Land use

The proposed uses, with the exception of the Small Bar, are preferred land uses under TPS6. A Small Bar can be identified as a use-not-listed under Schedule 9A. Element 2.5 of Table A in Schedule 9A requires a use-not-listed is not permitted unless the use satisfies Element 2 Guidance Statements (a) and (b) and the related Guidance Statements for the relevant sub-precincts.

A Small Bar is listed as a 'DC' use under draft ACP and Amendment 61, meaning the land use is not permitted unless the responsible authority has exercised discretion to approve subject to advertising.

Minimum Ground and Floor Levels

TPS6 cl. 6.9 prescribes the minimum floor and ground levels that a lot or building is to be developed at in order to ensure the development is able to withstand 1 in 100 year flood event and subsoil water seepage.

A lower level can be approved if the development is considered to satisfy the requirements of sub-clause (3).

Development Element	Minimum Required	Minimum Proposed	Compliance
Ground Level	1.75m AHD.	Crossover entry: 1.49m AHD to 1.58m AHD	Not compliant
Habitable Rooms Ground Floor Level	2.3m AHD.	Non-Residential Tenancies: 1.75m AHD	Not compliant
Non-Habitable Rooms Floor Level	1.75m AHD.	Lobby: 1.75m AHD	Compliant
Car Parking Floor Level	1.75m AHD.	Basement 2: - 4.65m AHD	Not compliant

Having regard to the above table, the proposed ground level at crossover entry, ground floor levels of non-residential tenancies and car parking basement are all below the required minimum levels prescribed by clause 6.9.

Clause 6.9(3) provides the following discretionary provisions:

- (3) *The local government may permit land to be developed with lower levels than prescribed in sub-clauses (1) and (2), if:*
- provision is made in the design and construction of the floor and walls of the building for adequate protection against subsoil water seepage;*
 - the applicant provides the local government with certification from a consulting engineer that adequate water-proofing has been achieved; and*
 - the applicant satisfies the local government in such manner as the local government may specify that the proposed levels are acceptable having regard to the 100 year flood levels applicable to the lot.*

Further information regarding underground water management and engineering solution in water proofing will have to be provided from the applicant in order to satisfy the above requirements.

Dwelling diversity

Element 3.2 of the draft ACP requires 20% to 50% of dwellings to be studio or single bedroom dwellings and at least 10% to be three- or more-bedroom dwellings. The proposal includes 9% one-bedroom dwellings, 39% two-bedroom dwelling and 52% three -and four-bedroom dwellings.

Outdoor living areas

Element 12 of Table A in Schedule 9A requires all residential dwellings to be provided with a balcony or equivalent outdoor living area with a minimum area of 10m² and a minimum dimension of 2.4m.

All proposed one-bedroom dwellings contain an outdoor living area that is 9m² in area and has a minimum dimension of 2.4m. This variation is consistent with the outdoor living area requirements of Residential Design Codes Volume 2.

Traffic impact

The proponent's Traffic Impact Assessment (TIA) has been reviewed by the City's Network Operations department and is found to be deficient. This business unit has recommended that the TIA be peer reviewed and approved by Main Roads Western Australia.

(f) Referrals

The City conducted referrals to internal departments for comment on waste management, parking layout, landscaping, traffic impacts and related matters. A range of feedback was provided which will be articulated to the SDAU in a separate advice letter.

(g) Consultation

Public consultation of this development proposal has been undertaken by the SDAU and concluded on 23 April 2021.

Policy and Legislative Implications

As previously noted in this report, the WAPC has the ability to vary legal instruments which includes the Schedule 9A requirements under the City's Town Planning Scheme No. 6.

Financial Implications

This referral has financial implications to the extent that the City does not receive any fee or financial compensation for providing comments and draft conditions to the SDAU. Prior to the introduction of Part 17 of the *Planning and Development Act 2005*, such a proposal would be lodged with the City as a Development Assessment Panel (DAP) application, and the City would receive fees in the order of \$34,196. In addition, monetary contribution as part of public benefits contribution plan may be made to the City should the proposed development proceed.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Environment (Built and Natural)
Aspiration:	Sustainable urban neighbourhoods
Outcome:	3.2 Sustainable built form
Strategy:	3.2.1 Develop and implement a sustainable local planning framework to meet current and future community needs

Conclusion

The presented proposal would be not be eligible for approval if this was submitted as a standard development application under the local planning scheme, as it conflicts with scheme provisions where no discretion to permit variations is available. Additionally, there are other components of the design, which require discretionary assessment having regards to neighbour submissions and other planning considerations. The proponent has not submitted a Community Needs Assessment and Public Benefit Management Plan to justify the additional development being sought under either Schedule 9A or Amendment 61. Accordingly, it is recommended that Council notes that the application cannot be approved under the City's TPS6, the WAPC should give due regard to the City's 'without prejudice' conditions of approval in the event the application is supported.

Next Steps

Once the City has provided referral comments to the SDAU, this State Government agency will undertake a detailed assessment of the proposal, consider community feedback received during the consultation period, give due regard to comments submitted by the referral agencies, and prepare a report and final recommendation to the WAPC. The application will ultimately be determined at a WAPC meeting, which will be convened in a similar manner to DAP meetings insofar as being open to the public to attend and make deputations. If an approval is granted, the WAPC will be responsible for clearing all relevant conditions of the development proposal in consultation with the City and other State Government departments.

Attachments

- 10.3.2 (a):** Development Plans for SDAU Referral SDAU-012020 - Proposed Mixed Development - No. 86-90 Mill Point Road, South Perth - MI3/86v2
- 10.3.2 (b):** Without Prejudice Conditions for SDAU Referral SDAU-012-20 - Proposed Mixed Development - No. 86-90 Mill Point Road, South Perth - MI3/86v2

10.4 STRATEGIC DIRECTION 4: LEADERSHIP

10.4.1 Monthly Financial Statements - April 2021

Location:	Not Applicable
Ward:	Not Applicable
Applicant:	Not Applicable
File Ref:	D-21-38443
Meeting Date:	25 May 2021
Author(s):	Abrie Lacock, Manager Finance
Reporting Officer(s):	Colin Cameron, Director Corporate Services
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

The monthly Financial Statements are provided within **Attachments (a)–(i)**, with high level analysis contained in the comments of this report.

Officer Recommendation

That Council notes the Financial Statements and report for the month ended 30 April 2021.

Background

Regulation 34(1) of the Local Government (Financial Management) Regulations 1996, requires each local government to present a Statement of Financial Activity reporting on income and expenditure as set out in the annual budget. In addition, regulation 34(5) requires a local government to adopt a percentage or value to report on material variances between budgeted and actual results. The 2020/21 budget adopted by Council on 7 July 2020, determined the variance analysis for significant amounts of \$10,000 or 10% for the financial year. Each Financial Management Report contains an Original and Revised Budget column for comparative purposes.

Comment

The Statement of Financial Activity, a similar report to the Rate Setting Statement, is required to be produced monthly in accordance with the Local Government (Financial Management) Regulations 1996. This financial report is unique to local government drawing information from other reports to include Operating Revenue and Expenditure, Capital Income and Expenditure as well as transfers to reserves and loan funding.

On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic, first and foremost a global health crisis, followed by a world economic crisis, with Australia now being regarded as officially coming out of recession. Council adopted a range of measures to support the community at its Special Council Meeting held 21 April 2020, as well as those contained within the Annual Budget 2020/21, adopted 7 July 2020. The full extent of the 2020/21 financial impact remains unclear it would appear however, far less intense than initially anticipated.

The State Government extended the State of Emergency to 21 May 2021, concerns regarding a second wave are still present, with interstate travel restrictions cautiously eased.

The Legislated Budget Review was completed and Council approved the budget review adjustments at the Ordinary Council Meeting held 23 February 2021. Budget Review entries have been processed, budget phasing was also revised as part of the review.

Actual income from operating activities for April year-to-date (YTD) is \$55.93m in comparison to budget of \$55.69m, favourable to budget by .4% or \$.24m. Actual expenditure from operating activities for April is \$48.22m in comparison to budget of \$48.66m, favourable to budget by 0.9% or \$0.44m. Increased spending and activity in the second half of the financial year are consistent with prior year trends. The April Net Operating Position of \$7.71m was \$0.67m favourable in comparison to budget.

Actual Capital Revenue YTD is \$1.91m in comparison to the budget of \$2.35m. Actual Capital Expenditure YTD is \$6.69m in comparison to the budget of \$8.68m, favourable to budget by 23% or \$2.00m. Timing variations are mainly responsible for the variances included in the above, an analysis is provided within **Attachment (e)** the Significant Variance Analysis. Capital spending typically accelerates in the second half of the year, as projects move from the design and procurement phase to construction. As described during the budget deliberations, the estimation of capital projects that may carry-forward from one year to the next is challenging as it is dependent on estimating the completion of work by 30 June by a contractor. As in previous years, there have been a number of capital projects that required budget adjustment during the midyear review process.

Cash and Cash Equivalents amounted \$60.43m. Higher than the prior year comparative period mainly because of the sale proceeds of \$3.22m for 49-51 Angelo Street. Payment trends are somewhat similar to previous years. Consistent with previous monthly reports, the Cash and Cash Equivalents balance is contained within the Statement of Financial Position. In addition, further detail is included in a non-statutory report (All Council Funds).

The record low interest rates in Australia are impacting the City's investment returns, with banks offering average interest rates of 0.32% for investments under 12 months. The City holds a portion of its funds in financial institutions that do not invest in fossil fuels. Investment in this market segment is contingent upon all of the other investment criteria of Policy P603 Investment of Surplus Funds being met. Currently the City holds 20.23% of its investments in institutions that do not provide fossil fuel lending. The Summary of Cash Investments illustrates the percentage invested in each of the non-fossil fuel institutions and the short term credit rating provided by Standard & Poors for each of the institutions.

Consultation

Nil.

Policy and Legislative Implications

This report is in accordance with the requirements of the Section 6.4 of the *Local Government Act 1995* and regulation 34 of the Local Government (Financial Management) Regulations 1996.

Financial Implications

The preparation of the monthly financial reports occurs from the resources provided in the annual budget.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Leadership
Aspiration:	A visionary and influential local government
Outcome:	Good governance
Strategy:	Foster effective governance through quality decision-making

Attachments

10.4.1 (a):	Statement of Financial Position
10.4.1 (b):	Statement of Change in Equity
10.4.1 (c):	Statement of Financial Activity
10.4.1 (d):	Operating Revenue & Expenditure
10.4.1 (e):	Significant Variance Analysis
10.4.1 (f):	Capital Revenue & Expenditure
10.4.1 (g):	Statement of Council Funds
10.4.1 (h):	Summary of Cash Investments
10.4.1 (i):	Statement of Major Debtor Categories

10.4.2 Listing of Payments - April 2021

Location:	Not Applicable
Ward:	Not Applicable
Applicant:	Not Applicable
File Ref:	D-21-38445
Meeting Date:	25 May 2021
Author(s):	Abrie Lacock, Manager Finance
Reporting Officer(s):	Colin Cameron, Director Corporate Services
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

This report presents to Council a list of accounts paid under delegated authority between 1 April and 30 April 2021 for information. During the reporting period, the City made the following payments:

EFT Payments to Creditors	(528)	\$3,742,026.13
Cheque Payment to Creditors	(3)	\$615.15
Total Monthly Payments to Creditors	(531)	\$3,742,641.28
EFT Payments to Non-Creditors	(89)	\$107,414.73
Cheque Payments to Non-Creditors	(17)	\$193,400.98
Total EFT & Cheque Payments	(637)	\$4,043,456.99
Credit Card Payments	(7)	\$17,595.42
Total Payments	(644)	\$4,061,052.41

Officer Recommendation

That Council receives the Listing of Payments for the month of April 2021 as detailed in **Attachment (a)**.

Background

Regulation 11 of the Local Government (Financial Management) Regulations 1996 requires the development of procedures to ensure the approval and authorisation of accounts for payment. These controls are documented in Policy P605 Purchasing and Invoice Approval and Delegation DM605 sets the authorised purchasing approval limits.

After an invoice has been matched to a correct Goods Receipt Note in the financial system, payment to the relevant party is made and the transaction completed in the City's financial records. Payments in the attached listing are supported by vouchers and invoices.

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. The payment listing for April 2021 is included at **Attachment (a)**.

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.

In accordance with the Council resolution on 26 March 2019, the attached report includes a "Description" for each payment. Officers provide a public disclaimer in that the information contained within the "Description" is unlikely to accurately describe the full nature of each payment. In addition, officers have used best endeavours to redact (in black) information of a private or confidential nature.

The report records payments classified as:

- **Creditor Payments**

These include payments by both cheque and EFT to regular suppliers with whom the City transacts business. The reference number represent a batch number of each payment.

- **Non Creditor Payments**

These one-off payments that include both cheque and EFT are made to individuals / suppliers who are not listed as regular suppliers. The reference number represent a batch number of each payment.

- **Credit Card Payments**

Credit card payments are now processed in the Technology One Finance System as a creditor payment and treated as an EFT payment when the bank account is direct debited at the beginning of the following month.

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 directly debited from the City's bank account in accordance with the agreed fee schedules under the contract for provision of banking services.

Consultation

Nil.

Policy and Legislative Implications

Regulation 11 of the Local Government (Financial Management) Regulations 1996.
Policy P605 - Purchasing and Invoice Approval and Delegation DM605.

Financial Implications

The payment of authorised amounts is within existing budget provisions.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Leadership
Aspiration:	A visionary and influential local government
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance through quality decision-making

Attachments

10.4.2 (a): Listing of Payments April 2021

10.4.3 Review of Financial Reserves

Location:	Not Applicable
Ward:	Not Applicable
Applicant:	Not Applicable
File Ref:	D-21-38446
Meeting Date:	25 May 2021
Author(s):	Abrie Lacock, Manager Finance
Reporting Officer(s):	Colin Cameron, Director Corporate Services
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

An Employee Entitlements Reserves was established in April 2018, with the ambition that at some future stage, Employee Entitlement liability would be fully cash backed.

In accordance with the *Local Government Act 1995* and Regulations, this report is prepared for Council to consider adopting adjustments to the financial reserves to ensure the City's current employee liabilities are cash backed (100%).

Officer Recommendation

That Council:

1. In accordance with Section 6.11(2) of the *Local Government Act 1995*, give local notice of the intention to replenish the Employee Entitlements Reserve with sufficient funds from the Waste Management Reserve, to fully fund the City's current Long Service Leave and Annual Leave Employee Entitlements as calculated at the 30 June 2021.
2. Following publication of the notice described in recommendation 1, make the necessary amendments to the Monthly Financial Statements, Annual Budget and Annual Report to record the replenishment of the Employee Entitlements Reserve with funds from the Waste Management Reserve to fully fund the City's current Long Service Leave and Annual Leave Employee Entitlements as calculated at the 30 June 2021.
3. Amend the wording of the Employee Entitlements Reserve to include the current Long Service and Annual Leave Employee Entitlements liability.

Absolute Majority required

Background

Section 6.2 of *Local Government Act 1995* (Act), requires a local authority to prepare an annual budget. Each year during the budget process the City reviews its revenue, expenditure, capital and funding sources inclusive of reserves. During this process adjustments have been adopted by Council as part of the adoption of the annual budget or at another time during the financial year.

The Employee Entitlements Reserve was created during the 2017/18 financial year, with the purpose of building funds to cash back the Annual and Long Service Leave liability of City employees. The rationale was to demonstrate fiscal responsibility, provide confidence, illustrate to staff, unions and community that our staff liabilities are cash backed. Council adopted the creation and following the required legislative process funds were transferred in June 2018 from the Insurance Risk Reserve to the Employee Entitlements Reserve. The value transferred (\$387,949) was insufficient to fully cash back the Employee Entitlements liability, but reasonably commenced the ambition to achieve this in the future.

During the adoption of the 2019/20 Annual Budget the Railway Station and Sustainable Infrastructure Reserves were closed, with their funds transferred to the Community Facilities Reserve as one reserve, rather than three, to cater for these purposes. Further, with uncertainty surrounding COVID-19, the 2020/21 Annual Budget included an addition to the purposes of all the City's Reserves to facilitate liquidity, should the need have arisen.

On 7 July 2020 the City of South Perth adopted its 2020/21 Budget. Section 6.2(4)(e) of the Act requires details of the amounts to be set aside in, or used from, reserve accounts and of the purpose for which they are to be set aside or used to be included in the Annual Budget. Commencing on page 33, Note 7 in the 2020/21 Annual Budget describes the Reserves.

Section 6.11 of the Act authorises changes to the purpose, or the use of reserves to occur throughout the year, via a Council Resolution (by an absolute majority), to be implemented one month following local public notice.

This report has been prepared for Council to consider transferring funds to the Employee Entitlements Reserve, to fully cashback the current annual and long service leave liability, thereby fulfilling the ambition adopted by Council in April 2018 when it created this reserve. It is recommended the transfer come from the Waste Reserve, for reasons described under the Comments section. Further, a change is required to the description of the Employee Entitlement Reserve to be inclusive of the current portion of the Long Service Leave and Annual Leave Employee Entitlements liability.

It is important to acknowledge the uncertainty related to the impacts of COVID-19. As in previous years in the future should circumstances change, amendments to reserves may be progressed as part of the budget adoption or at any other time during the financial year.

Comment

In setting the 2020/21 Budget, as in previous years, in Note 7, from page 33, the City described the various cash backed reserves, including:

Employee Entitlements Reserve: *This reserve was established to fund the City's long service leave requirements and is maintained by an annual contribution equivalent to the long service leave entitlements of the City's employees. Funds in the reserve can be used to fund the City's short term liquidity requirements should the operational need arise, funds utilised in this manner must be returned as soon as possible.*

Waste Management Reserve: *This reserve was established to provide for investment in new waste management initiatives as well as capital requirements it is funded by an annual allocation equal to the operating surplus/(deficit) from the waste operations. Funds in the reserve can be used to fund the City's short term liquidity requirements should the operational need arise, funds utilised in this manner must be returned as soon as possible.*

As is the case each year, the development of the Annual Budget occurs through a series of Concept Briefings. Three Concept Briefings have been completed, with two sessions exploring a review of the City's Reserves. This included a proposal to cashback the Employee Entitlements Reserve to realise the ambition commenced in April 2018. Some Local Government Authorities (LGAs) utilise a cash backed reserve to cover their Employee Entitlements. The City is required to pay for Long Service Leave and Annual Leave in accordance with the Enterprise Agreement, federal and state laws.

The annual financial review concluded that the most appropriate funds to transfer into the Employee Entitlements Reserve, were from the Waste Management Reserve. The rationale that this reserve was artificially higher than it should have been due to an undercharging of overheads.

Replenishing the Employee Entitlement Reserve and ensuring sufficient funds to cashback the current liability, in full, will provide confidence to employees and unions that our staff liabilities are cash backed, as well being a prudent measure to improve financial health.

The City should also amend the wording of the Employee Entitlements Reserve to include the current Long Service and Annual Leave Employee Entitlements, the current wording only allows for Long Service Leave.

The proposed wording is: *"This reserve was established to fund the current portion of the City's leave liability and is maintained by an annual contribution to ensure the current portion of City employees leave entitlements are cash backed. Funds in the reserve can be used to fund the City's short term liquidity requirements should the operational need arise, funds utilised in this manner must be returned as soon as possible."*

Section 6.11(2) Act requires that "before a local government (a) changes* the purpose of a reserve account; or (b) uses* the money in a reserve account for another purpose," it must give one month's local public notice of the proposed change of purpose or proposed use. If Council resolve to proceed with replenishing the Employee Entitlements Reserve from the Waste Management Reserve, in accordance with the Act an advertisement will be placed in the local newspaper.

One month after the publication of the advertisement, a transaction will be processed in the Monthly Financial Statements to transfer funds from the Waste Management Reserve to the Employee Entitlements Reserve. The balances and transfers described in the 2020/21 Budget for the Waste Management Reserve and the Employee Entitlements Reserve will be amended. The description of the purpose of the Employee Entitlements Reserve will also be amended as described above. The documentation for the 2021/22 Annual Budget and the 2020/21 Annual Report will reflect the changes adopted by Council.

Consultation

Nil prior to a Council decision. Following a Council decision, local public notice of the proposed change will occur through the local newspaper. At the expiration of the month, the accounts will be amended to reflect the change and reported through monthly and annual financial statements.

Policy and Legislative Implications

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

Financial Implications

Replenish the Employee Entitlements Reserve with sufficient funds (estimated \$4.5m) from the Waste Management Reserve to ensure the City's current Long Service Leave and Annual Leave Employee Entitlements calculated at the 30 June 2021 are fully funded. An estimated \$2.4m will remain in the Waste Management Reserve. This has no financial implications for the Statement of Profit or Loss, Statement of Financial Position or Statement of Cash flows. Council may determine to transfer funds into this reserve in future years through the Annual Budget process. This process will result in an improvement in the City's Current Ratio and an improved Financial Health Indicator score.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Leadership
Aspiration:	A visionary and influential local government
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance through quality decision-making

Attachments

Nil

10.4.4 Policy Review

Location:	Not Applicable
Ward:	Not Applicable
Applicant:	Not Applicable
File Ref:	D-21-38447
Meeting Date:	25 May 2021
Author(s):	Bernadine Tucker, Manager Governance
Reporting Officer(s):	Mike Bradford, Chief Executive Officer
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

A number of policies requiring amendment or revocation, and a number of new policies, were previously presented to Council for adoption at the 23 March 2021 Council meeting. Council, subsequently resolved for a few of these policies to be referred to a Council workshop for further discussion. This workshop was subsequently held on Monday 10 May 2021. These policies, excluding policy P697 Council Caretaker Policy, are now presented back to Council for adoption.

Officer Recommendation

That Council:

1. Adopts the following new Policies in **Attachment (a)**:
P116 Installation, Use and Management of CCTV
P117 Library Services and Programs
P118 Library Collection Development
P119 City of South Perth Local History Collection
2. Revokes the following policies in **Attachment (b)**:
P601 Preparation of Long Term Financial Plan & Annual Budget
P602 Authority to make payments from the Municipal & Trust Funds
P604 Use of Debt as a Funding Option
P612 Disposal of Surplus Property
3. Adopts the following revised policy with minor amendments in **Attachment (c)**:
P692 Sustainability

Background

In line with contemporary organisational models, the policy framework aligns policies and delegations to the City's Strategic Directions.

During the review process, policies are considered by the custodian department having the relevant technical expertise in relation to the policy content and subsequently by the Executive Management Team (EMT) representing each of the City's Directorates.

The policy review centres on the continuing relevance of the policy and the need to update it in light of any change in the legislative or operating environment. The policy review may identify a need to revise the policy or it may determine that no change is needed.

Comment

At its meeting held 23 March 2021, Council noted six policies had been reviewed with no changes being proposed and endorsed amendments to 16 other policies. Council also resolved:

That the following policies be deferred to a future workshop with Council, the Executive Team and external Committee members:

P601 Preparation of Long Term Financial Plan & Annual Budget

P602 Authority to make payments from the Municipal & Trust Funds

P604 Use of Debt as a Funding Option

P612 Disposal of Surplus Property

P116 Installation, Use and Management of CCTV

P117 Library Services and Programs

P118 Library Collection Development

P119 City of South Perth Local History Collection

P692 Sustainability

P697 Council Caretaker Policy

A workshop was subsequently held on Monday 10 May 2021 to discuss these policies. Following this workshop, a minor amendment reflecting Councils discussion has been made to policy P692 Sustainability.

Policy P697 Council Caretaker Policy received considerable discussion at the workshop and will be presented to a future meeting of Council.

Following the feedback received at the workshop, these policies (excluding policy P697 Council Caretaker Policy), are now presented back to Council for adoption.

New Policies

The policies listed below and at **Attachment (a)** are new policies. A small summary explaining each policy has been provided.

P116 Installation, Use and Management of CCTV

This new policy provides direction on the installation, use and management of Closed Circuit Television (CCTV) systems within the City.

P117 Library Services and Programs

The objective of this policy is to provide the City of South Perth (City) and the community with a framework for access to the City's libraries, collections, digital resources, online services and programs.

P118 Library Collection Development

The objective of this policy to provide the City of South Perth (City) and the community with a framework for the selection, acquisition, evaluation and de-accession of materials for the library collection.

P119 City of South Perth Local History Collection

The objective of this policy to provide the City of South Perth (City) and the community with a framework for the acquisition, preservation and organisation of historical materials that represent the cultural heritage, past and present, of the South Perth community.

Revocation of Policies

The policies listed below and at **Attachment (b)** are to be revoked. A summary explaining the reason has been provided.

P601 Preparation of Long Term Financial Plan & Annual Budget

It is considered that this policy should be revoked. The Annual Budget and the Long Term Financial Plan are governed by extensive parts of the *Local Government Act 1995* and Regulations. Further the Department has issued detailed guidelines, as well as Moore Stephens, as part of WALGA's subscription, to prepare detailed information packs and training to ensure each year these are prepared in accordance with legislation and the Australian Accounting Standards. The Long Term Financial Plan is an informing document to the Strategic Community Plan and similar to the Workforce Plan. Strategy direction is provided by the Strategic Community Planning process. Given the highly regulated requirements to prepare a Long Term Financial Plan & Annual Budget a policy direction is not required.

P602 Authority to make payments from the Municipal & Trust Funds

Similar to P601, payments from the Municipal & Trust funds is highly regulated, subject to annual external audit by the WA Auditor General as well as independent Internal Audits. Further, it is recommended that this policy be revoked as Council have adopted a delegated authority to the CEO to make payments from both the Municipal and Trust Funds and therefore, this policy is no longer required.

P604 Use of Debt as a Funding Option

Similar to P601, borrowings are approved by Council as part of the budget with due regard to the City's overall financial position. Council may borrow at other times, by an Absolute Majority with an additional requirement to publish a local public notice for one month prior to implementation. As the use of debt is highly regulated, it is recommended that this policy be revoked.

P612 Disposal of Surplus Property

Similar to P602, this policy should be revoked as Council has delegated to the CEO authority to dispose of surplus property and is highly regulated, with no strategic direction by Council required.

Minor Changes

The Policy listed below is considered to have only minor administrative changes. This policy is included in **Attachment (c)**.

P692 Sustainability

Consultation

A workshop was held with Council, the Executive Team and external Committee members of the Audit, Risk and Governance Committee on Monday 10 May 2021.

Policy and Legislative Implications

The reviewed and new Policies are consistent with the *Local Government Act 1995*, relevant legislation and guidelines and other City documents.

Financial Implications

Nil

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Leadership
Aspiration:	A visionary and influential local government
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance through quality decision-making

Attachments

10.4.4 (a):	New policies
10.4.4 (b):	Policies to be revoked
10.4.4 (c):	Amended policy

10.5 MATTERS REFERRED FROM COMMITTEE MEETINGS

10.5.1 Proposed Lease Agreement for the Conon Road Kindergarten located at 17 Craigie Crescent, Manning

Location:	Manning
Ward:	Manning Ward
Applicant:	Napier Family Trust
File Ref:	D-21-38448
Meeting Date:	25 May 2021
Author(s):	Patrick Quigley, Manager Community, Culture and Recreation
Reporting Officer(s):	Vicki Lummer, Director Development and Community Services
Strategic Direction:	Community: A diverse, connected, safe and engaged community
Council Strategy:	1.2 Community Infrastructure

Summary

This report seeks Council's approval to enter into a lease agreement with Play2Learn Kindy Pty Ltd (Trustee for the Napier Family Trust) for use of part of Crown Reserve 24333 trading as Conon Road Kindergarten, for a five year term with an option of renewal for a further five year term.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mayor Greg Milner
Seconded: Councillor André Brender-A-Brandis

The Property Committee recommends to Council that it:

1. Approves a lease agreement between the City of South Perth and Play2Learn Kindy Pty Ltd (Trustee for the Napier Family Trust) for use of part of Crown Reserve 24333 trading as Conon Road Kindergarten located at 17 Craigie Crescent Manning, subject to the following main terms and conditions:
 - a. A term of five years;
 - b. A further term of five years (renewal option);
 - c. An annual rental of \$45,000 per annum (plus GST) reviewed each year and adjusted using the Consumer Price Index (CPI);
 - d. payment of all rates, taxes, outgoings, utilities and building maintenance costs;
 - e. Ministerial consent being provided.
2. Authorises the Mayor and Chief Executive Officer to sign and affix the Common Seal to the lease documentation between the City of South Perth and Play2Learn Kindy Pty Ltd (Trustee for the Napier Family Trust) for its use of part of Crown Reserve 24333 as a kindergarten, located at 17 Craigie Crescent Manning.

3. Note approval of the lease agreement is subject to Ministerial consent.

CARRIED (6/0)

For: Mayor Greg Milner; Councillors André Brender-A-Brandis, Carl Celedin, Ken Manolas; and External Members Lewis Brock and Nigel McCombe.

Against: Nil.

Background

The Kindergarten first started in Conon Road in Applecross before moving to Craigie Crescent in Manning, where it has been in operation for approximately ten years.

The Kindergarten is situated within Crown Reserve 24333, being land granted to the City under a Management Order to be used for parks/recreation/kindergarten purposes. The City has the power to lease the land for any term not exceeding five years subject to the consent of the Minister for Lands.

A former lease agreement was in place for the Kindergarten that expired recently (13 March 2021). The tenant has expressed its desire to continue occupation of the premises under a new lease arrangement. In the interim, the tenant continues to operate the kindergarten under a 'holding over' arrangement with the City.

Comment

Play2Learn Kindy Pty Ltd is an acceptable tenant as it facilitates a diverse service for families with children in the local community, including a kindergarten for children aged 2-5 years; before and after school care and vacation care for children aged 5-12 years.

The proposed terms for the new lease agreement have been negotiated based on the following considerations that Play2Learn Kindy Pty Ltd:

- Has a long history of providing a kindy service for the local community, and is willing and able to continue this role;
- Operates on a moderate annual operating budget and is responsible for the following operational costs at the Kindergarten: staffing, utilities, internal building maintenance, repairs, rates/taxes, rubbish collection service, advertising/marketing, cleaning, consumables, depreciation, insurance, security, and telephone/computer;
- Has moderate income generation ability achieved through charging enrolment fees for the kindergarten, before/after school care and vacation care; and
- Is a family run business.

The site plan for the proposed lease of the Kindergarten is highlighted in **Figure 1** below.



Figure 1: Aerial photograph of the subject site (2021).

The Kindergarten has approval to accept up to 46 children at any one time (note: their current enrolments comprise 26 children each morning and 46 children each afternoon on average).

The lessee has undertaken a number of building improvements at the site to improve their service to the community, including: playground upgrade (with 'nature play' elements; garden and landscaping refurbishments; installation of framing and café blinds to outdoor patio area; installation of a reverse cycle air-conditioning; removal of old carpet flooring and replacement with new timber plank vinyl flooring; painting of all main areas; installation of industrial security gate to main gate entry; and replacement of all sink taps in children's bathroom.

Additionally, if their tenancy request is approved, the lessee plans to undertake further building enhancements, including: upgrading the kitchen; improving the security to the back door; painting of exterior; installation of security cameras; removal of old pergola and replacing with new pergola with café blinds and a thatched roof; additional playground facilities; new rear fencing; shelter over main gate entry; replace tilt-up door with a roll-a-door; and installation of gutter-guards to main roof areas to help with reduction of leaf litter in the gutters and to reduce mosquitos breeding.

Consultation

The City has been in consultation with Play2Learn Kindy Pty Ltd over a new lease agreement and they have agreed to the majority of the proposed terms and conditions, albeit the rent amount.

The feedback provided by Play2Learn Kindy Pty Ltd is summarised below:

“Conon Road Kindergarten is a small family-owned service run by myself and my husband. We support the community by offering work experience and community service hours for high school children in the area and helping young adults with special needs to gain confidence by taking on work in a supportive environment at our centre.

We run our program out of a one room building. Although we are licensed for 46 children per day, we are only able to have up to 28 children at the most during the hours of 7am to 3pm. This is due to the ages of the children (2yrs-4yrs) and being together in a one-room service. 2 to 3-year olds are overwhelmed when in large groups and their emotional development can be hindered in these situations, so we need to cap the numbers or going forward separate the rooms. During the afternoon, we do have up to 45 children, however, the majority are aged over 4yrs and are engaging in an afterschool program as opposed to a kindergarten readiness program.

We are paying \$13,000 a year at the moment and we were under the impression that the increase would not be so significant. This proposed increase works out to be a 380% increase.

Since we have been in the building (5 years), we have made huge improvements to the facility, which had not been done in recent years. The kitchen is in need of repair and updating in future months and we will continue to improve the area.

Therefore, we would like to propose a fair rent of between \$25,000 and \$30,000 per annum with annual reviews”.

We are committed to strengthening and supporting community and family relationships and look forward to working with the City of South Perth in the future.

Policy and Legislative Implications

Under Section 3.58 of the *Local Government Act 1995* (the Act), a disposition of land includes leasing of local government property. If a local government does not dispose of property via a public auction or the public tender method, the proposal must be advertised for public comment – unless the proposal is an ‘exempt’ disposition.

A disposition of property is exempt from Section 3.58 under Regulation 30, Part 6 Miscellaneous Provisions of the Local Government (Functions and General) Regulations 1996 if the land is to be used for charitable, benevolent, religious, cultural, educational, recreational, sporting or other like purposes. As kindergartens are educational institutions and Play2Learn Kindy Pty Ltd is seeking use of local government property for educational/child care purposes, the intended use of the land is exempt from section 3.58 of the Act.

Under Policy P609 Management of City Property, leases with commercial organisations are to be negotiated consistently with the following principles:

- A maximum period of 21 years; and
- Rental amount reflective of an independent market valuation of the premises, taking into account the nature of the business enterprise.

Financial Implications

The majority of the operating costs associated with the Conon Road Kindergarten will be the responsibility of the lessee (Play2Learn Kindy Pty Ltd).

Play2Learn Kindy Pty Ltd is financially viable/sustainable, which is evidenced by its current financial position. Play2Learn Kindy Pty Ltd's profit and loss statement and balance sheet is attached in **Confidential Attachment (a)**.

An independent market valuation of the premises (and the associated recommended rental fee) was undertaken by a licenced valuer/property consultant, who provided a valuation report that is summarised below.

"In arriving at the current market rent for the property, we are of the opinion that the most appropriate method is by direct comparison of childcare type rentals. We have analysed the available rental evidence across Perth metropolitan area for Long Day Care and Out of School Hours childcare premises. The rental evidence we have analysed ranges between \$564 and \$2,000 per licenced child.

The wide range is attributable to a number of factors including age, standard and capacity of the premises, along with ancillary improvements and in some cases arrangements for shared occupation/use premises.

Childcare rents have generally increased over the last five years due to strong demand and continued growth, albeit appear to be plateauing somewhat now. The following broad rental parameters for Long Day Care are noted:

- *Small, basic converted older style childcare centres: \$1,000-\$1,850/licenced child.*
- *Modern, purpose-built centres on urban periphery: \$2,000-\$2,250/licenced child.*
- *New purpose-built centres in good/growing catchment areas: \$2,800-\$3,850/licenced child.*

Comparatively, these are larger capacity and higher trading full time centres and lower rental rates would apply to the subject property which represent basic entry level accommodation.

We are of the opinion that the property's market rent would range between \$750 and \$1,250 per licenced child, which reflects a rental range between \$34,500 and \$57,000 per annum. We have adopted a rounded mid-range market value of \$45,000 per annum plus GST plus outgoings, which reflects a rate of \$978 per licenced child. We are of the opinion that this adopted rent sits within market expectations for premises of this size and standard."

In summary, in considering the feedback received from the licenced property consultant against the feedback from Play2Learn Kindy Pty Ltd regarding the proposed rent, the City recommends the rent be set at \$45,000 per annum (plus GST) that is reviewed each year and adjusted using the Consumer Price Index (CPI).

The justification for this rental amount is it reflects the current market rate for a premise of this size and standard as per the independent, professional advice provided; and it is consistent with the rent calculation method prescribed in Council Policy P609.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction: Community
Aspiration: A diverse, connected, safe and engaged community
Outcome: 1.2 Community infrastructure
Strategy: 1.2.2 Manage the provision, use and development of the City's properties, assets and facilities

Attachments

10.5.1 (a): Conon Road Kindergarten - Profit and Loss Statement
(Confidential)

10.5.2 Proposed Lease Agreement for the South Perth Cricket Club located at Richardson Park, South Perth

Location: Richardson Park
Ward: Mill Point
Applicant: South Perth Cricket Club
File Ref: D-21-38449
Meeting Date: 25 May 2021
Author(s): Patrick Quigley, Manager Community, Culture and Recreation
Reporting Officer(s): Vicki Lummer, Director Development and Community Services
Strategic Direction: Community: A diverse, connected, safe and engaged community
Council Strategy: 1.2 Community Infrastructure

Summary

This report seeks Council's approval to enter into a new lease agreement with the South Perth Cricket Club for its continued use of part of Crown Reserve R35297 known as WCG Thomas Pavilion on Richardson Park, located at Lot 900, 1 Amherst Street, South Perth, for a 21 year term.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mr Nigel McCombe
Seconded: Councillor André Brender-A-Brandis

That the Property Committee recommends to Council that it:

1. Approves a lease agreement between the City of South Perth and South Perth Cricket Club for its use of part of Crown Reserve R35297 known as WCG Thomas Pavilion on Richardson Park located at Lot 900, 1 Amherst Street, South Perth, subject to the following main terms and conditions:
 - a. A term of 21 years;
 - b. An annual rental of \$4,130 per annum (plus GST), which is reviewed each year that is calculated using the following formula: 0.1% of the insured value of the facility;
 - c. Payment of outgoings, utilities and building maintenance costs; and
 - d. Ministerial consent being provided.
2. Authorises the Mayor and Chief Executive Officer to sign and affix the Common Seal to the lease documentation between the City of South Perth and South Perth Cricket Club for its use of part of Crown Reserve R35297 known as WCG Thomas Pavilion on Richardson Park located at Lot 900, 1 Amherst Street, South Perth.
3. Note approval of the lease agreement is subject to Ministerial consent.

CARRIED (6/0)

For:	Mayor Greg Milner; Councillors André Brender-A-Brandis, Carl Celedin, Ken Manolas; and External Members Lewis Brock and Nigel McCombe.
Against:	Nil.

Background

The South Perth Cricket Club was established in 1930, so it has a long history operating within the local community. The Cricket Club is located on Lot 900, 1 Amherst Street, South Perth, which is a portion of Crown Reserve R35297 under a Management Order to the City.

The reserve is vested for recreation purposes and the City has the power to lease the land for any term not exceeding 21 years subject to the approval of the Minister for Lands.

A former lease agreement was in place with the Cricket Club that comprised a five year initial term and a five year renewal period, which expired on 30 March 2020.

In the interim until a new lease agreement can be developed, the tenant continues to provide cricket activities at the site under a 'holding over' arrangement with the City.

The City has undertaken recent consultation with the Club regarding a new lease agreement, with the Club expressing its desire to continue occupation of the premises under a new lease arrangement albeit with an extended tenure of 21 years.

The proposal to change the new lease agreement term to 21 years is in line with recent agreements granted to other local sporting clubs (Manning Bowling Club and Hensman Park Tennis Club). Granting a new lease of the premises for 21 years will ensure continued provision of cricket activities at this location. As a safeguard, the new lease agreement will include a redevelopment clause in case the land is required for other purposes into the future.

Comment

South Perth Cricket Club is an acceptable tenant as it caters for the cricket playing requirements of men, women and children (11yrs upwards) in the local area.

The proposed terms for the new lease agreement have been negotiated based on the following considerations that South Perth Cricket Club:

- Has a long history of facilitating a cricket club within the local community, and is willing and able to continue this role;
- Operates on a low annual operating budget and has agreed to be responsible for paying an annual rental fee, outgoings, utilities and building maintenance costs; and
- Has low income generation ability that is mainly achieved through fund raising, membership fees and sourcing grants and corporate sponsorships.

The site plan for the proposed lease of the Cricket Club is highlighted in **Figure 1** below.



Figure 1: Aerial photograph of the subject site (2021).

The Cricket Club has 188 active playing members.

There are two main tenants located at Richardson Park, being the South Perth Cricket Club and the WASPS Hockey Club, who share use of the facilities according to their respective sporting seasons. For this reason, the proposed lease agreements will include clauses relating to this 'shared use' arrangement between the Clubs (i.e. the Cricket Club will have approval to occupy the facilities during the 'Summer Season' only from 1 October to 31 March each year; and the Hockey Club will have approval to occupy the facilities during the 'Winter Season' only from 1 April to 30 September each year).

Consultation

The City has been in consultation with South Perth Cricket Club over a new lease agreement and they have agreed to the proposed terms and conditions. South Perth Cricket Club has been a good tenant and the agreed terms represent an appropriate outcome for both parties. The Agreement will require consent from the Minister for Lands.

Policy and Legislative Implications

Under Section 3.58 of the *Local Government Act 1995* (the Act), a disposition of land includes leasing of local government property. If a local government does not dispose of property via a public auction or the public tender method, the proposal must be advertised for public comment – unless the proposal is an 'exempt' disposition.

A disposition of property is exempt from Section 3.58 under Regulation 30, Part 6 Miscellaneous Provisions of the Local Government (Functions and General) Regulations 1996 if the land is to be used for charitable, benevolent, religious, cultural, educational, recreational, sporting or other like purposes. As the South Perth Cricket Club is a not-for-profit sporting club and is seeking use of local government property for recreation purposes, the intended use of the land is exempt from section 3.58 of the Act.

Under Policy P609 Management of City Property, leases for with not-for-profit sporting clubs are to be negotiated consistently with the following principles:

- Leases will be granted for a period of five years with a five year option to provide sporting clubs with security of tenure and the ability to attract funding;
- Leases to be for an annual rental amount which is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 per annum; and
- All groups will be required to adhere to the 'Property Maintenance Schedule' for the respective facility; a document which sets out the responsibilities of both parties.

Financial Implications

The new lease agreement will attract rental fee income for the City of \$4,130 per annum (plus GST) reviewed each year; and recovery of costs from the Club through its payment of outgoings, utilities and building maintenance costs. The City will be responsible for the cost of preparation and lodgement of the lease document.

The South Perth Cricket Club is financially viable/sustainable, which is evidenced by its current financial position. The South Perth Cricket Club's profit and loss statement and balance sheet is attached in **Confidential Attachment (a)**.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Community
Aspiration:	A diverse, connected, safe and engaged community.
Outcome:	Community infrastructure
Strategy:	Manage the use and development of the City's properties, assets and facilities

Attachments

10.5.2 (a): South Perth Cricket Club - Profit & Loss Statement and Balance Sheet 2019-20 (*Confidential*)

10.5.3 Proposed Lease Agreement for the WASPS Hockey Club located at Richardson Park, South Perth

Location:	Richardson Park
Ward:	Mill Point Ward
Applicant:	WASPS Hockey Club
File Ref:	D-21-38450
Meeting Date:	25 May 2021
Author(s):	Patrick Quigley, Manager Community, Culture and Recreation
Reporting Officer(s):	Vicki Lummer, Director Development and Community Services
Strategic Direction:	Community: A diverse, connected, safe and engaged community
Council Strategy:	1.2 Community Infrastructure

Summary

This report seeks Council's approval to enter into a new lease agreement with the WASPS Hockey Club for its continued use of part of Crown Reserve R35297 known as WCG Thomas Pavilion on Richardson Park, located at Lot 900, 1 Amherst Street, South Perth, for a 21 year term.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Councillor André Brender-A-Brandis

Seconded: Mr Lewis Brock

That the Property Committee recommends to Council that it:

1. Approves a lease agreement between the City of South Perth and WASPS Hockey Club for its use of part of Crown Reserve R35297 known as WCG Thomas Pavilion on Richardson Park located at Lot 900, 1 Amherst Street, South Perth, subject to the following main terms and conditions:
 - a. A term of 21 years;
 - b. An annual rental of \$4,130 per annum (plus GST), which is reviewed each year that is calculated using the following formula: 0.1% of the insured value of the facility;
 - c. Payment of outgoings, utilities and building maintenance costs; and
 - d. Ministerial consent being provided.
2. Authorises the Mayor and Chief Executive Officer to sign and affix the Common Seal to the lease documentation between the City of South Perth and WASPS Hockey Club for its use of part of Crown Reserve R35297 known as WCG Thomas Pavilion on Richardson Park located at Lot 900, 1 Amherst Street, South Perth.
3. Note approval of the lease agreement is subject to Ministerial consent.

CARRIED (5/0)

For: Councillors André Brender-A-Brandis, Carl Celedin, Ken Manolas;
and External Members Lewis Brock and Nigel McCombe.

Against: Nil.

Background

The formation of the WASPS Hockey Club dates back to 1933, so it has a long history operating within the local community. The Hockey Club is located on Lot 900, 1 Amherst Street, South Perth, which is a portion of Crown Reserve R35297 under a Management Order to the City.

The reserve is vested for recreation purposes and the City has the power to lease the land for any term not exceeding 21 years subject to the approval of the Minister for Lands.

A former lease agreement was in place with the Hockey Club that comprised a five year initial term and a five year renewal period, which expired on 30 September 2020.

In the interim until a new lease agreement can be developed, the tenant continues to provide hockey activities at the site under a 'holding over' arrangement with the City.

The City has undertaken recent consultation with the Club regarding a new lease agreement, with the Club expressing its desire to continue occupation of the premises under a new lease arrangement albeit with an extended tenure of 21 years.

The proposal to change the new lease agreement term to 21 years is in line with recent agreements granted to other local sporting clubs (Manning Bowling Club and Hensman Park Tennis Club). Granting a new lease of the premises for 21 years will ensure continued provision of hockey activities at this location. As a safeguard, the new lease agreement will include a redevelopment clause in case the land is required for other purposes into the future and a termination clause if required (e.g. if approval is granted for the Club to relocate to Collier Reserve).

Comment

WASPS Hockey Club is an acceptable tenant as it caters to hockey players of all ages and abilities. WASPS have teams in all divisions including juniors, adults and seniors.

The proposed terms for the new lease agreement have been negotiated based on the following considerations that the WASPS Hockey Club:

- Has a long history of facilitating a Hockey Club within the local community, and is willing and able to continue this role;
- Operates on a low annual operating budget and has agreed to be responsible for paying an annual rental fee, outgoings, utilities and building maintenance costs; and
- Has low income generation ability that is mainly achieved through fund raising, membership fees and sourcing grants and corporate sponsorships.

The site plan for the proposed lease of the Hockey Club is highlighted in **Figure 1** below.



Figure 1: Aerial photograph of the subject site (2021).

The Hockey Club has 680 active playing members.

There are two main tenants located at Richardson Park, being the WASPS Hockey Club and the South Perth Cricket Club, who share use of the facilities according to their respective sporting seasons. For this reason, the proposed lease agreements will include clauses relating to this 'shared use' arrangement between the Clubs (i.e. the Hockey Club will have approval to occupy the facilities during the 'Winter Season' only from 1 April to 30 September each year; and the Cricket Club will have approval to occupy the facilities during the 'Summer Season' only from 1 October to 31 March each year).

Consultation

The City has been in consultation with WASPS Hockey Club over a new lease agreement and they have agreed to the proposed terms and conditions. WASPS Hockey Club has been a good tenant and the agreed terms represent an appropriate outcome for both parties. The agreement will require consent from the Minister for Lands.

Policy and Legislative Implications

Under Section 3.58 of the *Local Government Act 1995* (the Act), a disposition of land includes leasing of local government property. If a local government does not dispose of property via a public auction or the public tender method, the proposal must be advertised for public comment – unless the proposal is an 'exempt' disposition.

A disposition of property is exempt from Section 3.58 under Regulation 30, Part 6 Miscellaneous Provisions of the Local Government (Functions and General) Regulations 1996 if the land is to be used for charitable, benevolent, religious, cultural, educational, recreational, sporting or other like purposes. As the WASPS Hockey Club is a not-for-profit sporting club and is seeking use of local government property for recreation purposes, the intended use of the land is exempt from section 3.58 of the Act.

Under Policy P609 Management of City Property, leases for not-for-profit sporting clubs are to be negotiated consistently with the following principles:

- Leases will be granted for a period of five years with a five year option to provide sporting clubs with security of tenure and the ability to attract funding;
- Leases to be for an annual rental amount which is calculated using the following formula: 0.1% of the insured value of the facility or a minimum of \$1,000 per annum.
- All groups will be required to adhere to the 'Property Maintenance Schedule' for the respective facility; a document which sets out the responsibilities of both parties.

Financial Implications

The new lease agreement will attract lease fee income for the City of \$4,130 per annum (plus GST) reviewed each year; and recovery of costs from the Club through its payment of outgoings, utilities and building maintenance costs. The City will be responsible for the cost of preparation and lodgement of the lease document.

The WASPS Hockey Club is financially viable/sustainable, which is evidenced by its current financial position. The WASPS Hockey Club's profit and loss statement and balance sheet is attached in **Confidential Attachment (a)**.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction:	Community
Aspiration:	A diverse, connected, safe and engaged community.
Outcome:	1.2 Community infrastructure
Strategy:	1.2.2 Manage the use and development of the City's properties, assets and facilities

Attachments

10.5.3 (a): WASPS Hockey Club - Profit and Loss and Balance Sheet 2020
(Confidential)

11. APPLICATIONS FOR LEAVE OF ABSENCE

12. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12.1 COUNCILLOR MARY CHOY - NOTICE OF MOTION - MAY GIBBS COMMEMORATION

Location:	Windsor Park, South Perth
Ward:	Mill Point
Applicant:	Not Applicable
File Ref:	D-21-38453
Meeting Date:	25 May 2021
Author(s):	Steve Atwell, Manager Programs Delivery
Reporting Officer(s):	Mark Taylor, Director Infrastructure Services
Strategic Direction:	Community: A diverse, connected, safe and engaged community
Council Strategy:	1.1 Culture & Community

Summary

Councillor Mary Choy submitted the following Notice of Motion prior to the Council Agenda Briefing held 18 May 2021.

Notice of Motion Recommendation (Suggested Alternative Recommendation page 66)

That the City investigate and recommend, in the draft 2021/22 Capital Works program for Council consideration, infrastructure suitable for children's nature play, installed in the vicinity of the South Perth Historical Society and Ferry Tram on Mill Point Road South Perth, relevant to Artist and Author May Gibbs, to commemorate her recent induction into the Western Australian Women's Hall of Fame 'Roll of Honour', raise her profile in our City and attract more visitors to her home at the South Perth Historical Society.

Background

Prior to the May Council Agenda Briefing, Councillor Mary Choy submitted a notice of motion recommending a May Gibbs Commemoration. The reasons provided are as follows:

- May lived much of her early life with her family in South Perth, on the corner of Mill Point Road and Harper Terrace. In 1997, the City of South Perth acquired a collection of around 150 paintings and sketches by May Gibbs, many of which were produced in South Perth. Many of these artworks I understand are displayed at the South Perth Historical Society, who operate the May Gibbs Art Museum and Local History Gallery, at Heritage House Cultural Centre on the corner of Mill Point Road and Mends Street South Perth.*

2. *I have recently received communication from volunteers and members of the South Perth Historical Society that they would support the raising of May Gibbs's profile, especially in light of her recent induction in the W.A. Women's Hall of Fame and that based on her contribution of the iconic Gum-Nut Babies and characters Snugglepoot and Cuddlepoot, that a children's amenity that connects and relates back to these characters, be a preferred method of recognition.*
3. *The inclusion of a children's amenity of the type described and in the vicinity specified would also be a welcomed addition alongside the Ferry Tram and help draw and connect visitors arriving from the Mends Street Jetty or Mindeerup to the Ferry Tram, through Windsor Park to the Perth Zoo and would be different to what is currently on offer on the Esplanade.*
4. *Drawing families to the vicinity of Windsor Park is also a good way to help reduce anti-social behaviour, which has been reported by local businesses and clubs as occurring from time to time."*

Comment

During the development of the Community Recreation Facilities Plan it was identified that there is currently no strategic process in place about playgrounds. A recommendation was subsequently included to develop a Play Space Plan to guide the planning, construction, maintenance and operation of the City's playgrounds. It is expected that the Play Space Plan will be completed during 2021/22

In addition, the City is developing the South Perth Activity Centre Public Benefits Framework, which is expected to be completed in August. The aim of the Framework is to direct public benefits from construction within the Activity Centre to projects, based on a community needs study and prioritisation.

The proposal for a playground within Windsor Park, where there has not been one previously, should be considered in context of the Play Space Plan and Public Benefits Framework, to facilitate the decision making process.

In view of this, it is not recommended to develop a new playground within Windsor Park at this time.

Consultation

Nil.

Policy and Legislative Implications

Playspace Plan (in development)

South Perth Activity Centre Public Benefits Framework (in development)

Policy P688 Asset Management

Financial Implications

If approved by Council, this project will create a new asset, meaning that it will increase the number of play facilities within the City. All new assets require additional funding set aside, over and above the assets already in place, for construction, maintenance and ultimately replacement.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2020-2030](#):

Strategic Direction: Community
Aspiration: A diverse, connected, safe and engaged community
Outcome: 1.1 Culture and community
Strategy: 1.1.4 Celebrate and support heritage within the City for present and future generations

Suggested Alternative Recommendation

That consideration of infrastructure suitable for children's nature play to be installed in the vicinity of the South Perth Historical Society and Ferry Tram on Mill Point Road South Perth, relevant to Artist and Author May Gibbs, not be considered until the City's Playspace Plan and the South Perth Activity Centre Public Benefits Framework are in place.

Reason for Alternative Recommendation

Amendment to reflect the change in recommendation due to the need to consider the request in context of relevant strategic documents soon to be in place.

Attachments

Nil

13. QUESTIONS FROM MEMBERS

Responses to questions from members taken on notice at the April 2021 Ordinary Council Meeting can be found in the Appendix of this Agenda.

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

15. MEETING CLOSED TO THE PUBLIC

The Chief Executive Officer advises that there is a matter for discussion on the Agenda for which the meeting may be closed to the public, in accordance with section 5.23(2) of the Local Government Act 1995.

15.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

Officer Recommendation

That the following Agenda Items be considered in closed session, in accordance with s5.23(2) of the Local Government Act 1995:

15.1.1 Contract for Sale of Land in Manning

*This item is considered **confidential** in accordance with section 5.23(2)(c) and (d) of the Local Government Act 1995 as it contains information relating to "a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting and legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting"*

Location:	Manning
Ward:	Manning Ward
Applicant:	Not Applicable
File Ref:	D-21-38454
Meeting Date:	25 May 2021
Author(s):	Bernadine Tucker, Manager Governance
Reporting Officer(s):	Mike Bradford, Chief Executive Officer
Strategic Direction:	Economy: A thriving City activated by innovation, attractions and opportunities
Council Strategy:	2.2 Activated Places

16. CLOSURE

APPENDIX

13.1 QUESTIONS FROM MEMBERS TAKEN ON NOTICE OCM 27 APRIL 2021

Councillor Mary Choy	Response provided by: Mark Taylor – Director Infrastructure Services
With regards to traffic and parking in particular. Is the ACROD bay still there, has it been put on the other side?	A new ACROD bay has been created on the eastern side of Mends Street adjacent to Heritage House.